



Administration Department
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1161 - (262) 763-3474 fax
www.burlington-wi.gov

AGENDA COMMITTEE OF THE WHOLE

Tuesday, October 20, 2020

6:30 p.m.

Common Council Chambers, 224 East Jefferson Street

Webinar Link: <https://us02web.zoom.us/j/83742370640?pwd=MVVaZHGwNXVWaHdldDBnTEIxUFlyQT09>

Webinar ID: 837-4237-0640

Password: 441655

Telephone Dial: US: (312) 626-6799

- To attend a meeting, click on the link provided or dial in with the phone number provided on the meeting agenda. You may need to create a Zoom account if you access the meeting online.
- You will participate as an attendee, not a panelist. You will be muted by the meeting moderator.
- To participate/speak during a meeting when allowable, you will need to “raise your hand”. Online you will find a ‘raise hand’ option in the menu bar. Via phone, you can press *9.
- All meetings are recorded and subject to the Wisconsin Open Meetings Law.

Mayor Jeannie Hefty

Susan Kott, Alderman, 1st District

Theresa Meyer, Alderman, 1st District

Bob Grandi, Alderman, 2nd District

Ryan Heft, Alderman, 2nd District

Steve Rauch, Alderman, 3rd District

Jon Schultz, Council President, Alderman, 3rd District

Thomas Preusker, Alderman, 4th District

Todd Bauman, Alderman, 4th District

1. **Call to Order - Roll Call**

2. **Citizen Comments:** Telephone Dial: US: (312) 626-6799, Webinar ID: 837-4237-0640

3. **Approval of Minutes** (R. Heft)

A. To approve the October 6, 2020 Committee of the Whole Meeting Minutes.

4. **DISCUSSION:**

- Darnisha Garbade, member of the Burlington Coalition for Dismantling Racism, is here this evening to provide an overview of the Coalition and looking to begin dialogue with the leaders of Burlington.

5. **PRESENTATIONS:**

- A. A presentation regarding the 2020 Mid-year Report for the Racine County Economic Development Corporation (RCEDC).

6. **RESOLUTIONS:**

- A. **Resolution 5042(38)** - To approve the replacement of a pole and three siren heads for the Emergency Weather Sirens.
- B. **Resolution 5043(39)** - To approve the purchase of 160 Water Meters for a total cost of \$40,336.
- C. **Resolution 5044(40)** - To authorize the disposal of three DPW trucks through Public Auction.

7. **ORDINANCES:**

- A. **Ordinance 2061(4)** - To consider approval of a Rezone Map Amendment request at Falcon Ridge Drive from Rm-2/C-1, Multi-Family Residential/Conservancy District to Rm-2/C-1/PUD, Multi-Family Residential/Conservancy District with a Planned Unit Development. (*T. Bauman*)

8. **MOTIONS:**

- A. **Motion 20-989** - To accept the 2019 Annual Audit.

9. **ADJOURNMENT** (*S. Rauch*)

Note: If you are disabled and have accessibility needs or need information interpreted for you, please call the City Clerk's Office at 262-342-1161 at least 24 hours prior to the meeting.



COMMITTEE OF THE WHOLE

ITEM NUMBER 3A

DATE: October 20, 2020

SUBJECT: MEETING MINUTES - To approve the October 6, 2020 Committee of the Whole Meeting Minutes.

SUBMITTED BY: Diahnn Halbach, City Clerk

BACKGROUND/HISTORY:

The attached minutes are from the October 6, 2020 Committee of the Whole meeting.

BUDGET/FISCAL IMPACT:

N/A

RECOMMENDATION:

Staff recommends approval of the attached minutes from the October 6, 2020 Committee of the Whole meeting.

TIMING/IMPLEMENTATION:

This item is scheduled for final consideration at the October 20, 2020 Common Council meeting.



City Clerk
300 N. Pine Street, Burlington, WI, 53105
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CITY OF BURLINGTON
Committee of the Whole Minutes
Jeannie Hefty, Mayor
Diahnn Halbach, City Clerk
Tuesday, October 6, 2020

1. **Call to Order - Roll Call**

Mayor Hefty called the Committee of the Whole meeting to order via Zoom at 6:30 p.m. Roll Call - Present: Mayor Hefty, Alderman Susan Kott, Alderman Theresa Meyer, Alderman Bob Grandi, Alderman Ryan Heft, Alderman Steve Rauch, Alderman Jon Schultz, Alderman Tom Preusker, Alderman Todd Bauman. Excused: None.

