



**CITY COUNCIL MEETING
IN PERSON AND VIA ZOOM
TUESDAY, JULY 5, 2022 – 7:00 PM
CITY HALL – SECOND FLOOR**

<https://us02web.zoom.us/j/5997866403?pwd=alcreldSbGpNUVI1VnR1RWF5bXovdz09>

Meeting ID: 599 786 6403

Passcode: 53538

Dial by Location

+1 312 626 6799

If you have special needs or circumstances which may make communication or accessibility difficult at the meeting, please call (920) 563-7760. Accommodations will, to the fullest extent possible, be made available on request by a person with a disability.

AGENDA

1. Call meeting to order
2. Roll call
3. **Public Hearings** – None
4. **Public Comment:** *The City Council will receive comments from City residents. Comments are generally limited to three minutes per individual. Anyone wishing to speak is required to sign up in advance or state the following items for the record when called upon: name, address, subject matter, and contact information. No action will be taken on any public comments unless the item is also elsewhere on the agenda.*
5. **Consent Agenda:** *The Consent Agenda outlined below is hereby presented for action by the City Council. Items may be removed from the Consent Agenda on the request of any one Council member. Items not removed may be adopted by one action without debate. Removed items may be taken up either immediately after the Consent Agenda or placed later on the agenda at the discretion of the Council President.*
 - a. Review and possible action relating to the **minutes of the June 21, 2022 regular Fort Atkinson City Council meeting** (Ebbert, Clerk/Treasurer/Finance Director)

- b. Review and possible action relating to the **minutes of the June 28, 2022 regular Plan Commission meeting** (Ebbert, Clerk/Treasurer/Finance Director)
- c. Review and possible action relating to the **minutes of the June 29, 2022 Loan Review Committee meeting** (Ebbert, Clerk/Treasurer/Finance Director)
- d. Discussion and possible action relating to **Temporary Class “B”/”Class B” Retailer’s Licenses for the Fort Atkinson Club** for events on July 15 and August 19, 2022 (Ebbert, Clerk/Treasurer/Finance Director)
- e. Discussion and possible action relating to **Temporary Class “B” Retailer’s Licenses for Easton’s Cause** for the 11th Annual EAB Softball Tournament on July 16-17, 2022 (Ebbert, Clerk/Treasurer/Finance Director)
- f. Review and possible action relating to **Special Event: EAB Softball Tournament-Easton’s Cause** (Ebbert, Clerk/Treasurer/Finance Director)

6. Petitions, Requests, and Communications:

- a. Review and possible action relating to proclamation recognizing **July as Parks and Recreation Month** in the City of Fort Atkinson (LeMire, City Manager)
- b. Recognition of the retirement of **Amy Lutzke** after 24 years of service to the Dwight Foster Public Library (Robinson, Library Director)
- c. Presentation of the City of Fort Atkinson **Financial Statements and Supplemental Information for the year ending December 31, 2021** (Andrea Jansen, CPA, CFE, Partner, Baker Tilly US, LLP)

7. Resolutions and Ordinances:

- a. First reading of an **Ordinance to amend the Official Zoning Map** of the City of Fort Atkinson to change the zoning of the properties located at 603 N. Fourth Street, 609 N. Fourth Street, 615 N. Fourth Street, and 403 McMillen Street, from SR-5, Single-family Residential – 5, to I, Institutional (Selle, City Engineer/Director of Public Works)
- b. Second reading of an **Ordinance to amend the Official Zoning Map** of the City of Fort Atkinson to change the zoning of 1205 Industrial Drive from HI, Heavy Industrial, to MI, Medium Industrial (Selle, City Engineer/Director of Public Works)
- c. Second Reading of an **Ordinance Annexing** the territory along the southwest corner of US Highways 12 and 26 to the City of Fort Atkinson (Selle, City Engineer/Director of Public Works)

8. Reports of Officers, Boards, and Committees:

- a. City Manager’s Report (LeMire, City Manager)

9. Unfinished Business – None

10. New Business:

- a. Review and possible action relating to a **request to purchase portable radios using State Grant Funds** at a cost not to exceed \$29,657.76 (Bump, Police Chief)
- b. Review and possible action relating to the **purchase of a Transit Van for the Water Utility** from Griffin Ford for \$51,628.08 (Selle, Director of Public Works)
- c. Review and possible action on the **replacement of the rotating assembly pump** for a total cost of \$11,650 from Well Water Solutions (Selle, Director of Public Works)

11. Miscellaneous – None

12. Claims, Appropriations and Contract Payments:

- a. Review and possible action relating to the **Verified Claims** presented by the Director of Finance and authorization of payment (Ebbert, Clerk/Treasurer/Finance Director)

13. Adjournment

Date Posted: June 30, 2022

CC: City Council; City Staff; City Attorney; News Media; Fort Atkinson School District; Fort Atkinson Chamber of Commerce

Visit us online! City news and information can be found at www.fortatkinsonwi.net, and be sure to follow us on Facebook @FortAtkinsonWI.

NOTE: The City is changing over phone numbers and the domain name on July 1st. The City's website and email addresses will change from fortatkinsonwi.net to fortatkinsonwi.gov. The Municipal Building phone number will change to 920-397-9901. Please update your records to reflect these changes. For the time being, access to the old domain name and phone numbers will remain.



City of Fort Atkinson
City Clerk/Treasurer's Office
101 N. Main Street
Fort Atkinson, WI 53538

**CITY COUNCIL MEETING
IN PERSON AND VIA ZOOM
TUESDAY, JUNE 21, 2022 – 7:00 PM
CITY HALL – SECOND FLOOR**

1. CALL MEETING TO ORDER

President Scherer called the meeting to order at 7:00 pm.

2. ROLL CALL

Present: Cm. Johnson, Cm. Schultz and President Scherer. Also present: City Attorney (virtual), City Manager, City Clerk/Treasurer, City Engineer, Wastewater Superintendent and Public Works Superintendent

3. PUBLIC HEARINGS – NONE

4. PUBLIC COMMENT:

Carrie Kendrick, 12 Krause Avenue – regarding the Farmers Market entertainment. She was not in favor of the presenter and felt it was inappropriate. She felt it was not appropriate for the venue and location as all ages of attendees were present. She demands moral parameters are placed on presenters and shames the Council for condoning it.

David Radtke, 204 Spry Avenue – he supports comments made by Kendrick. Did not appreciate the performer.

Terri Nelson, 213 Sherman Avenue W – attended the Farmers Market and will not attend again without knowing the performer ahead of time. She thinks the Council should have say on who performs.

David Emmrich, 1661 Janesville Avenue – he felt having a drag queen performing at the Farmers Market was a bad idea. He stated it offends large numbers of Christian residents and wants the Farmers Market to return to the farmers.

Ron Martin, 409 Nadig Drive – he shared Facebook comments from the Farmers Market performer that were not in support of the entertainment.

William Shipley, 101 Sherman Avenue E – has attended the Farmers Market regularly and stated he will not return until a change has been made to those that approved the entertainment.

Rebecca Van Ess, 1320 Riverside Drive – she shared concern for children for any involved in that ‘lifestyle’. She wants people to be encouraged in how they were created.

Debra Friedl, 430 N. High Street – she feels the Council permitted the performer at the Farmers Market. She cares for children and did not feel they should have been exposed to the performer.

Kristy Tooke 412 E Sherman Avenue – did not support the performer at the Market and would rather see the Unity Project work in conjunction with other events.

Betty Cloute, 1005 Madison Avenue – she addressed the Council as a business owner. She stated that other businesses are getting emails asking them to quit the Chamber.

Jeremy Lehmann, 727 Messmer Street – feels those in the audience should be issued an apology and accept a performance was approved poorly. He stated those in the audience were requesting acknowledgment that

Ann Engelman, 428 E Sherman Avenue – she appreciated the comments made by all. She stated that the Council cannot speak to accountability to this matter. She feels the Farmers Market will review the action and

Shirley Brown, 625 East Street - focus on the Farmers Market and the vendors. Purpose is to promote and maintain a strong business community and go back to that and promoting the focus. She feels a written apology should be provided.

Robin Lehmann, 727 Messmer Street – she does not support someone pushing sexuality on others and asked others help keep people safe.

5. CONSENT AGENDA:

- a) Review and possible action relating to the minutes of the June 7, 2022 regular City Council meeting (Ebbert, Clerk/Treasurer/Finance Director)*
- b) Review and possible action relating to the minutes of the June 7, 2022 License Committee meeting (Ebbert, Clerk/Treasurer/Finance Director)*
- c) Review and possible action relating to the minutes of the June 14, 2022 regular Plan Commission meeting (Ebbert, Clerk/Treasurer/Finance Director)*
- d) Review and possible action relating to building, plumbing, and electrical permit report for May 2022 (Building Inspector)*
- e) Review and possible action relating to the City Clerk-issued License and Permit Report for May 2022 (Ebbert, Clerk/Treasurer/Finance Director)*
- f) City Sewer, Water, and Stormwater Utility Financial Statements as of May 31, 2022 (Ebbert, Clerk/Treasurer/Finance Director)*
- g) Review and possible action relating to Citizen Appointment of Melinda Valentine Davis and Stephanie Walls to the Historic Preservation Commission (LeMire, City Manager)*

Cm. Johnson moved, seconded by Cm. Schultz move to approve the Consent Agenda as listed, items 5.a. through 5.g. Motion carried.

6. PETITIONS, REQUESTS, AND COMMUNICATIONS:

a. Recognition of the retirement of Douglas Yandry after 25 years of service to Fort Atkinson Public Works (Selle, City Engineer/Public Works Director)

No action required.

7. RESOLUTIONS AND ORDINANCES:

a. Review and possible action relating to the Resolution approving the Wastewater Utility 2021 Compliance Maintenance Annual Report (CMAR) (Christensen, Water Utility Superintendent)
Wastewater Supervisor spoke on the report and the grading received.

The Utility's 2021 grades are as follows:

- Influent flow and loadings = A
- Effluent quality: BOD = A
- Effluent quality: TSS = A
- Effluent Quality: Ammonia = A
- Effluent quality: Phosphorus = A
- Biosolids quality and management = A
- Preventive maintenance and staffing = A
- Operator certification = A
- Financial management = A
- Collection systems = A

Our overall grade point average for 2021 is 4.00 (2020 = 3.84) and indicates that overall the plant is in good condition and is operating at a high level.

Cm. Johnson moved, seconded by Cm. Schultz to adopt the resolution and authorize staff to file the 2021 Compliance Maintenance Annual Report (CMAR) as required by Ch. NR 208, Wisconsin Administrative Code. Motion carried.

b. First reading of an Ordinance to amend the Official Zoning Map of the City of Fort Atkinson to change the zoning of 1205 Industrial Drive from HI, Heavy Industrial, to MI, Medium Industrial (Selle, City Engineer/Director of Public Works)

Engineer Selle reviewed the request from the property owner to build personal storage facilities which is allowed in Medium Industrial zoning with a conditional use. The applicant also applied for a Conditional Use Permit for the expansion of a personal storage use on this property, which if approved by the Plan Commission on June 28th, would only be valid if the City Council approves this Zoning Map Amendment.

Cm. Schultz moved, seconded by Cm. Johnson to direct the City Manager to prepare this Ordinance for a second reading at the City Council meeting on July 5, 2022. Motion carried.

c. First Reading of an Ordinance Annexing the territory along the southwest corner of US Highways 12 and 26 to the City of Fort Atkinson (Selle, City Engineer/Director of Public Works)

Engineer Selle reviewed the submission by the property owner that has requested that the property be annexed into the city. City staff and representatives from Fort Healthcare have been working together on a number of projects, and staff suggested annexation of the property prior to any future sale so that the property would be subject to the City's zoning regulations and would not be prematurely developed in the Town. The property is requested to be zoned RH, Rural Holding District. This district acts as a "holding zone" to preserve productive agricultural lands that are not yet ready to be developed with City utilities. The City's Comprehensive Land Use Plan shows this area as appropriate for Planned Mixed use and Environmental Corridors in the future. The City included planned roadways on this property as part of the Official Mapping process earlier in 2022. The City is considering the creation of a Tax Increment District in this area, and including this parcel, later this summer. The parcel must be located within the City limits in order to be included in the TID.

Cm. Johnson moved, seconded by Cm. Schultz move to direct the City Manager to prepare this Ordinance for a second reading at the City Council meeting on July 5, 2022. Motion carried.

8. REPORTS OF OFFICERS, BOARDS, AND COMMITTEES:

a. City Manager's Report (LeMire, City Manager)

No action required.

9. UNFINISHED BUSINESS:

a. Review and possible action relating to Alcohol Beverage License application for the licensing period of July 1, 2022 to June 30, 2023 for Iys Ventures, LLC (Ebbert, Clerk/Treasurer/Finance Director)

Clerk Ebbert reviewed the submission for the 303 S. Main Street location being sold by Loeder BP. A successful background check was done with recommendation from the Licensing Committee.

Cm. Johnson moved, seconded by Cm. Schultz to approve the Alcohol Beverage License application for Iys Ventures, LLC for the licensing period of July 1, 2022 to June 30, 2023, subject to payment of any outstanding fees and monies owed to the City. Motion carried.

b. Review and possible action relating to Cigarette and Tobacco Products Retail License application for the licensing period of July 1, 2022 to June 30, 2023 for Iys Ventures, LLC (Ebbert, Clerk/Treasurer/Finance Director)

Clerk Ebbert stated the application was submitted and completed appropriately.

Cm. Schultz moved, seconded by Cm. Johnson to approve the Cigarette and Tobacco Products Retail License application for Iys Ventures, LLC for the licensing period of July 1, 2022 to June 30, 2023, subject to payment of any outstanding fees and monies owed to the City. Motion carried.

10. NEW BUSINESS:

a. Review and possible action relating to an Agreement with Key Benefits Concept for GASB 75 Other Post-Employment Benefits valuation services for 2021-2025 for \$9,875.00 (Ebbert, Clerk/Treasurer/Finance Director)

Clerk Ebbert reviewed how Key Benefits Concepts (KBC) completed an actuarial liability study for the City of Fort Atkinson in December 2018 in response to Governmental Accounting Standards Board (GASB) No. 75. GASB 75 refers to year-end financial reporting Other Post-Employment Benefits (OPEB) other than pensions, for local governments. We currently have employees that began employment prior to January 1, 2013 and have the option to convert this sick time balance to cover premiums for health and dental insurance. An OPEB liability will exist for potentially 25 additional years therefore requiring the annual valuation.

Cm. Johnson moved, seconded by Cm. Schultz to approve the Agreement with Key Benefits Concept for GASB 75 Other Post-Employment Benefit valuation services for 2021-2025 for \$9,875.00. Motion carried.

b. Review and possible action relating to a Master Services Agreement with Ruekert and Mielke for Engineering Services (Selle, City Engineer/Director of Public Works)

Engineer Selle reviewed the agreement that would focus on the following items:

1. GIS Map Updates – The City needs to map new assets precisely (fiber-optic, water improvements and stormwater improvements).
2. Tax Increment District Project Estimates and Mapping – Staff will need mapping services and detailed cost estimates for the project plans for the two TID Districts that will come before Council, the Plan Commission, and the Joint Review Board for review.
3. Annual Water / Sewer / Road work for 2023 – The City needs assistance to design water main replacement, road improvements, and sanitary collection system improvements ready for bidding by January 2023.

Funds for these task orders will be billed to the appropriate City funds and accounts. Much as this year's public works project was allocated among four funds (water, sewer, storm, and road), the cost associated with each task order will also be budgeted and funded within the appropriate City fund and account. This Agreement does not commit the City to use this firm for all projects, it simply formalizes the terms under which staff may develop task orders for specific projects and services. Each task order will include a scope, deliverables, budgets and schedule.

Cm. Johnson moved, seconded by Cm. Schultz to authorize the City Manager to execute the Master Services Agreement with Ruekert & Mielke, Inc. for a two-year term and to authorize the City Manager and Director of Public Works to authorize task orders for approved projects up to \$10,000. Motion carried.

c. Review and possible action relating to a Proposal for a DPW Facility Study by Engberg Anderson in an amount not to exceed \$9,000 (Williamson, Superintendent of Public Works)

PW Superintendent Williamson discussed the current DPW facility located on James Place includes a mix of buildings, some of newer construction others 50 or more years in age. In 2017,

the City Council approved a similar study with a firm. The work was not performed as expected, and staff ended the contract early, although not without some useful information. Funds for a new assessment were included in the 2022 Capital Improvements Project Budget. A new request for proposals was advertised for this work. The request is focused on a space needs study and will look to accommodate the necessary space on either the existing campus or a new, larger facility.

Cm. Johnson moved, seconded by Cm. Schultz to authorize the City Manager to execute a contract with Engberg Anderson Architects for a Department of Public Works Facility Study in an amount not to exceed \$9,000 as budgeted in the 2022 CIP. Motion carried.

11. MISCELLANEOUS – NONE

12. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS:

a. Review and possible action relating to the Verified Claims presented by the Director of Finance and authorization of payment (Ebbert, Clerk/Treasurer/Finance Director)

Cm. Johnson moved, seconded by Cm. Schultz to approve the Verified Claims presented by the Director of Finance and authorize payment. Motion carried.

13. THE CITY COUNCIL MAY CONSIDER A MOTION TO CONVENE IN CLOSED SESSION PURSUANT TO STATE STAT. §19.85(1)(G) IN ORDER TO CONFER WITH LEGAL COUNSEL WHO IS RENDERING ORAL OR WRITTEN ADVICE CONCERNING STRATEGIES TO BE ADOPTED BY THE COUNCIL WITH RESPECT TO CURRENT LITIGATION

Cm. Schultz moved, seconded by Cm. Johnson to adjourn into closed session pursuant to State Stat. §19.85(1)(g) in order to confer with legal counsel with respect to litigation. Motion carried.

14. ADJOURNMENT

Cm. Johnson moved, seconded by Cm. Schultz to adjourn. Meeting adjourned at 8:56 pm.

Respectfully submitted
Michelle Ebbert
City Clerk/Treasurer/Finance Director



City of Fort Atkinson
City Clerk/Treasurer's Office
101 N. Main Street
Fort Atkinson, WI 53538

**PLAN COMMISSION MEETING
IN PERSON AND VIA ZOOM
TUESDAY, JUNE 28, 2022 – 4:00 PM
CITY HALL – SECOND FLOOR**

1. CALL MEETING TO ORDER

Manager LeMire called the meeting to order at 4:00 pm.

2. ROLL CALL

Present: Cm. Highfield, Cm. Kessenich, Cm. Lescohier, Cm. Schultz, Manager LeMire and Engineer Selle. Also present: City Attorney, Building Inspector and Clerk/Treasurer.

**3. REVIEW AND POSSIBLE ACTION RELATING TO THE MINUTES OF THE JUNE 14, 2022
REGULAR PLAN COMMISSION MEETING**

Cm. Schultz moved, seconded by Cm. Lescohier to approve the minutes from the June 14th Plan Commission meeting as submitted. Motion carried.

**4. PUBLIC HEARING RELATING TO THE APPLICATION FOR A ZONING MAP AMENDMENT FOR
THE PROPERTIES LOCATED AT 603 N 4TH ST., 609 N. 4TH ST., 615 N. 4TH ST. AND 403
MCMILLEN ST., TO CHANGE THE ZONING CLASSIFICATION FROM SR-5, SINGLE-FAMILY
RESIDENTIAL – 5, TO I, INSTITUTIONAL, FOR FORT HEALTHCARE (ZMA-2022-02) (DRAEGER)**

Engineer Selle introduced the applicant Fort Healthcare Inc. has requested a Zoning Map Amendment to change the existing zoning of R-5 to Institutional (allowable uses include hospitals and government offices). The request would allow Fort Healthcare to move and/or demo the existing houses, vacate the ROW, and expand the parking lot to the north.

The existing structures and land uses on the subject properties include four single family houses. One per parcel. The current structures are considered “legal nonconforming” to the Zoning Ordinance. The repair, maintenance, renovation, rebuilding, or remodeling of a nonconforming structure or any part of a nonconforming structure is permitted in accordance with Wis. Stats. 60.61(5e)(b). Per Section 15.05.20 of the Zoning Ordinance, a legal nonconforming structure can be repaired, but it cannot be expanded or enlarged

Chairperson Manager LeMire opened the public hearing. No action required by the Plan Commission.

Jeanne Newbold, 411 McMillen Street. Her property is behind the properties being requested to be rezoned. She requested communication to the existing neighbors this change would affect. She asked if the street would be closed, will drainage become an issue, decreases privacy and that this change will alter property values.

Jeff Newbold, 411 McMillen Street. He stated the comprehensive plan degrades the properties noted by Institutional zoning. He stated the razing of the houses would devalue his property. He is not supportive of a parking lot against his property. He has a concern that the plans would not take care of drainage. He feels the City should have acquired the property to provide.

Brenda Stevens, 515 N. 4th Street. She has concerns for neighbors not being notified. City Ordinance requires notification to neighboring property owners within 100 feet. She asked the intent of 4th Street and has home value concern.

Tom Ackerman, 410 Armenia Street. His concerns pertain to noise pollution, light pollution and drainage.

Elliot Larson, 415 McMillen Street. He agrees with the other comments made by neighbors including concerns for drainage. He asked why Fort Healthcare cannot use other parking lots at nearby clinics.

Chairperson Manager LeMire closed the public hearing at 4:31 pm.

5. **REVIEW AND POSSIBLE RECOMMENDATION TO THE CITY COUNCIL RELATING TO AN APPLICATION FOR ZONING MAP AMENDMENT FOR THE PROPERTIES LOCATED AT 603 N 4TH ST., 609 N. 4TH ST., 615 N. 4TH ST. AND 403 MCMILLEN ST., TO CHANGE THE ZONING CLASSIFICATION FROM SR-5, SINGLE-FAMILY RESIDENTIAL – 5, TO I, INSTITUTIONAL, FOR FORT HEALTHCARE (ZMA-2022-02) (SELLE)**

Cm. Lescohier inquired on the drainage concerns brought by the residents. Selle discussed the land surrounding the adjacent properties and the drainage issues.

Engineer Selle stated that drainage designs are more advanced since this neighborhood was developed in the 60's, 70's. Recent enhancements has proven effective in deterring drainage appropriately.

Cm. Kessenich confirmed that Fort Healthcare owns the 4 subject properties. The Comp Plan from 2019 was noted with the subject area designated as Institutional. Those would be facilities that serve the community permitting large and small scale development.

Engineer Selle commented that multiple public hearings were held between 2018-2019 regarding the comprehensive plan. Many residents and property owners attended and provided input.

Cm. Lescohier asked if plans for site plan or traffic flow has been submitted. Selle stated those items have not been submitted yet.

Cm. Schultz confirmed the process for transitioning the property. LeMire confirmed the applicant would have to submit plans for drainage, lighting, landscaping for approval to the Plan Commission.

Attorney Westrick noted this is a submission from the private land owner requesting a change in zoning.

Cm. Lescohier confirmed the importance of the Comprehensive Plan and asked if decisions could be made against what is in the comp plan. LeMire confirmed the Commission and Council have to make recommendations that follow the Comp Plan by Ordinance.

Cm. Lescohier moved, seconded by Cm. Schultz to recommend that the City Council adopt an ordinance changing the zoning classification of the properties located at 603 N 4th St., 609 N. 4th St., 615 N. 4th St. and 403 McMillen St., from SR-5, Single-family Residential – 5, to I, Institutional, to accommodate the expansion of the Fort HealthCare campus and parking lot. Motion carried.

6. REVIEW AND POSSIBLE RECOMMENDATION TO THE CITY COUNCIL RELATING TO AN APPLICATION FOR ANNEXATION OF TERRITORY ALONG THE SOUTHWEST CORNER OF US HIGHWAYS 12 AND 26 TO THE CITY OF FORT ATKINSON (PFA-2022-01) (SELLE)

Engineer Selle discussed the application submitted by James Nelson, on behalf of property owner Fort Healthcare Inc., has requested the annexation of the property located on the southwest corner of US Highways 12 and 26 from the Town of Koshkonong to the City of Fort Atkinson. The parcel (016-0614-3224-000) was purchased by Fort Healthcare Inc. in 2016 with the goal of building a new hospital facility. Fort Healthcare's plans have changed, and they are no longer interested in building a new facility in this location. City staff and representatives from Fort Healthcare have been working together on a number of projects, and staff suggested annexation of the property prior to any future sale so that the property would be subject to the City's zoning regulations and would not be prematurely developed in the Town.

Cm. Highfield moved, seconded by Cm. Lescohier to recommend that the City Council perform two additional readings and then adopt an ordinance annexing the territory along the southwest corner of US Highways 12 and 26 as depicted on the attached annexation exhibit, and assign a temporary zoning classification of RH, Rural Holding. Motion carried.

7. REVIEW AND POSSIBLE ACTION RELATING TO A REQUEST FOR A CONDITIONAL USE PERMIT FOR JOSEPH AND ANGELA SALAMONE, TO AUTHORIZE THE ADDITION OF A 50-FOOT BY 100-FOOT BUILDING TO BE USED FOR PERSONAL STORAGE ON THE PROPERTY LOCATED AT 1205 INDUSTRIAL DRIVE IN THE MI, MEDIUM INDUSTRIAL ZONING DISTRICT (CUP-2022-03) (SELLE)

Engineer Selle presented the application from Joe Salamone, on behalf of Ashers Storage LLC, has requested a Zoning Map Amendment and a Conditional Use Permit to allow for the

construction of an additional building on the property located at 1205 Industrial Drive in the City of Fort Atkinson. The proposed use of the building will be for personal storage.

The existing structures and land uses on the subject property include a vehicle repair shop and a mini-storage warehouse building used for personal storage. Personal storage is not permitted in the Heavy Industrial (HI) Zoning District, and the uses, buildings, and site are considered “legal nonconforming” to the Zoning Ordinance.

Per Section 15.05.10 of the Zoning Ordinance, a legal nonconforming use can be continued, but it cannot be expanded or enlarged. However, the applicant is also seeking a Zoning Map Amendment for the property to change the zoning from HI to Medium Industrial (MI). Personal storage is a Conditional Use in the MI Zoning District and requires a Conditional Use Permit before the use may be established (in this case, expanded).

The Plan Commission held a public hearing at the meeting on June 14th. No one spoke at the public hearing and no evidence was presented. At this meeting, the Plan Commission is tasked with reviewing the Report of Preliminary Recommended Findings outlined in Section 15.10.32(8) of the Zoning Code. Any action taken by the Plan Commission at this meeting will be contingent upon the City Council taking action to change the zoning from HI to MI to accommodate this requested Conditional Use Permit.

Staff recommends that the Plan Commission approve this application for a conditional use permit, based on its compatibility with the Comprehensive Plan and the Findings of Fact per Section 15.10.32(8) of the City’s Zoning Ordinance; and subject to the minimum conditions outlined in Section 15.10.32(9) and the following conditions:

1. This Conditional Use Permit authorizes the addition of a 50-foot by 100-foot building to be used for personal storage, on the property located at 1205 Industrial Drive, in the MI, Medium Industrial Zoning District. If the requested zoning change for this property is not approved, this Conditional Use Permit is void.
2. This Conditional Use Permit does not allow outdoor storage of recreational vehicles and/or equipment on the subject property.
3. There are two existing buildings and uses on the subject property, which are considered “legal nonconforming” to the current Zoning Ordinance and may continue in accordance with said Ordinance.
4. The applicant shall follow all Site Plan Review and Approval Procedures outlined in Section 15.10.42 of the Zoning Code.
5. The City shall cause this Conditional Use Permit to be recorded with the Jefferson County Register of Deeds, the cost of which shall be paid by the applicant.
6. The applicant shall be current with all monies owed to the City, including any fees invoiced and associated with the review of this project and the recording of this document.

7. The applicant shall have 365 days from the date of approval of this Conditional Use Permit to initiate construction of this project and shall be operational within 730 days of the approval.
8. Any major changes to the proposed conditions or use of the property shall be approved by the Plan Commission by amending this Conditional Use Permit. The Zoning Administrator may approve minor changes administratively.

Cm. Schultz moved, seconded by Cm. Kessenich to adopt the Resolution authorizing a Conditional Use Permit to allow a personal storage use on the property located at 1205 Industrial Drive in the MI, Medium Industrial Zoning District subject to the conditions included in the staff report and recommendation. Motion carried.

8. **ADJOURNMENT**

Cm. Highfield moved to adjourn, seconded by Cm. Schultz. Meeting adjourned at 4:59 pm.

Respectfully submitted
Michelle Ebbert
City Clerk/Treasurer



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

**LOAN REVIEW COMMITTEE MEETING
MINUTES
IN PERSON AND VIA ZOOM
WEDNESDAY, JUNE 29, 2022 – 3:00 PM**

CALL MEETING TO ORDER

Manager Rebecca Houseman LeMire called the meeting to order at 3 p.m.

ROLL CALL

Present: Mark McGlynn (via Zoom), Jim Bowers, Robert Cassiday. Also present: Manager LeMire, Eric Schultz (via Zoom), Rachel Pattermann, Pete Brock, Deb Reinbold, Pat Toomey, Sarah Weihert

THE LOAN REVIEW COMMITTEE ADJOURNED INTO CLOSED SESSION PER WIS. STAT. §19.85(1)(F) TO CONSIDER FINANCIAL AND PERSONAL INFORMATION OF AN APPLICANT FOR THE CITY OF FORT ATKINSON'S CAPITAL CATALYST REVOLVING LOAN FUND (CCRFL)

Bowers moved, second by Cassiday to move into closed session at 3:02 p.m.

THE LOAN COMMITTEE RETURNED TO OPEN SESSION AND MAY MAKE A RECOMMENDATION TO THE ECONOMIC DEVELOPMENT COMMISSION RELATING TO AN APPLICATION FROM PETE'S TIRE SERVICE, INC./RJ 2, LLC FOR THE CCRFL

Bowers moved, second by Cassiday to return to open session at 4:12 p.m.

LeMire discussed the recommendation by the Committee of \$100,000 with a 2% fixed interest rate over 10 years with personal guarantees from anyone with over 20% ownership in Pete's Tire Service, Inc.

Bowers made a motion seconded by Cassiday to recommend the application to the Economic Development Commission.

ADJOURNMENT

Bowers moved, seconded by Cassiday and adjourned at 4:13 p.m.

Respectfully submitted
Sarah Weihert, public relations executive assistant



Agenda
City of Fort Atkinson
City Clerk/Treasurer's Office
101 N. Main Street
Fort Atkinson, WI 53538

MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Michelle Ebbert, City Clerk/Treasurer/Finance Director

RE: Discussion and possible action relating to Temporary Class "B"/"Class B" Retailer's Licenses for the Fort Atkinson Club for events on July 15th and August 19th

BACKGROUND

The State of Wisconsin regulates alcohol licensing for local governments through Chapter 125. There are three classes of Licenses: Class A, Class B and Class C. "Class C" pertains strictly to wine with consumption on-site in a restaurant. The difference between Class A and B is where alcohol is authorized for sale and for consumption. Class A generally offers sale of alcohol on-site with consumption off-site (e.g. grocery or liquor store, gas station or convenience store). Class B allows for on-site sale and on-site consumption (e.g. Restaurant, Bar, Bowling Alley, Tavern). Class A can easily be remember as you consume alcohol Away from the premises. Likewise, Class B you consume on-site, for example *Bar*.

Alcohol licenses are further defined by the quotation marks used. For example, "Class A" refers to intoxicating liquor while Class "A" refers to fermented malt beverages. These licenses can also be issued together as a combination license, most common for grocery stores.

Temporary Class "B" (picnic) beer and/or wine licenses may sell fermented malt beverages to consumers at a picnic or similar gathering of limited duration. Such licenses may be issued only to bona fide clubs, chambers of commerce, county or local fair associations, agricultural societies, churches, lodges, societies, veteran's organizations that have been in existence for at least six months.

There is no limit to the number of Temporary Class "B" fermented malt beverage licenses that may be issued to an eligible organization in a calendar year. However, there is a limit of two Temporary "Class B" wine licenses that may be issued to an eligible organization in a 12-month period.

Temporary license holders must have licensed operators (bartenders) and they must purchase their products from a Distributor/Wholesaler.

The attached applications from The Fort Atkinson Club were completed and submitted in a timely manner as required by Department of Revenue form AT-315 and City of Fort Atkinson Code of Ordinance Section 6-61(b).

DISCUSSION

Organization: Bona Fide Club

Name: Rock River Heritage dba The Fort Atkinson Club

Street Location: 211 S Water Street East

Manager of affair: Jill Kessenich

Premises: 211 S Water Street East, The Fort Atkinson Club

Name of Event: Summer Patio Concerts

Date of Event: July 15, 2022

The Named Organization Applied for the Following License(s): Class "B" Fermented Malt Beverage and "Class B" Wine.

Organization: Bona Fide Club

Name: Rock River Heritage dba The Fort Atkinson Club

Street Location: 211 S Water Street East

Manager of affair: Jill Kessenich

Premises: 211 S Water Street East, The Fort Atkinson Club

Name of Event: Summer Patio Concerts

Date of Event: August 19, 2022

The Named Organization Applied for the Following License(s): Class "B" Fermented Malt Beverage (only)

January 22-23, 2022, Rock River Heritage dba The Fort Atkinson Club was issued a Class "B" Fermented Malt Beverage and "Class B" Wine license. This licenses counted as one (1) of the allowable wine licenses per 12 months.

The applicant would qualify for a Class "B" Fermented Malt Beverage license with an annual renewal, (similar to licensed restaurants/taverns) however they could not sell Wine at any time or request a Temporary "Class B" Wine license. While this may create opportunities, it also establishes limitations.

FINANCIAL ANALYSIS

There is a \$10.00 license fee per Application for Temporary Retailer's License. Publication is not required for these licenses.

RECOMMENDATION

Staff recommends that the City Council approve of the Temporary Class B Retailer's License to sell products at The Fort Atkinson Club, 211 S Water Street E for the Summer Patio Concerts to be held on July 15th and August 19th, 2022 contingent upon having licensed operators and purchasing products from a Wisconsin beverage distributor.

ATTACHMENTS

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

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: 06/08/2022

☐ Town ☐ Village ☒ City of Fort Atkinson

County of Jefferson

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 07/15/2022 and ending 08/19/2022 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 The Fort Atkinson Club (Rock River Heritage, Inc.)

(b) Address 211 S Water St E, Fort Atkinson, WI 53538

(Street)

☐ Town ☐ Village ☒ City

(c) Date organized 01/01/2015

(d) If corporation, give date of incorporation 07/06/2012

(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 Dominique Walsh, 306 Milwaukee Ave E, F.A.

Vice President David Wegner, 1104 Seminole Dr., F.A.

Secretary David Westrick, 7436 County Line Rd., F.A.

Treasurer Lee Jahnke, 1227 Sherman Ave., F.A.

(g) Name and address of manager or person in charge of affair: Jill Kessenich
301 Memorial Drive, F.A.

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 211 S Water St E

(b) Lot _____ Block _____

(c) Do premises occupy all or part of building? All

(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: _____

3. Name of Event

(a) List name of the event Summer Patio Concerts

(b) Dates of event 7/15/22 & 8/19/22
(wine/beer) (beer)

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

Lee Jahnke 6/9/22 Fort Atkinson Club
(Signature / Date) (Name of Organization)

Date Filed with Clerk

6-20-22

Date Reported to Council or Board

7-5-22

Date Granted by Council

License No. _____



MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Michelle Ebbert, City Clerk/Treasurer/Finance Director

RE: Discussion and possible action relating to Temporary Class "B" Retailer's Licenses for Easton's Cause

BACKGROUND

The State of Wisconsin regulates alcohol licensing for local governments through Chapter 125. There are three classes of Licenses: Class A, Class B and Class C. "Class C" pertains strictly to wine with consumption on-site in a restaurant. The difference between Class A and B is where alcohol is authorized for sale and for consumption. Class A generally offers sale of alcohol on-site with consumption off-site (e.g. grocery or liquor store, gas station or convenience store). Class B allows for on-site sale and on-site consumption (e.g. Restaurant, Bar, Bowling Alley, Tavern). Class A can easily be remember as you consume alcohol *Away* from the premises. Likewise, Class B you consume on-site, for example *Bar*.

Alcohol licenses are further defined by the quotation marks used. For example, "Class A" refers to intoxicating liquor while Class "A" refers to fermented malt beverages. These licenses can also be issued together as a combination license, most common for grocery stores.

Temporary Class "B" (picnic) beer and/or wine licenses may sell fermented malt beverages to consumers at a picnic or similar gathering of limited duration. Such licenses may be issued only to bona fide clubs, chambers of commerce, county or local fair associations, agricultural societies, churches, lodges, societies, veteran's organizations that have been in existence for at least six months.

There is no limit to the number of Temporary Class "B" fermented malt beverage licenses that may be issued to an eligible organization in a calendar year. However, there is a limit of two Temporary "Class B" wine licenses that may be issued to an eligible organization in a 12-month period.

Temporary license holders must have licensed operators (bartenders) and they must purchase their products from a Distributor/Wholesaler.

DISCUSSION

Organization: Bona Fide Club

Name: EAB – Softball Tournament - Easton's Cause

Street Location: 3013 Pheasant Run, Cottage Grove WI

Manager of affair: Mike Bauler

Premises: Ralph Park, 600 Jefferson Street

Name of Event: Easton's Cause – EAB Softball Tournament

Date of Event: July 16-17, 2022

The Named Organization Applied for the Following License(s): Class "B" Fermented Malt Beverages

FINANCIAL ANALYSIS

There is a \$10.00 license fee per Application for Temporary Retailer's License. Publication is not required for these licenses.

RECOMMENDATION

Staff recommends that the City Council approve the Temporary Class "B" Retailer's License to sell beer at the 11th Annual EAB Softball Tournament scheduled for July 16-17, 2022 at Ralph Park, 600 Jefferson Street contingent upon having licensed operators and purchasing products from a Wisconsin beverage distributor.

ATTACHMENTS

Applications for Temporary Class "B" Retailer's Licenses

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 \$ _____

Application Date: 06/28/2022

☐ Town ☐ Village ☒ City of Fort Atkinson

County of Jefferson

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 07/16/2022 and ending 07/17/2022 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 Easton's Cause

(b) Address 3013 Pheasant Run, Cottage Grove, WI, 53527
(Street) ☐ Town ☒ Village ☐ City

(c) Date organized 10/20/2003

(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 Mike Bauler, 3013 Pheasant Run, Cottage Grove, WI, 53527

Vice President Lindsey Thommeseen, Milwaukee, WI

Secretary Lisa Daye, Whitewater, WI

Treasurer Ryan Warner, Janesville, WI

(g) Name and address of manager or person in charge of affair: Mike Bauler, 3013 Pheasant Run, Cottage Grove, WI

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 600 Jefferson Street, Fort Atkinson, WI, 53538

(b) Lot _____ Block _____

(c) Do premises occupy all or part of building? Yes

(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: _____

3. Name of Event

(a) List name of the event 11th Annual EAB Softball Tournament

(b) Dates of event July 16-17 2022

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 W. Michael Bauler

(Signature / Date)

Easton's Cause

(Name of Organization)

Date Filed with Clerk 6.28.22

Date Reported to Council or Board 7-5-22

Date Granted by Council _____

License No. _____



City of Fort Atkinson
City Clerk/Treasurer's Office
101 N. Main Street
Fort Atkinson, WI 53538

MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Michelle Ebbert, City Clerk/Treasurer/Finance Director

RE: Review and possible action relating to Special Event:
EAB Softball Tournament – Easton's Cause

BACKGROUND

The City of Fort Atkinson is committed to supporting quality special events throughout the community. The Special Event Guide and Application was created to assist with planning events in the city and to allow appropriate contact information be obtained and forwarded to Departments. The planning guide is designed to assist members of the community in the planning, preparation and running of events and programs in Fort Atkinson.

The Special Event Guide defines a special event as a planned extraordinary occurrence or temporary aggregation of attractions, open to the public, that (a) is conducted on public property, (b) is conducted on private property and has a substantial impact on public property, (c) has activities that request special temporary licenses; or (d) require special city services, whether open to the public or not, including but not limited to, any of the following: street closures, provisions of barricades, garbage cans, stages or special no parking signs, special electrical services, or special police protection. Special events include, but not limited to, neighborhood and community festivals, parades, processions, fairs, and bicycle or foot races.

DISCUSSION

Event: EAB Softball Tournament – Easton's Cause

Dates and Hours of Event:

Saturday July 16th and Sunday July 17th, 2022– 7:00 am to 10:00 pm

Location: Ralph Park, Jefferson Street

Contact Person: Mike Bauler, mike.bauler@yahoo.com

Estimated Number of Attendees: 200

Event information was routed to Departments without any concerns provided. Restrooms and proper refuse receptacles are on site. The group appropriately applies for a Temporary Class B Retailer's License to sell Fermented Malt Beverages from the concession stand.

The applicant confirmed no additional park attractions this year aside from the softball tournament and concessions.



FINANCIAL ANALYSIS

There is no financial impact to the City of Fort Atkinson for the event.

RECOMMENDATION

Staff recommends that City Council approve the Easton's Cause – EAB Softball Tournament for July 16-17, 2022 at Ralph Park.

ATTACHMENTS

Special Event Application



MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Rebecca Houseman LeMire, City Manager

RE: Review and possible action relating to proclamation recognizing July as Parks and Recreation Month in the City of Fort Atkinson

BACKGROUND

Since 1985, people in the United States have celebrated Park and Recreation Month in July to promote building strong, vibrant and resilient communities through the power of parks and recreation and to recognize the more than 160,000 full-time park and recreation professionals — along with hundreds of thousands of part-time and seasonal workers and volunteers — that maintain our country's local, state and community parks.

Through efforts by National Recreation and Park Association, the U.S. House of Representatives passed an official resolution for Park and Recreation Month in 2009 and introduced the resolution in 2017 and 2018. Park and recreation agencies across the country are recognizing the month with summer programs, events, contests, commemorations and celebrations.

The services that park and recreation professionals provide are vital for our communities — from protecting open space and natural resources to helping fight obesity and providing activities and resources for all people. This has been especially true throughout the COVID-19 pandemic. Park and Recreation Month encourages everyone to reflect on the exponential value park and recreation professionals bring to communities.

DISCUSSION

The City of Fort Atkinson offers expansive Parks and Recreation programming including youth sports, adult leagues, dance classes, Senior Center, Aquatic Center and more.

According to NRPA's [2021 Engagement with Parks Report](#), people place a high value on the programs and services that park and recreation agencies deliver to their local communities every day and strongly support their mission.

- 260 million people in the United States visited a local park or recreation facility at least once during the past year.
- More than seven in 10 U.S. residents have at least one local park, playground, open space or recreation center within walking distance of their homes

- Four in five U.S. adults seek high-quality parks and recreation when choosing a place to live
- 87 percent of people agree that parks and recreation is an important service provided by their local government
- Nearly nine in 10 people agree that it is important to fund local park and recreation agencies to ensure every member of the community has equitable access to amenities, infrastructure and programming

According to a [2021 NRPA Park Pulse poll](#), more than nine in ten U.S. adults say it is important for local government to invest in community infrastructure, such as parks, community centers, recreation facilities and senior centers.

The success of the programming in the City of Fort Atkinson is thanks to the dedicated staff of the Parks and Recreation Department including Brooke Franseen, Brett Ketterman, Chris Nye, Brad Friese, J.J. Yanke, Robbie Allard, Josh Crandall, David Radloff, and Rob Stine.

FINANCIAL ANALYSIS

Approving the proclamation is not expected to have a financial impact on the City.

RECOMMENDATION

Staff recommends the council approve the proclamation to recognize the month of July as Parks and Recreation month to raise awareness about the great programming available in the City of Fort Atkinson and in appreciation of the Parks and Recreation Department staff.

ATTACHMENTS

Proclamation Recognizing July as Park and Recreation Month

**PROCLAMATION
DESIGNATING JULY AS PARK AND RECREATION MONTH**

WHEREAS, parks and recreation is an integral part of communities throughout this country, including the City of Fort Atkinson; and

WHEREAS, parks and recreation promotes health and wellness, improving the physical and mental health of people who live near parks; and

WHEREAS, parks and recreation promotes time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimers; and

WHEREAS, parks and recreation encourages physical activities by providing space for popular sports, dance, community programs, hiking trails, swimming pools and many other activities designed to promote active lifestyles; and

WHEREAS, park and recreation programming and education activities, such as out-of-school time programming such as the Youth Center, youth sports and environmental education, are critical to childhood development; and

WHEREAS, parks and recreation increases a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS, parks and recreation is fundamental to the environmental well-being of our community; and

WHEREAS, parks and recreation is essential and adaptable infrastructure that makes our communities resilient in the face of natural disasters and climate change; and

WHEREAS, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS, the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS, the City of Fort Atkinson recognizes the benefits derived from parks and recreation resources.

NOW, THEREFORE, I, Christopher Scherer, City Council President of the City of Fort Atkinson, do here by recognize the month of July as Parks and Recreation Month in the City of Fort Atkinson and encourage all residents, visitors, and guests to enjoy the City's parks, aquatic center, and recreational programming in July and throughout the year.

Proclaimed this 5th day of July, 2022.

CITY OF FORT ATKINSON

Christopher Scherer, Council President

ATTEST:

Michelle Ebbert, City Clerk/Treasurer/Finance Director

The background of the entire page is a photograph of an office interior. It shows several people sitting at desks, their figures silhouetted against a large window that looks out onto a city skyline. The office has a modern feel with glass partitions and ergonomic chairs. The lighting is soft, coming from the window, creating a professional and collaborative atmosphere.

Reporting and insights from 2021 audit: City of Fort Atkinson

December 31, 2021

Executive summary

June 30, 2022

To the City Council
City of Fort Atkinson
111 North Main St.
Fort Atkinson, Wisconsin 53538

We have completed our audit of the financial statements of the City of Fort Atkinson (the City) for the year ended December 31, 2021, and have issued our report thereon dated June 30, 2022. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your City's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

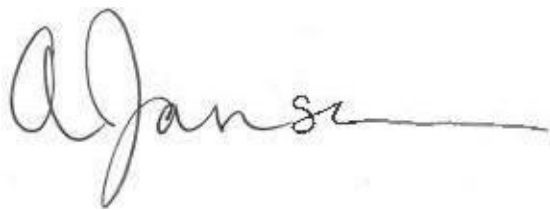
Additionally, we have included information on key risk areas the City should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Andrea Jansen, Partner: Andrea.Jansen@bakertilly.com or +1 (608) 240 2338
- Cameron Sawyer, Manager: Cameron.Sawyer@bakertilly.com or +1 (608) 240 2579

Sincerely,

Baker Tilly US, LLP

A handwritten signature in dark ink, appearing to read 'A Jansen', followed by a long horizontal line extending to the right.

Andrea Jansen, CPA, CFE, Partner

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the City's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or those charged with governance of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Internal control matters
- Qualitative aspects of the City's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the City and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Areas of complexity including Tax Incremental Districts and Other Postemployment Benefits

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the City's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities (assets)	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures

Internal control matters

We considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the City's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiencies as material weaknesses:

- **Missing key controls**

There are certain controls that are not currently in place related to significant transaction cycles. As a result, there is a risk that erroneous or unauthorized transactions or misstatements could occur without the knowledge of management or the governing body. Our recommendations for strengthening controls are listed below.

- Controls over accounts payable/disbursements

- There should be a process to review, record, and approve retainages at year-end in order to ensure retainages are accurately reported

Since the control listed above or other compensating controls are not currently in place, errors or irregularities could occur as part of the accounting processes that might not be discovered by management or the governing body. Therefore, the absence of these controls is considered to be a material weakness.

We recommend that a designated employee review the segregation of duties, risks, and these potential controls and determine whether additional controls should be implemented. This determination should take into consideration a cost / benefit analysis.

– **Financial statement close process**

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

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

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

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

Management has not prepared financial statements that are in conformity with generally accepted accounting principles. In addition, material misstatements in the general ledger were identified during the financial audit.

Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2021. We noted no transactions entered into by the City during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value 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, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Net pension liability (asset) and related deferrals	Evaluation of information provided by the Wisconsin Retirement System	Reasonable in relation to the financial statements as a whole
Net/Total OPEB liability and related deferrals	Key assumptions set by management with the assistance of a third party actuary	Reasonable in relation to the financial statements as a whole
Depreciation	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the City or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

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

Disagreements with management

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

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and to communicate accumulated misstatements to management. The schedule within the Appendix summarizes the uncorrected misstatements, other than those that are clearly trivial, that we presented to management and the material corrected misstatements that, in our judgment, may not have been detected except through our auditing procedures. The internal control matters section of this report describes the effects on the financial reporting process indicated by the uncorrected misstatements and corrected misstatements, other than those that we consider to be of a lesser magnitude than significant deficiencies and material weaknesses.

Management has determined that the effects of the uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the basic financial statements under audit.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

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

Other information in documents containing audited basic financial statements

Official statements (or other equivalent document which we may not read unless engaged separately)

The City's audited financial statements are "general purpose" financial statements. General purpose financial statements consist of the basic financial statements that can be used by a broad group of people for a broad range of activities. Once we have issued our audit report, we have no further obligation to update our report for events occurring subsequent to the date of our report. The City can use the audited financial statements in other client prepare documents, such as official statements related to the issuance of debt, without our acknowledgement. Unless we have been engaged to perform services in connection with any subsequent transaction requiring the inclusion of our audit report, as well as to issue an auditor's acknowledgment letter, we have neither read the document nor performed subsequent event procedures in order to determine whether or not our report remains appropriate.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The Appendix includes copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the City's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date the financial statements are issued or available to be issued, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

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

Related parties

We did not have any significant findings or issues arise during the audit in connection with the City's related parties.

Other matters

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

With respect to the supplementary information accompanying the financial statements, it is presented for purposes of additional analysis and is not a required part of the basic financial statements. Because the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City or the changes in its financial position, it is inappropriate to and we do not express an opinion on the supplementary information.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Adjusting journal entries
- Compiled regulatory reports
- CIVIC systems software

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

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

Resources for those charged with governance

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.

Management representation letter

June 30, 2022

Baker Tilly US, LLP
4807 Innovate Lane
P.O. Box 7398
Madison, WI 53718

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the City of Fort Atkinson as of December 31, 2021 and for the year then ended for the purpose of expressing opinions as to whether the primary government financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fort Atkinson and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

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

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

Financial Statements

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

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, if any, are reasonable.
- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8) We believe the effects of the uncorrected financial statement misstatements listed here are immaterial, both individually and in the aggregate, to the basic financial statements as a whole. Uncorrected misstatements exist related to the governmental activities in the amount of \$193,740 for amounts capitalized in the current year related to the prior year. As a result, beginning net position, current year expenses, and the change in net position are understated by \$193,740. In addition, the water utility and stormwater utility have overstated expenses in the current year in the amounts of \$9,884 and \$2,372, respectively, for prior year expenses recorded in the current year. In addition, you have recommended adjusting journal entries, and we are in agreement with those adjustments.
- 9) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
- 10) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,

- b) Employees who have significant roles in internal control, or
- c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) There are no known related parties or related party relationships and transactions of which we are aware.

Other

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

23) In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

a) Financial statement preparation

b) Adjusting journal entries

c) Compiled regulatory reports

d) Civic Systems software

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

24) The City of Fort Atkinson has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

25) The City of Fort Atkinson has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.

26) There are no joint ventures with an equity interest, other joint ventures, or other related organizations, that are required to be disclosed. The Historical Society is a component unit of the City of Fort Atkinson that has not been presented in these financial statements.

27) The financial statements properly classify all funds and activities.

28) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

29) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.

30) The City of Fort Atkinson has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.

31) Provisions for uncollectible receivables, if any, have been properly identified and recorded.

32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

33) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

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

35) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

- 36) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 38) Tax-exempt bonds issued have retained their tax-exempt status.
- 39) We have appropriately disclosed the City of Fort Atkinson's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 40) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 41) With respect to the supplementary information, (SI):
 - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 42) We assume responsibility for, and agree with, the findings of specialists in evaluating the OPEB liability and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
- 43) We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 44) We have reviewed our long-term debt agreements and believe that all terms related to significant events of default with finance-related consequences, termination events with finance-related consequences and subjective acceleration clauses have been properly identified and disclosed.

- 45) We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 – *Fair Value Measurement*. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.
- 46) All activities that meet the criteria in GASB Statement No. 84 for presentation as fiduciary activities have been identified and presented as such.
- 47) Any direct borrowings, direct placements, lines of credit or debt default clauses have been identified and properly disclosed.
- 48) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the entity’s financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditor’s report thereon. We do not prepare an annual report.

Sincerely,

City of Fort Atkinson

Signed: _____

Signed: _____




Client service team



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Accounting changes relevant to the

Future accounting standards update

GASB Statement Number	Description	Potentially Impacts you	Effective Date
87	Leases	✓	12/31/22*
91	Conduit Debt	✓	12/31/22*
92	Omnibus 2020	✓	12/31/22*
93	Replacement of Interfund Bank Offered Rates	✓	12/31/22*
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	✓	12/31/23
96	Subscription-Based Information Technology Arrangements	✓	12/31/23
97	Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans	✓	12/31/22

*The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87 which was postponed by one and a half years. The effective date reflected above is the required revised implementation date.

Further information on upcoming [GASB pronouncements](#).

Ready or not – the new lease standard is here!

GASB's new single model for lease accounting is effective for next year's audit (fiscal years ending June 30, 2022 and later). This standard requires governments to identify and evaluate contracts that convey control of the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction. Contracts meeting the criteria for control, term and other items within the standard will result in recognizing a right to use asset and lease liability or a receivable and deferred inflow of resources. The standard specifies that leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated).

The implementation process can be broken down into a four-step methodology:



Now is the time to evaluate where your government is in this process and the timeline to complete implementation. The third step for lease evaluation, data extraction and review is typically the most time-consuming step; organizations should begin this process well before year end to ensure adequate lead time. A key decision that will need to be made is whether a lease administration software package is necessary. Depending on the volume and complexity of your lease activity, spreadsheets may not be sufficient to track and calculate all the required information.

We are available to discuss this further and help you develop an action plan. Baker Tilly also has complimentary resources available online including:

- [GASB 87 lease identification questionnaire](#)
- [GASB 87 lease assistance tool](#)
- Variety of GASB 87 podcasts and articles

Access tools and learn more about [GASB 87](#).

Preparing for the new conduit debt reporting

Conduit debt includes arrangements where there are three separate parties involved including a third party that is obligated for payment, a debt holder or lender and an issuing party which is often a government. This standard provides additional criteria for identifying and classifying conduit debt with the intent of providing consistency in how the debt is recorded and reported in governmental financial statements. The City should identify any existing debt arrangements involving third-party obligors and evaluate how those arrangements will be reported under the new standard in order to determine the potential impact of this standard on future financial reporting.

Determining if GASB 94 applies for your organization

GASB 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* provides guidance related to public-private and public-public partnerships (PPP) and availability payment arrangements (APA).

A PPP is an arrangement in which an entity contracts with an operator to provide public services by conveying control of the right to operate or use infrastructure or other capital asset. A common example of PPP is a service concession arrangement.

An APA is an arrangement in which an entity compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an asset.

The City should start to identify any contracts that could meet either definition to ensure they are reviewed for applicability and accounted for correctly when the standard is effective. Initial steps include reviewing contracts that didn't meet the definition of a lease under GASB 87 and identifying any other agreements where the organization contracts with or partners with another entity to provide services.

Future accounting for subscription-based IT arrangements

Subscription-based IT arrangements include contracts that convey control of the right to use another party's IT software. It would not include any licensing arrangements that provide a perpetual license, which would still be accounted for as an intangible asset. Subscription-based IT arrangements are becoming more and more popular with IT vendors. This standard mirrors the new lease standard. The City will be able to utilize the systems put into place to implement the lease standard to properly account for these contracts. Common examples of these contracts in the utility industry include:

- Leasing space in the cloud
- GIS systems
- SCADA systems
- Some work order or inventory systems as well as some general ledger or billing systems

The City should work with its IT department and department managers to determine a population listing of contracts that would fall under this standard to determine the potential future impact to financial reporting.

Uncorrected misstatements

Opinion unit	Beginning Net Position	Total Expenses	Change in Net position	Description
Governmental activities	(\$193,740)	\$193,740	(\$193,740)	Amounts capitalized in the current year related to the prior year.
Water Utility		(\$9,884)	(\$9,884)	Current year expenses related to a prior year.
Stormwater Utility		(\$2,372)	(\$2,372)	Current year expenses related to a prior year.

Material corrected misstatements

Description	Opinion unit	Amount
To record taxes receivable	General Debt Service	\$1,097,562
To record taxes receivable	All remaining funds	\$2,203,240
To record taxes receivable	Transportation Improvements	\$500,000
To eliminate taxes receivable for other funds	General Fund	\$3,800,802
Adjustments to beginning equity	All remaining funds	\$430,749
To adjust ARPA revenues for unspent amounts	All remaining funds	\$600,697
To record PILOT	General Fund	\$336,744
To record grant revenue	Sewer	\$500,895
To record transfer due to new fund creation	General Fund / All remaining funds	\$554,290
To record retainage payable	Transportation Improvements	\$99,013
To record retainage payable	Sewer	\$207,230
To record accounts receivable	Transportation Improvements, Stormwater	\$112,874
To record depreciation expense	Stormwater	\$203,719
To reallocate project costs by fund	Sewer, Water, Transportation Improvements, Stormwater	\$792,099

The remaining misstatements that were identified and corrected by management were not material individually or in the aggregate to the financial statements taken as a whole.

Two-way audit communications

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

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

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements.
 - Consider factors that affect the risks of material misstatement.
 - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

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

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the City will receive an adverse opinion on its financial statements because of the exclusion of the Fort Atkinson Historical Society.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?

- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

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

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

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

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

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

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

City of Fort Atkinson

Financial Statements and
Supplementary Information

December 31, 2021

City of Fort Atkinson

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Independent Auditors' Report

To the City Council of
City of Fort Atkinson

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Fort Atkinson, Wisconsin, (the City), as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of the City as of December 31, 2021, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, Each Major Fund and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the City's legally separate component unit, the Fort Atkinson Historical Society. Accounting principles generally accepted in the United States of America require the financial data for the component unit to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component unit. The City has not issued such reporting entity financial statements. The effects of not including the City's legally separate component unit on the discretely presented component unit have not been determined.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Because of the significance of the matter described above, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

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

Madison, Wisconsin
June 30, 2022

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

The management of the City of Fort Atkinson (the City) offers all persons interested in the financial position of the City, this narrative overview and analysis of the City's financial performance during the fiscal year ending December 31, 2021. You are invited to read this narrative in conjunction with the city's financial statements.

FINANCIAL HIGHLIGHTS

The City's total net position totaled over \$65 million. \$29.6 million was related to governmental activities and \$35.4 million to business-type activities. Events that had major impacts on the City's 2021 financials were:

- > City-wide computer and technology upgrades - \$ 52,621
- > City-wide fiber installation - \$244,975
- > Police Department Body and Squad Camera Systems - \$34,500
- > Fire Station renovation and expansion completed - \$3,933,000
- > Public Works Equipment - \$378,765
- > Aquatic Center Building Improvements - \$13,180
- > Wastewater Treatment Plant Upgrade Phase I - \$1,340,072
- > Zoning Code Re-Write (partial) - \$28,550
- > Skate Park Completion - \$325,000

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. These financial statements consist of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the City:

- > The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's financial status.
- > The remaining statements are fund financial statements that focus on individual parts of city government, reporting the City's operations in more detail than the government-wide statements.

These financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of the required supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net Position – the difference between the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the city you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

The government-wide financial statements of the City are divided into three categories:

- > Governmental activities – Most of the City's basic services are included here, such as police, fire, public works, park and recreation, library, and general administration. Property taxes and state aid finance most of these activities.
- > Business-type activities – The City charges fees to customers to help it cover the costs of certain services it provides. The City's water, sewer, and stormwater system are included here.
- > Fiduciary activities – Included in these activities are collections of all property taxes in the City for all taxing jurisdictions.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact on the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, transportation improvements, general debt service, and Tax Incremental Financing (TIF) District No. 6, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains three different types of proprietary funds (water, sewer, and stormwater utilities), all of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City is the trustee, or fiduciary, for collection of all property taxes within the City for all taxing districts including the School District of Fort Atkinson, Madison Area Technical College and Jefferson County. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operation.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

As of and for the Year Ended December 31, 2021

OVERVIEW OF FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, required supplementary information presents a detailed budgetary comparison schedule for the general fund and transportation improvements fund to demonstrate compliance with the budget along with additional information about the city's pension and other postemployment benefits. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

A summary of the City's Statement of Net Position is presented below in Table 1.

Table 1
Condensed Statements of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 21,353,669	\$ 20,079,010	\$ 7,082,712	\$ 5,659,417	\$ 28,436,381	\$ 25,738,427
Capital assets	33,402,143	31,086,358	37,530,841	33,559,120	70,932,984	64,645,478
Total Assets	54,755,812	51,165,368	44,613,553	39,218,537	99,369,365	90,383,905
Total deferred outflows of resources	3,603,862	2,607,540	729,054	533,316	4,332,916	3,140,856
Long-term liabilities	13,744,318	14,288,529	8,274,189	4,685,269	22,018,507	18,973,798
Other liabilities	1,140,098	968,014	745,608	733,704	1,885,706	1,701,718
Total Liabilities	14,884,416	15,256,543	9,019,797	5,418,973	23,904,213	20,675,516
Total deferred inflows of resources	13,797,201	12,298,451	911,327	625,386	14,708,528	12,923,837
Invested in capital assets, net of related debt	21,378,390	20,597,497	29,744,669	29,385,803	51,123,059	49,983,300
Restricted	5,041,230	3,008,874	1,076,047	225,949	6,117,277	3,234,823
Unrestricted	3,258,437	2,611,543	4,590,767	4,095,742	7,849,204	6,707,285
Total Net Position	\$ 29,678,057	\$ 26,217,914	\$ 35,411,483	\$ 33,707,494	\$ 65,089,540	\$ 59,925,408

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

As of and for the Year Ended December 31, 2021

FINANCE ANALYSIS OF THE CITY AS A WHOLE (cont.)

The largest portion of the City's total net position (79%) reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (9%) represents resources that are subject to external restrictions on how they may be used. The remaining portion of the City's net position represents resources that are unrestricted on how they may be used.

Table 2
Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues						
Charges for services	\$ 1,096,334	\$ 981,681	\$ 5,837,520	\$ 5,653,082	\$ 6,933,854	\$ 6,634,763
Operating grants and contributions	1,895,965	1,397,173	-	35,674	1,895,965	1,432,847
Capital grants and contributions	497,535	32,257	656,004	36,766	1,153,539	69,023
General Revenues						
Property taxes	8,905,817	8,736,919	-	-	8,905,817	8,736,919
Other taxes	274,448	246,850	-	-	274,448	246,850
Intergovernmental	1,312,605	1,555,457	-	-	1,312,605	1,555,457
Public gifts and grants	282,639	552,124	-	-	282,639	552,124
Other	426,404	628,561	5,309	19,657	431,713	628,561
Total Revenues	<u>14,691,747</u>	<u>14,131,022</u>	<u>6,498,833</u>	<u>5,745,179</u>	<u>21,190,580</u>	<u>19,876,201</u>
Expenses:						
General government	1,008,937	838,877	-	-	1,008,937	838,877
Public safety	3,973,449	4,177,930	-	-	3,973,449	4,177,930
Public works	2,822,143	3,625,959	-	-	2,530,532	3,625,959
Health and human services	33,209	140,084	-	-	33,209	140,084
Culture, education and recreation	2,622,451	2,666,042	-	-	2,622,451	2,666,042
Conservation and development	724,363	656,690	-	-	1,015,974	656,690
Water	-	-	1,427,884	1,579,631	1,427,884	1,579,631
Sewer	-	-	2,555,417	2,909,084	2,555,417	2,909,084
Stormwater	-	-	474,799	521,592	474,799	521,592
Interest and fiscal charges	383,796	391,482	-	-	383,796	391,842
Total Expenses	<u>11,568,348</u>	<u>12,497,064</u>	<u>4,458,100</u>	<u>5,010,307</u>	<u>16,026,448</u>	<u>17,507,371</u>
Income (Loss) Before Transfers	3,123,399	1,633,958	2,040,733	734,872	5,164,132	2,368,830
Transfers	<u>336,744</u>	<u>338,500</u>	<u>(336,744)</u>	<u>(338,500)</u>	<u>-</u>	<u>-</u>
Changes in Net Position	3,460,143	1,972,458	1,703,989	396,372	5,164,132	2,368,830
Beginning Net Position	<u>26,217,914</u>	<u>24,245,456</u>	<u>33,707,494</u>	<u>33,311,122</u>	<u>59,925,408</u>	<u>57,556,578</u>
Ending Net Position	<u>\$ 29,678,057</u>	<u>\$ 26,217,914</u>	<u>\$ 35,411,483</u>	<u>\$ 33,707,494</u>	<u>\$ 65,089,540</u>	<u>\$ 59,925,408</u>

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

As previously noted, the Statement of Net Position shows the change in financial position or net position. The specific nature or source of these changes then becomes more evident in the Statement of Activities as shown above in Table 2.

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by \$3,460,143 compared to an increase of \$1,972,458 in 2020. The increase is related primarily to grants and donations.

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by \$1,703,989 compared to an increase of approximately \$396,000 in 2020. The current year increase is the result of regular operations offset by additional maintenance and investigation costs in both the water and sewer utilities.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

GOVERNMENTAL FUNDS

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

At December 31, 2021, the City's governmental funds reported combined fund balances of \$9,133,035. Of this amount, \$1,647,960 constitutes the unassigned fund balance. An additional \$2,792,322 is non-spendable funds related to land held for resale, delinquent items, prepaids and TIF District advances. Restricted funds amount to \$3,345,420 for unspent debt related to capital purchases, library, museum, and grant purposes, or other amounts restricted by state statutes. The remaining \$1,347,333 is assigned to deposits, loan programs, non-lapsing funds and equipment replacement, utility taxes, the municipal airport and previous industrial land sales.

GENERAL FUND

The unassigned fund balance is approximately \$3,537,691. This amount does not include \$2,787,883 of fund balance for prepaid items, land held for resale, advances, and delinquent personal property taxes shown as non-spendable because they are assets on the balance sheet that are not in spendable form.

The City evaluates general fund balance by measuring the unassigned general fund balance as a percentage of the general fund budget. For 2021, unassigned fund balance is \$3,537,691, and the current year general fund expenditure budget is \$9,462,106, resulting in an unassigned fund balance of 37%. The City's goal is to maintain a 15%-30% general fund balance to current year's expenditure budget. The City is above its policy range at year end.

TRANSPORTATION IMPROVEMENTS

The transportation improvements special revenue fund has an unassigned fund balance deficit of \$207,128 at the end of the current year, which is a decrease of \$305,886 from the previous year.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (cont.)

GENERAL DEBT SERVICE

The general debt service fund had a restricted fund balance of \$2,328 at year end, a decrease of \$15,733 from the prior year.

TIF DISTRICT No. 6

TIF District No. 6 was created for the express purpose of a new business park. TIF District No. 6 had an increase in fund balance for 2021 of approximately \$195,000 and a year-end fund balance deficit of \$1,631,981. The deficit resulted primarily from land acquisition costs over and above the tax increment. It was anticipated in the project plan that the initial land contract payments would be funded through the general fund until the tax increment was sufficient to cover land acquisition and infrastructure costs. In 2011, the City approved a Project Plan Amendment for TIF District No.6, placing a distressed designation on the District. The designation of TIF District No. 6 as distressed will allow the extension of the maximum life by ten years beyond its original termination date of January 18, 2023. In addition, TIF Districts No. 7 and No. 8 were amended to become "donor" districts to TIF District No. 6 so that allocations can be made from TIF District No. 7 and No. 8 to support TIF District No.6. The projections are for a positive cash flow for TIF District No. 6 in 2027 with the help of the donor districts. At the end of 2010, the infrastructure in Phase 1 was 99% complete and five new businesses have located in the park. No new business has been added to the tax roll since 2010, however one of the businesses has had an expansion since that time.

PROPRIETARY FUNDS

The water utility rates are governed by the Public Service Commission of Wisconsin (PSCW). The authorized rate of net operating income as a percentage of average rate base is 4.90%. For 2021, the water utility result of operation was 2.76%.

The sewer utility rates are governed by the Fort Atkinson City Council. Current rates were effective as of January 1, 2021.

The stormwater rates are governed by the Fort Atkinson City Council. The fixed rate remained consistent to the previous year at \$52.50 per year in 2021.

The city of Fort Atkinson's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED As of and for the Year Ended December 31, 2021

CAPITAL ASSETS

At the end of 2021, the City has invested a total of \$70,932,984 in capital assets. This investment in capital assets includes land, land improvements, buildings, machinery and equipment and infrastructure.

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land and other assets not being depreciated	\$ 5,208,016	\$ 9,075,222	\$ 5,507,497	\$ 2,060,643	\$ 10,715,513	\$ 11,135,865
Land improvements	3,404,813	3,382,745	-	-	3,404,813	3,382,745
Buildings	21,222,748	15,570,534	-	-	21,222,748	15,570,534
Machinery and equipment	10,475,419	10,285,210	-	-	10,475,419	10,285,210
Infrastructure	22,504,470	21,144,376	-	-	22,504,470	21,144,376
Utility plant	-	-	64,768,563	62,803,019	64,768,563	62,803,019
Total Capital Assets	62,815,466	59,458,087	70,276,060	64,863,662	133,091,526	124,321,749
Less: Accumulated Depreciation	(29,413,323)	(28,371,729)	(32,745,219)	(31,304,542)	(62,158,542)	(59,676,271)
Net Capital Assets	\$ 33,402,143	\$ 31,086,358	\$ 37,530,841	\$ 33,559,120	\$ 70,932,984	\$ 64,645,478

Major capital asset events during the current fiscal year included the following:

GOVERNMENTAL ACTIVITIES

- > Road improvements
- > Squad cars
- > Street rehabilitation and maintenance
- > Computer and technology upgrades
- > Fire station renovation and expansion (partial)
- > Parks improvements
- > Aquatic center improvements
- > Fiber Installation and Technology Upgrades
- > Public Works and Parks Equipment

BUSINESS-TYPE ACTIVITIES

- > Water Utility meter replacement
- > Wastewater Treatment Plant Upgrades
- > Stormwater ponds

Additional information on the City's capital assets can be found in Note 3. of this report.