Staff present: City Administrator Carina Walters, City Attorney John Bjelajac, Finance Director Steve DeQuaker, Assistant City Administrator/Zoning Administrator Megan Watkins, Police Chief Mark Anderson, DPW Director Peter Riggs, Building Inspector Gregory Guidry and Human Resource Manager Jason Corbin.

2. **Citizen Comments:**

Terry Newbury, 204 Thorngate Road, stated her concern about the water/flooding issues on Westridge and wanted to know what the City would do to help with the flooding before the loss of property begins to occur and if property loss does occur, will the City provide compensation for the loss as well as the cost to fix the issue.

3. **Approval of Minutes** - To approve the September 15, 2020 Committee of the Whole Meeting Minutes.

Motion: Alderman Meyer. Second: Alderman Kott. With all in favor, the motion carried.

4. **PRESENTATIONS:**

A. A Presentation regarding the completed Burlington Public Library Building and Space Plan.

Director Joe Davies first provided background history on the library and then presented a PowerPoint of the library's Strategic Plan for 2020-2022 which included a facility master plan, improved accessibility, and the evaluation of funding options.

Alderman Schultz inquired about the CDBG grant and was concerned about putting money into a building that will be renovated and asked if the improvements being made would be affected by the renovation. Davies responded that the improvements done now will not be affected down the road when more extensive renovations are done. Schultz also suggested that a library drop box be placed more efficiently so that people don't need to leave their vehicles when making drop-offs.

Alderman Grandi inquired if there would be additional parking included. Davies responded that downtown parking has its challenges but hoping that by incorporating the park as part of the library, people will be more apt to utilize spaces on Washington Street and walk through the park to enter the

building.

Alderman Schultz stated that according to the cover sheet, the addition put on in 1987 had a 20-year life span and inquired about the future life span of a new addition. Davies responded that he does expect the library to outgrow the proposed renovation due to collections becoming more digitized; however future needs are being considered and will plan accordingly.

Alderman Heft inquired about the total cost of the project being estimated at \$9 million and asked if there had been any discussion of a tax tolerance study. Davies responded that would be included in next year's study.

Grandi asked if this would go to referendum. Walters responded that if taxpayer dollars are used, then it would most likely go to referendum.

5. **RESOLUTIONS:**

- A. **Resolution 5033(29)** - To Approve the Fire Protection Technician Internship Program Agreement between the City of Burlington Fire Department and Gateway Technical College.

Chief Babe provided background information and changes to the Fire Protection Technician Internship Program Agreement stating that the program has been beneficial in mentoring students to learn valuable Fire and EMS skills and helps the Burlington Fire Department and Gateway Technical College give back to the community.

Alderman Heft asked if the BHS1 program was a part of this agreement. Chief Babe responded that the BHS1 program is completely separate program.

- B. **Resolution 5034(30)** - To Approve the Award of the Bid for Tuck-Pointing City Hall to Scherrer Construction Company, Inc. for the Not-to-Exceed amount of \$22,675.

Director Watkins reviewed the proposed tuck-pointing project stating that this has been budgeted for in the 2020 Equipment Replacement Fund and includes tuck pointing wherever necessary, power washing the limestone windowsills, cornice and entryway, sealing the masonry from the sidewalk up three feet and replacing caulk as needed.

- C. **Resolution 5035(31)** - To Approve a Joint Effort Marketing (JEM) Grant Agreement between the City of Burlington and the Wisconsin Department of Tourism.

Administrator Walters stated that on September 15th, the City was awarded the JEM Grant for reimbursement up to 50% of the total cost of the project, or \$34,450; however, in order to receive the grant, the City and the Wisconsin Department of Tourism must first execute an agreement. Walters further stated that this is the last stretch in the process in order to begin the project.

- D. **Resolution 5036(32)** - To Approve the Award of Bid for the 2020 Sidewalk Improvement Program to Forward Builders for the base bid amount of \$33,134.00.