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

As of and for the Year Ended December 31, 2021

LONG-TERM OBLIGATIONS

At December 31, 2021, the City had \$16,295,623 of long-term general obligation bonds and notes outstanding, which is a decrease of \$1,004,255 from the previous year.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2021 was \$55,288,270. Total general obligation debt outstanding at year-end was \$16,295,623. Therefore, the City was at 29% of the legal debt limit.

In the current year, the City also issued \$4,044,433 in revenue debt for the Sewer Utility. This clean water fund loan will be repaid solely from future sewer utility revenues and relates to the wastewater treatment plant upgrade. The City has not drawn the full amount authorized for this debt issuance through the end of the year. The fully authorized amount is \$14,125,508.

Additional information on the City's long-term obligations can be found in Note 3. of this report.

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

All currently known facts and economic conditions were considered in preparing the 2022 City budget. None of these conditions are anticipated to significantly change the overall financial position of the City.

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The City's estimated award is \$1.2 million, which will be used to combat the negative effects of the public health emergency in the local economy. The City received half of its allocation in 2021 and will receive the remaining 50% of the funds in June 2022. The funds are to cover costs incurred by December 31, 2024.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Michelle Ebbert, City Finance Director/Clerk/Treasurer.

City of Fort Atkinson

Statement of Net Position

December 31, 2021

	Governmental Activities	Business- Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 8,526,168	\$ 5,238,807	\$ 13,764,975
Receivables:			
Taxes receivable	9,109,391	-	9,109,391
Delinquent personal property taxes	78	-	78
Accounts	236,174	991,649	1,227,823
Loans	161,743	-	161,743
Internal balances	336,744	(336,744)	-
Inventories	-	51,261	51,261
Land held for resale	818,210	-	818,210
Prepaid items	141,719	2,292	144,011
Other assets	-	49,583	49,583
Restricted assets:			
Cash and investments	-	645,906	645,906
Net pension asset	2,023,442	439,958	2,463,400
Capital assets:			
Land	5,208,016	364,125	5,572,141
Construction in progress	-	5,143,372	5,143,372
Other capital assets, net of depreciation	<u>28,194,127</u>	<u>32,023,344</u>	<u>60,217,471</u>
Total assets	<u>54,755,812</u>	<u>44,613,553</u>	<u>99,369,365</u>
Deferred Outflows of Resources			
Deferred charge on refunding	-	34,955	34,955
Pension related amounts	3,425,136	655,410	4,080,546
OPEB related amounts	<u>178,726</u>	<u>38,689</u>	<u>217,415</u>
Total deferred outflows of resources	<u>3,603,862</u>	<u>729,054</u>	<u>4,332,916</u>

See notes to financial statements

City of Fort Atkinson

Statement of Net Position
December 31, 2021

	Governmental Activities	Business- Type Activities	Total
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable	\$ 390,848	\$ 686,994	\$ 1,077,842
Accrued liabilities and deposits	148,355	58,614	206,969
Unearned revenues	600,895	-	600,895
Noncurrent liabilities:			
Due within one year	1,691,401	469,572	2,160,973
Due in more than one year	11,418,269	7,642,881	19,061,150
OPEB liabilities	<u>634,648</u>	<u>161,736</u>	<u>796,384</u>
Total liabilities	<u>14,884,416</u>	<u>9,019,797</u>	<u>23,904,213</u>
Deferred Inflows of Resources			
Unearned revenues	9,085,628	-	9,085,628
Pension related amounts	4,533,621	860,129	5,393,750
OPEB related amounts	<u>177,952</u>	<u>51,198</u>	<u>229,150</u>
Total deferred inflows of resources	<u>13,797,201</u>	<u>911,327</u>	<u>14,708,528</u>
Net Position			
Net investment in capital assets	21,378,390	29,744,669	51,123,059
Restricted for:			
Library	911,722	-	911,722
Museum	1,054,768	-	1,054,768
Debt service	-	339	339
TIF district purposes	448,114	-	448,114
Grant purposes	603,184	-	603,184
Pension	2,023,442	439,958	2,463,400
Depreciation	-	210,750	210,750
Equipment replacement	-	425,000	425,000
Unrestricted	<u>3,258,437</u>	<u>4,590,767</u>	<u>7,849,204</u>
Total net position	<u>\$ 29,678,057</u>	<u>\$ 35,411,483</u>	<u>\$ 65,089,540</u>

See notes to financial statements

City of Fort Atkinson

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,008,937	\$ 186,707	\$ -	\$ 196,901	\$ (625,329)	\$ -	\$ (625,329)
Public safety	3,973,449	511,784	106,211	-	(3,355,454)	-	(3,355,454)
Public works	2,822,143	154,937	1,203,779	-	(1,463,427)	-	(1,463,427)
Health and human services	33,209	-	-	-	(33,209)	-	(33,209)
Culture, education and recreation	2,622,451	238,034	581,109	-	(1,803,308)	-	(1,803,308)
Conservation and development	724,363	4,872	4,866	300,634	(413,991)	-	(413,991)
Interest and fiscal charges	383,796	-	-	-	(383,796)	-	(383,796)
Total governmental activities	11,568,348	1,096,334	1,895,965	497,535	(8,078,514)	-	(8,078,514)
Business-type activities:							
Water utility	1,427,884	2,142,103	-	118,275	-	832,494	832,494
Sewer utility	2,555,417	3,141,091	-	516,533	-	1,102,207	1,102,207
Stormwater utility	474,799	554,326	-	21,196	-	100,723	100,723
Total business-type activities	4,458,100	5,837,520	-	656,004	-	2,035,424	2,035,424
Total	<u>\$ 16,026,448</u>	<u>\$ 6,933,854</u>	<u>\$ 1,895,965</u>	<u>\$ 1,153,539</u>	<u>(8,078,514)</u>	<u>2,035,424</u>	<u>(6,043,090)</u>
General Revenues							
Taxes							
Property taxes, levied for general purposes					6,516,616	-	6,516,616
Property taxes, levied for debt service					1,101,030	-	1,101,030
Property taxes, levied for TIF districts					1,288,171	-	1,288,171
Other taxes					274,448	-	274,448
Intergovernmental revenues not restricted to specific programs					1,312,605	-	1,312,605
Public gifts and grants					282,639	-	282,639
Investment income					187,958	5,309	193,267
Miscellaneous					238,446	-	238,446
Total general revenues					11,201,913	5,309	11,207,222
Transfers					336,744	(336,744)	-
Change in net position					3,460,143	1,703,989	5,164,132
Net Position, Beginning					26,217,914	33,707,494	59,925,408
Net Position, Ending					<u>\$ 29,678,057</u>	<u>\$ 35,411,483</u>	<u>\$ 65,089,540</u>

See notes to financial statements

City of Fort Atkinson

Balance Sheet
Governmental Funds
December 31, 2021

	General	Transportation Improvements	General Debt Service
Assets			
Cash and investments	\$ 4,242,126	\$ -	\$ 2,328
Receivables:			
Taxes	5,308,589	500,000	1,097,562
Delinquent personal property taxes	78	-	-
Accounts	83,238	113,166	-
Loans	-	-	-
Due from other funds	483,574	-	-
Land held for resale	818,210	-	-
Prepaid items	137,280	-	-
Advances to other funds	<u>1,832,315</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 12,905,410</u>	<u>\$ 613,166</u>	<u>\$ 1,099,890</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 222,932	\$ 102,928	\$ -
Accrued liabilities	6,655	-	-
Due to other funds	-	104,200	-
Unearned revenues	-	-	-
Advances from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>229,587</u>	<u>207,128</u>	<u>-</u>
Deferred Inflows of Resources			
Unearned revenues	5,284,826	500,000	1,097,562
Unavailable revenues	<u>-</u>	<u>113,166</u>	<u>-</u>
Total deferred inflows of resources	<u>5,284,826</u>	<u>613,166</u>	<u>1,097,562</u>
Fund Balances (Deficit)			
Nonspendable	2,787,883	-	-
Restricted	235,000	-	2,328
Assigned	830,423	-	-
Unassigned (deficit)	<u>3,537,691</u>	<u>(207,128)</u>	<u>-</u>
Total fund balances (deficit)	<u>7,390,997</u>	<u>(207,128)</u>	<u>2,328</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,905,410</u>	<u>\$ 613,166</u>	<u>\$ 1,099,890</u>

See notes to financial statements

TIF District No. 6	Nonmajor Governmental Funds	Total
\$ 200,334	\$ 4,081,380	\$ 8,526,168
146,888	2,056,352	9,109,391
-	-	78
-	39,770	236,174
-	161,743	161,743
-	-	483,574
-	-	818,210
-	4,439	141,719
-	-	<u>1,832,315</u>
<u>\$ 347,222</u>	<u>\$ 6,343,684</u>	<u>\$ 21,309,372</u>

\$ -	\$ 64,988	\$ 390,848
-	-	6,655
-	42,630	146,830
-	600,895	600,895
<u>1,832,315</u>	<u>-</u>	<u>1,832,315</u>
<u>1,832,315</u>	<u>708,513</u>	<u>2,977,543</u>

146,888	2,056,352	9,085,628
-	-	<u>113,166</u>
<u>146,888</u>	<u>2,056,352</u>	<u>9,198,794</u>

-	4,439	2,792,322
-	3,108,092	3,345,420
-	516,910	1,347,333
<u>(1,631,981)</u>	<u>(50,622)</u>	<u>1,647,960</u>
<u>(1,631,981)</u>	<u>3,578,819</u>	<u>9,133,035</u>

<u>\$ 347,222</u>	<u>\$ 6,343,684</u>	<u>\$ 21,309,372</u>
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City of Fort Atkinson

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2021

Total Fund Balances, Governmental Funds \$ 9,133,035

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

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

Land	5,208,016
Other capital assets	57,607,450
Less accumulated depreciation	(29,413,323)

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

113,166

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

2,023,442

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

3,425,136

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

(4,533,621)

The OPEB liabilities do not relate to current financial resources and are not reported in the governmental funds.

(634,648)

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

178,726

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

(177,952)

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

Bonds and notes payable	(12,415,623)
Compensated absences	(694,047)
Accrued interest	(141,700)

Net Position of Governmental Activities \$ 29,678,057

City of Fort Atkinson

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2021

	General	Transportation Improvements	General Debt Service	TIF District No. 6
Revenues				
Taxes	\$ 6,027,008	\$ 717,261	\$ 1,101,030	\$ 136,417
Intergovernmental	2,135,426	-	-	1,552
Licenses and permits	243,080	-	-	-
Fines, forfeitures and penalties	158,189	-	-	-
Public charges for services	410,014	-	-	-
Intergovernmental charges for services	226,607	-	-	-
Investment income	19,531	-	-	7
Miscellaneous revenues	352,113	-	-	10,727
	<u>9,571,968</u>	<u>717,261</u>	<u>1,101,030</u>	<u>148,703</u>
Total revenues				
Expenditures				
Current:				
General government	864,473	-	-	-
Public safety	3,899,140	-	-	-
Public works	2,088,313	-	-	-
Health and human services	33,209	-	-	-
Culture, recreation and education	1,352,951	-	-	-
Conservation and development	236,617	-	-	-
Capital outlay	1,944,258	1,698,147	-	180
Debt service:				
Principal	-	-	1,676,980	354,000
Interest and fiscal charges	-	-	333,783	29,633
	<u>10,418,961</u>	<u>1,698,147</u>	<u>2,010,763</u>	<u>383,813</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(846,993)</u>	<u>(980,886)</u>	<u>(909,733)</u>	<u>(235,110)</u>
Other Financing Sources (Uses)				
Debt issued	235,000	675,000	-	-
Refunding debt issued	-	-	894,000	-
Transfers in	386,143	-	-	430,971
Transfers out	(1,064,944)	-	-	-
	<u>(443,801)</u>	<u>675,000</u>	<u>894,000</u>	<u>430,971</u>
Total other financing sources (uses)				
Net change in fund balances	(1,290,794)	(305,886)	(15,733)	195,861
Fund Balances (Deficit), Beginning	<u>8,681,791</u>	<u>98,758</u>	<u>18,061</u>	<u>(1,827,842)</u>
Fund Balances (Deficit), Ending	<u>\$ 7,390,997</u>	<u>\$ (207,128)</u>	<u>\$ 2,328</u>	<u>\$ (1,631,981)</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 1,198,549	\$ 9,180,265
1,239,962	3,376,940
-	243,080
-	158,189
136,348	546,362
-	226,607
168,420	187,958
<u>31,619</u>	<u>394,459</u>
<u>2,774,898</u>	<u>14,313,860</u>
132,928	997,401
10,424	3,909,564
-	2,088,313
-	33,209
841,048	2,193,999
394,615	631,232
384,051	4,026,636
343,300	2,374,280
<u>52,697</u>	<u>416,113</u>
<u>2,159,063</u>	<u>16,670,747</u>
<u>615,835</u>	<u>(2,356,887)</u>
-	910,000
-	894,000
1,064,944	1,882,058
<u>(480,370)</u>	<u>(1,545,314)</u>
<u>584,574</u>	<u>2,140,744</u>
1,200,409	(216,143)
<u>2,378,410</u>	<u>9,349,178</u>
<u>\$ 3,578,819</u>	<u>\$ 9,133,035</u>

See notes to financial statements

City of Fort Atkinson

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2021

Net Change in Fund Balances, Total Governmental Funds	\$	(216,143)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	4,026,636
Some items reported as capital outlay were not capitalized	(334,492)
Depreciation is reported in the government-wide financial statements	(1,444,179)

Contributed capital assets are reported as revenues in the government-wide financial statements.	67,820
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	113,166
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued	(1,804,000)
Principal repaid	2,374,280

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	69,232
Accrued interest on debt	32,317
Net pension asset/liability	993,426
Deferred outflows of resources related to pensions	943,383
Deferred inflows of resources related to pensions	(1,339,942)
OPEB liabilities	(95,301)
Deferred outflows of resources related to OPEB	52,939
Deferred inflows of resources related to OPEB	21,001

Change in Net Position of Governmental Activities	\$	<u>3,460,143</u>
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City of Fort Atkinson

Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Assets				
Current assets:				
Cash and investments	\$ 971,265	\$ 3,672,374	\$ 595,168	\$ 5,238,807
Receivables:				
Customer accounts receivable	306,319	112,025	54,925	473,269
Other	3,832	460,937	53,611	518,380
Prepaid items	1,349	943	-	2,292
Inventories	51,261	-	-	51,261
Restricted assets:				
Redemption account	-	10,156	-	10,156
Total current assets	<u>1,334,026</u>	<u>4,256,435</u>	<u>703,704</u>	<u>6,294,165</u>
Noncurrent assets:				
Restricted assets:				
Depreciation account	210,750	-	-	210,750
Replacement account	-	425,000	-	425,000
Net pension asset	150,940	230,352	58,666	439,958
Capital assets:				
Land	69,046	295,079	-	364,125
Construction in progress	-	5,110,227	33,145	5,143,372
Utility plant	18,816,903	36,493,970	9,457,690	64,768,563
Less accumulated depreciation	(6,388,215)	(21,955,042)	(4,401,962)	(32,745,219)
Other assets:				
Preliminary survey and investigation	49,583	-	-	49,583
Total noncurrent assets	<u>12,909,007</u>	<u>20,599,586</u>	<u>5,147,539</u>	<u>38,656,132</u>
Total assets	<u>14,243,033</u>	<u>24,856,021</u>	<u>5,851,243</u>	<u>44,950,297</u>
Deferred Outflows of Resources				
Deferred charge on refunding	20,970	13,985	-	34,955
Pension related amounts	230,766	334,555	90,089	655,410
OPEB related amounts	11,346	27,343	-	38,689
Total deferred outflows of resources	<u>263,082</u>	<u>375,883</u>	<u>90,089</u>	<u>729,054</u>

See notes to financial statements

City of Fort Atkinson

Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 68,936	\$ 617,320	\$ 738	\$ 686,994
Accrued interest	25,750	6,706	16,341	48,797
Current portion of general obligation debt	264,000	121,000	51,000	436,000
Due to other funds	336,744	-	-	336,744
Compensated absences	10,127	23,445	-	33,572
Liabilities payable from restricted assets:				
Accrued interest	-	9,817	-	9,817
Total current liabilities	<u>705,557</u>	<u>778,288</u>	<u>68,079</u>	<u>1,551,924</u>
Noncurrent liabilities:				
General obligation bonds payable	1,786,000	498,000	1,160,000	3,444,000
Compensated absences	14,285	63,468	-	77,753
Revenue bonds payable	-	4,044,434	-	4,044,434
Unamortized premium	39,857	12,204	24,633	76,694
OPEB liability	<u>60,783</u>	<u>100,953</u>	<u>-</u>	<u>161,736</u>
Total noncurrent liabilities	<u>1,900,925</u>	<u>4,719,059</u>	<u>1,184,633</u>	<u>7,804,617</u>
Total liabilities	<u>2,606,482</u>	<u>5,497,347</u>	<u>1,252,712</u>	<u>9,356,541</u>
Deferred Inflows of Resources				
Deferred inflows related to pension	288,876	451,180	120,073	860,129
OPEB related amounts	<u>22,829</u>	<u>28,369</u>	<u>-</u>	<u>51,198</u>
Total deferred inflows of resources	<u>311,705</u>	<u>479,549</u>	<u>120,073</u>	<u>911,327</u>
Net Position				
Net investment in capital assets	10,493,847	15,371,582	3,879,240	29,744,669
Restricted for:				
Pensions	150,940	230,352	58,666	439,958
Equipment replacement	-	425,000	-	425,000
Debt service	-	339	-	339
Depreciation	210,750	-	-	210,750
Unrestricted	<u>732,391</u>	<u>3,227,735</u>	<u>630,641</u>	<u>4,590,767</u>
Total net position	<u>\$ 11,587,928</u>	<u>\$ 19,255,008</u>	<u>\$ 4,568,547</u>	<u>\$ 35,411,483</u>

See notes to financial statements

City of Fort Atkinson

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Operating Revenues				
Charges for services	\$ 2,142,103	\$ 3,141,091	\$ 554,326	\$ 5,837,520
Total operating revenues	<u>2,142,103</u>	<u>3,141,091</u>	<u>554,326</u>	<u>5,837,520</u>
Operating Expenses				
Operation and maintenance	957,436	1,618,561	229,106	2,805,103
Depreciation	378,054	851,331	205,639	1,435,024
Taxes	<u>15,872</u>	<u>29,030</u>	<u>-</u>	<u>44,902</u>
Total operating expenses	<u>1,351,362</u>	<u>2,498,922</u>	<u>434,745</u>	<u>4,285,029</u>
Operating income	<u>790,741</u>	<u>642,169</u>	<u>119,581</u>	<u>1,552,491</u>
Nonoperating Revenues (Expenses)				
Investment income	1,627	2,840	842	5,309
Interest expense	<u>(76,522)</u>	<u>(56,495)</u>	<u>(40,054)</u>	<u>(173,071)</u>
Total nonoperating revenues (expenses)	<u>(74,895)</u>	<u>(53,655)</u>	<u>(39,212)</u>	<u>(167,762)</u>
Income before contributions and transfers	<u>715,846</u>	<u>588,514</u>	<u>80,369</u>	<u>1,384,729</u>
Contributions and Transfers				
Capital contributions	118,275	516,533	21,196	656,004
Transfers out	<u>(336,744)</u>	<u>-</u>	<u>-</u>	<u>(336,744)</u>
Total contributions and transfers	<u>(218,469)</u>	<u>516,533</u>	<u>21,196</u>	<u>319,260</u>
Change in net position	497,377	1,105,047	101,565	1,703,989
Net Position, Beginning	<u>11,090,551</u>	<u>18,149,961</u>	<u>4,466,982</u>	<u>33,707,494</u>
Net Position, Ending	<u>\$ 11,587,928</u>	<u>\$ 19,255,008</u>	<u>\$ 4,568,547</u>	<u>\$ 35,411,483</u>

See notes to financial statements

City of Fort Atkinson

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Cash Flows From Operating Activities				
Received from customers	\$ 2,071,256	\$ 3,300,068	\$ 535,056	\$ 5,906,380
Paid to suppliers for goods and services	(736,998)	(1,394,584)	(63,221)	(2,194,803)
Paid to employees for services	(321,242)	(420,639)	(180,693)	(922,574)
Net cash flows from operating activities	<u>1,013,016</u>	<u>1,484,845</u>	<u>291,142</u>	<u>2,789,003</u>
Cash Flows From Investing Activities				
Investment income	<u>1,627</u>	<u>2,840</u>	<u>842</u>	<u>5,309</u>
Net cash flows from investing activities	<u>1,627</u>	<u>2,840</u>	<u>842</u>	<u>5,309</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(338,500)	-	-	(338,500)
Proceeds from debt issued	65,000	89,000	26,000	180,000
Debt retired	(65,000)	(89,000)	(26,000)	(180,000)
Net cash flows from noncapital financing activities	<u>(338,500)</u>	<u>-</u>	<u>-</u>	<u>(338,500)</u>
Cash Flows From Capital and Related Financing Activities				
Proceeds from debt issue	-	4,044,434	-	4,044,434
Debt retired	(261,560)	(122,494)	(49,921)	(433,975)
Interest paid	(81,945)	(26,796)	(43,328)	(152,069)
Acquisition and construction of capital assets	(269,694)	(4,495,201)	(255,278)	(5,020,173)
Debt issuance costs	-	(23,162)	-	(23,162)
Capital contributions	<u>118,275</u>	<u>516,533</u>	<u>21,196</u>	<u>656,004</u>
Net cash flows from capital and related financing activities	<u>(494,924)</u>	<u>(106,686)</u>	<u>(327,331)</u>	<u>(928,941)</u>
Net change in cash and cash equivalents	181,219	1,380,999	(35,347)	1,526,871
Cash and Cash Equivalents, Beginning	<u>1,000,796</u>	<u>2,726,531</u>	<u>630,515</u>	<u>4,357,842</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,182,015</u>	<u>\$ 4,107,530</u>	<u>\$ 595,168</u>	<u>\$ 5,884,713</u>

See notes to financial statements

City of Fort Atkinson

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 790,741	\$ 642,169	\$ 119,581	\$ 1,552,491
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	378,054	851,331	205,639	1,435,024
Depreciation charged to other funds	43,450	-	-	43,450
Changes in assets, deferred outflows/inflows of resources and liabilities:				
Accounts receivable	(101,799)	4,514	(19,270)	(116,555)
Other accounts receivable	1,730	157,340	-	159,070
Inventories	(12,205)	-	-	(12,205)
Prepayments	2	112	-	114
Other current liabilities	(13,364)	(13,293)	-	(26,657)
Accounts payable	(30,285)	(98,334)	-	(128,619)
Pension related deferrals and assets/liabilities	(42,242)	(63,279)	(14,808)	(120,329)
OPEB related deferrals and liabilities	(1,066)	4,285	-	3,219
Net cash flows from operating activities	<u>\$ 1,013,016</u>	<u>\$ 1,484,845</u>	<u>\$ 291,142</u>	<u>\$ 2,789,003</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	\$ 971,265	\$ 3,672,374	\$ 595,168	\$ 5,238,807
Restricted cash and investments				
Redemption account	-	10,156	-	10,156
Depreciation account	210,750	-	-	210,750
Replacement account	-	425,000	-	425,000
Cash and cash equivalents	<u>\$ 1,182,015</u>	<u>\$ 4,107,530</u>	<u>\$ 595,168</u>	<u>\$ 5,884,713</u>
Noncash Capital and Related Financing Activities				
Amortization of premium/deferred charge on refunding	<u>\$ 255</u>	<u>\$ (126)</u>	<u>\$ 1,449</u>	

See notes to financial statements

City of Fort Atkinson

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2021

	Custodial Fund
Assets	
Cash and investments	\$ 9,801,092
Tax roll receivable	<u>6,480,399</u>
Total assets	<u>16,281,491</u>
Liabilities	
Due to other taxing units	<u>16,281,491</u>
Total liabilities	<u>16,281,491</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

City of Fort Atkinson

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended December 31, 2021

	<u>Custodial Fund</u>
Additions	
Property taxes collected for other governments	<u>\$ 11,206,711</u>
Total additions	<u>11,206,711</u>
Deductions	
Property taxes distributed to other governments	<u>11,206,711</u>
Total deductions	<u>11,206,711</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u><u>\$ -</u></u>

City of Fort Atkinson

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December 31, 2021

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1. Summary of Significant Accounting Policies

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

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government.

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

Component Unit Not Presented

Fort Atkinson Historical Society

The Fort Atkinson Historical Society (Historical Society) is a legally separate organization that qualifies as a component unit of the city. Audited financial statements of the Historical Society are not available for the year ended December 31, 2021.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

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

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Special Revenue Fund

Transportation Improvements Fund is used to account for and report transportation projects that are legally restricted or committed to supporting expenditures for the program.

Debt Service Fund

General Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TIF district or enterprise debt.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Capital Projects Fund

Tax Incremental Financing (TIF) District No. 6 Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

Stormwater Utility accounts for operations of the stormwater system

The City reports the following nonmajor governmental funds:

Special Revenue Funds

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

Wisconsin Development Fund

Library Trust

Museum Trust

EMS

Lodging Room Tax

Dwight Foster Public Library

Subsidized Taxi Program

CDBG

Municipal Airport

Capital Catalyst Grant

ARPA

Capital Projects Funds

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

TIF District No. 7

TIF District No. 8

Capital Improvements Projects

In addition, the City reports the following fund type:

Custodial Funds

Custodial Fund is used to account for and report assets controlled by the City and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection

Measurement Focus, Basis of Accounting and Financial Statement Presentation**Government-Wide Financial Statements**

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2021, there were \$698,574 of unrecorded anticipated future assessments which are not recorded as receivables because collection is subject to certain events occurring in the future. No formal repayment schedules have been established.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer and stormwater utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

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

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

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

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

The City has adopted an investment policy. That policy contains the following guidelines related to custodial credit risk: all deposits of city funds in interest bearing time instruments shall be secured by pledged collateral in an amount equal to at least 100% of the total investment less the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. At December 31, 2021, the City has deposits which do not meet the previous criteria and are uninsured and uncollateralized. See Note 3. The policy addresses credit risk by limiting the types of securities allowable, pre-qualifying financial institutions, broker/dealers, intermediaries and advisors with which the City will do business with and by diversifying the investment portfolio to minimize the impact of potential losses from any one type of security or individual issuer.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

Property tax calendar - 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in full or	January 31, 2022
First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale - 2021 delinquent real estate taxes	October 2024

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

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

It is the City's policy to record revenue when the initial loan is made from the federal grant funds. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Capital Assets**Government-Wide Statements**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$10,000 general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	10-40 Years
Land Improvements	10-20 Years
Machinery and Equipment	4-25 Years
Utility Systems	15-85 Years
Infrastructure	50-75 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Other Assets

The general fund is reporting assets held for resale in the amount of \$818,210. These assets are valued at the lower of cost or market value and are intended to be used for future development of the City.

Deferred Outflows of Resources

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

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

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable resources.

The City provides postemployment health insurance benefits for all eligible employees. Eligibility is based on various criteria. The benefits are based on contractual agreements with employee groups, local ordinances or employee benefit policies. Employees may convert a portion of accumulated sick leave to pay for health care premiums. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the City. Funding for those costs is provided out of the current operating budget of the City. The contributions are financed on a pay as you go basis. Total expenditures for such premiums during the year were \$98,781. The number of participants eligible to receive benefits as of December 31, 2021 is 9. The total amount outstanding at year end to be paid in the future is \$113,777 and is included in the government-wide statement of net position.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2021, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Council to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

The City has a formal minimum fund balance policy. That policy is to maintain unassigned general fund balance at a minimum of 15 - 30% of budgeted general fund expenditures. The unassigned general fund balance at year end was \$3,537,691 or 37% of the budgeted general fund expenditures in 2021.

See Note 3 for further information.

Pension

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined on the same basis as they are reported by the City OPEB Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

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

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin and placed into effect by the utility on October 1, 2021.

Sewer Utility

Current sewer rates were approved by the city council to be effective as of January 1, 2021.

Stormwater Utility

Current stormwater rates were approved by the city council to be effective as of January 1, 2021.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, transportation improvement fund, debt service fund, TIF District No. 6, TIF District No. 7, TIF District No. 8, EMS, Lodgin Room Tax, Dwight Foster Public Library, Subsidized Taxi Program and Municipal Airport. A budget has not been formally adopted for Wisconsin Development Fund, Library Trust, Museum Trust, CDBG, Capital Catalyst Grant and ARPA. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
General Debt Service	\$ 1,101,030	\$ 2,010,763	\$ 909,733
TIF District No. 6	383,783	383,813	30
EMS	7,773	18,716	10,943
Subsidized Taxi Program	93,057	385,815	292,758
Municipal Airport	89,600	104,977	15,377

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Deficit Balances

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

As of December 31, 2021, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Transportation Improvements	\$ 207,128	Timing difference in funding source
EMS	4,159	Timing difference in funding source
TIF District No. 6	1,631,981	Timing difference in funding source
TIF District No. 7	1,451	Timing difference in funding source
CDBG	44,832	Timing difference in funding source

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995 and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. TIF District No. 6 has been designated as distressed and can collect increment for an additional 10 years past the original life. The EMS deficit is anticipated to be funded with future user charges. The CDBG deficit is anticipated to be funded with future eligible grant claims. Transportation Improvements deficit is anticipated to be funded with operating transfers from the general fund and capital borrowings.

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to new construction or 0%. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 14,181,319	\$ 14,522,790	Custodial credit
Mutual funds, bonds	645,839	645,839	Credit, interest rate
Mutual funds, other	1,217,713	1,217,713	N/A
LGIP	8,166,502	8,166,502	Credit
Petty cash	600	-	N/A
Total deposits and investments	<u>\$ 24,211,973</u>	<u>\$ 24,552,844</u>	

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Reconciliation to financial statements

Per statement of net position:

Unrestricted cash and investments	\$ 13,764,975
Restricted cash and investments	645,906

Per statement of net position, fiduciary fund:

Custodial Fund	<u>9,801,092</u>
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Total deposits and investments	<u>\$ 24,211,973</u>
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Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

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

The City maintains collateral agreements with its banks. At December 31, 2021, the banks had pledged various government securities in the amount of \$3,098,217 to secure the City's deposits.

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

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

- Market approach, prices or other information from market transactions involving identical assets

Investment Type	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Mutual funds, bonds	\$ 645,839	\$ -	\$ -	\$ 645,839
Mutual funds, other	<u>1,217,713</u>	<u>-</u>	<u>-</u>	<u>1,217,713</u>
Total	<u>\$ 1,863,552</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,863,552</u>

Custodial Credit Risk

Deposits

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

As of December 31, 2021, \$10,395,962 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 10,395,962</u>
Total	<u>\$ 10,395,962</u>

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Credit Risk

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

As of December 31, 2021, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Composite Ratings</u>
Mutual funds, bonds	A, BBB

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

Local Government Investment Pool (LGIP)

Interest Rate Risk

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

As of December 31, 2021, the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>Greater Than 5</u>
Mutual funds, bonds	<u>\$ 645,839</u>	<u>\$ -</u>	<u>\$ 278,766</u>	<u>\$ 367,073</u>

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

Receivables

	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Amounts not expected to be collected within one year	<u>\$ 78</u>	<u>\$ 54,756</u>	<u>\$ 54,834</u>

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Governmental funds report *unavailable* or *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 9,085,628	\$ -
Developer payments	-	113,166
Grant funds not spent	<u>600,895</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 9,686,523</u>	<u>\$ 113,166</u>
Unearned revenue included in liabilities	\$ 600,895	
Unearned revenue included in deferred inflows	<u>9,085,628</u>	
Total unearned revenue for governmental funds	<u>\$ 9,686,523</u>	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

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

Equipment Replacement Account

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

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Following is a list of restricted assets at December 31, 2021:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Redemption account	\$ 10,156	\$ 9,817	\$ 339
Depreciation account	210,750	-	210,750
Equipment replacement account	425,000	-	425,000
Net pension asset	<u>2,463,400</u>	<u>-</u>	<u>2,463,400</u>
Total	<u>\$ 3,109,306</u>	<u>\$ 9,817</u>	<u>\$ 3,099,489</u>

Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 4,916,405	\$ 291,611	\$ -	\$ 5,208,016
Construction in progress	<u>4,158,817</u>	<u>-</u>	<u>4,158,817</u>	<u>-</u>
Total capital assets not being depreciated	<u>9,075,222</u>	<u>291,611</u>	<u>4,158,817</u>	<u>5,208,016</u>
Capital assets being depreciated:				
Land improvements	3,382,745	65,170	43,102	3,404,813
Buildings	15,570,534	5,652,214	-	21,222,748
Machinery and equipment	10,285,210	225,676	35,467	10,475,419
Infrastructure	<u>21,144,376</u>	<u>1,684,110</u>	<u>324,016</u>	<u>22,504,470</u>
Total capital assets being depreciated	<u>50,382,865</u>	<u>7,627,170</u>	<u>402,585</u>	<u>57,607,450</u>
Total capital assets	<u>59,458,087</u>	<u>7,918,781</u>	<u>4,561,402</u>	<u>62,815,466</u>
Less accumulated depreciation for:				
Land improvements	(1,285,532)	(103,632)	43,102	(1,346,062)
Buildings	(9,283,641)	(565,372)	-	(9,849,013)
Machinery and equipment	(7,797,561)	(422,506)	35,467	(8,184,600)
Infrastructure	<u>(10,004,995)</u>	<u>(352,669)</u>	<u>324,016</u>	<u>(10,033,648)</u>
Total accumulated depreciation	<u>(28,371,729)</u>	<u>(1,444,179)</u>	<u>402,585</u>	<u>(29,413,323)</u>
Net capital assets being depreciated	<u>22,011,136</u>	<u>6,182,991</u>	<u>-</u>	<u>28,194,127</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 31,086,358</u>	<u>\$ 6,474,602</u>	<u>\$ 4,158,817</u>	<u>\$ 33,402,143</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 57,904
Public safety	389,501
Public works	502,234
Culture, recreation and education	455,444
Conservation and development	<u>39,096</u>
Total governmental activities depreciation expense	<u>\$ 1,444,179</u>

City of Fort Atkinson

Notes to Financial Statements

December 31, 2021

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 69,046	\$ -	\$ -	\$ 69,046
Completed construction not classified	-	118,275	-	118,275
Construction in progress	212	-	212	-
Total capital assets not being depreciated	69,258	118,275	212	187,321
Capital assets being depreciated:				
Source of supply	159,505	-	-	159,505
Pumping	1,208,424	-	-	1,208,424
Treatment	75,288	-	-	75,288
Transmission and distribution	15,422,392	102,048	3,735	15,520,705
Administrative and general assets	1,734,706	-	-	1,734,706
Total capital assets being depreciated	18,600,315	102,048	3,735	18,698,628
Total capital assets	18,669,573	220,323	3,947	18,885,949
Less accumulated depreciation for:				
Source of supply	(152,699)	(4,626)	-	(157,325)
Pumping	(760,734)	(27,275)	-	(788,009)
Treatment	(75,288)	-	-	(75,288)
Transmission and distribution	(3,987,107)	(300,909)	3,735	(4,284,281)
Administrative and general assets	(994,618)	(88,694)	-	(1,083,312)
Total accumulated depreciation	(5,970,446)	(421,504)	3,735	(6,388,215)
Net capital assets being depreciated	12,629,869	(319,456)	-	12,310,413
Net water capital assets	<u>\$ 12,699,127</u>	<u>\$ (201,181)</u>	<u>\$ 212</u>	<u>\$ 12,497,734</u>
Sewer				
Capital assets not being depreciated:				
Land and land rights	\$ 14,700	\$ 280,379	\$ -	\$ 295,079
Construction in progress	1,943,540	4,506,760	1,340,073	5,110,227
Completed construction not classified	-	1,509,484	-	1,509,484
Total capital assets not being depreciated	1,958,240	6,296,623	1,340,073	6,914,790
Capital assets being depreciated:				
Collection system	12,877,866	-	-	12,877,866
Collection system pumping	596,255	-	-	596,255
Treatment and disposal	19,799,688	39,685	-	19,839,373
Administrative and general assets	1,665,036	5,956	-	1,670,992
Total capital assets being depreciated	34,938,845	45,641	-	34,984,486
Total capital assets	36,897,085	6,342,264	1,340,073	41,899,276
Less accumulated depreciation for				
Sewer plant	(21,103,711)	(851,331)	-	(21,955,042)
Total accumulated depreciation	(21,103,711)	(851,331)	-	(21,955,042)
Net capital assets being depreciated	13,835,134	(805,690)	-	13,029,444
Net sewer capital assets	<u>\$ 15,793,374</u>	<u>\$ 5,490,933</u>	<u>\$ 1,340,073</u>	<u>\$ 19,944,234</u>

City of Fort Atkinson

Notes to Financial Statements

December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Stormwater				
Capital assets not being depreciated:				
Construction in progress	\$ 33,145	\$ -	\$ -	\$ 33,145
Total capital assets not being depreciated	<u>33,145</u>	<u>-</u>	<u>-</u>	<u>33,145</u>
Capital assets being depreciated:				
Stormwater assets	<u>9,263,859</u>	<u>227,893</u>	<u>34,062</u>	<u>9,457,690</u>
Total capital assets being depreciated	<u>9,263,859</u>	<u>227,893</u>	<u>34,062</u>	<u>9,457,690</u>
Total capital assets	<u>9,297,004</u>	<u>227,893</u>	<u>34,062</u>	<u>9,490,835</u>
Less accumulated depreciation for:				
Stormwater assets	<u>(4,230,385)</u>	<u>(205,639)</u>	<u>34,062</u>	<u>(4,401,962)</u>
Total accumulated depreciation	<u>(4,230,385)</u>	<u>(205,639)</u>	<u>34,062</u>	<u>(4,401,962)</u>
Net capital assets being depreciated	<u>5,033,474</u>	<u>22,254</u>	<u>-</u>	<u>5,055,728</u>
Net stormwater capital assets	<u>\$ 5,066,619</u>	<u>\$ 22,254</u>	<u>\$ -</u>	<u>\$ 5,088,873</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 33,559,120</u>	<u>\$ 5,312,006</u>	<u>\$ 1,340,285</u>	<u>\$ 37,530,841</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 378,054
Sewer	851,331
Stormwater	<u>205,639</u>
Total business-type activities depreciation expense	<u>\$ 1,435,024</u>

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

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Transportation Improvements	\$ 104,200
General fund	EMS	3,174
General fund	TIF District No. 7	1,451
General fund	CDBG	31,361
General fund	Municipal Airport	6,644
General fund	Water utility	<u>336,744</u>
Total, fund financial statements		483,574
Less fund eliminations		<u>(146,830)</u>
Total internal balances, government-wide statement of net position		<u>\$ 336,744</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 336,744
Business-type activities	Governmental activities	<u>-</u>
Total government-wide financial statements		<u>\$ 336,744</u>

All amounts are due within one year.

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Advances

The general fund is advancing funds to TIF District No. 6. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedule has been established.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General fund	TIF District No. 6	\$ 1,832,315	\$ 1,832,315
Total, fund financial statements		1,832,315	
Less fund eliminations		<u>(1,832,315)</u>	
Total, interfund advances		<u>\$ -</u>	

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General fund	Water utility	\$ 336,744	Tax equivalent
TIF District No. 6	TIF District No. 7	180,573	TIF increment sharing
TIF District No. 6	TIF District No. 8	250,398	TIF increment sharing
			Reimburse for qualified
General Fund	ARPA	49,399	expenses
Lodging Room Tax	General fund	79,960	Establish fund
Dwight Foster Public			
Library	General fund	587,674	Establish fund
Subsidized Taxi Program	General fund	93,057	Establish fund
Municipal Airport	General fund	4,253	Establish fund
Capital Catalyst Grant	General fund	<u>300,000</u>	Program match
Total, fund financial statements		1,882,058	
Less fund eliminations		<u>(1,545,314)</u>	
Total transfers, government-wide statement of activities		<u>\$ 336,744</u>	
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	
Governmental activities	Business-type activities	\$ 336,744	
Business-type activities	Governmental activities	<u>-</u>	
Total government-wide financial statements		<u>\$ 336,744</u>	

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 10,355,000	\$ 894,000	\$ 885,000	\$ 10,364,000	\$ 992,000
General obligation notes from direct borrowings and direct placements	<u>2,630,903</u>	<u>910,000</u>	<u>1,489,280</u>	<u>2,051,623</u>	<u>533,923</u>
Total bonds and notes payable	<u>12,985,903</u>	<u>1,804,000</u>	<u>2,374,280</u>	<u>12,415,623</u>	<u>1,525,923</u>
Other liabilities:					
Vested compensated absences	<u>763,279</u>	<u>137,208</u>	<u>206,440</u>	<u>694,047</u>	<u>165,478</u>
Total other liabilities	<u>763,279</u>	<u>137,208</u>	<u>206,440</u>	<u>694,047</u>	<u>165,478</u>
Total governmental activities long-term liabilities	<u>\$ 13,749,182</u>	<u>\$ 1,941,208</u>	<u>\$ 2,580,720</u>	<u>\$ 13,109,670</u>	<u>\$ 1,691,401</u>

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 4,130,000	\$ 180,000	\$ 430,000	\$ 3,880,000	\$ 436,000
General obligation notes from direct borrowings and direct placements	183,975	-	183,975	-	-
Revenue bonds from direct borrowings and direct placements	-	4,044,433	-	4,044,433	-
(Discounts)/Premiums	<u>92,137</u>	<u>-</u>	<u>15,443</u>	<u>76,694</u>	<u>-</u>
Vested compensated absences	<u>4,406,112</u>	<u>4,224,433</u>	<u>629,418</u>	<u>8,001,127</u>	<u>436,000</u>
Other liabilities:					
Vested compensated absences	<u>137,982</u>	<u>29,254</u>	<u>55,910</u>	<u>111,326</u>	<u>33,572</u>
Total other liabilities	<u>137,982</u>	<u>29,254</u>	<u>55,910</u>	<u>111,326</u>	<u>33,572</u>
Total business-type activities long-term liabilities	<u>\$ 4,544,094</u>	<u>\$ 4,253,687</u>	<u>\$ 685,328</u>	<u>\$ 8,112,453</u>	<u>\$ 469,572</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2021, was \$55,288,270. Total general obligation debt outstanding at year end was \$16,295,623.

General Obligation Debt

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

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
General Obligation Debt					
Promissory note*	04/01/99	04/01/22	2.75%	\$ 1,590,000	\$ 89,000
G.O. refunding bonds	05/22/12	02/01/23	2.00 - 3.00	5,750,000	1,165,000
G.O. refunding bonds	05/26/15	02/01/27	1.50 - 3.00	990,000	235,000
Promissory note*	09/06/16	03/01/22	1.10	512,293	82,293
Promissory note*	11/15/16	03/01/23	1.25	373,000	106,500
Promissory note*	06/27/17	03/01/27	2.08	394,000	236,400
G.O. corporate purpose bonds	06/26/18	02/01/38	3.0 - 4.0	1,580,000	1,340,000
G.O. refunding bonds	11/18/19	08/01/39	3.0	6,985,000	6,730,000
Promissory note*	12/20/19	09/01/29	2.75	950,000	745,000
G.O. refunding bonds	02/22/21	02/01/35	1.79	894,000	894,000
Promissory note*	08/23/21	05/01/22	1.05	235,000	117,430
Promissory note*	08/23/21	05/01/31	1.55	675,000	<u>675,000</u>
Total governmental activities, general obligation debt					<u>\$ 12,415,623</u>

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

Business-Type Activities					Balance
General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2021
G.O. refunding bonds	05/22/12	02/01/23		\$ 1,875,000	\$ 345,000
G.O. refunding bonds	05/26/15	02/01/27	1.50 - 3.00%	2,055,000	1,030,000
G.O. corporate purpose bonds	06/26/18	02/01/38	3.0 - 4.0	2,635,000	2,325,000
G.O. refunding bonds	02/22/21	02/01/35	1.79	180,000	180,000
Total business-type activities, general obligation debt					<u>\$ 3,880,000</u>

* Debt issue is a direct borrowing or direct placement

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2022	\$ 992,000	\$ 309,862	\$ 436,000	\$ 112,525
2023	1,223,000	274,408	456,000	99,051
2024	494,000	244,874	292,000	87,735
2025	530,000	226,309	302,000	78,706
2026	646,000	204,626	307,000	69,004
2027-2031	3,126,000	704,038	901,000	244,341
2032-2036	2,203,000	323,565	831,000	126,283
2037-2038	1,150,000	51,827	355,000	12,112
Total	<u>\$ 10,364,000</u>	<u>\$ 2,339,509</u>	<u>\$ 3,880,000</u>	<u>\$ 829,757</u>

Years	Governmental Activities Notes from Direct Borrowings and Direct Placements	
	Principal	Interest
2022	\$ 533,923	\$ 38,489
2023	245,100	30,062
2024	196,900	25,464
2025	196,900	21,065
2026	201,900	16,629
2027-2031	<u>676,900</u>	<u>26,313</u>
Total	<u>\$ 2,051,623</u>	<u>\$ 158,022</u>

The City's outstanding debt from direct borrowings and/or direct placements related to governmental contain event of default and/or termination provisions with possible finance-related consequences. The 2021 promissory notes contain provisions that include a 5% delinquency penalty and interest rate adjustments to 12% until any delinquent balances are paid. All other direct borrowings of the City contain terms that in the event of default, the unpaid balance shall automatically mature and become immediately due and payable.

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the sewer utility.

City of Fort Atkinson

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The City has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 2021. Proceeds from the bonds provided financing for the sewer system upgrades. The bonds are payable solely from sewer revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require 8% of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,732,748. Principal and interest paid for the current year and total customer net revenues were \$0 and \$1,496,340, respectively.

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
Sewer Utility					
2021 Clean Water Fund Loan	07/28/2021		1.557%	\$ 4,044,433	\$ 4,044,433 (1)

The City's outstanding revenue debt from direct borrowings and/or direct placements related to business type activities contain event of default and/or termination provisions with possible finance-related consequences. The 2021 Clean Water Fund Loan contains terms that in the event of default, any delinquent amounts may be deducted from any state payments that are due to the municipality.

- (1) - During 2021 the utility was authorized to issue \$14,125,508 of Sewerage system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2021. The repayment schedule is for the amount issued.

Total business-type activities, revenue debt \$ 4,044,433

<u>Years</u>	Business-Type Activities Revenue Debt From Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 60,937
2023	184,570	61,535
2024	187,444	58,639
2025	190,362	55,698
2026	193,326	52,711
2027-2031	1,012,731	217,094
2032-2036	1,094,066	135,126
2037-2041	1,181,934	46,575
Total	<u>\$ 4,044,433</u>	<u>\$ 688,315</u>

Other Debt Information

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

Current Refunding

On January 14, 2021, the City issued \$1,074,000 in general obligation bonds with an average coupon rate of 1.79% to refund \$1,042,465 of outstanding State Trust Fund loans with an average coupon rate of 3.50%. The net proceeds along with existing funds of the City were used to prepay the outstanding debt.

City of Fort Atkinson

Notes to Financial Statements
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The cash flow requirements on the refunded debt prior to the current refunding was \$1,398,245 from 2021 through 2035. The cash flow requirements on the 2021 refunding bonds are \$1,222,594 from 2021 through 2035. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$122,997.

Bond Covenant Disclosures

Insurance

The utility is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.1 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2021 as follows:

Operating revenues	\$ 3,141,091
Investment income	2,840
Less operation and maintenance expenses	<u>(1,647,591)</u>
Net defined earnings	<u>\$ 1,496,340</u>
Minimum Required Earnings per Resolution:	
Highest annual debt service 2021 CWF bonds	\$ 245,644
Coverage factor	<u>1.10</u>
Minimum required earnings	<u>\$ 270,208</u>
Actual debt coverage	<u>6.09</u>

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2021, includes the following:

Governmental Activities

Net investment in capital assets:	
Land	\$ 5,208,016
Other capital assets, net of accumulated depreciation	28,194,127
Less long-term debt outstanding	(12,415,623)
Plus unspent capital related debt proceeds	235,000
Plus noncapital debt proceeds	<u>156,870</u>
Total net investment in capital assets	<u>\$ 21,378,390</u>

City of Fort Atkinson

Notes to Financial Statements
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Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2021, include the following:

	General Fund	Transportation Improvements	General Debt Service	TIF District No. 6	Nonmajor Funds	Total
Fund Balances						
Nonspendable:						
Prepaid items	\$ 137,280	\$ -	\$ -	\$ -	\$ 4,439	\$ 141,719
Land held for resale	818,210	-	-	-	-	818,210
Delinquent personal property taxes	78	-	-	-	-	78
Advances to other funds	1,832,315	-	-	-	-	1,832,315
Subtotal	2,787,883	-	-	-	4,439	2,792,322
Restricted for:						
Library purposes	-	-	-	-	911,722	911,722
Museum purposes	-	-	-	-	1,054,768	1,054,768
Capital equipment	235,000	-	-	-	-	235,000
Debt service	-	-	2,328	-	-	2,328
TIF purposes	-	-	-	-	448,114	448,114
Room tax	-	-	-	-	90,304	90,304
Grant purposes	-	-	-	-	603,184	603,184
Subtotal	235,000	-	2,328	-	3,108,092	3,345,420
Assigned to:						
PILOT from utility	336,744	-	-	-	-	336,744
Deposits	1,600	-	-	-	-	1,600
Land purchases	28,707	-	-	-	-	28,707
Nonlapsing accounts	305,834	-	-	-	-	305,834
Fire equipment replacement	157,538	-	-	-	-	157,538
Municipal airport	-	-	-	-	4,711	4,711
Loan programs	-	-	-	-	512,199	512,199
Subtotal	830,423	-	-	-	516,910	1,347,333
Unassigned (deficit):	3,537,691	(207,128)	-	(1,631,981)	(50,622)	1,647,960
Total fund balances (deficit)	\$ 7,390,997	\$ (207,128)	\$ 2,328	\$ (1,631,981)	\$ 3,578,819	\$ 9,133,035

Business-Type Activities

Net investment in capital assets:

Land	\$ 364,125
Construction in progress	5,143,372
Other capital assets, net of accumulated depreciation	32,023,344
Less long-term debt outstanding	(7,744,433)
Less unamortized debt premium	(76,694)
Add deferred charge on refunding	34,955

Total net investment in capital assets \$ 29,744,669

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments

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

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

Contributions

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

During the reporting period, the WRS recognized \$451,615 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2021 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.65 %
Protective without Social Security	6.75 %	16.25 %

City of Fort Atkinson

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

At December 31, 2021, the City reported an asset of \$2,463,400 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the City's proportion was 0.03945772%, which was an increase of 0.00050648% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$(265,169).

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,565,296	\$ 767,958
Changes in assumptions	55,874	-
Net differences between projected and actual earnings on pension plan investments	-	4,624,833
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,067	959
Employer contributions subsequent to the measurement date	<u>452,309</u>	<u>-</u>
Total	<u>\$ 4,080,546</u>	<u>\$ 5,393,750</u>

\$452,309 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ (454,032)
2023	(121,678)
2024	(835,900)
2025	(353,903)

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments*:	1.9%

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.3
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
Variable Fund Asset Class			
U.S Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

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

Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	<u>\$ 2,344,815</u>	<u>\$ (2,463,400)</u>	<u>\$ (5,994,998)</u>

Pension Plan Fiduciary Net Position

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

At December 31, 2021, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Commitments and Contingencies

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

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

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

The City has active construction projects as of December 31, 2021. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

City of Fort Atkinson

Notes to Financial Statements
December 31, 2021

The City has the following encumbrances outstanding at year end expected to be honored upon performance by the vendor:

Sewer	<u>\$ 10,078,800</u>
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Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

RBP provides healthcare coverage to active employees and retirees at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age adjusted premium towards retiree benefits.

Employees Covered by Benefit Terms

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	12
Active plan members	<u>79</u>
Total	<u><u>91</u></u>

Total OPEB Liability

The City's total OPEB liability of \$388,307 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.1-7.8%
Healthcare cost trend rates	6.5% decreasing 0.1% per year to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	100% of blended premium

City of Fort Atkinson

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The discount rate of 2.25% was based on Bond Buyer 20-Bond GO Index and was updated from the prior year.

Mortality rates were based on the Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%).

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study 2015-17 conducted in 2018 using Wisconsin Retirement System (WRS).

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2020	<u>\$ 374,332</u>
Changes for the year:	
Service cost	17,039
Interest	10,206
Changes in assumptions or other inputs	10,202
Benefit payments	<u>(23,472)</u>
Net changes	<u>13,975</u>
Balances at December 31, 2021	<u><u>\$ 388,307</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB liability	<u>\$ 409,335</u>	<u>\$ 388,307</u>	<u>\$ 368,120</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5% decreasing to 4.0%) or 1-percentage-point higher (7.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	<u>\$ 365,936</u>	<u>\$ 388,307</u>	<u>\$ 412,905</u>

City of Fort Atkinson

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the City recognized OPEB expense of \$2,520. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 160,721
Changes of assumptions or other inputs	9,068	18,378
City contributions subsequent to the measurement date	<u>28,530</u>	<u>-</u>
Total	<u>\$ 37,598</u>	<u>\$ 179,099</u>

\$28,530 reported as deferred outflows of resources related to OPEB resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ended December 31:</u>	<u>Amount</u>
2022	\$ (24,725)
2023	(24,725)
2024	(24,725)
2025	(24,725)
2026	(24,725)
Thereafter	(46,406)

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>.

Benefits Provided

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

Contributions

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

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

Contribution rates for the plan year reported as of December 31, 2021 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

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

Life Insurance Member Contribution Rates For the Plan Year		
<u>Attained Age</u>	<u>Basic</u>	<u>Supplemental</u>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
34-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$1,479 in contributions from the employer.

City of Fort Atkinson

Notes to Financial Statements
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OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2021, the City reported a liability of \$408,077 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.07418600%, which was an increase of 0.00228000% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2021, the City recognized OPEB expense of \$50,950.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 19,472
Net differences between projected and actual earnings on OPEB plan investments	5,941	-
Changes in assumptions	158,747	28,000
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,728	2,579
Employer contributions subsequent to the measurement date	<u>1,401</u>	<u>-</u>
Total	<u>\$ 179,817</u>	<u>\$ 50,051</u>

\$1,401 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ 24,008
2023	23,365
2024	22,703
2025	20,570
2026	25,668
Thereafter	12,051

Actuarial Assumptions

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

**Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2020**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation %</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
US Credit Bonds	Barclays Credit	50	1.47
US Mortgages	Barclays MBS	50	0.82
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20%, respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Single Discount Rate

A single discount rate of 2.25% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 2.25%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
City's proportionate share of the net OPEB liability	<u>\$ 555,101</u>	<u>\$ 408,077</u>	<u>\$ 296,886</u>

At December 31, 2021, the City reported a payable to the OPEB plan, which represents contractually required contributions outstanding as of the end of the year.

Subsequent Events

In 2021, the city was approved for clean water fund loan up to \$14,125,508. As of December 31, 2021 the city has drawn \$4,044,433. In 2022, the city drew an additional \$2,891,959 as of the date of this report.

On March 22, 2022 the City issued note anticipation note in the amount of \$2,275,000 with an interest rate of .97%. This amount will be used provide interim financing for public purposes, including paying the cost of street and bridge improvement projects, water main projects, property demolition and remediation, acquisition of equipment for the police department, fire department, parks department and public works department and other projects included in the City's capital improvement plan.

On May 24, 2022 the City issued general obligation refunding bonds in the amount of \$2,275,000 with an interest rate of 3.1 - 5.00%. This amount was used to refund the \$2,275,000 note anticipation note issued on March 22, 2022.

Economic Dependency

Sewer Utility

The Sewer Utility has two significant customers who were responsible for 42% of operating revenues in 2021.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 87, *Leases*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
General property taxes	\$ 6,016,616	\$ 6,016,616	\$ 6,016,616	\$ -
Interest and penalties on taxes	70	70	9	(61)
Payments in lieu of taxes	<u>10,400</u>	<u>10,400</u>	<u>10,383</u>	<u>(17)</u>
Total taxes	<u>6,027,086</u>	<u>6,027,086</u>	<u>6,027,008</u>	<u>(78)</u>
Intergovernmental Revenues				
Federal aid, other public safety	-	-	17,539	17,539
Federal aid, law enforcement	-	2,174	2,174	-
Federal aid, law enforcement	-	10,450	10,450	-
State shared revenues	981,500	981,500	982,797	1,297
State expenditure restraint	191,500	191,500	191,577	77
Fire insurance tax (2% fire dues)	39,500	39,500	44,386	4,886
Other state shared taxes	47,950	47,950	47,959	9
Personal property aids	28,200	28,200	28,274	74
Video service provider aid	31,600	31,600	31,659	59
State aid, general transportation aids	584,000	584,000	584,233	233
State aid, connecting streets	100,000	100,000	100,656	656
State aid, recycling	35,000	35,000	33,462	(1,538)
School resource officer	48,700	48,700	48,722	22
Payments for municipal services	2,500	2,500	3,038	538
Compost site, town	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>-</u>
Total intergovernmental revenues	<u>2,098,950</u>	<u>2,111,574</u>	<u>2,135,426</u>	<u>23,852</u>
Licenses and Permits				
Liquor and malt beverage licenses	22,000	22,000	24,420	2,420
Operators' license	2,300	2,300	1,810	(490)
Cigarette licenses	1,400	1,400	1,700	300
Other business and occupational licenses	250	250	530	280
Cable television franchise fees	126,000	126,000	126,626	626
Bicycle licenses	150	150	150	-
Dog and cat licenses	20,000	20,000	22,061	2,061
Building permits	29,000	29,000	40,306	11,306
Electrical permits	9,000	9,000	14,687	5,687
Plumbing permits	6,000	6,000	5,123	(877)
Other permits	3,000	3,000	3,917	917
Zoning permits and fees	<u>1,100</u>	<u>1,100</u>	<u>1,750</u>	<u>650</u>
Total licenses and permits	<u>220,200</u>	<u>220,200</u>	<u>243,080</u>	<u>22,880</u>
Fines and Forfeitures				
Court penalties and costs	80,000	80,000	125,629	45,629
Parking violations	<u>30,000</u>	<u>30,000</u>	<u>32,560</u>	<u>2,560</u>
Total fines and forfeitures	<u>110,000</u>	<u>110,000</u>	<u>158,189</u>	<u>48,189</u>

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Public Charges for Services				
General government	\$ 2,000	\$ 2,000	\$ 4,740	\$ 2,740
Law enforcement fees	4,000	4,000	2,188	(1,812)
Fire protection fees	-	-	80,069	80,069
Ambulance fees	40,000	40,000	40,391	391
Street related facilities	35,000	35,000	35,601	601
Parking lots, ramps and meters	110	110	110	-
Airport	91,000	-	-	-
Weed and nuisance control	1,000	1,000	1,200	200
Library	6,000	-	-	-
Recreation programs	75,000	75,000	80,227	5,227
Museum	-	20,063	20,063	-
Swimming areas	156,000	156,000	129,549	(26,451)
Community center	2,500	2,500	2,504	4
Conservation and development	4,700	4,700	4,872	172
Fiber	8,500	8,500	8,500	-
Total public charges for services	<u>425,810</u>	<u>348,873</u>	<u>410,014</u>	<u>61,141</u>
Intergovernmental Charges for Services				
Local, fire services	<u>222,000</u>	<u>222,000</u>	<u>226,607</u>	<u>4,607</u>
Total intergovernmental charges for services	<u>222,000</u>	<u>222,000</u>	<u>226,607</u>	<u>4,607</u>
Investment Income				
Interest on investments	14,000	14,000	7,971	(6,029)
Interest on promissory notes	<u>11,560</u>	<u>11,560</u>	<u>11,560</u>	<u>-</u>
Total investment income	<u>25,560</u>	<u>25,560</u>	<u>19,531</u>	<u>(6,029)</u>
Miscellaneous				
Rent	5,500	5,500	3,366	(2,134)
Donations	-	282,639	282,639	-
Refund of prior year expenditures	-	-	731	731
Other miscellaneous	5,000	22,322	18,508	(3,814)
Insurance recoveries	<u>-</u>	<u>-</u>	<u>46,869</u>	<u>46,869</u>
Total miscellaneous	<u>10,500</u>	<u>310,461</u>	<u>352,113</u>	<u>41,652</u>
Total revenues	<u>9,140,106</u>	<u>9,375,754</u>	<u>9,571,968</u>	<u>196,214</u>

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Expenditures				
General Government				
Council	\$ 33,755	\$ 33,755	\$ 29,905	\$ 3,850
Municipal court	88,955	96,587	88,571	8,016
Legal	64,445	64,445	60,054	4,391
Mayor	125,065	125,135	118,870	6,265
Clerk	160,632	162,155	163,172	(1,017)
Labor relations	3,000	3,000	625	2,375
Elections	800	800	573	227
Board of review	43,880	43,880	43,298	582
Independent auditing	32,000	32,000	31,055	945
General buildings/plant/hall	77,151	77,151	51,135	26,016
Illegal taxes and refunds	1,000	1,000	-	1,000
Property and liability insurance	51,300	51,300	58,920	(7,620)
Law enforcement insurance	91,500	91,500	85,585	5,915
Other insurance	17,200	17,200	16,053	1,147
Health insurance	47,500	147,263	80,859	66,404
Manufacturing property assessment fees	4,500	4,500	4,222	278
Unemployment compensation costs	4,500	4,500	(4,627)	9,127
Contingency	43,056	43,056	36,203	6,853
Total general government	890,239	999,227	864,473	134,754
Public Safety				
Police	2,755,525	2,766,432	2,804,076	(37,644)
Patrol	11,100	11,100	11,834	(734)
Crossing guards	24,914	24,914	21,891	3,023
Fire protection	687,100	687,449	753,461	(66,012)
Ambulance	103,000	103,000	103,318	(318)
Hydrant rental	26,649	26,649	11,400	15,249
Building inspection	113,570	113,643	111,364	2,279
Electrical inspection	48,236	48,382	42,975	5,407
Sealer of weights and measures	4,800	4,800	4,800	-
Civil defense	1,060	1,060	1,075	(15)
Emergency government	10,090	10,090	21,757	(11,667)
Other public safety	-	-	11,189	(11,189)
Total public safety	3,786,044	3,797,519	3,899,140	(101,621)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Public Works				
Public works/highway administration	\$ 5,615	\$ 5,615	\$ 9,359	\$ (3,744)
Engineering	105,625	105,698	85,129	20,569
Machinery operation and maintenance	310,870	311,689	281,745	29,944
Garages and sheds	142,170	142,426	131,814	10,612
Highway and street maintenance	194,637	194,637	161,570	33,067
Curb and gutter	19,965	19,965	14,892	5,073
Tree and brush removal	6,000	6,000	5,194	806
Street signs	5,152	5,152	288	4,864
Traffic control	105,895	105,895	79,110	26,785
Snow and ice control	244,800	251,114	230,895	20,219
Street lighting	279,655	279,655	267,488	12,167
Sidewalks	47,845	47,845	12,372	35,473
Parking facilities	4,210	4,210	2,956	1,254
Airport	89,600	-	-	-
Refuse and garbage collection	546,000	546,000	546,450	(450)
Recycling	158,500	158,500	167,409	(8,909)
Operation supervision and engineering	62,815	62,815	59,248	3,567
Composting facility	27,500	27,500	32,394	(4,894)
Total public works	<u>2,356,854</u>	<u>2,274,716</u>	<u>2,088,313</u>	<u>186,403</u>
Health and Human Services				
Animal control	<u>34,100</u>	<u>34,100</u>	<u>33,209</u>	<u>891</u>
Total health and human services	<u>34,100</u>	<u>34,100</u>	<u>33,209</u>	<u>891</u>
Culture, Recreation and Education				
Library	554,290	-	-	-
Museum	178,906	199,335	211,644	(12,309)
Community center	83,494	83,494	66,566	16,928
Senior citizens' center	108,833	122,423	106,849	15,574
Recreation administration	330,879	331,240	290,784	40,456
Recreation facilities	246,496	246,897	224,983	21,914
Celebration and entertainment	35,612	35,612	32,414	3,198
Parks	<u>417,704</u>	<u>419,209</u>	<u>419,711</u>	<u>(502)</u>
Total culture, recreation and education	<u>1,956,214</u>	<u>1,438,210</u>	<u>1,352,951</u>	<u>85,259</u>
Conservation and Development				
Forestry	199,040	212,171	213,348	(1,177)
Chamber promotion and marketing	8,500	-	-	-
Industrial development	<u>23,715</u>	<u>23,715</u>	<u>23,269</u>	<u>446</u>
Total conservation and development	<u>231,255</u>	<u>235,886</u>	<u>236,617</u>	<u>(731)</u>

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Capital Outlay				
General administration	\$ -	\$ -	\$ 33,492	\$ (33,492)
Financial administration	-	-	9,592	(9,592)
General public buildings	6,500	6,500	6,500	-
Other public safety	-	-	1,386	(1,386)
Law enforcement	94,300	133,740	121,356	12,384
Fire protection	4,100	1,561,587	1,515,300	46,287
Inspection	7,800	7,800	8,088	(288)
Highway equipment	-	235,000	-	235,000
Highway buildings	-	7,205	1,218	5,987
Highway and street construction	-	-	21,424	(21,424)
Health and human services	7,000	31,871	20,232	11,639
Youth center	-	7,385	2,024	5,361
Parks	64,500	361,021	183,864	177,157
Other culture and recreation	1,700	4,805	4,282	523
Other conservation and development	21,500	150,450	15,500	134,950
Total capital outlay	207,400	2,507,364	1,944,258	563,106
Total expenditures	9,462,106	11,287,022	10,418,961	868,061
Excess (deficiency) of revenues over (under) expenditures	(322,000)	(1,911,268)	(846,993)	1,064,275
Other Financing Sources (Uses)				
Debt issued	-	235,000	235,000	-
Transfers in	322,000	322,000	386,143	64,143
Transfers out	-	-	(1,064,944)	(1,064,944)
Total other financing sources (uses)	322,000	557,000	(443,801)	(1,000,801)
Net change in fund balance	-	(1,354,268)	(1,290,794)	63,474
Fund Balance, Beginning	8,681,791	8,681,791	8,681,791	-
Fund Balance, Ending	\$ 8,681,791	\$ 7,327,523	\$ 7,390,997	\$ 63,474

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Transportation Improvements
Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Taxes				
General property taxes	\$ 500,000	\$ 500,000	\$ 500,000	\$ -
Motor vehicle registration fee	208,000	208,000	217,261	9,261
Total taxes	708,000	708,000	717,261	9,261
Total revenues	708,000	708,000	717,261	9,261
Expenditures				
Capital Outlay				
Capital outlay	708,000	1,383,000	1,698,147	(315,147)
Total expenditures	708,000	1,383,000	1,698,147	(315,147)
Excess (deficiency) of revenues over (under) expenditures	-	(675,000)	(980,886)	(305,886)
Other Financing Sources				
Debt issued	-	675,000	675,000	-
Total other financing sources	-	675,000	675,000	-
Net change in fund balance	-	-	(305,886)	(305,886)
Fund Balance, Beginning	98,758	98,758	98,758	-
Fund Balance (Deficit), Ending	\$ 98,758	\$ 98,758	\$ (207,128)	\$ (305,886)

See notes to required supplementary information

City of Fort Atkinson**Schedule of Proportionate Share of the Net Pension Liability (Asset) -**

Wisconsin Retirement System

Year Ended December 31, 2021

WRS Fiscal Year Ending	Proportionate of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/21	0.03945772%	\$ (2,463,400)	\$ 5,185,422	47.51%	105.26%
12/31/20	0.03895124%	(1,255,965)	5,082,878	24.71%	102.96%
12/31/19	0.03824638%	1,360,686	4,816,488	28.25%	96.45%
12/31/18	0.03768448%	(1,118,896)	4,673,410	23.94%	102.93%
12/31/17	0.03713569%	306,087	4,580,496	6.68%	99.12%
12/31/16	0.03728650%	605,898	4,538,005	13.35%	98.20%
12/31/15	0.03800802%	(933,581)	4,396,943	21.23%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2021

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/21	\$ 452,309	\$ 452,309	\$ -	\$ 5,119,614	8.83%
12/31/20	452,027	452,027	-	5,185,422	8.72%
12/31/19	412,584	412,584	-	5,082,878	8.12%
12/31/18	387,884	387,884	-	4,817,138	8.05%
12/31/17	398,149	398,149	-	4,673,418	8.52%
12/31/16	361,620	361,620	-	4,580,496	7.89%
12/31/15	359,786	359,786	-	4,538,005	7.93%

See notes to required supplementary information

City of Fort Atkinson**Schedule of Proportionate Share of the Net Insurance OPEB Liability -**

Local Retiree Life Insurance Fund

Year Ended December 31, 2021

WRS Fiscal Year Ending	Proportionate of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/21	0.07418600%	\$ 408,077	\$ 3,950,000	10.33%	31.36%
12/31/20	0.07190600%	306,190	3,798,000	8.06%	37.58%
12/31/19	0.06893300%	177,870	3,625,000	4.91%	48.69%
12/31/18	0.07056300%	212,294	2,967,376	7.15%	44.81%

Schedule of Employer Contributions - Local Retiree Life Insurance Fund

Year Ended December 31, 2021

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/21	\$ 1,401	\$ 1,401	\$ -	\$ 4,090,835	0.03%
12/31/20	1,467	1,467	-	4,101,987	0.04%
12/31/19	1,433	1,433	-	3,871,256	0.04%
12/31/18	1,335	1,335	-	2,919,583	0.05%

See notes to required supplementary information

City of Fort Atkinson

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

Health Insurance

Year Ended December 31, 2021

Total OPEB Liability	2021	2020	2019	2018
Service cost	\$ 17,039	\$ 18,641	\$ 20,221	\$ 20,221
Interest	10,206	22,555	19,822	19,852
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(206,641)	-	-
Changes of assumptions	10,202	(8,832)	(17,262)	-
Benefit payments	<u>(23,472)</u>	<u>(11,905)</u>	<u>(37,004)</u>	<u>(44,860)</u>
Net change in total OPEB liability	13,975	(186,182)	(14,223)	(4,787)
Total OPEB Liability, Beginning	<u>374,332</u>	<u>560,514</u>	<u>574,737</u>	<u>579,524</u>
Total OPEB Liability, Ending	<u>\$ 388,307</u>	<u>\$ 374,332</u>	<u>\$ 560,514</u>	<u>\$ 574,737</u>
Covered, employee payroll	\$ 5,036,448	\$ 5,036,448	\$ 4,461,015	\$ 4,461,015
Total OPEB liability as a percentage of covered, employee payroll	7.71%	7.43%	12.56%	12.88%

Notes to schedule:

The amounts presented for each fiscal year were determined as of the calendar-year end prior to the year reported.