Director Riggs stated that three bids were received for the 2020 Sidewalk Improvement Program and Forward Builders was the low bid at \$33,143 and was awarded the project. Riggs further stated that Kapur has reviewed and researched the contractor and approves of the award.

Alderman Schultz inquired of Zenith's Tech bid of \$80,658. Riggs responded that more than likely, they were not interested in the project but would be if they received the amount asked for and that it's not uncommon to see situations such as this.

Alderman Grandi was concerned about Forward Builders very low bid and questioned if the City has

used this contractor before or if there are any letters of reference available. Riggs responded that he himself has not worked with Forward Builders however other municipalities have and Mike Timmers with Kapur has vetted them and appears to be a reputable contractor. Riggs further stated that they will be held to the City's design standards and if they fail to meet those standards, they will end up redoing a lot of work.

Alderman Grandi questioned the procedure of root removal that was included in the contractors bid. Riggs responded that root removal was not included in the past, however, due to this being a common problem with sidewalks, decided to include that as part of the project.

E. **Resolution 5037(33)** - To Approve Change Order Number Two with the 2020 Street Improvement Program.

Director Riggs explained Change Order Number 2 and stated that the change order results in a total reduction to the contract in the amount of \$36,306.23. Riggs stated that the first reduction is related to the lining of storm sewer manhole and the second change was because of a material change for manhold adjustment rings.

F. **Resolution 5038(34)** - To Authorize for the submission of a Community Development Block Grant (CDBG) application.

Mayor Hefty read resolutions 5038(34) through 5041(37) as they all relate to the application process. Walters then reviewed the program stating that the State of Wisconsin will be closing the Community Development Block Grant (CDBG) program; however will allow communities who currently have CDBG programs in place to access the dollars that were originally within the Fund for projects meeting the low to moderate Income (LMI) income. Walters stated that the City does not qualify as LMI; however, projects for the senior center and ADA projects do qualify in order to access those dollars. Walters then reviewed the list of various projects.

Alderman Rauch asked if the list of projects are potential projects that can be picked from. Walters responded that Council can determine the project scope and can work with the city engineer to determine what projects can be done in-house.

Alderman Schultz asked if there was a timeline to complete the projects, Walters responded that the projects need to be completed in the next year. Schultz questioned putting money into buildings that won't pay-off. Walters responded that Council will need to make some tough decisions and that if the dollars aren't used, they can no longer be accessed.

Alderman Grandi asked if dollars can be allocated towards blighted properties. Walters responded that money can be used for blighted properties, however that property cannot be developed for five years and would need to remain a gravel lot.

Alderman Schultz asked DeQuaker if budgeting \$200,000 to pay off the current loan impacts the expenditure restraint. DeQuaker responded that it does affect the expenditure restraint and it would be a \$200,000 General Fund expenditure. DeQuaker stated this will be a topic further discussed during the budget workshop. Schultz then asked what qualifies as low to moderate income. Walters responded that a low to moderate income would be a household income of approximately \$40,000 to \$45,000 per year and in order for the City to qualify as LMI, over 50% of the population would need to be LMI.

Alderman Grandi referred to Item 5H. Res 5040(36) in which it talks about displacing people as a result of using the Community Block Grant and wanted to know if this is a non-issue. Walters responded that each resolution relating to the CDBG should be a non-issue and in order to leverage the \$940,000 these are policies that the City must have in place before moving forward. Alderman Grandi then clarified that the City would need to spend \$200,000 to receive \$750,000, but then lose \$200,000

of expenditure restraint, ultimately only gaining \$350,000. DeQuaker responded that the City would need to pay \$200,000 to pay off the loan in order to get \$940,000 to put towards projects, however the City would not qualify for expenditure restraint, which is roughly \$200,000 in 2021, but would not qualify for the expenditure restraint anyhow with the current budget cycle. DeQuaker stated this would be further discussed during the budget workshop.

G. **Resolution 5039(35)** - To Adopt a Citizen Participation Plan (CDBG).

This item was discussed with Resolution 5038(34).