Benefit changes. There were no changes to the benefits.

Changes of assumptions. The discount rate and inflation rate assumptions were changed since the prior year.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

City of Fort Atkinson

Notes to Required Supplementary Information
Year Ended December 31, 2021

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

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

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$305,834. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

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

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

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

Changes in assumptions. No significant change in assumptions were noted from the prior year.

Local Retiree Life Insurance Fund

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

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

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

Changes in assumptions. The *Single Discount Rate* assumption used to develop the Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section above for additional details.

SUPPLEMENTARY INFORMATION

City of Fort Atkinson

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds			
	Wisconsin Development Fund	Library Trust	Museum Trust	EMS
Assets				
Cash and investments	\$ 350,456	\$ 869,160	\$ 1,054,768	\$ -
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Loans	161,743	-	-	-
Prepaid items	-	-	-	180
Total assets	<u>\$ 512,199</u>	<u>\$ 869,160</u>	<u>\$ 1,054,768</u>	<u>\$ 180</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,165
Due to other funds	-	-	-	3,174
Unearned revenues	-	-	-	-
Total liabilities	-	-	-	4,339
Deferred Inflows of Resources				
Unearned revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances (Deficit)				
Nonspendable	-	-	-	180
Restricted	-	869,160	1,054,768	-
Assigned	512,199	-	-	-
Unassigned (deficit)	-	-	-	(4,339)
Total fund balances (deficit)	<u>512,199</u>	<u>869,160</u>	<u>1,054,768</u>	<u>(4,159)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 512,199</u>	<u>\$ 869,160</u>	<u>\$ 1,054,768</u>	<u>\$ 180</u>

Special Revenue Funds

Lodging Room Tax	Dwight Foster Public Library	Subsidized Taxi Program	CDBG	Municipal Airport	Capital Catalyst Grant	ARPA
\$ 88,510	\$ 49,501	\$ 19,976	\$ -	\$ -	\$ 600,000	\$ 600,895
-	542,484	-	-	-	-	-
28,393	-	-	-	11,377	-	-
-	-	-	-	-	-	-
-	168	-	-	4,091	-	-
<u>\$ 116,903</u>	<u>\$ 592,153</u>	<u>\$ 19,976</u>	<u>\$ -</u>	<u>\$ 15,468</u>	<u>\$ 600,000</u>	<u>\$ 600,895</u>
\$ 26,599	\$ 6,939	\$ 16,792	\$ 13,471	\$ 22	\$ -	\$ -
-	-	-	31,361	6,644	-	-
-	-	-	-	-	-	600,895
<u>26,599</u>	<u>6,939</u>	<u>16,792</u>	<u>44,832</u>	<u>6,666</u>	<u>-</u>	<u>600,895</u>
-	542,484	-	-	-	-	-
-	542,484	-	-	-	-	-
-	168	-	-	4,091	-	-
90,304	42,562	3,184	-	-	600,000	-
-	-	-	-	4,711	-	-
-	-	-	(44,832)	-	-	-
<u>90,304</u>	<u>42,730</u>	<u>3,184</u>	<u>(44,832)</u>	<u>8,802</u>	<u>600,000</u>	<u>-</u>
<u>\$ 116,903</u>	<u>\$ 592,153</u>	<u>\$ 19,976</u>	<u>\$ -</u>	<u>\$ 15,468</u>	<u>\$ 600,000</u>	<u>\$ 600,895</u>

City of Fort Atkinson

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Capital Projects Funds			Total Nonmajor Governmental Funds
	TIF District No. 7	TIF District No. 8	Capital Improvements Project	
Assets				
Cash and investments	\$ -	\$ 448,114	\$ -	\$ 4,081,380
Receivables:				
Taxes	462,734	840,094	211,040	2,056,352
Accounts	-	-	-	39,770
Loans	-	-	-	161,743
Prepaid items	-	-	-	4,439
Total assets	<u>\$ 462,734</u>	<u>\$ 1,288,208</u>	<u>\$ 211,040</u>	<u>\$ 6,343,684</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 64,988
Due to other funds	1,451	-	-	42,630
Unearned revenues	-	-	-	600,895
Total liabilities	<u>1,451</u>	<u>-</u>	<u>-</u>	<u>708,513</u>
Deferred Inflows of Resources				
Unearned revenues	<u>462,734</u>	<u>840,094</u>	<u>211,040</u>	<u>2,056,352</u>
Total deferred inflows of resources	<u>462,734</u>	<u>840,094</u>	<u>211,040</u>	<u>2,056,352</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	4,439
Restricted	-	448,114	-	3,108,092
Assigned	-	-	-	516,910
Unassigned (deficit)	<u>(1,451)</u>	<u>-</u>	<u>-</u>	<u>(50,622)</u>
Total fund balances (deficit)	<u>(1,451)</u>	<u>448,114</u>	<u>-</u>	<u>3,578,819</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 462,734</u>	<u>\$ 1,288,208</u>	<u>\$ 211,040</u>	<u>\$ 6,343,684</u>

City of Fort Atkinson

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Special Revenue Funds			
	Wisconsin Development Fund	Library Trust	Museum Trust	EMS
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Public charges for services	-	-	-	21,131
Investment income	7,315	80,285	79,897	-
Miscellaneous revenues	-	15,240	-	-
	<u>-</u>	<u>15,240</u>	<u>-</u>	<u>-</u>
Total revenues	<u>7,315</u>	<u>95,525</u>	<u>79,897</u>	<u>21,131</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	10,424
Culture, recreation and education	-	21,797	1,421	-
Conservation and development	-	-	-	-
Capital outlay	-	-	-	8,292
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>21,797</u>	<u>1,421</u>	<u>18,716</u>
Excess (deficiency) of revenues over expenditures	<u>7,315</u>	<u>73,728</u>	<u>78,476</u>	<u>2,415</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,315	73,728	78,476	2,415
Fund Balances (Deficit), Beginning	<u>504,884</u>	<u>795,432</u>	<u>976,292</u>	<u>(6,574)</u>
Fund Balances (Deficit), Ending	<u>\$ 512,199</u>	<u>\$ 869,160</u>	<u>\$ 1,054,768</u>	<u>\$ (4,159)</u>

Special Revenue Funds

Lodging Room Tax	Dwight Foster Public Library	Subsidized Taxi Program	CDBG	Municipal Airport	Capital Catalyst Grant	ARPA
\$ 46,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	281,109	295,942	300,634	-	300,000	49,201
-	5,691	-	-	109,526	-	-
-	-	-	-	-	-	198
-	16,379	-	-	-	-	-
<u>46,795</u>	<u>303,179</u>	<u>295,942</u>	<u>300,634</u>	<u>109,526</u>	<u>300,000</u>	<u>49,399</u>
27,951	-	-	-	104,977	-	-
-	-	-	-	-	-	-
-	817,830	-	-	-	-	-
8,500	-	385,815	-	-	-	-
-	30,293	-	345,466	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>36,451</u>	<u>848,123</u>	<u>385,815</u>	<u>345,466</u>	<u>104,977</u>	<u>-</u>	<u>-</u>
<u>10,344</u>	<u>(544,944)</u>	<u>(89,873)</u>	<u>(44,832)</u>	<u>4,549</u>	<u>300,000</u>	<u>49,399</u>
79,960	587,674	93,057	-	4,253	300,000	-
-	-	-	-	-	-	(49,399)
<u>79,960</u>	<u>587,674</u>	<u>93,057</u>	<u>-</u>	<u>4,253</u>	<u>300,000</u>	<u>(49,399)</u>
90,304	42,730	3,184	(44,832)	8,802	600,000	-
-	-	-	-	-	-	-
<u>\$ 90,304</u>	<u>\$ 42,730</u>	<u>\$ 3,184</u>	<u>\$ (44,832)</u>	<u>\$ 8,802</u>	<u>\$ 600,000</u>	<u>\$ -</u>

City of Fort Atkinson

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Capital Projects Funds			Total Nonmajor Governmental Funds
	TIF District No. 7	TIF District No. 8	Capital Improvements Project	
Revenues				
Taxes	\$ 416,208	\$ 735,546	\$ -	\$ 1,198,549
Intergovernmental	2,900	10,176	-	1,239,962
Public charges for services	-	-	-	136,348
Investment income	152	573	-	168,420
Miscellaneous revenues	-	-	-	31,619
Total revenues	<u>419,260</u>	<u>746,295</u>	<u>-</u>	<u>2,774,898</u>
Expenditures				
Current:				
General government	-	-	-	132,928
Public safety	-	-	-	10,424
Culture, recreation and education	-	-	-	841,048
Conservation and development	150	150	-	394,615
Capital outlay	-	-	-	384,051
Debt service:				
Principal	225,000	118,300	-	343,300
Interest and fiscal charges	<u>17,475</u>	<u>35,222</u>	<u>-</u>	<u>52,697</u>
Total expenditures	<u>242,625</u>	<u>153,672</u>	<u>-</u>	<u>2,159,063</u>
Excess (deficiency) of revenues over expenditures	<u>176,635</u>	<u>592,623</u>	<u>-</u>	<u>615,835</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	1,064,944
Transfers out	<u>(180,573)</u>	<u>(250,398)</u>	<u>-</u>	<u>(480,370)</u>
Total other financing sources (uses)	<u>(180,573)</u>	<u>(250,398)</u>	<u>-</u>	<u>584,574</u>
Net change in fund balances	(3,938)	342,225	-	1,200,409
Fund Balances (Deficit), Beginning	<u>2,487</u>	<u>105,889</u>	<u>-</u>	<u>2,378,410</u>
Fund Balances (Deficit), Ending	<u>\$ (1,451)</u>	<u>\$ 448,114</u>	<u>\$ -</u>	<u>\$ 3,578,819</u>

City of Fort Atkinson

Financial highlights

July 5, 2022

Client service team



Andrea Jansen, CPA, CFE
Partner



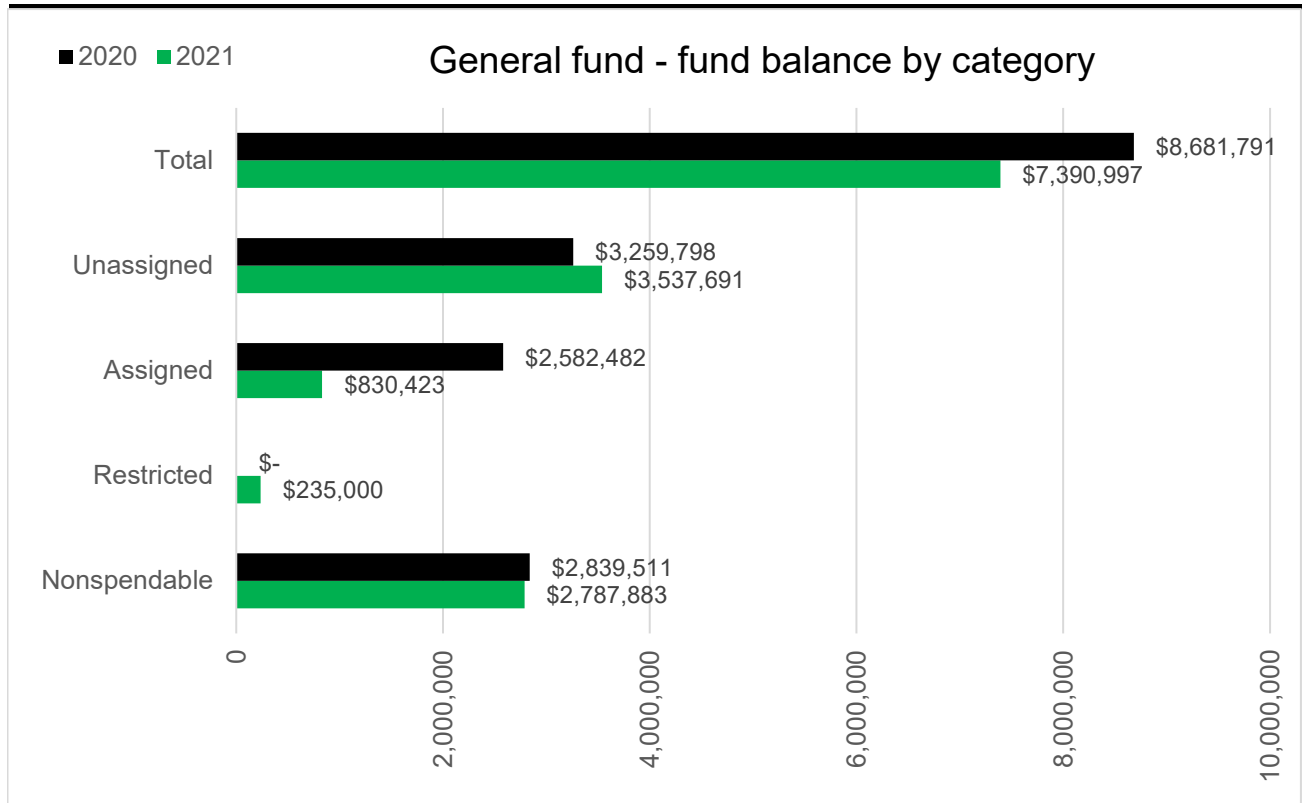
Cameron Sawyer, CPA
Manager



Aaron Galvan, CPA
Senior Associate

City of Fort Atkinson

General fund results



Summarized income statement

	Actual	Final budget	Variance
Revenues and other financing sources	\$ 10,193,111	\$ 9,932,754	\$ 260,357
Expenditures and other financing uses	11,483,905	11,287,022	(196,883)
Net change in fund balance	<u>\$ (1,290,794)</u>	<u>\$ (1,354,268)</u>	<u>\$ 63,474</u>

Fund balance category definitions

Nonspendable - amounts cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained in tact.

Restricted - amounts that can be spent only for the specific purposes stipulated by an external source.

Committed - amounts constrained for specific purposes that are internally imposed through formal action of the governing body.

Assigned - spendable amounts that are intended to be used for specific purposes that are not considered restricted or committed.

Unassigned - residual amounts that have not been classified within other categories above.

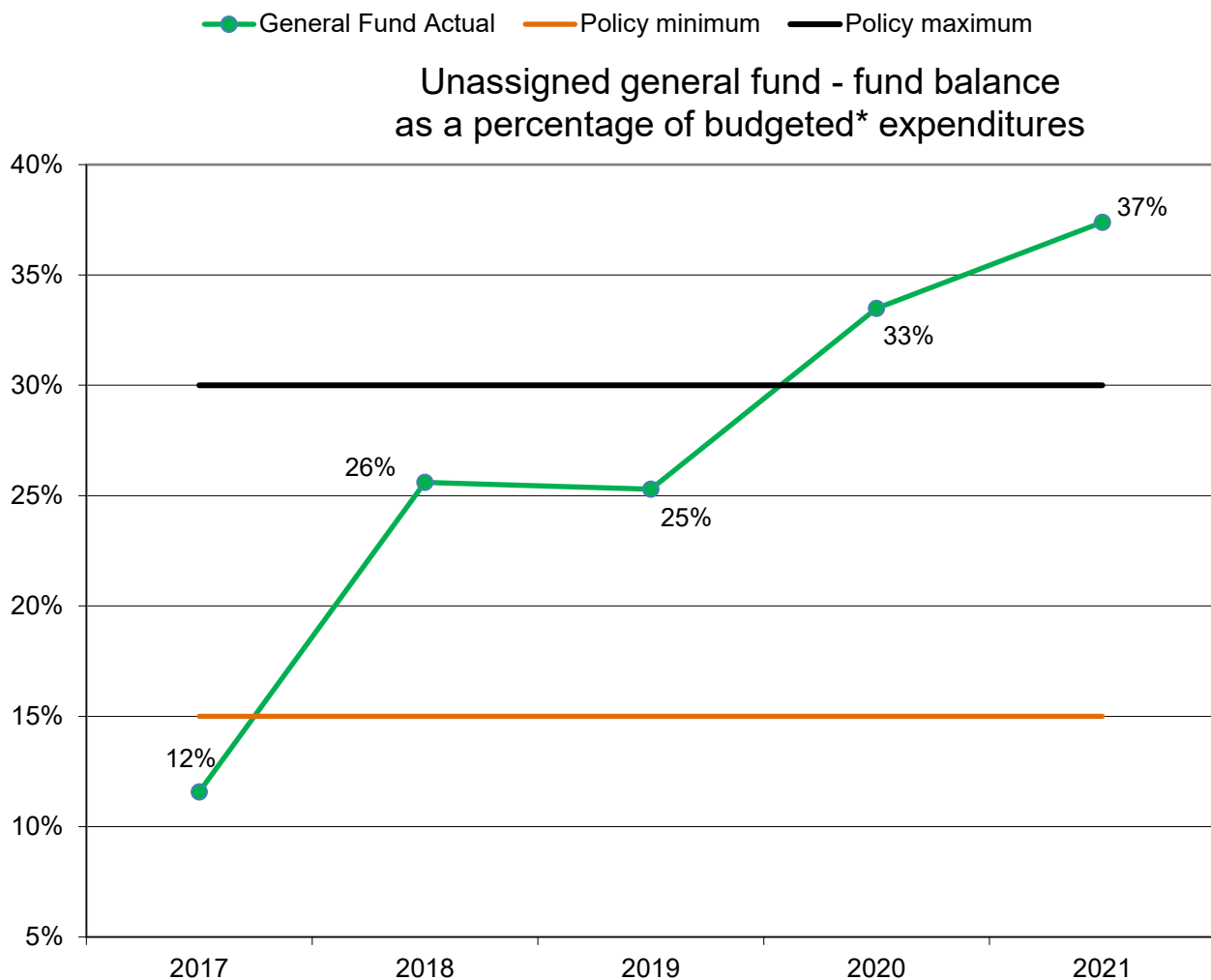
City of Fort Atkinson

General fund - fund balance trends



Fund balance policy:

The City shall strive for an unassigned general fund balance as of December 31 of each year equal to a minimum of 15%, and a maximum of 30% of budgeted general fund expenditures. (Adopted 2019)



Other reference values

GFOA recommends a minimum of no less than 2 months (16.7%) of general fund expenditures.

*The City's policy prior to 2019 was 8-20% of the subsequent year's expenditure budget.



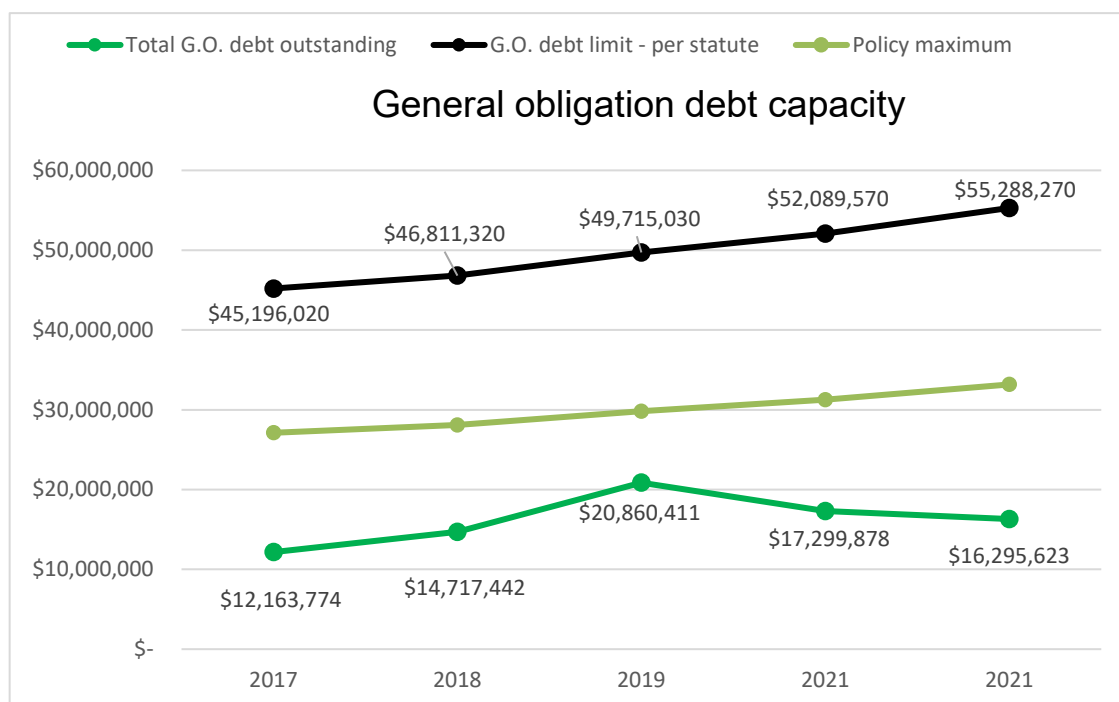
City of Fort Atkinson

General obligation debt

Debt management policy:

The City's debt policy limits the amount of non- self-supporting, unlimited tax general obligation debt outstanding should not exceed 60% of the city's legal debt limit.

Actual percentage of debt limit at 12/31/21: **29%**



Total debt outstanding by type at 12/31/2021

	General obligation	Revenue debt	Total
City	\$ 12,415,623	\$ -	\$ 12,415,623
Utility	3,880,000	4,044,433	7,924,433
Total	\$ 16,295,623	\$ 4,044,433	\$ 20,340,056

Comparative metrics available online through the Wisconsin Policy Forum

<https://wispolicyforum.org/research/municipal-datatool-examining-and-comparing-wisconsin-cities-and-villages/>

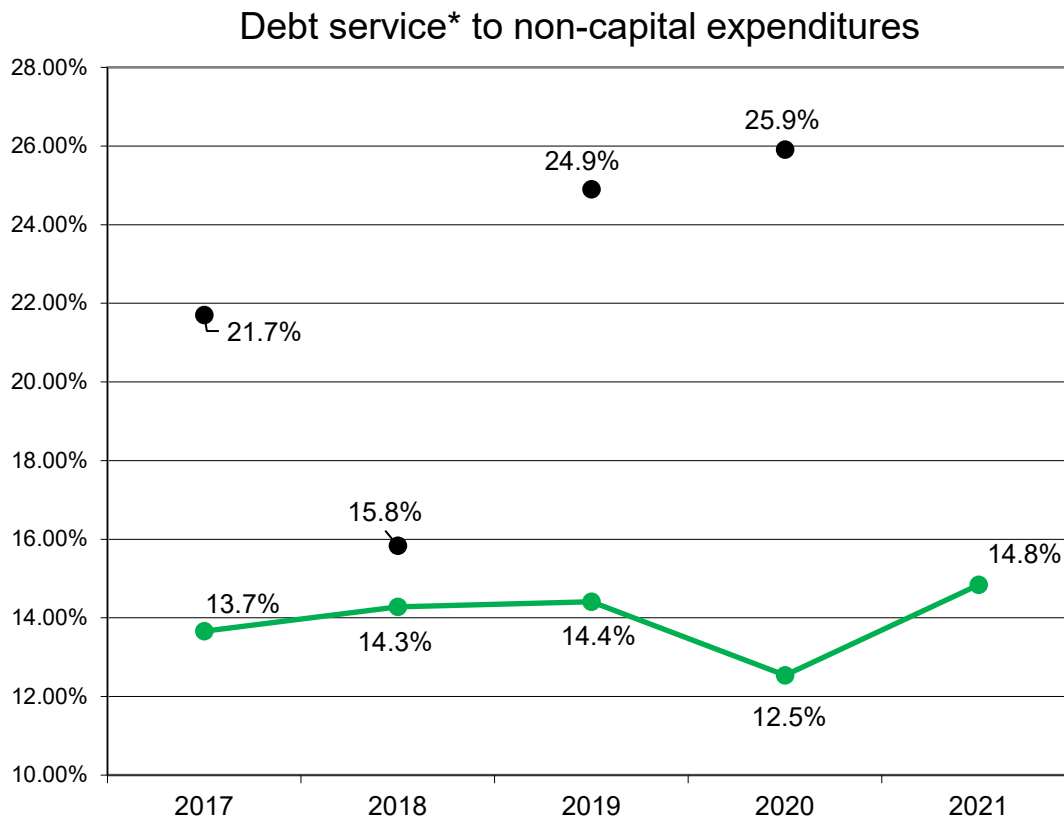
Select "Debt" -- options for custom comparisons or comparisons by county



City of Fort Atkinson

Governmental funds - debt service

● City of Fort Atkinson ● Reference - Median



Current and prior year data

	2021	2020
Principal*	\$ 1,459,897	\$ 1,315,428
Interest	416,113	403,143
Total	<u>\$ 1,876,010</u>	<u>\$ 1,718,571</u>
Non-capital expenditures	<u>\$ 12,644,111</u>	<u>\$ 13,705,210</u>

Other reference values

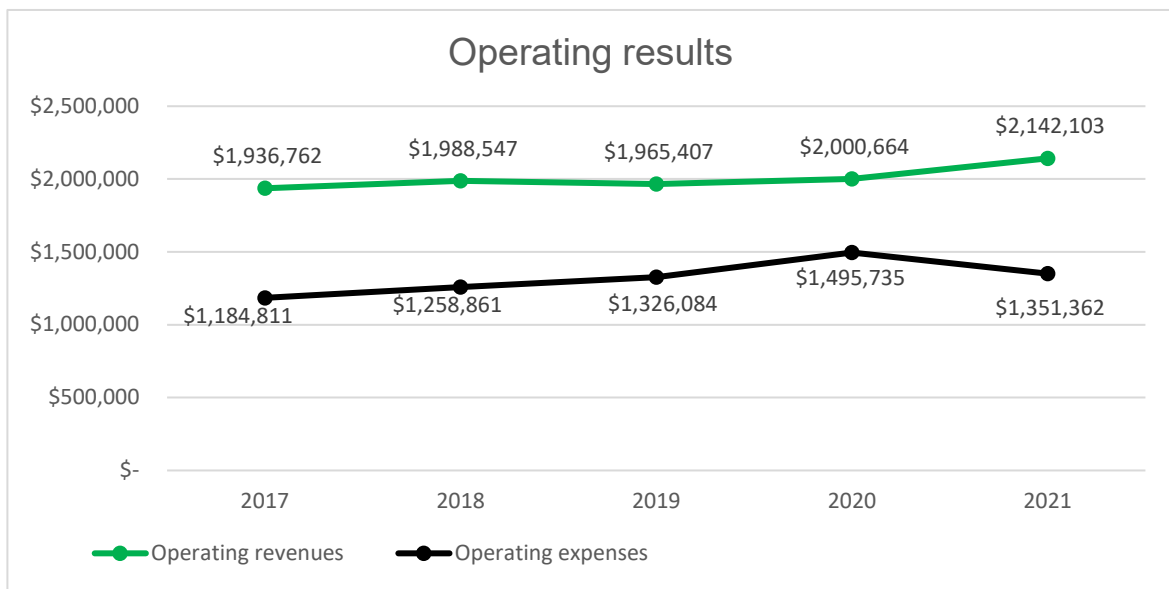
Median reference value generated from 2017 - 2020 Baker Tilly municipal client data for population ranges from 10,000 to 17,500.

*excludes principal related to current refundings.



City of Fort Atkinson Water Utility Results

	Current Year	Prior Year
Actual Rate of Return	2.76%	2.55%
Authorized Rate of Return	7.00%	7.00%



Unrestricted Reserves

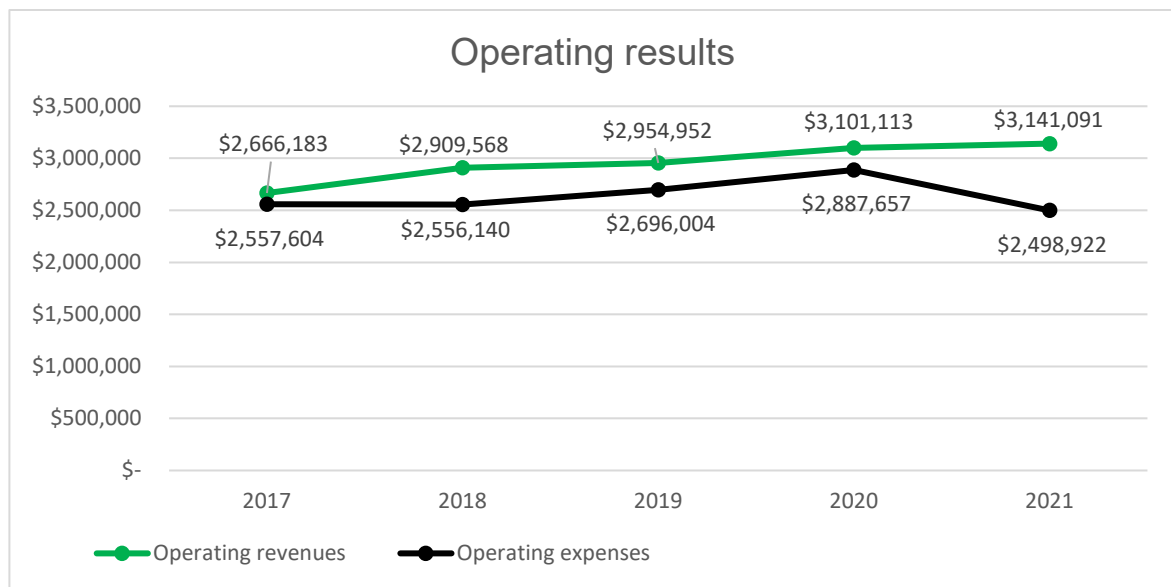
	2017	2018	2019	2020	2021
Year end balance	\$ 887,632	\$ 1,438,521	\$ 714,211	\$ 1,000,796	\$ 971,265
Months on hand	5.50	8.68	4.36	6.00	5.44

Investment in Capital





City of Fort Atkinson Sewer Utility Results



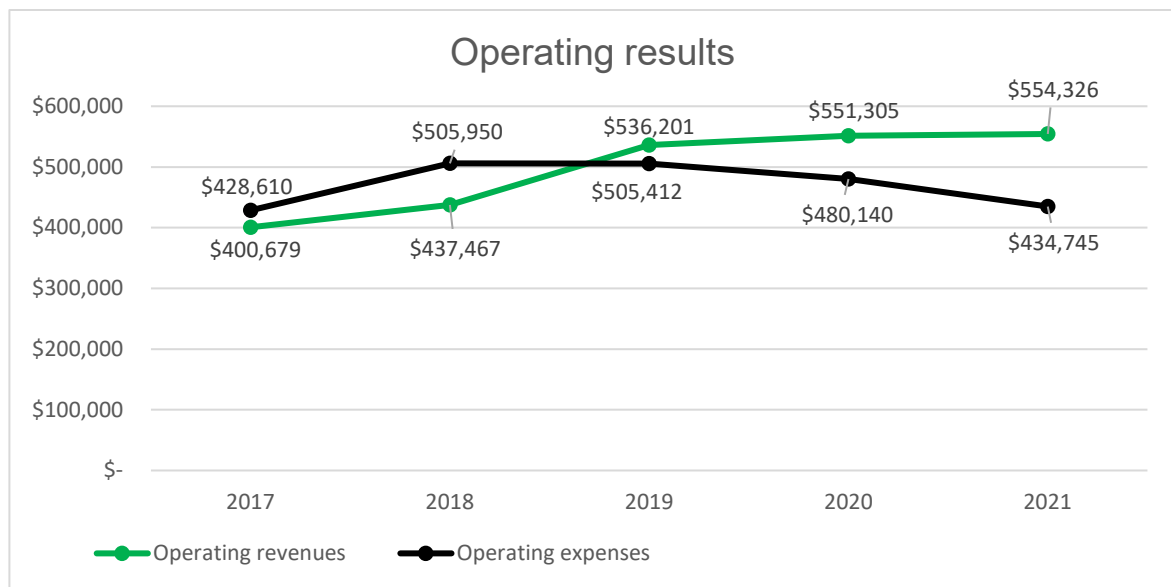
Unrestricted Reserves

	2017	2018	2019	2020	2021
Year end balance	\$ 2,243,095	\$ 2,267,380	\$ 2,579,464	\$ 2,726,531	\$ 3,672,374
Months on hand	10.10	9.35	10.48	10.55	14.03

Investment in Capital



City of Fort Atkinson Stormwater Utility Results



Unrestricted Reserves

	2017	2018	2019	2020	2021
Year end balance	\$ 474,100	\$ 807,187	\$ 500,955	\$ 630,515	\$ 595,168
Months on hand	14.20	22.14	11.21	13.72	12.88

Investment in Capital





MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Jedidiah Draeger, Zoning Administrator

RE: First reading of an Ordinance to amend the Official Zoning Map of the City of Fort Atkinson to change the zoning of 603 N Fourth St., 609 N Fourth St., 615 N Fourth St., and 403 McMillen St. from SR-5, Single Family Residential, to I, Institutional.

BACKGROUND

Fort Healthcare, Inc. has requested a Zoning Map Amendment for the individual parcels located at 603 N Fourth St, 609 N Fourth St, 615 N Fourth St, and 403 McMillen St. Fort Healthcare is also the current owner of the proposed locations.

This Request for a Zoning Map Amendment came before the Plan Commission at a Public Hearing for that purpose on June 27, 2022. Please see the attached Plan Commission staff report for an analysis of the request against the criteria set forth in Section 15.10.31 of the City's Zoning Ordinance.

There were several residents in the Public Hearing at the Plan Commission meeting. Most were looking for additional clarity on the proposed Zoning Map Amendment and associated expansion of the Fort Healthcare campus. After discussion, the Plan Commission unanimously recommended that the proposed Zoning Map Ordinance move on to the first reading of the proposed Zoning Map Ordinance at Council.

DISCUSSION

As a result of the feedback during the Public Hearing, Fort Healthcare Inc, developed a letter to residents within the area and was mailed on June 30, 2022. The letter is attached here for Council's review. A representative of Fort Healthcare will be present at the meeting to present the project to Council and answer questions.

FINANCIAL ANALYSIS

Staff does not expect this ordinance to impact the City financially.

RECOMMENDATION

Staff recommends that the City Council perform the first reading of this Ordinance and direct the City Manager to prepare the Ordinance for a second reading on July 19, 2022

ATTACHMENTS

6.28.22 PC Staff Report Packet ZMA-2022-02; Draft Ordinance Amending the Official Zoning Map; Letter from Fort Healthcare to Residents



City of Fort Atkinson
City Engineer's Office
101 N. Main Street
Fort Atkinson, WI 53538

REQUEST FOR ZONING MAP AMENDMENT REPORT TO THE PLAN COMMISSION

DATE: June 28, 2022

FILE NUMBER: ZMA-2022-02

PROPERTY ADDRESSES: 603 N Fourth St.
609 N. Fourth St. 615 N Fourth St.
403 McMillen St.

EXISTING ZONING: RS-5, Single-family Residential
District – 5

PARCEL NUMBERS: 226-0514-0321-011
226-0514-0321-012, 226-0514-0321-004
226-0514-0321-003

EXISTING LAND USE: Four Single-family Homes

PROPOSED ZONING: I, Institutional

OWNER: Fort Healthcare Inc.

REQUESTED USES: Parking Lot Expansion

APPLICANT: Fort Healthcare Inc.

REQUEST OVERVIEW:

Applicant and property owner Fort Healthcare Inc. has requested a Zoning Map Amendment to change the existing zoning of the four parcels outlined above from RS-5, Single-family Residential – 5, to I, Institutional. Fort Healthcare intends to expand the hospital parking lot to the north, and changing the zoning classification is the first action toward that goal. Fort Healthcare intends to move and/or demolish the four existing houses and vacate a section of North 4th Street in the future.

Fort Healthcare parcel to the north of the hospital campus that is currently used for remote parking. One of the goals in changing the zoning classification of these parcels and expanding parking to the north is to eliminate the need for the remote parking area. The remote parking parcel may be used for new housing development in the future.

The Plan Commission will hold a public hearing at the meeting on June 28th and may make a recommendation for action by the City Council based on the criteria outlined in the Zoning Ordinance, the analysis by staff, conformance with the Comprehensive Plan, and information gathered at the public hearing.

PUBLIC NOTICE:

Zoning Map Amendment applications require a Class 2 Public Notice and notification of surrounding property owners. A public notice was published in the *Jefferson County Daily Union* on June 14th and June 21st. A notice of this public hearing at the Plan Commission was mailed to property owners within 100 feet of the subject property on May 26, 2022.

COMPREHENSIVE LAND USE PLAN (2019):

Future land use for this site is listed as Institutional. Per the City Comprehensive Plan, this district is intended to permit both large- and small-scale institutional development including those on single sites within larger areas of both residential and nonresidential zoning districts. Residential uses are intended to occur at an approximate density of 1 dwelling unit per acre. This district avoids the creation of commercial spot zone intrusions in primarily residential or industrial areas where spots of commercial zoning may be incompatible.

Since the Comprehensive Plan was adopted in 2019, Fort Healthcare has made the decision to invest in its existing hospital facility rather than building a new facility in a new location. Part of the investment strategy is to consolidate certain operations within the hospital facility with the goal of possible redevelopment of other parcels currently used for parking and/or medical office uses in the area. The “healthcare center” concept in the Comprehensive Plan may be more centralized on the existing hospital site, while the northern parcels may become available for future redevelopment to support the housing needs of the community.

REVIEW BY ZONING ADMINISTRATOR AND CITY STAFF:

Section 15.10.31 of the City’s Zoning Ordinance outlines the process for Zoning Map Amendments. Section 15.10.31 (4) includes the following criteria for review by the Zoning Administrator and City staff in crafting a recommendation to the Plan Commission. The criteria from the Ordinance is in *italics*, and staff analysis is below.

- (a) Does the request advance the purpose of this Chapter as outlined in Section 15.01.03 and the applicable rules of Wisconsin Department of Administration and the Federal Emergency Management Agency?*

The purpose of the Zoning Ordinance is to protect the health, safety, morals, comfort, convenience, and general welfare of the public. It is designed to control and lessen congestion in the streets; to secure safety from fire, panic, and other dangers; to promote adequate light and air; to protect surface water and groundwater resources; to prevent the overcrowding of land; to avoid undue concentration of population; to preserve, protect, and promote property values; to facilitate the adequate provision of transportation, water, sewerage, schools, parks, and other public facilities; to preserve the character of historic areas; and to preserve burial sites as defined in Sec. 157.70(1)(b), Wisconsin Statutes. It is also the intent of this Chapter to implement certain goals and objectives of the City of Fort Atkinson Comprehensive Plan, which are best addressed through zoning approaches, as enabled by Wisconsin Statutes.

This request does advance the purpose of the Zoning Ordinance.

- (b) Is the request in harmony with the Comprehensive Plan? If the proposed amendment is not in harmony, a Comprehensive Plan Amendment is required prior to rezoning.*

Yes – the request is in harmony with the Comprehensive Plan (see above).

(c) Does the request maintain the desired overall consistency of land uses, land use intensities, and land use impacts within the pertinent zoning district?

Yes – The subject parcels are adjacent to an Institutional zoning district and were identified in the Comprehensive Plan as parcels that may be appropriate for future institutional uses.

(d) Does the request address any of the following factors that are not properly addressed on the current Official Zoning Map?

- a. The designations of the Official Zoning Map are not in conformance with the Comprehensive Plan.*
- b. A mapping mistake was made, including the omission on the Official Zoning Map of an approved zoning map amendment.*
- c. Factors have changed (such as new data, infrastructure, market conditions, development, annexation, or other zoning changes), making the subject property more appropriate for a difference zoning district.*
- d. Growth patterns or rates have changed, creating the need for an amendment to the Official Zoning Map.*

The current zoning designation does not conform to the Comprehensive Plan. The requested change would bring the land into conformity.

Section 15.10.31(7) directs the Plan Commission to consider items (a) through (d), as well as the following, when making a recommendation to the City Council:

(e) Do the public benefits outweigh any and all potential adverse impacts of the proposed amendment?

Supporting the investment in and expansion of a healthcare facility in the City of Fort Atkinson outweighs any potential minor adverse impacts.

RECOMMENDATION:

Staff recommends that the Plan Commission recommend that the City Council approve the requested Zoning Map Amendment to change the zoning of the properties located at 603 N Fourth St., 609 N. Fourth St., 615 N Fourth St., and 403 McMillen St. from (SR-5) Single Family Residential -5, to (I) Institutional based on its compatibility with the Comprehensive Plan and compliance with Section 15.10.31(4) of the Zoning Ordinance.

The City Council is expected to review this request at the regular meetings on July 5th and July 19th.

ATTACHMENTS:

Application requesting the Zoning Map Amendment; Explanation of Request; Notice to the Public with Zoning Exhibit

City of Fort Atkinson Procedural Checklist for Zoning Map Amendments (Rezoning) Requirements per Section 15.10.31

This form is designed to be used by the Applicant as a guide to submitting a complete application to amend the Official Zoning Map and by the City to process the application.

Name, company, and client (if applicable): Fort Health Care, Inc

Phone number: 920-568-5490 Email: james.nelson@forthc.com

Property address of requested zoning change: 603 N Fourth Street; 609 N Fourth Street;
615 N Fourth Street; 403 McMillen Street

Zoning change request from SR5 to Institutional

I Application Packet Requirements

The Applicant shall submit an electronic or paper copies, as may be required by the City, of the application.

- ☐ A map of the subject property to scale, depicting the following:
 - ☐ All lands for which the zoning is proposed to be amended and all other lands within 100 feet of the boundaries of the subject property.
 - ☐ All parcel numbers for the subject property.
 - ☐ Current zoning of the subject property and its environs, and the jurisdiction(s) which maintains that control.
 - ☐ All lot dimensions of the subject property.
 - ☐ A graphic scale and north arrow.
- ☐ Legal description of the property.
- ☐ Written justification for the proposed Official Zoning Map amendment, including evidence that the application is consistent with the Comprehensive Plan.
- ☐ Any further information needed by the Plan Commission to facilitate the making of a comprehensive report to the Plan Commission and City Council.

II Criteria Used to Evaluate the Proposed Zoning Map Amendment

The Zoning Administrator shall review the complete application and evaluate whether the proposed amendment:

1. Advances the purposes of this Chapter as outlined in Section 15.01.03 and the applicable rules of Wisconsin Department of Administration and the Federal Emergency Management Agency.
2. Is in harmony with the Comprehensive Plan.
3. Maintains the desired overall consistency of land uses, land use intensities, and land use impacts within the pertinent zoning districts.

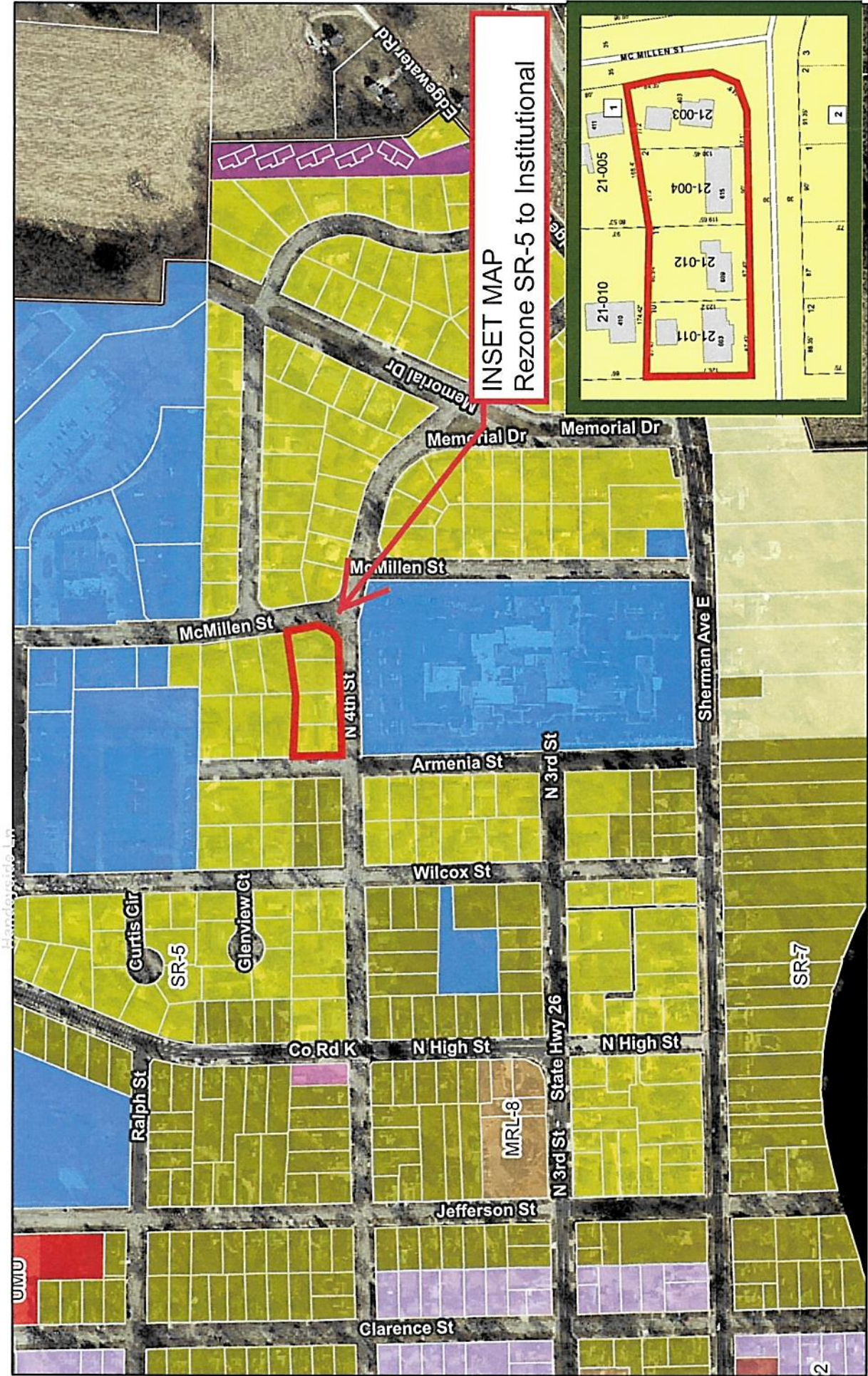
4. Addresses any of the following factors that are not properly addressed on the current Official Zoning Map:
- a. The designations of the Official Zoning Map are not in conformance with the Comprehensive Plan.
 - b. A mapping mistake was made, including the omission on the Official Zoning Map of an approved zoning map amendment.
 - c. Factors have changed (such as new data, infrastructure, market conditions, development, annexation, or other zoning changes), making the subject property more appropriate for a different zoning district.
 - d. Growth patterns or rates have changed, creating the need for an amendment to the Official Zoning Map.

III Process Checklist

- | | |
|--|-----------------------|
| <input type="checkbox"/> Staff-Applicant meeting (if applicable) | Date: _____ |
| <input type="checkbox"/> Application fee of \$200.00 received by City Clerk | Date: <u>SW</u> ✓ |
| <input type="checkbox"/> Reimbursement of professional consultant costs agreement executed. | Date: <u>SW</u> ✓ |
| <input type="checkbox"/> Receipt of complete application packet by Zoning Administrator | Date: _____ |
| <input type="checkbox"/> City Staff input | Date: <u>sw</u> _____ |
| <input type="checkbox"/> Class 2 legal notice sent to official newspaper by City Clerk | Date: <u>sw</u> _____ |
| <input type="checkbox"/> Class 2 legal notice published on <u>6.14.22</u> and <u>6.21.22</u> | Date: <u>sw</u> _____ |
| <input type="checkbox"/> Notification of neighboring property owners within 100 feet of the petition | Date: _____ |
| <input type="checkbox"/> Notification of clerks of municipalities within 1,000 feet of the petition | Date: _____ |
| <input type="checkbox"/> Notification of airports within 1 mile of the petition | Date: _____ |
| <input type="checkbox"/> Plan Commission Public Hearing, review and recommendation | Date: _____ |
| <input type="checkbox"/> City Council review and action | Date: _____ |
| | Date: _____ |



Fort Healthcare Rezoning Map



5/4/2022, 5:55:15 PM

CITY OF FORT ATKINSON

Jefferson County Tax Parcels

City of Fort Atkinson Municipal Boundary 2021 (incl. Preliminary Annexation)

City of Fort Atkinson Base Zoning

SR-2 - Single Family Residential - 15,000sf

SR-5 - Single Family Residential - 8,000sf

SR-7 - Single Family Residential - 6,000sf



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

CITY OF FORT ATKINSON
COST RECOVERY AGREEMENT

The City of Fort Atkinson may retain the services of **professional consultants** (including planners, engineers, architects, attorneys, environmental specialists, recreation specialists, and/or other experts) to assist in the City's review of a development proposal that may be scheduled for review and action by the Plan Commission and/or City Council. The submittal of a development proposal or land use application by an Applicant shall be construed as an **agreement to pay for such professional services** applicable to the proposal or application. The City may apply reasonable charges for these services to the Applicant through invoices. The City may delay acceptance of the proposal or application as complete, or may delay final approval of the proposal, until the Applicant pays such fees. In the event invoices become delinquent, finance charges will accrue at 1% per month, 30 days after the due date. Review fees invoiced to the Applicant, which are not paid in a timely manner, may be assigned by the City as a special assessment to the subject property. The Applicant hereby waives any notice and hearing requirements provided in Wis. Stats. § 66.0701 or any additions or amendments to this section. The City will provide notice to the applicant of the need to hire a professional consultant.

The Applicant is required to provide the City with an executed copy of this Cost Recovery Agreement as part of the land use application process. Applications are not considered complete and will not be considered by the Plan Commission without this executed Agreement.

Applicant Name: Fort HealthCare, Inc

Project Name: Rezone 4 parcels to Industrial

Project Address: see attached

Parcel Number: see attached

Dated this 5 day of May, 2022.

Agreement signed and entered into by:

The City of Fort Atkinson

City Manager

Property Owner Information:

Applicant Information (if different):

Owner Name: Fort HealthCare, Inc

Applicant Name: _____

Owner Signature: James Nelson sop/cfo

Applicant Signature: _____

Address: 611 Sherman Ave, E

Address: _____

Phone Number: 920-568-5490

Phone Number: _____

Email Address: james.nelson@Fortho.com

Email Address: _____

Fort HealthCare, Inc
Rezoning Request SR5 to Industrial / Cost Recovery Agreement
5-May-22

<u>Property Address</u>	<u>Parcel Number</u>
603 N Fourth Street	226-0514-0321-011
609 N Fourth Street	226-0514-0321-012
615 N Fourth Street	226-0514-0321-004
403 McMillen Street	226-0514-0321-003



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

May 26, 2022

NOTICE TO THE PUBLIC

The City of Fort Atkinson Plan Commission will hold a public hearing on **Tuesday, June 28, at 4 p.m.**, or as soon thereafter as the matter can be heard, to review and make a recommendation to the City Council on a request for a **Zoning Map Amendment** for the properties located at **603 N. Fourth St., 609 N. Fourth St., 609 N. Fourth St., 615 N. Fourth St. and 403 McMillen St.** in the City of Fort Atkinson. The public hearing and Plan Commission meeting will take place both in-person at 101 N. Main Street, Fort Atkinson and via Zoom:

<https://us02web.zoom.us/j/82214860406?pwd=TEVyUVdQM05VNFVzb0E2TUNTU05VZ0Z09>

Meeting ID: 822 1486 0406

Passcode: 53538

Dial by your location

+1 312 626 6799

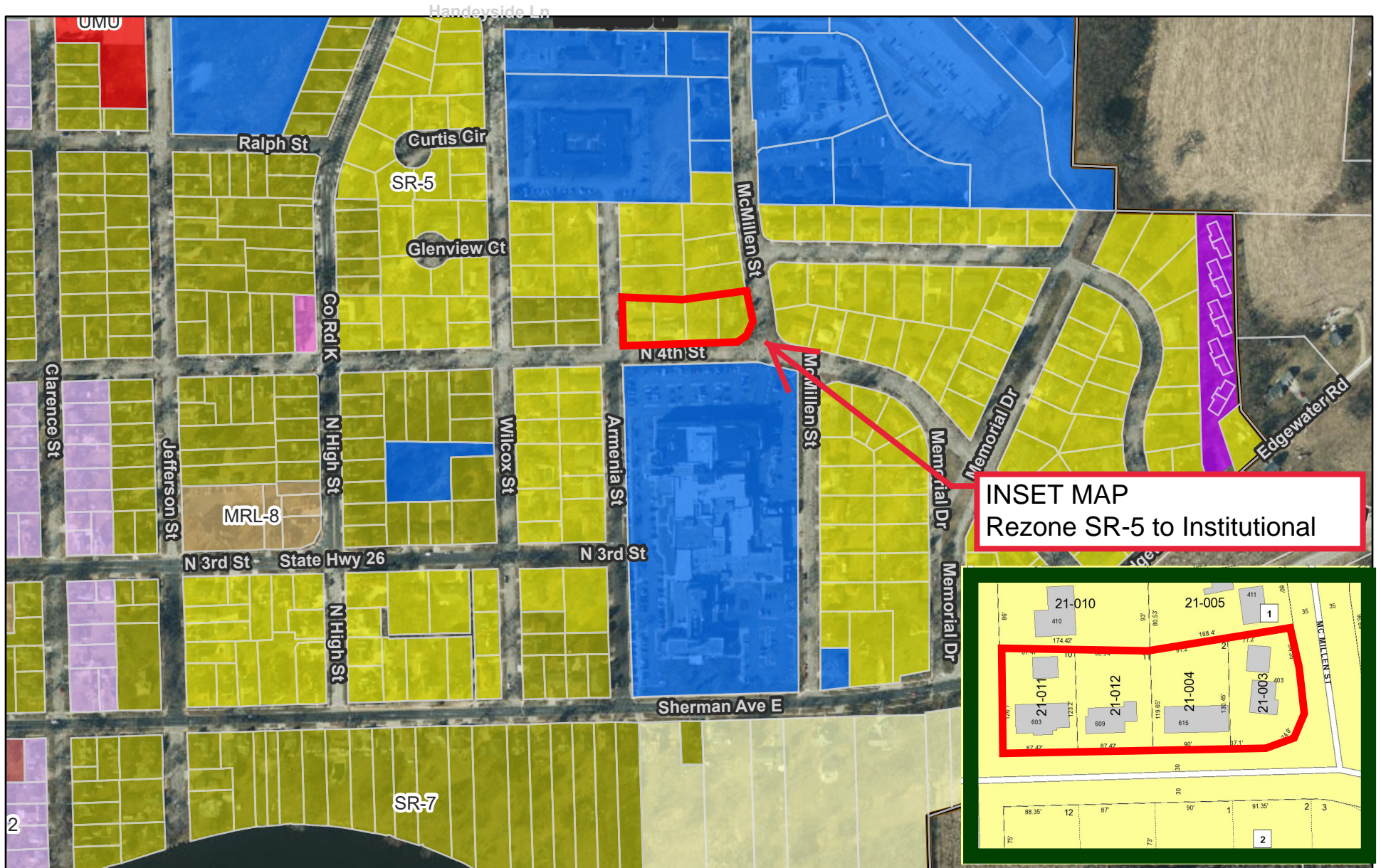
The Zoning Map Amendment has been brought forward to change from Single Family Residential, SR5, to Institutional, I, to accommodate the expansion of the Fort HealthCare campus.

The Plan Commission is seeking input from the public. For more information, please contact City Engineer Andy Selle at aselle@fortatkinsonwi.net or (920) 563-7760. You may attend the public hearing via Zoom or submit a letter or email expressing your thoughts to City Engineer Selle.

Andy Selle, P.E.
City Engineer/Dir. of Public Works

AS/sw

Fort Healthcare Rezoning Map



INSET MAP
Rezone SR-5 to Institutional

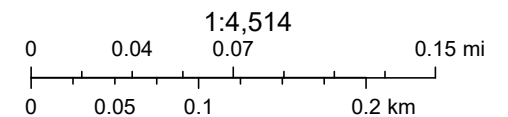


5/4/2022, 5:55:15 PM

- CITY OF FORT ATKINSON
- Jefferson County Tax Parcels
- City of Fort Atkinson Municipal Boundary 2021 (incl. Preliminary Annexation)

City of Fort Atkinson Base Zoning

- SR-2 - Single Family Residential - 15,000sf
- SR-5 - Single Family Residential - 8,000sf
- SR-7 - Single Family Residential - 6,000sf



ORDINANCE NO. ____

**AN ORDINANCE
TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF FORT ATKINSON**

NOW, THEREFORE, the City Council of the City of Fort Atkinson, Wisconsin, do ordain as follows:

Section 1. Section 15.02.03 of the City of Fort Atkinson Zoning Ordinance, adopting the Map of Standard Zoning Districts, is hereby amended to change the zoning classification of the following described properties from SR-5, Single-family Residential – 5, to I, Institutional:

Lot 10 of the George Whitmore Plat, consisting of approximately 0.251 acres of land in the City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 603 N Fourth Street, Parcel Number 226-0514-0321-011);

Lot 11 of the George Whitmore Plat, consisting of approximately 0.243 acres of land in the City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 609 N Fourth Street, Parcel Number 226-0514-0321-012);

Lot 2 of Block 1 of the Weidemann's First Addition, consisting of approximately 0.260 acres of land in the City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 615 N Fourth Street, Parcel Number 226-0514-0321-004); and

Lot 1 of Block 1 of the Weidemann's First Addition, consisting of approximately 0.220 acres of land in the City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 403 McMillen Street, Parcel Number 226-0514-0321-003).

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall take effect upon passage, posting, or publication as provided by law.

Enacted by the City Council of the City of Fort Atkinson, Jefferson County, Wisconsin,
this _____ day of _____, 2022.

CITY OF FORT ATKINSON

Christopher Scherer, President

ATTEST:

Michelle Ebbert, City Clerk/Treasurer/Finance Director



James J. Nelson,
Senior V. P. Finance & Strategic Development/CFO
Fort HealthCare, Inc.
611 Sherman Avenue E
Fort Atkinson, WI 53538
james.nelson@forhc.com
920-568-5490 FAX 920-568-5412

June 30, 2022

Name

Address

Fort Atkinson, WI 53538

Dear Neighbors,

Thank you to those that came to the Fort Atkinson Planning Commission on Tuesday, June 28. I sincerely appreciated the concerns you expressed and ability to discuss those concerns with you during and after the meeting. I also appreciated the city engineer's willingness to stick around after the meeting to help answer a few questions. The main concerns I heard in the meeting were concerns over drainage, noise, light pollution, and traffic flow. Fort HealthCare is working on the "parking plan" for the four lots. We have hired an engineering firm to help us make sure we meet all the City's requirements as well as address the concerns you raised. We should have a good draft "parking plan" by the end of summer. Before we are able to proceed with the construction of the parking space for our employees, the City will require that we bring the "parking plan" to the Planning Commission for their approval. Before we submit our "parking plan" to the Planning Commission, we will invite you to sit down with us to go over the plan to make sure we eliminate as many of the concerns as possible.

As was relayed at/after the Planning Commission meeting, Fort HealthCare has been actively participating in the City's Comprehensive Planning process since its inception. Even before the initial Comprehensive Plan in 2008/9 was put into place we had identified any growth for us to be towards the other medical buildings toward the north. That is why the City placed the block north of Fourth Street between Armenia and McMillen in the "Community Facilities" category in their "Future Land Use" maps. This is also why we have been purchasing the houses as they've become available on this block since 2005. To date, we own 7 of the 12 properties on this block.

We know living on the edges of a hospital campus has its challenges. We appreciate your patience with us as we grow and address the changing needs of a community hospital.

Respectfully,

James J. Nelson
SVP/CFO
Fort HealthCare, Inc.



Agenda
City of Fort Atkinson
City Engineer's Office
101 N. Main Street
Fort Atkinson, WI 53538

MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Andy Selle, P.E., City Engineer/Public Works Director

RE: Second reading of an Ordinance to amend the Official Zoning Map of the City of Fort Atkinson to change the zoning of 1205 Industrial Drive from HI, Heavy Industrial, to MI, Medium Industrial

BACKGROUND

Applicant Joe Salamone, on behalf of Ashers Storage LLC, has requested a Zoning Map Amendment and a Conditional Use Permit to allow for the construction of an additional building on the property located at 1205 Industrial Drive in the City of Fort Atkinson. The proposed use of the building will be for personal storage.

DISCUSSION

This request for a Zoning Map Amendment came before the Plan Commission at a Public Hearing for that purpose on June 14, 2022. Please see the attached Plan Commission staff report for an analysis of the request against the criteria set forth in Section 15.10.31 of the City's Zoning Ordinance.

There were no participants in the Public Hearing at the Plan Commission meeting. After discussion, the Plan Commission unanimously recommended that the City Council approve the Zoning Map Amendment.

Note that the applicant also applied for a Conditional Use Permit for the expansion of a personal storage use on this property, which was approved by the Plan Commission on June 28th subject to Council approval of this Zoning Map Amendment and other conditions outlined in the attached Resolution.

FINANCIAL ANALYSIS

Staff does not expect this ordinance to impact the City financially.

RECOMMENDATION

Staff recommends that the City Council perform the second reading of this Ordinance and direct the City Manager to prepare the Ordinance for a third and final reading on July 19, 2022.

ATTACHMENTS

6.14.22 PC Staff Report Packet ZMA-2022-02; Ordinance Amending the Official Zoning Map; Resolution No. 1381 approving the Conditional Use Permit



City of Fort Atkinson
City Engineer's Office
101 N. Main Street
Fort Atkinson, WI 53538

REQUEST FOR ZONING MAP AMENDMENT REPORT TO THE PLAN COMMISSION

DATE: June 14, 2022

EXISTING ZONING: Heavy Industrial (HI)

PROPERTY ADDRESSES: 1205 Industrial Drive

EXISTING LAND USE: Personal Storage (legal nonconforming) and Auto Shop

PARCEL NUMBER: 226-0514-0921-015

PROPOSED ZONING: Medium Industrial (MI) with a Conditional Use Permit for Personal Storage

OWNER: Ashers Storage LLC

EXISTING LAND USE: Vehicle repair and personal storage

APPLICANT: Joe Salamone

FILE NUMBER: ZMA-2022-01

REQUESTED USES: Additional personal storage

REQUEST OVERVIEW:

Applicant Joe Salamone, on behalf of Ashers Storage LLC, has requested a Zoning Map Amendment and a Conditional Use Permit to allow for the construction of an additional building on the property located at 1205 Industrial Drive in the City of Fort Atkinson. The proposed use of the building will be for personal storage.

The existing structures and land uses on the subject property include a vehicle repair shop, and a mini-storage warehouse building used for personal storage. Personal storage is not permitted in the Heavy Industrial (HI) Zoning District, and the uses, buildings, and site are considered "legal nonconforming" to the Zoning Ordinance.

Per Section 15.05.10 of the Zoning Ordinance, a legal nonconforming use can be continued, but it cannot be expanded or enlarged. However, the applicant is also seeking a Zoning Map Amendment for the property to change the zoning from HI to Medium Industrial (MI). Personal storage is a Conditional Use in the MI Zoning District and requires a Conditional Use Permit before the use may be established (in this case, expanded).

The Plan Commission will hold a public hearing at the meeting on June 14th and may make a recommendation for action by the City Council based on the criteria outlined in the Zoning Ordinance, the analysis by staff, conformance with the Comprehensive Plan, and information gathered at the public hearing.

PUBLIC NOTICE:

Zoning Map Amendment applications require a Class 2 Public Notice and notification of surrounding property owners. A public notice was published in the Jefferson County Daily Union on May 31st and June 7th. A notice of this public hearing at the Plan Commission was mailed to property owners within 100 feet of the subject property on May 16, 2022.

COMPREHENSIVE LAND USE PLAN (2019):

Future land use for this site is listed as General Industrial. Per the City Comprehensive Plan, this land category is intended for manufacturing, warehousing, distribution, and office uses, often with outdoor storage areas and usually with moderate attention to building design, landscaping, and signage. The zoning districts associated with this land use type are MI (Medium Industrial) and HI (Heavy Industrial).

The request for a Zoning Map Amendment and a Conditional Use Permit to allow for personal storage uses are in harmony with the City's Comprehensive Plan.

REVIEW BY ZONING ADMINISTRATOR AND CITY STAFF:

Section 15.10.31 of the City's Zoning Ordinance outlines the process for Zoning Map Amendments. Section 15.10.31 (4) includes the following criteria for review by the Zoning Administrator and City staff in crafting a recommendation to the Plan Commission. The criteria from the Ordinance is in italics, and staff analysis is below.

- (a) Does the request advance the purpose of this Chapter as outlined in Section 15.01.03 and the applicable rules of Wisconsin Department of Administration and the Federal Emergency Management Agency?*

The purpose of the Zoning Ordinance is to protect the health, safety, morals, comfort, convenience, and general welfare of the public. It is designed to control and lessen congestion in the streets; to secure safety from fire, panic, and other dangers; to promote adequate light and air; to protect surface water and groundwater resources; to prevent the overcrowding of land; to avoid undue concentration of population; to preserve, protect, and promote property values; to facilitate the adequate provision of transportation, water, sewerage, schools, parks, and other public facilities; to preserve the character of historic areas; and to preserve burial sites as defined in Sec. 157.70(1)(b), Wisconsin Statutes. It is also the intent of this Chapter to implement certain goals and objectives of the City of Fort Atkinson Comprehensive Plan, which are best addressed through zoning approaches, as enabled by Wisconsin Statutes.

This request does not advance the purpose of the Zoning Ordinance; however, it does not detract from these stated purposes in a way that would negatively impact the general welfare of the public.

(b) Is the request in harmony with the Comprehensive Plan? If the proposed amendment is not in harmony, a Comprehensive Plan Amendment is required prior to rezoning.

Yes – the request is in harmony with the Comprehensive Plan (see above).

(c) Does the request maintain the desired overall consistency of land uses, land use intensities, and land use impacts within the pertinent zoning district?

Yes – This is an industrial area of the City, and the zoning change lessens the intensity as the area transitions to the Janesville Avenue commercial corridor.

(d) Does the request address any of the following factors that are not properly addressed on the current Official Zoning Map?

- a. The designations of the Official Zoning Map are not in conformance with the Comprehensive Plan.*
- b. A mapping mistake was made, including the omission on the Official Zoning Map of an approved zoning map amendment.*
- c. Factors have changed (such as new data, infrastructure, market conditions, development, annexation, or other zoning changes), making the subject property more appropriate for a difference zoning district.*
- d. Growth patterns or rates have changed, creating the need for an amendment to the Official Zoning Map.*

The current zoning designation, HI, is in conformance with the Comprehensive Plan, as is the requested zoning designation, MI. This request is not based on a mistake on the Official Zoning Map. The factor that changed is the property owner's desire to construct an additional building for personal storage uses on the property based on the market's desire for additional personal storage options. This request is not based on changes in growth patterns or rates, aside from the market's desire for additional personal storage options.

Section 15.10.31(7) directs the Plan Commission to consider items (a) through (d), as well as the following, when making a recommendation to the City Council:

(e) Do the public benefits outweigh any and all potential adverse impacts of the proposed amendment?

While the public benefits of this project are minor, the potential adverse impacts are also minor.

Request for Zoning Map Amendment

June 14, 2022

ZMA-2022-01

RECOMMENDATION:

Staff recommends that the Plan Commission recommend that the City Council approve the requested Zoning Map Amendment to change the zoning of the property located at 1205 Industrial Drive from HI, Heavy Industrial, to MI, Medium Industrial, based on its compatibility with the Comprehensive Plan and compliance with Section 15.10.31(4) of the Zoning Ordinance.

The City Council is expected to review this request at the regular meetings on June 21st, July 5th, and July 19th. Zoning Map Amendments are required to be done by Ordinance, and Ordinances require three readings at City Council meetings.

ATTACHMENTS:

Application requesting the Zoning Map Amendment; Explanation of Request; Notice to the Public with Zoning Exhibit

**City of Fort Atkinson Procedural Checklist for Zoning Map Amendments
(Rezoning)**
Requirements per Section 15.10.31

This form is designed to be used by the Applicant as a guide to submitting a complete application to amend the Official Zoning Map and by the City to process the application.

Name, company, and client (if applicable): Joe Salamone
Ashers Storage

Phone number: 920-728-1939 Email: jsalamone75@gmail.com

Property address of requested zoning change: 1205 Industrial Dr.

Parcel # 226-0514-0921-015

Zoning change request from HI Heavy Industrial to MI Medium Industrial

I Application Packet Requirements

The Applicant shall submit one electronic copy of the application.

- ☐ A map of the subject property to scale, depicting the following:
 - ☐ All lands for which the zoning is proposed to be amended and all other lands within 100 feet of the boundaries of the subject property.
 - ☐ All parcel numbers for the subject property.
 - ☐ Current zoning of the subject property and its environs, and the jurisdiction(s) which maintains that control.
 - ☐ All lot dimensions of the subject property.
 - ☐ A graphic scale and north arrow.
- ☐ Legal description of the property.
- ☐ Written justification for the proposed Official Zoning Map amendment, including evidence that the application is consistent with the Comprehensive Plan.
- ☐ Any further information needed by the Plan Commission to facilitate the making of a comprehensive report to the Plan Commission and City Council.