H. **Resolution 5040(36)** - To Approve the Wisconsin Residential Anti-displacement and Relocation Assistance Plan for Community Development Block Grant (CDBG) programs.

This item was discussed with Resolution 5038(34).

I. **Resolution 5041(37)** - To Approve a policy to prohibit the use of excessive force and the barring of entrances/exits for non-violent civil rights demonstrations (CDBG).

This item was discussed with Resolution 5038(34).

6. **ORDINANCES:**

A. **Ordinance 2062(5)** - To Create Section 181-3 of the Municipal Code of the City of Burlington adopting Wisconsin Statutes Section 106.50, as amended, relating to the equal rights of all persons to fair housing, and providing means for the implementation and enforcement thereof.

Walters explained that this ordinance is related to the resolutions previously discussed and that recipients of the CDBG Grant funds must take action to further fair housing during the contract period and must be included with the CDBG application.

B. **Ordinance 2063(6)** - To Amend Chapter 40 of the Code of Ordinances for the City of Burlington, Racine County, Wisconsin, relating to the Health Department.

Walters reviewed the proposed amendment which include Powers and Duties of a Local Health Officer, removal of the authority to issue citations, and Mobile Food Establishments. Walters further stated that all 14 municipalities in the Central Racine County Health Department must adopt these updates uniformly.

7. **MOTIONS:**

A. **Motion 20-985** - To Withdraw from the Central Racine County Health Department.

Walters reviewed the background history stating that in May 2020 the Central Racine County Board of Health expressed interest to becoming a department of Racine County due to COVID-19 and the strain of resources this placed on staff. Walters then reviewed the estimated City levy contribution to consolidate to RCCHD from 2020 to 2026.

B. **Motion 20-986** - To Approve The City of Burlington Property Inspection Report from AAE Consulting Group.

Walters reviewed the history stating that the City engaged Ansay Insurance to assume General Liability and Workman's Compensation insurance and during transition, staff needed to verify all of its property including fixed assets; as a result staff hired Austin Engelhardt of AAE Consulting Group, to complete a thorough appraisal of City buildings, parks, and infrastructure. Walters then introduced

Engelhardt; he then provided an overview of the Inspection Report.

- C. **Motion 20-987** - To Approve of a Certificate of Appropriateness for property located at 300 N. Pine Street.

Inspector Guidry provided an overview stating that the City has proposed to make repairs and improvements to their City Hall building which will include tuck pointing, power washing, doorways and cornice at top of building, and painting and caulking.

- D. **Motion 20-988** - To Approve of a Certificate of Appropriateness for property located at 464 N. Pine Street.

Inspector Guidry provided an overview stating that the owner proposes to make improvements to windows, doors, tuck pointing, fascia repair and painting, and install a new awning.

8. **ADJOURNMENT**

Motion: Alderman Grandi. Second: Alderman Kott. With all in favor, the motion carried and the meeting was adjourned at 8:04 p.m.

Minutes respectfully submitted by:

Diahnn C. Halbach
City Clerk
City of Burlington



DATE: October 20, 2020

SUBJECT: PRESENTATION: A presentation regarding the 2020 Mid-year Report for the Racine County Economic Development Corporation (RCEDC).

SUBMITTED BY: Carina Walters, City Administrator

BACKGROUND/HISTORY:

A brief presentation is scheduled for the Committee of the Whole meeting to be given by Jordan Brown of the Racine County Economic Development Corporation (RCEDC) regarding the 2020 Mid-year Report. RCEDC has been an important entity in the City’s economic development, in particular by working closely with the City and the businesses wishing to (re)locate to and remain in Burlington.

RCEDC’s mission is to grow Racine County’s property tax base and by supporting business expansions, provide employment opportunities to Racine County residents.

BUDGET/FISCAL IMPACT:

N/A

RECOMMENDATION:

For discussion only.

TIMING/IMPLEMENTATION:

This item is for discussion at the October 20, 2020 Committee of the Whole meeting.

Attachments

PowerPoint



Racine County Economic Development Corp.