II Criteria Used to Evaluate the Proposed Zoning Map Amendment

The Zoning Administrator shall review the complete application and evaluate whether the proposed amendment:

1. Advances the purposes of this Chapter as outlined in Section 15.01.03 and the applicable rules of Wisconsin Department of Administration and the Federal Emergency Management Agency.
2. Is in harmony with the Comprehensive Plan.
3. Maintains the desired overall consistency of land uses, land use intensities, and land use impacts within the pertinent zoning districts.
4. Addresses any of the following factors that are not properly addressed on the current Official Zoning Map:

Written Justification for the Proposed Official Zoning Map Amendment

Request: Rezoning from (HI) Heavy Industrial to (MI) Medium Industrial

Address: 1205 Industrial Drive Fort Atkinson, WI 53538

Parcel: #226-0514-0921-015

Legal description:

Lot 1 of certified survey map no. 3757 recorded in volume 17. Pages 236 and 237 of certified survey maps of Jefferson county, Wisconsin, as document no. 1009240 and located in the NE ¼ of the ¼ and in the SE ¼ of section 9. T.5N., R.14E. OF THER 4TH P.M., CITY OF FORT ATKINSON, JEFFERSON COUNTY, WISCONSIN

Owners: Joseph & Angela Salamone

Property Name: Ashers Storage LLC

Request: We are requesting rezoning in order to stay compliant and continue with the original plans to add additional outside self-serve storage units on this property. We purchased this property in 2021 from the original owner who built the storage units and building. On the original construction prints approved by the City of Fort Atkinson on 4-30-99, the future building (150x40) was shown. We understand that the setbacks and minimum lot requirements for Heavy Industrial zonings have changed since that time. The new 50 foot setbacks on a minimum five acre lot for a Heavy Industrial zoning quickly shrink up a 1-acre lot. We are asking for a change in zoning to help accommodate the 1-acre lot. Moving to Medium Industrial zoning will allow us to complete a 100 x 50 storage building, meanwhile keeping a 45 foot set back on the east side for the sewer lateral.

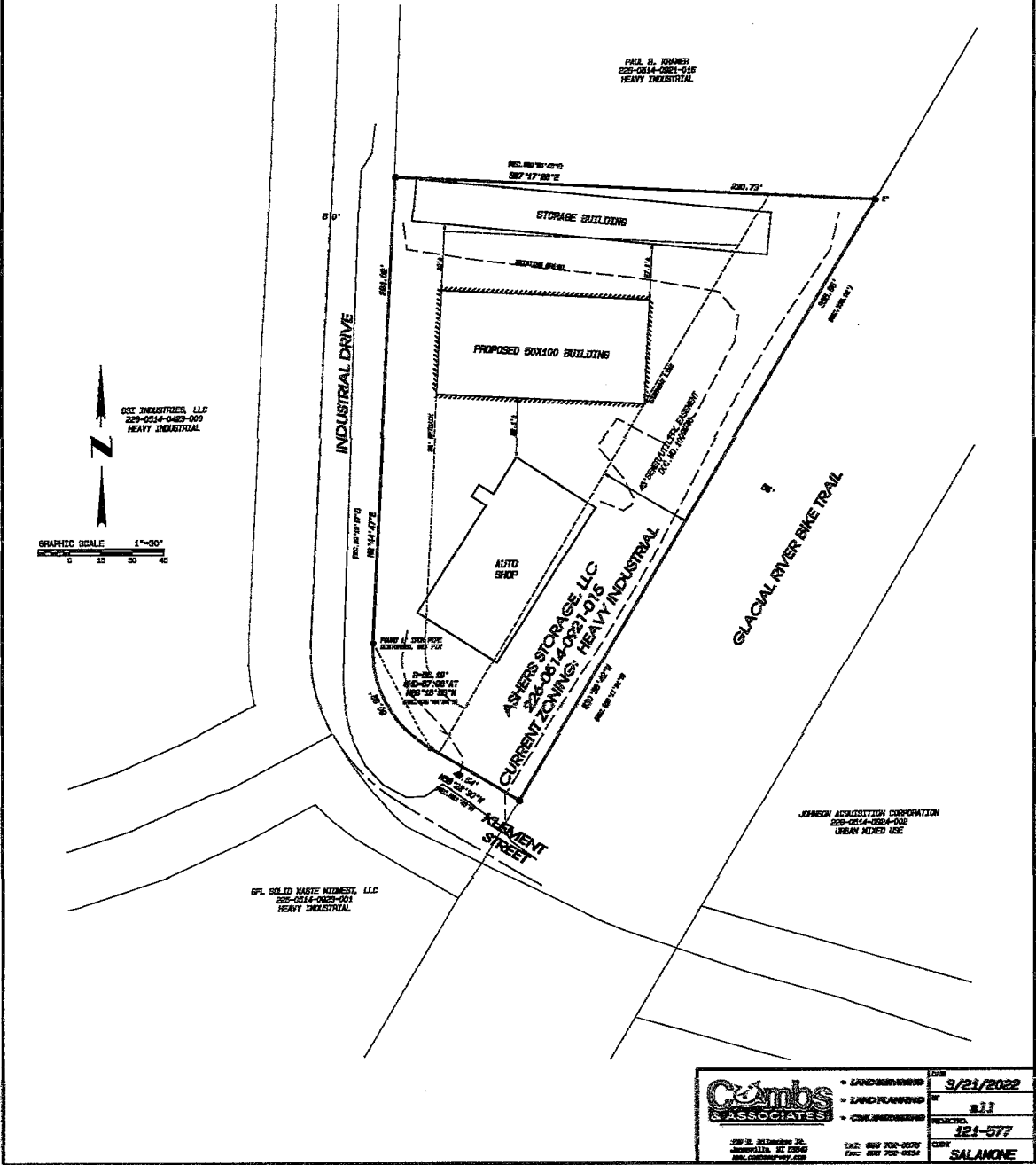
The property currently has 10x20 and 5x10 foot storage units. We are looking to add some 10 x 25 units to this property, meanwhile continuing to maintain the property and serve the City of Fort Atkinson.

Thank you for your time and consideration,

Joseph & Angie Salamone

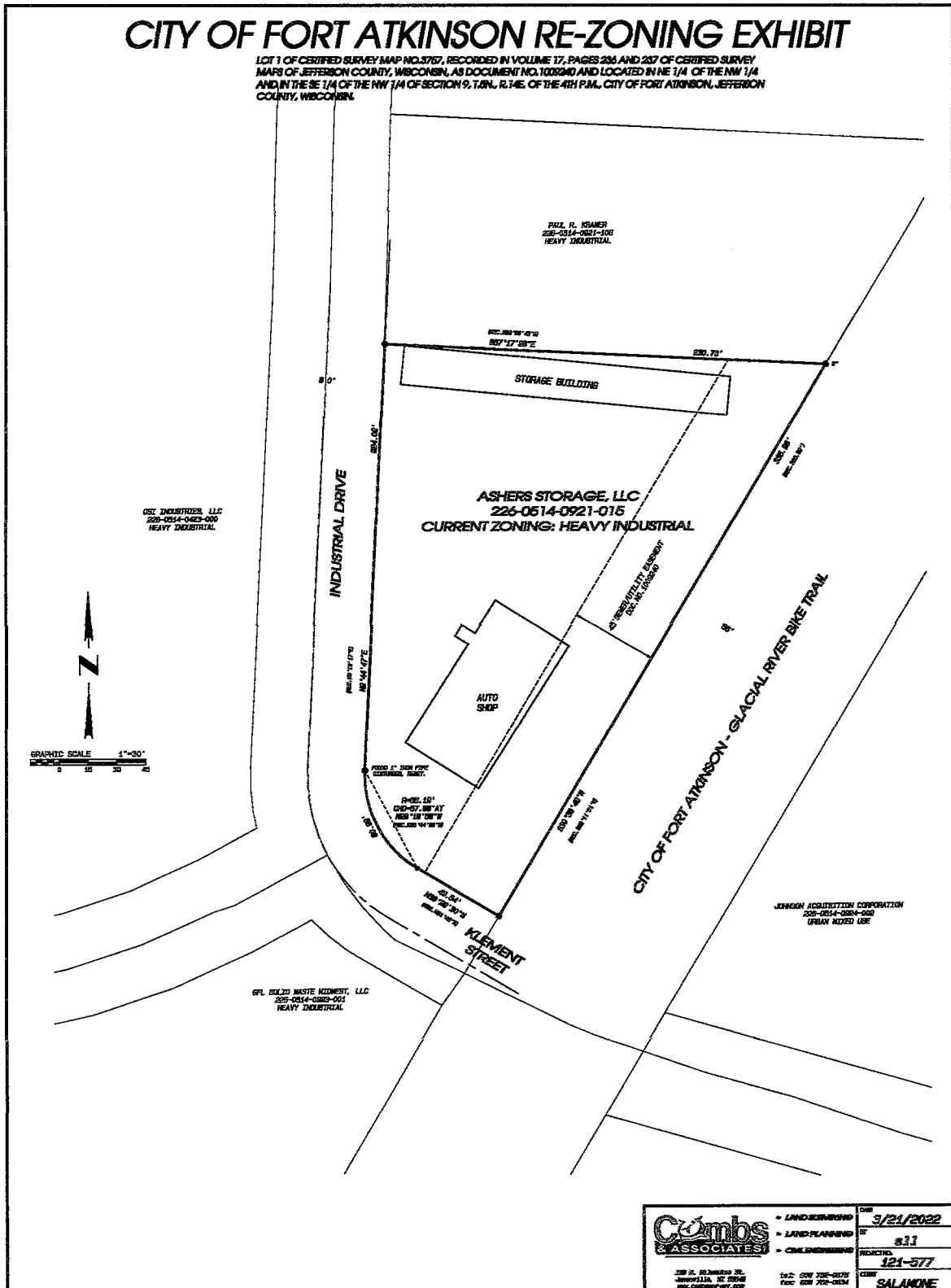
CITY OF FORT ATKINSON C.U.P. EXHIBIT/SITE PLAN

LOT 1 OF CERTIFIED SURVEY MAP NO. 1767, RECORDED IN VOLUME 17, PAGES 236 AND 237 OF CERTIFIED SURVEY MAPS OF JEFFERSON COUNTY, WISCONSIN, AS DOCUMENT NO. 1002240 AND LOCATED IN NE 1/4 OF THE NW 1/4 AND IN THE SE 1/4 OF THE NW 1/4 OF SECTION 9, T.2N, R.14E, OF THE 4TH P.M., CITY OF FORT ATKINSON, JEFFERSON COUNTY, WISCONSIN.



Combs ASSOCIATES 200 N. Main Street Jefferson, WI 53546 920.255.7200	• LANDSCAPING	DATE
	• LAND PLANNING	9/21/2022
	• CIVIL ENGINEERING	BY
		121-577
	CHECKED	CITY
		SALAMONE

LOT 1 OF CERTIFIED SURVEY MAP NO.3767, RECORDED IN VOLUME 17, PAGES 236 AND 237 OF CERTIFIED SURVEY MAPS OF JEFFERSON COUNTY, WISCONSIN, AS DOCUMENT NO.1008240 AND LOCATED IN THE 1/4 OF THE NW 1/4 AND IN THE SE 1/4 OF THE NW 1/4 OF SECTION 9, T.4N., R.74E. OF THE 4TH P.M., CITY OF FORT ATKINSON, JEFFERSON COUNTY, WISCONSIN.



Written Justification for the Proposed Official Zoning Map Amendment

Request: Rezoning from (HI) Heavy Industrial to (MI) Medium Industrial

Address: 1205 Industrial Drive Fort Atkinson, WI 53538

Parcel: #226-0514-0921-015

Legal description:

Lot 1 of certified survey map no. 3757 recorded in volume 17. Pages 236 and 237 of certified survey maps of Jefferson county, Wisconsin, as document no. 1009240 and located in the NE ¼ of the ¼ and in the SE ¼ of section 9. T.5N., R.14E. OF THER 4TH P.M., CITY OF FORT ATKINSON, JEFFERSON COUNTY, WISCONSIN

Owners: Joseph & Angela Salamone

Property Name: Ashers Storage LLC

Request: We are requesting rezoning in order to stay compliant and continue with the original plans to add additional outside self-serve storage units on this property. We purchased this property in 2021 from the original owner who built the storage units and building. On the original construction prints approved by the City of Fort Atkinson on 4-30-99, the future building (150x40) was shown. We understand that the setbacks and minimum lot requirements for Heavy Industrial zonings have changed since that time. The new 50 foot setbacks on a minimum five acre lot for a Heavy Industrial zoning quickly shrink up a 1-acre lot. We are asking for a change in zoning to help accommodate the 1-acre lot. Moving to Medium Industrial zoning will allow us to complete a 100 x 50 storage building, meanwhile keeping a 45 foot set back on the east side for the sewer lateral.

The property currently has 10x20 and 5x10 foot storage units. We are looking to add some 10 x 25 units to this property, meanwhile continuing to maintain the property and serve the City of Fort Atkinson.

Thank you for your time and consideration,
Joseph & Angie Salamone



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

May 16, 2022

NOTICE TO THE PUBLIC

The City of Fort Atkinson Plan Commission will hold a public hearing on **Tuesday, June 14, at 4 p.m.**, or as soon thereafter as the matter can be heard, to review and make a recommendation to the City Council on a request for a **Zoning Map Amendment** for the property located at **1205 Industrial Drive** in the City of Fort Atkinson. The public hearing and Plan Commission meeting will take place both in-person at 101 N. Main Street, Fort Atkinson and via Zoom:

<https://us02web.zoom.us/j/82214860406?pwd=TEVyUVdQM05VNFVzb0E2TUNTU0ZlZz09>

Meeting ID: 822 1486 0406

Passcode: 53538

Dial by your location

+1 312 626 6799

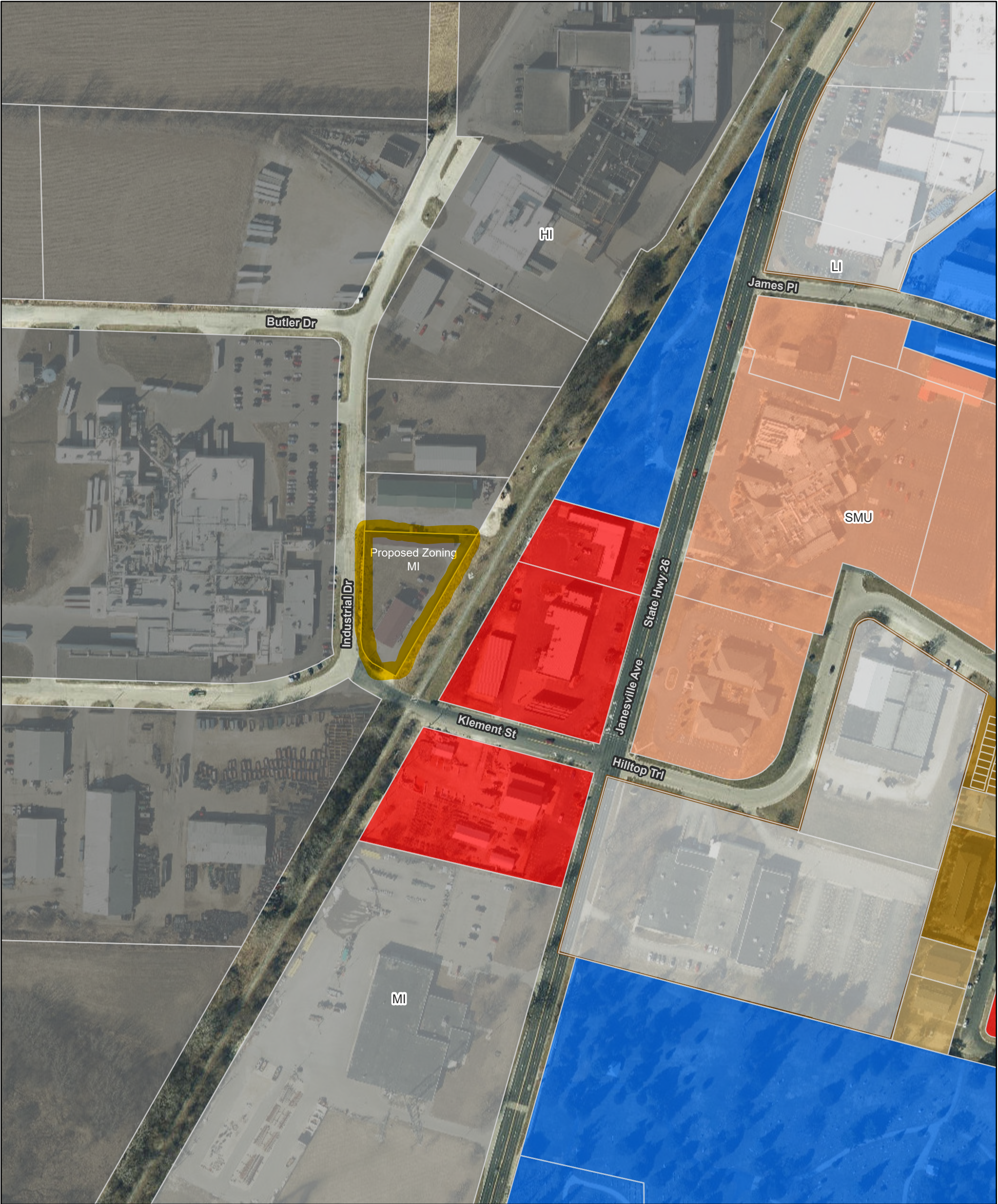
The Zoning Map Amendment has been brought forward to change from Heavy Industrial, HI, to Medium Industrial, MI, to accommodate the construction of an additional building for mini storage warehouse uses.

The Plan Commission is seeking input from the public. For more information, please contact City Engineer Andy Selle at aselle@fortatkinsonwi.net or (920) 563-7760. You may attend the public hearing via Zoom or submit a letter or email expressing your thoughts to City Engineer Selle.








Andy Selle, P.E.
City Engineer/Dir. of Public Works




AS/sw

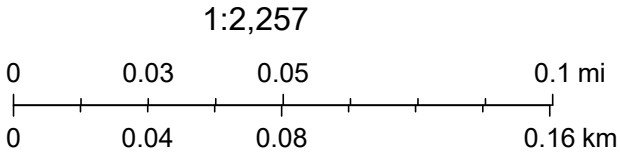
ArcGIS Web Map



5/12/2022, 10:50:19 AM

-  CITY OF FORT ATKINSON
-  Jefferson County Tax Parcels
-  City of Fort Atkinson Municipal Boundary 2021 (incl. Preliminary Annexation)
- City of Fort Atkinson Base Zoning
 -  MRL-8 - Multi-Family Residential
 -  MRM-12 - Multi-Family Residential
 -  SMU - Suburban Mixed Use
 -  UMU - Urban Mixed Use

-  I - Institutional
-  LI - Light Industrial
-  MI - Medium Industrial
-  HI - Heavy Industrial



ORDINANCE NO. ____

**AN ORDINANCE
TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF FORT ATKINSON**

NOW, THEREFORE, the City Council of the City of Fort Atkinson, Wisconsin, do ordain as follows:

Section 1. Section 15.02.03 of the City of Fort Atkinson Zoning Ordinance, adopting the Map of Standard Zoning Districts, is hereby amended to change the zoning classification of the following described property from HI, Heavy Industrial, to MI, Medium Industrial:

Lot 1 of Certified Survey Map No. 3757 recorded in Volume 17, pages 236 and 237 of Certified Survey Maps of Jefferson County, Wisconsin, as document no. 1009240 and located in the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ and in the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, T.5N, R.14E of the 4th P.M., City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 1205 Industrial Drive, Parcel Number 226-0415-0921-015).

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall take effect upon passage, posting, or publication as provided by law.

Enacted by the City Council of the City of Fort Atkinson, Jefferson County, Wisconsin, this _____ day of _____, 2022.

CITY OF FORT ATKINSON

Christopher Scherer, President

ATTEST:

Michelle Ebbert, City Clerk/Treasurer/Finance Director

RESOLUTION NO. 1381

**RESOLUTION AUTHORIZING A CONDITIONAL USE PERMIT
TO ALLOW A PERSONAL STORAGE USE ON THE PROPERTY LOCATED AT 1205 INDUSTRIAL
DRIVE IN THE MI, MEDIUM INDUSTRIAL ZONING DISTRICT
(CUP-2022-03)**

WHEREAS, the application of Joe Salamone, on behalf of Ashers Storage LLC, for a Conditional Use Permit to allow the a personal storage use on the property located at 1205 Industrial Drive, in the MI, Medium Industrial Zoning District, has been considered by the Plan Commission of the City of Fort Atkinson, Jefferson County, Wisconsin, at a public hearing on June 14, 2022, held for that purpose with due notice of said hearing having been given by publication as appears by the Proof of Publication on file in the office of the City Clerk; and

WHEREAS, the Plan Commission considered the matter again at a meeting on June 28, 2022, held for that purpose with due notice of said meeting having been given to the public and interested parties.

NOW, THEREFORE, BE IT RESOLVED THAT, the Plan Commission of the City of Fort Atkinson, Jefferson County, Wisconsin, does hereby grant a Conditional Use Permit to allow an additional building to be used for personal storage on the property located at 1205 Industrial Drive, in the MI, Medium Industrial Zoning District, for the following described premises:

Lot 1 of Certified Survey Map No. 3757 recorded in Volume 17, pages 236 and 237 of Certified Survey Maps of Jefferson County, Wisconsin, as document no. 1009240 and located in the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ and in the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, T.5N, R.14E of the 4th P.M., City of Fort Atkinson, Jefferson County, Wisconsin (a/k/a 1205 Industrial Drive, Parcel Number 226-0415-0921-015).

As a condition of granting the Conditional Use Permit, the Plan Commission does hereby stipulate the following conditions and restrictions upon the Conditional Use, which are deemed necessary for the public interest:

1. This Conditional Use Permit authorizes the addition of a 50-foot by 100-foot building to be used for personal storage, on the property located at 1205 Industrial Drive, in the MI, Medium Industrial Zoning District. If the requested zoning change for this property is not approved, this Conditional Use Permit is void.
2. This Conditional Use Permit does not allow outdoor storage of recreational vehicles and/or equipment on the subject property.
3. There are two existing buildings and uses on the subject property, which are considered "legal nonconforming" to the current Zoning Ordinance and may continue in accordance with said Ordinance.

4. The applicant shall follow all Site Plan Review and Approval Procedures outlined in Section 15.10.42 of the Zoning Code.
5. The City shall cause this Conditional Use Permit to be recorded with the Jefferson County Register of Deeds, the cost of which shall be paid by the applicant.
6. The applicant shall be current with all monies owed to the City, including any fees invoiced and associated with the review of this project and the recording of this document.
7. The applicant shall have 365 days from the date of approval of this Conditional Use Permit to initiate construction of this project and shall be operational within 730 days of the approval.
8. Any major changes to the proposed conditions or use of the property shall be approved by the Plan Commission by amending this Conditional Use Permit. The Zoning Administrator may approve minor changes administratively.

Adopted this 28 day of June 2022.

CITY OF FORT ATKINSON PLAN COMMISSION



Rebecca Houseman LeMire, Chairperson

ATTEST:



Michelle Ebbert, City Clerk/Treasurer/Finance Director



MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Andy Selle, P.E., City Engineer/Director of Public Works

RE: Second reading of an Ordinance Annexing the territory along the southwest corner of US Highways 12 and 26 to the City of Fort Atkinson

BACKGROUND

Applicant James Nelson, on behalf of property owner Fort Healthcare Inc., has requested the annexation of the property located on the southwest corner of US Highways 12 and 26 from the Town of Koshkonong to the City of Fort Atkinson. The parcel (016-0614-3224-000) was purchased by Fort Healthcare Inc. in 2016 with the goal of building a new hospital facility.

Fort Healthcare's plans have changed, and they are no longer interested in building a new facility in this location. City staff and representatives from Fort Healthcare have been working together on a number of projects, and staff suggested annexation of the property prior to any future sale so that the property would be subject to the City's zoning regulations and would not be prematurely developed in the Town.

DISCUSSION

This request has been reviewed by the State Department of Administration, and the attached document finds that the territory is reasonably shaped and contiguous to the City. The Plan Commission is scheduled to review this request at the meeting on June 28th and provide a recommendation back to the City Council at the meeting on July 5, 2022, where the Council may perform a second reading of the Ordinance.

The applicant has requested that the property be zoned RH, Rural Holding District. This district acts as a "holding zone" to preserve productive agricultural lands that are not yet ready to be developed with City utilities. The City's Comprehensive Land Use Plan shows this area as appropriate for Planned Mixed use and Environmental Corridors in the future. The City included planned roadways on this property as part of the Official Mapping process earlier in 2022.

The City is considering the creation of a Tax Increment District in this area, and including this parcel, later this summer. The parcel must be located within the City limits in order to be included in the TID.

FINANCIAL ANALYSIS

Staff does not expect this annexation ordinance to impact the City financially.

RECOMMENDATION

Staff recommends that the City Council perform the first reading of this Ordinance and direct the City Manager to prepare the Ordinance for a second reading on July 5, 2022.

ATTACHMENTS

Fort Healthcare Annexation Application including, Annexation Map; May 31, 2022 Department of Administration Review Letter; Draft Annexation Ordinance



City of Fort Atkinson
City Engineer's Office
101 N. Main Street
Fort Atkinson, WI 53538

**PETITION FOR ANNEXATION
TO THE CITY OF FORT ATKINSON**

Address(es) of Property: 6725 US HWY 12, Fort Atkinson, WI


Parcel Number(s): 016-0614-3224-000

The current population or territory to be annexed and/or attached is 0 persons.

We, the undersigned, constituting all of the owners of the real property in Jefferson County, Wisconsin, lying contiguous to the City of Fort Atkinson, respectfully petition the City Council of the City of Fort Atkinson to annex the territory described and shown on the attached scale map to the City of Fort Atkinson, Jefferson County, Wisconsin. (Plat of Annexation or Attachment must include a legal description of the subject property.)

We the undersigned, elect that this annexation shall take effect to the full extent consistent with outstanding priorities of other annexation, incorporation or consolidation proceedings, if any.

We further respectfully request that this property be zoned RH35.

Owner/Petitioner Signature:	Print Name:	Address:	Date:
	James J Nelson, SVP/CFO	611 Sherman Ave, E Fort Atkinson, WI	5/3/22

Personally came before me this 3 day of May, 2022, the above
named,

(day)

(month)

(year)

James Nelson to me known to be the persons who executed the
foregoing instrument and acknowledged the same.



Notary Public, Jefferson County, Wisconsin (SEAL)

My Commission is permanent or expires on: 3.6.2024

FORT HEALTHCARE INC. ANNEXATION LEGAL DESCRIPTION

Unplatted lands being described in Document # 1365276 in the Jefferson County Register of Deeds Office and a part of the S.T.H. 26 right of way, all located in the SE 1/4 of the NW 1/4, the NE 1/4 of the NW 1/4 and the SW 1/4 of the NE 1/4 of Section 32, Town 6 North, Range 14 East in the Town of Koshkonong, Jefferson County, Wisconsin and being more particularly described as follows:

Commencing at the West 1/4 corner of Section 32, Town 6 North, Range 14 East in the Town of Koshkonong, Jefferson County, Wisconsin, thence S 89°48'27" E, 1306.57 feet along the south line of the NW 1/4 of said Section 32 to the SW corner of lands described in Document #1365276 and the **POINT OF BEGINNING**; thence continuing S 89°48'27" E, 1192.34 feet along the south line of lands described in Document #1365276 and the south line of the NW 1/4 of said Section 32 to the SW corner of Lot 1 of CSM #5612 and the easterly right of way of S.T.H. 26; thence N 48°02'17" E, 150.00 feet along the west line of Lot 1 of CSM #5612 and the easterly right of way of S.T.H. 26 to east line of the NW 1/4 of said Section 32; thence N 51°22'01" E, 473.18 feet along the west line of Lot 1 of CSM #5612 and the easterly right of way of S.T.H. 26 to the NW corner of Lot 1 of CSM #5612 and the southerly right of way of U.S.H. 12; thence N 57°15'21" W, 856.06 feet to the NE corner of lands described in Document # 1365276 and the westerly right of way of S.T.H. 26; thence N 52°52'28" W, 264.63 feet along the northerly line of lands described in Document # 1365276 and the southerly right of way of U.S.H. 12; thence N 66°32'56" W, 136.76 feet along the northerly line of lands described in Document # 1365276 and the southerly right of way of U.S.H. 12; thence N 57°23'47" W, 780.36 feet along the northerly line of lands described in Document # 1365276 and the southerly right of way of U.S.H. 12 to the NW corner of lands described in Document # 1365276 and the west line of the NE 1/4 of the NW 1/4 of said Section 32; thence S 01°33'10" E, 1489.92 feet along the west line of lands described in Document # 1365276 and the west line of the NE 1/4 of the NW 1/4 and the SE 1/4 of the NW 1/4 to the **POINT OF BEGINNING**.



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PROJECT NO. 17839001

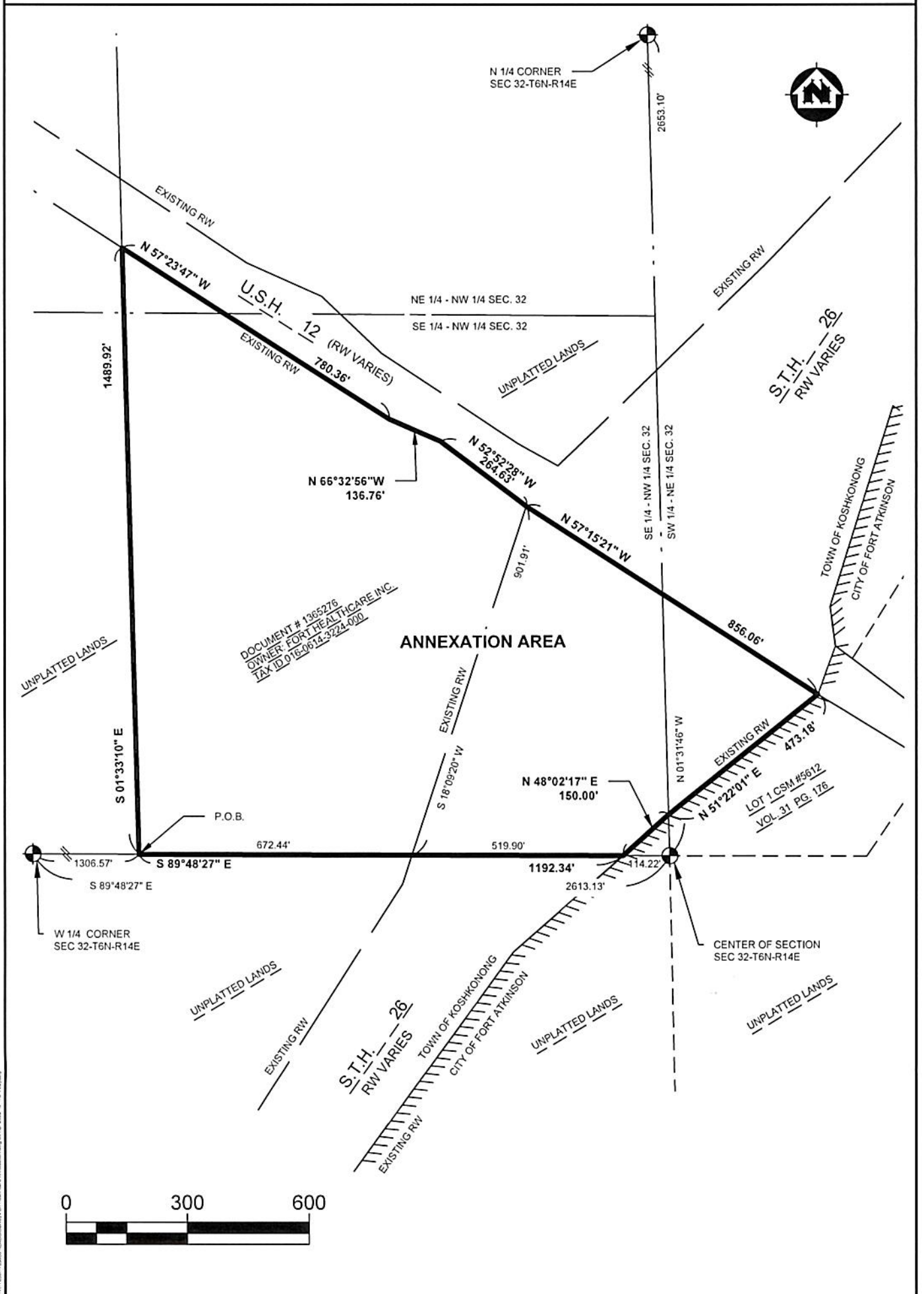
DRAWN BY: B. BUCHDA

CHECKED BY:

FILE: FORT HEALTHCARE ANNEXATION.DWG

SHEET NO. 1 OF 1

ANNEXATION MAP



Request for Annexation Review

Wisconsin Department of Administration

WI Dept. of Administration
Municipal Boundary Review
PO Box 1645, Madison WI 53701
608-264-6102 Fax: 608-264-6104
wimunicipalboundaryreview@wi.gov
<http://doa.wi.gov/municipalboundaryreview>

Petitioner Information

Name: **FORT HEALTHCARE INC.**

Address: **611 SHERMAN AVENUE**

FORT ATKINSON, WI 53538

Email: **JAMES.NELSON@FORTH.COM**

Office use only:

1. Town where property is located: **TOWN OF KOSHKONONG**

2. Petitioned City or Village: **CITY OF FORT ATKINSON**

3. County where property is located: **JEFFERSON COUNTY**

4. Population of the territory to be annexed: **0**

5. Area (in acres) of the territory to be annexed: **23.407**

6. Tax parcel number(s) of territory to be annexed
(if the territory is part or all of an existing parcel): **016-0614-3224-000**

Petitioners phone:

920-568-5490

Town clerk's phone:

920/563-4510

City/Village clerk's phone:

920/563-7760

Contact Information if different than petitioner:

Representative's Name and Address:

Surveyor or Engineering Firm's Name & Address:

Phone:

Phone:

E-mail:

E-mail:

Required Items to be provided with submission (to be completed by petitioner):

- ☒ Legal Description meeting the requirements of [s.66.0217 \(1\) \(c\)](#) [see attached annexation guide]
- ☒ Map meeting the requirements of [s. 66.0217 \(1\) \(g\)](#) [see attached annexation guide]
- ☒ Signed Petition or Notice of Intent to Circulate is included
- Indicate Statutory annexation method used:
 - ☒ Unanimous per [s. 66.0217 \(2\)](#), or,
OR
 - ☐ Direct by one-half approval per [s. 66.0217 \(3\)](#)
- ☒ Check or money order covering review fee [see next page for fee calculation]

ANNEXATION SUBMITTAL GUIDE

s. 66.0217 (5) THE PETITION

- ☐ State the purpose of the petition:
- Direct annexation by unanimous approval; OR
 - Direct annexation by one-half approval; OR
 - Annexation by referendum.
- ☐ Petition must be signed by:
- All owners and electors, if by unanimous approval.
 - See [66.0217 \(3\) \(a\)](#), if by one-half approval.
 - See [66.0217 \(3\) \(b\)](#), if by referendum.
- ☐ State the population of the land to be annexed.

[It is beneficial to include Parcel ID or Tax numbers, the parcel area, and identify the annexee (Town) and annexor (Village or City) in the petition.]

s. 66.0217 (1) (c) THE DESCRIPTION

- ☐ The annexation petition must include a legal description of the land to be annexed. The land must be described by reference to the government lot, private claim, quarter-section, section, town and range in which the land lies. The land must be further described by metes and bounds commencing from a monumented corner of the section or quarter-section, or the monumented end of a private claim or federal reservation, in which the land lies; OR
- ☐ If the land is wholly and entirely within a lot or lots, or all of a block or blocks of a recorded subdivision plat or certified survey map, it must be described by reference to the lot (s) and/or block (s) therein, along with the name of the plat or the number, volume, page, and County of the certified survey map.
- ☐ The land may NOT be described only by:
- Aliquot part;
 - Reference to any other document (plat of survey, deed, etc.);
 - Exception or Inclusion;
 - Parcel ID or tax number.

s. 66.0217 (1) (g) THE MAP

- ☐ The map shall be an *accurate reflection* of the legal description of the parcel being annexed. As such, it must show:
- A tie line from the parcel to the monumented corner of the section or quarter-section, or the monumented end of a private claim or federal reservation, in which the parcel lies. The corner and monument must be identified.
 - Bearings and distances along all parcel boundaries as described.
 - All adjoining as referenced in the description.
- ☐ The map must include a **graphic scale**.
- ☐ The map must show and identify the existing municipal boundary, in relation to the parcel being annexed.

[It is beneficial to include a North arrow, and identify adjacent streets and parcels on the map.]

s. 66.0217 FILING

- ☐ The petition must be filed with the Clerk of the annexing City or Village and with the Clerk of the Town in which the land is located.
- ☐ If the annexation is by one-half approval, or by referendum, the petitioner must post notice of the proposed annexation as required by [s. 66.0217 \(4\)](#).
- ☐ If the lands being annexed are within a County of 50,000 or greater population, the petition must also be filed with the Department of Administration for review

[Note that no municipality within a County of 50,000 or greater population may enact an annexation ordinance prior to receiving a review determination from the Department of Administration.]



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

CITY OF FORT ATKINSON
COST RECOVERY AGREEMENT

The City of Fort Atkinson may retain the services of **professional consultants** (including planners, engineers, architects, attorneys, environmental specialists, recreation specialists, and/or other experts) to assist in the City's review of a development proposal that may be scheduled for review and action by the Plan Commission and/or City Council. The submittal of a development proposal or land use application by an Applicant shall be construed as an **agreement to pay for such professional services** applicable to the proposal or application. The City may apply reasonable charges for these services to the Applicant through invoices. The City may delay acceptance of the proposal or application as complete, or may delay final approval of the proposal, until the Applicant pays such fees. In the event invoices become delinquent, finance charges will accrue at 1% per month, 30 days after the due date. Review fees invoiced to the Applicant, which are not paid in a timely manner, may be assigned by the City as a special assessment to the subject property. The Applicant hereby waives any notice and hearing requirements provided in Wis. Stats. § 66.0701 or any additions or amendments to this section. The City will provide notice to the applicant of the need to hire a professional consultant.

The Applicant is required to provide the City with an executed copy of this Cost Recovery Agreement as part of the land use application process. Applications are not considered complete and will not be considered by the Plan Commission without this executed Agreement.

Applicant Name: Fort HealthCare

Project Name: Annexation

Project Address: 6725 US Hwy 12

Parcel Number: 016-0614 3224-000

Dated this 3rd day of May, 2022.

Agreement signed and entered into by:

The City of Fort Atkinson

City Manager

Property Owner Information:

Applicant Information (if different):

Owner Name: Fort HealthCare, Inc

Applicant Name: _____

Owner Signature: James Nelson

Applicant Signature: _____

Address: 611 Sherman Ave, E Fort

Address: _____

Phone Number: 920-568-5490

Phone Number: _____

Email Address: james.nelson@forthealthcare.com

Email Address: _____



TONY EVERS

GOVERNOR

KATHY BLUMENFELD

SECRETARY-DESIGNEE

Municipal Boundary Review

PO Box 1645, Madison WI 53701

Voice (608) 264-6102 Fax (608) 264-6104

Email: wimunicipalboundaryreview@wi.gov

Web: <http://doa.wi.gov/municipalboundaryreview>

May 31, 2022

PETITION FILE NO. 14503

MICHELLE EBBERT, CLERK
CITY OF FORT ATKINSON
101 N MAIN ST
FORT ATKINSON, WI 53538-1861

BRIDGET WOODS, CLERK
TOWN OF KOSHKONONG
W5609 STAR SCHOOL RD
FORT ATKINSON, WI 53538-9359

Subject: FORT HEALTHCARE INC ANNEXATION

The proposed annexation submitted to our office on May 10, 2022, has been reviewed and found to be in the public interest. In determining whether an annexation is in the public interest, s. 66.0217 (6), Wis. Stats. requires the Department to examine "[t]he shape of the proposed annexation and the homogeneity of the territory with the annexing village or city..." so as, to ensure the resulting boundaries are rational and compact. The statute also requires the Department to consider whether the annexing city or village can provide needed municipal services to the territory. The subject petition is for territory that is reasonably shaped and contiguous to the **CITY OF FORT ATKINSON**, which is able to provide needed municipal services.

Note: The area of the territory to be annexed is 34.31 acres, not 23.4 acres as noted in the petition.

The Department reminds clerks of annexing municipalities of the requirements of s. 66.0217 (9)(a), Wis. Stats., which states:

"The clerk of a city or village which has annexed shall file immediately with the secretary of administration a certified copy of the ordinance, certificate and plat, and shall send one copy to each company that provides any utility service in the area that is annexed. The clerk shall record the ordinance with the register of deeds and file a signed copy of the ordinance with the clerk of any affected school district..."

State and federal aids based on population and equalized value may be significantly affected through failure to file with the Department of Administration. Please file a copy of your annexing ordinance, including a statement certifying the population of the annexed territory. **Please include your MBR number 14503 with your ordinance.** Ordinance filing checklist available at <http://mds.wi.gov/>, click on "Help on How to Submit Municipal Records". Email scanned copy of required materials (color scan maps with color) to mds@wi.gov or mail to: Wisconsin Department of Administration, Municipal Boundary Review, PO Box 1645, Madison WI 53701-1645.

The petition file is available for viewing at: <http://mds.wi.gov/View/Petition?ID=2577>

Please call me at (608) 264-6102, should you have any questions concerning this annexation review.

Sincerely,

Erich Schmidtke, Municipal Boundary Review

cc: petitioner

ORDINANCE NO. ____

**AN ORDINANCE ANNEXING
THE TERRITORY ALONG THE SOUTHWEST
CORNER OF US HIGHWAYS 12 AND 26
TO THE CITY OF FORT ATKINSON**

NOW, THEREFORE, The City Council of the City of Fort Atkinson, Wisconsin, does hereby ordain as follows:

Section 1. TERRITORY ANNEXED. That pursuant to Sec. 66.0223(1) of the Wisconsin Statutes, and the Petition for Annexation filed by Fort HealthCare Inc., as the property owner, the following described territory in the Town of Koshkonong, Jefferson County, Wisconsin, is hereby annexed to the City of Fort Atkinson, Wisconsin:

COMMENCING AT THE WEST 1/4 CORNER OF SECTION 32, TOWN 6 NORTH, RANGE 14 EAST IN THE TOWN OF KOSHKONONG, JEFFERSON COUNTY, WISCONSIN, THENCE S 89°48'27" E, 1306.57 FEET ALONG THE SOUTH LINE OF THE NW 1/4 OF SAID SECTION 32 TO THE SW CORNER OF LANDS DESCRIBED IN DOCUMENT #1365276 AND THE POINT OF BEGINNING; THENCE CONTINUING S 89°48'27" E, 1192.34 FEET ALONG THE SOUTH LINE OF LANDS DESCRIBED IN DOCUMENT #1365276 AND THE SOUTH LINE OF THE NW 1/4 OF SAID SECTION 32 TO THE SW CORNER OF LOT 1 OF CSM #5612 AND THE EASTERLY RIGHT OF WAY OF S.T.H. 26; THENCE N 48°02' 17" E, 150.00 FEET ALONG THE WEST LINE OF LOT 1 OF CSM #5612 AND THE EASTERLY RIGHT OF WAY OF S.T.H. 26 TO EAST LINE OF THE NW 1/4 OF SAID SECTION 32; THENCE N 51 °22'01" E, 473.18 FEET ALONG THE WEST LINE OF LOT 1 OF CSM #5612 AND THE EASTERLY RIGHT OF WAY OF S.T.H. 26 TO THE NW CORNER OF LOT 1 OF CSM #5612 AND THE SOUTHERLY RIGHT OF WAY OF U.S.H. 12; THENCE N 57°15'21" W, 856.06 FEET TO THE NE CORNER OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE WESTERLY RIGHT OF WAY OF S.T.H. 26; THENCE N 52°52'28" W, 264.63 FEET ALONG THE NORTHERLY LINE OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE SOUTHERLY RIGHT OF WAY OF U.S.H. 12; THENCE N 66°32'56" W, 136.76 FEET ALONG THE NORTHERLY LINE OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE SOUTHERLY RIGHT OF WAY OF U.S.H. 12; THENCE N 57°23'47" W, 780.36 FEET ALONG THE NORTHERLY LINE OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE SOUTHERLY RIGHT OF WAY OF U.S.H. 12 TO THE NW CORNER OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE WEST LINE OF THE NE 1/4 OF THE NW 1/4 OF SAID SECTION 32;

THENCE S 01 °33'10" E, 1489.92 FEET ALONG THE WEST LINE OF LANDS DESCRIBED IN DOCUMENT# 1365276 AND THE WEST LINE OF THE NE 1/4 OF THE NW 1/4 AND THE SE 1/4 OF THE NW 1/4 TO THE POINT OF BEGINNING (A/K/A PARCEL NUMBER 016-0614-3224-000, CONSISTING OF APPROXIMATELY 34.31 ACRES INCLUDING PUBLIC ROW).

Section 2. EFFECT OF ANNEXATION. From and after the effective date of this Ordinance the territory described in Section 1 above shall be part of the City of Fort Atkinson for any and all purposes provided by law and any persons coming or residing within such territory shall be subject to all Ordinances, rules, and regulations governing the City of Fort Atkinson.

Section 3. PAYMENT TO THE TOWN OF KOSHKONONG. The applicant has requested annexation to the City per Section 66.0217(2) – Direct Annexation by Unanimous Approval. As such, no payment to the Town of Koshkonong is required (Wis. Stats. 66.0217(14)(a)).

Section 4. ZONING CLASSIFICATION. A) The Territory annexed to the City of Fort Atkinson by this Ordinance is designated to be part of the following district of the City for zoning purposes and subject to all provisions of Title 15 of the Code of General Ordinances in the City of Fort Atkinson entitled “Zoning Ordinance” relating to such district classifications and to zoning in the City: RH-35, Rural Holding District.

Section 5. WARD DESIGNATION. A) The territory described in Section 1 of this Ordinance is hereby made part of Ward 11 of the City of Fort Atkinson, subject to all ordinances, rules, and regulations of the City. Population of this territory is zero (0) on the effective date of this Ordinance.

Section 6. SEVERABILITY. If any provision of this Ordinance is found to be invalid or unconstitutional or if the application of this Ordinance or any person or circumstance is invalid or unconstitutional such invalidity or unconstitutionality shall not affect the other provisions or application of this Ordinance which can be given effect without the invalid or unconstitutional provisions or applications.

Section 7. EFFECTIVE DATE. This Ordinance shall take effect upon passage and publication.

Adopted this _____ day of _____, 2022.

CITY COUNCIL OF THE CITY OF FORT ATKINSON

Christopher Scherer, President

ATTEST:

Michelle Ebbert, City Clerk/Treasurer/Finance Director



MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Adrian Bump, Chief of Police

RE: Review and possible action relating to a request to purchase Portable Radios using State Grant Funds at a cost not to exceed \$29,657.76

BACKGROUND

The Fort Atkinson Police Department has been awarded State funds under the Tribal and Local Law Enforcement Agency Initiative Program. The Department is looking to use \$29,657.76 of the [awarded \\$33,866.92](#) to supply officers with portable radios that comply with communication platform upgrades at the County level. Remaining funds within this grant will be used in other qualifying areas not yet ready for purchase.

DISCUSSION

Portable radios are a qualifying item authorized for purchase under the grant funds awarded to our agency. The purchase of portable radios is an ideal use of these funds as the Jefferson County communications platform goes through updates that do not comply with portable radios carried by Fort Atkinson Police Officers. This means that officers in the field working would not have the ability to communicate with the Jefferson County Communications Center or other agencies upgraded to that platform. This includes deputies in the field and neighboring jurisdictions that have already upgraded to comply with changes.

Communications is the key contributor to safety and successful task completion for public safety. The ability to seamlessly communicate across jurisdictions is a major concern during large scale events and mutual aid situations. The portable radio is the last part of Fort Atkinson Police Departments communications platform not aligned with County wide communication upgrades.

General Communications is being used as our vendor for specific reasons. General Communications is currently under contract with the City to maintain and service all aspects of our communications platform. General Communications is also the main contractor used to upgrade the County communication platform. General Communications will also be retained in future years to maintain, service and complete warranty work on all mobile, portable and dispatch communication components and capabilities for Fort Atkinson.

FINANCIAL ANALYSIS

The purchase and replacement of 16 portable radios in the Police Department was in the 2023-2027 Capital Improvements Project Plan, which was included in the [2022 Adopted Budget](#) document. By finding an alternate funding source for these 16 radios, staff can use the planned funds for additional radios in the future.

This project and purchase are fully funded through a grant from the State of Wisconsin. Funds will be reimbursed on a quarterly basis by the State. After our purchase is completed, a submission will be submitted for reimbursement which will occur before the end of the 2022 Fiscal Year. Total purchase price for everything within this project will be \$29,657.76.

RECOMMENDATION

Staff recommends that the City Council approve the purchase of 16 portable radios and other necessary items from General Communications for \$29,657.76, to be reimbursed through the Tribal and Local Law Enforcement Agency Initiative Program.

ATTACHMENTS

General Communication Two-Way Radio Equipment Quotation



Name: Fort Atkinson Police Department
Street: 101 South Water Street West
City, State, Zip: Fort Atkinson, WI 53538
Attn: Chief Adrian Bump

Date: 6/17/2022
Phone: (920) 563-3311
Phone: (920) 397-9905
Account Rep: Ron Sampson

		Two-Way Radio Equipment Quotation		
Qty	Model	Description	Unit Price	Total Price
16	VP5230	Kenwood Viking APCO Project 25 Portable <ul style="list-style-type: none">• 136 – 174 MHz• P25 Phase I Trunking• 1024 Channel Capability• 3 Year Warranty• ARC4 Encryption• TrueVoice Noise Cancellation• Fully Ruggedized• 1.74" Transflective TFT Display• High Capacity Lithium Ion Battery	\$ 1,481.20	\$ 23,699.20
16	KMC-70M	VHF Wideband Antenna (for DANECOM and WISCOM)	\$ 35.00	\$ 560.00
16		Single Unit Rapid Rate Charger	\$ 72.16	\$ 1,154.56
16		Jefferson County / WISCOM Programming	\$ 50.00	\$ 800.00
4		Single Key AES	\$ 328.00	\$ 1,312.00
16		Remote Speaker Microphone	\$ 117.60	\$ 1,881.60
2		Spare Lithium Ion Battery (2600mAh)	\$ 125.20	\$ 250.40
		Total		\$ 29,657.76
		NASPO Contract # 06913		
		Options:		
1	KSC-Y32K	P25 Phase 2 Feature	\$ 350.00	Each
1		Single Unit Rapid Rate Charger (Intelligent)	\$ 114.96	Each
1		Spare Lithium Ion Battery (2600mAh)	\$ 125.20	Each
1	2990045094	Armada Software Subscription (5 Years)	\$ 500.00	Each
		Quote good for 30 days.		



MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Andy Selle, P.E., City Engineer/Public Works Director

RE: Review and possible action relating to the purchase of a Transit Van for the Water Utility from Griffin Ford for \$51,628.08

BACKGROUND

The 2022 Capital Improvements Project Budget (CIP) included \$45,000 for a new Water Utility Truck to be paid for through utility funds. During the course of the year, the team at the Water Utility determined that staff would be better served by a transit van rather than a traditional truck.

DISCUSSION

Due to supply chain shortages in the vehicle industry, pricing has increased beyond the estimates included in the 2022 CIP. Staff sought two proposals for the desired transit van: from Griffin Ford in Fort Atkinson and from Ewald Automotive Group in the Milwaukee area. Both proposals are attached for review.

FINANCIAL ANALYSIS

The Griffin Ford proposal includes a 2023 Ford Transit T250 and offers a discount on the spray-in liner, for a total of \$51,628.08. The Ewald Automotive Group proposal includes a 2023 Ford Transit T250 for a total of \$52,305. While the costs are similar, the proposal from Griffin is about \$677 cheaper and has fewer logistical costs because the company is local.

RECOMMENDATION

Staff recommends that the City Council approve the proposal from Griffin Ford for a 2023 Ford Transit T250 for a total of \$51,628.08 to be paid for from the Water Utility CIP (asset account number 03-00-0003-9200).

ATTACHMENTS

Griffin Ford 2023 Ford Transit Van Proposal; Ewald Automotive Group Proposal



Date: 06/13/2022 12:49 PM

Salesperson: Timothy Maney

Manager: John Chady

FOR INTERNAL USE ONLY

BUSINESS NAME	CITY OF FORT ATKINSON	Home Phone: (920) 563-7777
CONTACT	Tim Hayden	
	101 N MAIN ST	
Address :	FORT ATKINSON, WI 53538	Work Phone: (920) 563-7775
	JEFFERSON CO	
E-Mail :	thayden@fortatkinsonwi.net	Cell Phone: (920) 728-4734

VEHICLE

Stock # :	New / Used : New	VIN :	Mileage : 0
Vehicle :	2023 Ford Transit-250 Crew	Color :	
Type :			

TRADE IN

Payoff :	VIN :	Mileage :
Vehicle :	Color :	
Type :		

Selling Price	51,990.00
Discount	5,774.32
Adjusted Price	46,215.68
US Upfitters Racks	3,474.40
Griffin Spray in liner	1,400.00
Total Purchase	51,090.08
Trade Allowance	
Trade Difference	
Service Fee	349.00
Non Tax Fees	189.00
Trade Payoff	
Cash Deposit	
Balance	51,628.08

Customer Approval:

Management Approval:

By signing this authorization form, you certify that the above personal information is correct and accurate, and authorize the release of credit and employment information. By signing above, I provide to the dealership and its affiliates consent to communicate with me about my vehicle or any future vehicles using electronic, verbal and written communications including but not limited to eMail, text messaging, SMS, phone calls and direct mail. Terms and Conditions subject to credit approval. For Information Only. This is not an offer or contract for sale.



Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

City of Fort Atkinson

Prepared For: Tim Hayden

920-563-7775

thayden@fortatkinsonwi.net

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD



Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

Quote Worksheet

	MSRP
Base Price	\$43,020.00
Dest Charge	\$1,695.00
Total Options	\$11,185.00
Subtotal	\$55,900.00
Subtotal Pre-Tax Adjustments	\$0.00
Less Customer Discount	(\$3,595.00)
Subtotal Discount	(\$3,595.00)
Trade-In	\$0.00
Subtotal Trade-In	\$0.00
Taxable Price	\$52,305.00
Sales Tax	\$0.00
Subtotal Taxes	\$0.00
Subtotal Post-Tax Adjustments	\$0.00
Total Sales Price	\$52,305.00

Comments:

2023 Ford Transit T250 to the specifications as detailed. Registration fees are not included. Due to current market conditions, lead time can not be guaranteed.

2023 production is scheduled to begin on 8/22/22.

C. Gensch 6/6/22

Dealer Signature / Date

Customer Signature / Date

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Data Version: 16662. Data Updated: Jun 5, 2022 6:33:00 PM PDT.



Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

Standard Equipment

Mechanical

Engine: 3.5L PFDi V6 Flex-Fuel -inc: port injection, Auto Start-Stop Switch Delete, Deletes button on dash which disables auto start-stop technology, Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active (STD)

Transmission: 10-Spd Automatic w/OD & SelectShift -inc: auxiliary transmission oil cooler (STD)

3.73 Axle Ratio (STD)

50-State Emissions System

Rear-Wheel Drive

70-Amp/Hr Maintenance-Free Battery w/Run Down Protection

250 Amp Alternator

3834# Maximum Payload

GVWR: 9,070 lbs

Front Anti-Roll Bar

Electric Power-Assist Steering

25.1 Gal. Fuel Tank

Single Stainless Steel Exhaust

Strut Front Suspension w/Coil Springs

Leaf Rear Suspension w/Leaf Springs

4-Wheel Disc Brakes w/4-Wheel ABS, Front Vented Discs, Brake Assist, Hill Hold Control and Electric Parking Brake

Exterior

Wheels: 16" Silver Steel w/Black Hubcap

Tires: 235/65R16C 121/119 R AS BSW

Steel Spare Wheel

Full-Size Spare Tire Stored Underbody w/Crankdown

Clearcoat Paint

Black Front Bumper

Black Rear Bumper w/1 Tow Hook

Black Bodyside Cladding and Black Wheel Well Trim

Black Side Windows Trim and Black Front Windshield Trim

Black Door Handles

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Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✓ Complete)

Exterior

Black Side Mirrors w/Convex Spotter
Short-Arm Manual-Folding Power Adjust Mirrors
Light Tinted Glass
Variable Intermittent Wipers
Fully Galvanized Steel Panels
Black Grille
Front License Plate Bracket
Sliding Rear Passenger Side Door
Split Swing-Out Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Ford Co-Pilot360 - Autolamp Auto On/Off Aero-Composite Halogen Auto High-Beam Headlamps w/Delay-Off
Headlights-Automatic Highbeams
Laminated Glass

Entertainment

Radio w/Seek-Scan, Clock, Aux Audio Input Jack, Steering Wheel Controls and External Memory Control
Radio: AM/FM Stereo -inc: 4.0" multi-function display, Bluetooth, dual USB ports and 4 speakers (front)
Streaming Audio
Fixed Antenna
Bluetooth Wireless Phone Connectivity
1 LCD Monitor In The Front

Interior

Dark Palazzo Gray Vinyl Bucket Seats -inc: 2-way manual driver seat, 2-way manual passenger seat and driver armrest only (STD)
4-Way Driver Seat
4-Way Passenger Seat
Manual Til/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Engine Coolant Temp, Tachometer and Trip Odometer
FordPass Connect 4G Mobile Hotspot Internet Access
Front Cupholder
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button

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Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

Interior

Manual Air Conditioning
Locking Glove Box
Driver Foot Rest
Interior Trim -inc: Metal-Look Instrument Panel Insert
Front Cloth Headliner
Urethane Gear Shifter Material
Vinyl Front Bucket Seats
Partial Floor Console w/Storage and 2 12V DC Power Outlets
Front Map Lights
Fade-To-Off Interior Lighting
Front Only Vinyl/Rubber Floor Covering
Cargo Space Lights
Instrument Panel Bin, Driver And Passenger Door Bins
Power 1st Row Windows w/Driver 1-Touch Down
Power Door Locks w/Autolock Feature
Systems Monitor
Analog Appearance
Manual Adjustable Front Head Restraints
Securilock Anti-Theft Ignition (pats) Engine Immobilizer
2 12V DC Power Outlets

Safety-Mechanical

Ford Co-Pilot360 w/Side Wind Stabilization Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control

Safety-Exterior

Side Impact Beams

Safety-Interior

Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Emergency Sos
Ford Co-Pilot360 - Pre-Collision Assist with Automatic Emergency Braking (AEB)
Ford Co-Pilot360 - Lane-Keeping System Lane Departure Warning

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Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

Safety-Interior

Collision Mitigation-Front

Low Tire Pressure Warning

Dual Stage Driver And Passenger Front Airbags w/Passenger Off Switch

Safety Canopy System Curtain 1st Row Airbags

Airbag Occupancy Sensor

Outboard Front Lap And Shoulder Safety Belts -inc: Height Adjusters and Pretensioners

Back-Up Camera

WARRANTY

Basic Years: 3

Basic Miles/km: 36,000

Drivetrain Years: 5

Drivetrain Miles/km: 60,000

Corrosion Years: 5

Corrosion Miles/km: Unlimited

Roadside Assistance Years: 5

Roadside Assistance Miles/km: 60,000

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Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (Complete)

Selected Model and Options

MODEL

CODE	MODEL	MSRP
R1C	2022 Ford Transit Cargo Van T-250 148" Med Rf 9070 GVWR RWD	\$43,020.00

COLORS

CODE	DESCRIPTION
YZ	Oxford White

ENGINE

CODE	DESCRIPTION	MSRP
99G	Engine: 3.5L EcoBoost V6 -inc: auto start-stop technology, Single AGM Battery (70 Amp-hr)	\$1,775.00

TRANSMISSION

CODE	DESCRIPTION	MSRP
44U	Transmission: 10-Spd Automatic w/OD & SelectShift -inc: auxiliary transmission oil cooler (STD)	\$0.00

OPTION PACKAGE

CODE	DESCRIPTION	MSRP
101A	Order Code 101A -inc: Auto Start-Stop Switch Delete, Deletes button on dash which disables auto start-stop technology, Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active	\$0.00

AXLE RATIO

CODE	DESCRIPTION	MSRP
X7L	3.73 Limited-Slip Axle Ratio	\$325.00

PRIMARY PAINT

CODE	DESCRIPTION	MSRP
YZ	Oxford White	\$0.00

SEAT TYPE

CODE	DESCRIPTION	MSRP
CK	Dark Palazzo Gray, Cloth Front Bucket Seats	\$0.00

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Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

SEATING ARRANGEMENT

CODE	DESCRIPTION	MSRP
21L	Dark Palazzo Gray Cloth Bucket Seats w/Armrests -inc: 2-way manual driver seat w/lumbar and 2-way manual passenger seat	\$0.00

ADDITIONAL EQUIPMENT - PACKAGE

CODE	DESCRIPTION	MSRP
53B	Heavy-Duty Trailer Tow Package -inc: Deletes rear tow hook, 4/7 pin connector assembly and rear jumper and relay system for backup/B+/running lights, This package does not include a Trailer Brake Controller (67D), Additionally, if customer wants a trailer brake controller after initial purchase, it will have to be an aftermarket trailer brake controller and aftermarket wiring harness, Frame Mounted Hitch Receiver, Tow/Haul Mode w/Trailer Wiring Provisions	\$485.00
96C	Interior Upgrade Package -inc: full-height polypropylene cargo area panels, Front & Rear Vinyl Floor Covering, wheel well liners, Cruise Control w/Adjustable Spd Limiting Device (ASLD), The ASLD feature is great for city driving; it allows the driver to set an upper speed limit for the vehicle, If the vehicle begins to approach the upper speed limit then audible and visual warning are given, Illuminated Sun Visors	\$1,435.00

ADDITIONAL EQUIPMENT - MECHANICAL

CODE	DESCRIPTION	MSRP
41H	Engine Block Heater -inc: (400W rating), Recommended when minimum temperature is 10 degrees F or below	\$75.00
57A	Auto Start-Stop Switch Delete -inc: Deletes button on dash which disables auto start-stop technology, Deletes auto stop-start technology disable button on dash, however, the feature remains permanently active	Inc.
63E	Dual AGM Batteries (70 Amp-hr Each)	Inc.

ADDITIONAL EQUIPMENT - EXTERIOR

CODE	DESCRIPTION	MSRP
544	Long-Arm Manual-Folding Heated Pwr Adjusting Mirrors -inc: turn signals	\$220.00
942	Daytime Running Lights -inc: Provides enhanced vehicle visibility during daylight conditions	\$45.00

ADDITIONAL EQUIPMENT - ENTERTAINMENT

CODE	DESCRIPTION	MSRP
58V	Radio: AM/FM Stereo w/SYNC 3 -inc: 4.0" multi-function display, Bluetooth, dual USB ports and 4 speakers (front)	\$280.00

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Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✔ Complete)

ADDITIONAL EQUIPMENT - INTERIOR

CODE	DESCRIPTION	MSRP
16E	Front & Rear Vinyl Floor Covering -inc: wheel well liners	\$0.00
53K	Modified Vehicle Wiring System -inc: modified vehicle connections for customized wiring harness provisions	\$75.00
60C	Cruise Control w/Adjustable Spd Limiting Device (ASLD) -inc: The ASLD feature is great for city driving; it allows the driver to set an upper speed limit for the vehicle, If the vehicle begins to approach the upper speed limit then audible and visual warning are given	Inc.
85C	Illuminated Sun Visors	Inc.
90D	110V/400W Power Outlet -inc: High-power outlets deliver up to 400 watts of power, allowing drivers to easily charge smaller corded tools, battery chargers or mobile devices on-site	\$475.00

CUSTOM EQUIPMENT

CODE	DESCRIPTION	MSRP
DI-1	INSTALL BULKHEAD AND BIN PACKAGE	\$5,995.00
Options Total		\$11,185.00

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Ewald Automotive Group

Chrissy Gensch | 262-673-9400 | chrissy.gensch@ewaldauto.com

Vehicle: [Fleet] 2022 Ford Transit Cargo Van (R1C) T-250 148" Med Rf 9070 GVWR RWD (✓ Complete)

Price Summary

PRICE SUMMARY

	MSRP
Base Price	\$43,020.00
Total Options	\$11,185.00
Vehicle Subtotal	\$54,205.00
Destination Charge	\$1,695.00
Grand Total	\$55,900.00

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U.S. UPFITTERS OF WISCONSIN, INC.
 3515 N 127TH STREET
 BROOKFIELD, WI 53005
 Phone 262-373-0454
 Toll Free 800-377-5652
 www.inlad.com

Quote

Date	Quote#
6/6/2022	33760

Name / Address
Ewald's Hartford Ford 5788 Hwy 60 Hartford, WI 53027

Ship To
Ewald's Hartford Ford 5788 Hwy 60 Hartford, WI 53027

P.O. No.	Terms	Phone #	Cell #
	Net 15	262-673-9400	

Item	Description	Qty	Cost	Total
WG-600-8212L	Transit 148" Mid Roof (Chrissy)			
WG96312-3-01	BULKHEAD, TRANSIT mid roof. - MESH	1	518.00	518.00
WG96901-3-01	Door Conversion Kit	1	91.20	91.20
WG9375-3-03	Adjustable 4 Shelf Unit, 52 in x 60 in x 13-1/2 in	1	412.40	412.40
WG9605-3-01	ACCESSORY BACK PANEL XTD	2	80.60	161.20
WG9376-3-03	Adjustable 4 Shelf Unit, 60 in x 60 in x 13-1/2 in	1	564.30	564.30
WG9606-3-01	Accessory Back Panel, 60 in	2	81.80	163.60
WG9893-7-01	REDZONE 3 hook cord or tool holder	2	12.75	25.50
WG9391-3-03	Heavy Duty Shelf unit for Secure Storage Modules, 42 in x 60 in x 16 in	1	354.40	354.40
WG9045-3-02	5 DRAWER CABINET (SECURE STORAGE)	1	536.10	536.10
WG9604-3-01	Back Panel 42"	1	78.20	78.20
WG9504-3-01	Shelf Door 42"	1	169.50	169.50
	Cable / Plumber Package, Ford Transit 148 WB, MID Roof			3,074.40
Install Labor	Assembly & Installation Charge	1	400.00	400.00
001P	Spray in liner up wall to best place	1	2,200.00	2,200.00
	Parts			
			Subtotal	
			Sales Tax (0.0%)	
			Total	

*Unless otherwise agreed in writing, a quotation provided by U.S. Upfitters of WI may be accepted up to 60 days from the quotation date, after which U.S. Upfitters of WI reserves the right to update quote.



Agenda
City of Fort Atkinson
Director of Public Works Office
101 N. Main Street
Fort Atkinson, WI 53538

MEMORANDUM

DATE: July 5, 2022

TO: Fort Atkinson City Council

FROM: Andy Selle, PE City Engineer / Director of Public Works

RE: Review of Water Pump Emergency Repair – Booster Pump 301

BACKGROUND

The Main Station Reservoir located across from City Hall includes a total of four booster pumps (301,302,303,304). All pumps are over 50 years old and well beyond their useful life. The 2021 Water System Master Plan presented to Council last August recommended replacement of all four pumps with only three new ones and associated electrical upgrades at a total cost of \$300,000. Only two of the pumps are regularly used (301 and 302), as the force of the remaining two pumps (303 and 304) has potential to cause main breaks within the downtown area. Pump 302 went down earlier this year and requires a new motor, an unnecessary cost given its age. Last week 301 had an impeller failure rendering it non-operational.

DISCUSSION

The loss of both *functional* booster pumps creates a logistical challenge with the management of the Main Station reservoir. The system pressure can be maintained easily with numerous other pumps, however the Main Station reservoir water is left stagnant, creating challenges with managing sufficient chlorine levels during particularly warm summer days. As a result, I directed Utility staff to move forward with procuring a contract with Water Well Solutions, the only vendor capable of fabricating parts for the 50 year old pump to replace the impeller. Two other vendors were called and declined the work. The vendor provided an estimate of \$11,650 dollars. The impeller can be re-used with the upgrade to the entire system, and is not a lost investment.

FINANCIAL ANALYSIS

The cost for replacement will come from the Water Utility account for Reservoir Maintenance (03-33-0065-0000)

RECOMMENDATION

Staff recommends that the City Council approve the contract with Water Well Solutions to repair pump 301 in an amount not to exceed \$11,650 dollars.



June 27, 2022

Fort Atkinson Water Utility
37 N Water Street W
Fort Atkinson, WI 53538
Attn: Brad McGowan

Dear Brad,

We have dismantled your vertically mounted split case pump and found fairly severe damage to the internals including impeller and mechanical seals. The bronze sleeves and wear rings also show severe wear indicating a complete rebuild is necessary.

The most cost-effective measure is to replace the entire rotating assembly. We have contacted Aurora pumps for cost / availability and their latest update is 5-6 weeks ARO.

At your request, we asked for preferred pricing on replacement rotating assemblies for 2 identical pumps.

I have contacted them back to see if we could speed things along by purchasing all the parts separately rather than as an assembly. We have them delivered to our facility where our machine shop manager can make necessary repairs and supplement pieces by machining if necessary to speed up turnaround time. At the time of this writing, we still await a return call.

Estimated repair and re-installation per pump:

Rotating assembly complete (per pump)	\$9,850.00
Estimated labor to re-assemble & re-install pumps (per pump)	\$1,800.00

If you'd like us to proceed with this proposed work simply sign the attached work agreement and send back to me at your convenience. As always, feel free to contact our office with any questions / concerns regarding this proposal.

Sincerely,

Peter Bennin

Peter Bennin

Senior Project Manager

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