Mid Year Report to our Communities

October 2020



WHAT WE DO

BUSINESS SOLUTIONS



FINANCIAL SOLUTIONS



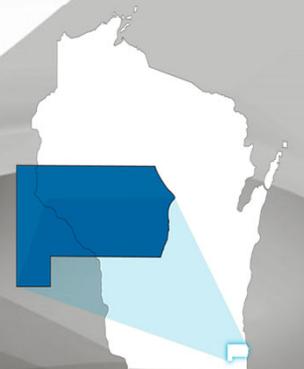
SITE SELECTION



TALENT RESOURCES



Racine County Economic Development Corp.



2020 Strategic Plan

Goals and Results Business Growth

Descriptions	Goals	Third Qtr Results
Businesses Assisted	57	74
Technical Assistance	165	317
Assistance to DBE	20 (of 57)	28 (of 74)
Jobs	280	880
Project Investment	\$95.2 Million	\$74.4 Million
Construction Investment	\$44 Million	\$42.7 Million
Loans Approved	\$13 Million	\$20.3 Million
Outreach calls/visits	465	432

2020 Strategic Plan

Goals and Results – Business Growth

Projects Approved & Underway

- Record Number of Projects Approved
 - Burlington – 10 projects
 - Caledonia – 4 projects
 - Mount Pleasant – 10 projects
 - Racine – 22 projects
 - Raymond, Sturtevant, Town of Waterford - 1 project each
 - Union Grove – 5 projects
 - Village of Waterford – 5 projects
 - Yorkville – 2 projects
 - Outside of Racine County - 13 SBA 504 loans



Racine County Economic Development Corp.



2020 Strategic Plan Goals and Results – Business Growth Technical Assistance

- Technical Assistance Exploded in 2020
 - COVID Resources
 - Financing Resources
 - Talent Resources
 - Maps and Data Resources
 - Department of Revenue and Local Tax Inquiries
 - Grant Application Support (WEDC)
 - Referrals to Lenders, SBDC, and Other Partners
 - Site and Building Searches

2020 Strategic Plan

Goals and Results – Business Growth Outreach

- Outreach Increased in 2020
 - More than 200 Telephone Calls During 2nd Quarter to RCEDC Loan Portfolio (Current and Past)
 - Outreach to Industrial Developers, Realtors, and Site Selectors
 - Outreach to HR Professionals Regarding Talent Development, Recruitment and Retention
 - Outreach to Residential and Commercial Developers



Racine County Economic Development Corp.

2020 Strategic Plan

Goals and Results – Business Growth

Economically Disadvantaged Businesses

- Total of 28 Woman or Ethnic-Minority Owned Business Were Assisted with Grants or Loans
 - Burlington – 4 Loans or Grants
 - Caledonia – 3 Loans or Grants
 - Racine – 8 Loans or Grants
 - Mount Pleasant – 7 Loans or Grants
 - Union Grove – 4 Loans or Grants
 - Waterford – 1 Grant

2020 Strategic Plan

Goals and Results – Business Growth

Small Business Financial Resources

- New, Patient Capital, Programs Developed With Funding Provided By:
 - Racine County
 - City of Racine
 - US EDA
 - RCEDC
 - Burlington
 - Union Grove



UNION GROVE, WI – "Union Grove's small businesses play a crucial role as the backbone of our community. We knew quick action along with creative thinking was going to be necessary from our board," said Mike Aimone, Union Grove Village President.

2020 Strategic Plan

Goals and Results – Business Growth

Featured Projects

- **Fortier Jewelers**
 - Union Grove Small Business Relief Program
Developed by RCEDC and Union Grove Leadership & Funded by Union Grove
 - In Business for 45 Years, First Time Required to Close
 - Woman-owned Business
 - Enjoyed 0% Loan to Cover Expenses Without Revenues

2020 Strategic Plan

Goals and Results – Business Growth

Featured Projects

- **Low Daily**
 - Burlington Downtown Business Start-Up
 - Craft Brewery and Tap Room
 - Significant Building Redevelopment, \$1.3 Million Investment
 - 5 Jobs Created

RCEDC's Role Was Primarily Financial Including WEDC Community Development Investment Grant, Provision of SBA 504 and Burlington RLF Loan and Burlington Matching Grant



Racine County Economic Development Corp.

2020 Strategic Plan

Goals and Results – Talent Recruitment

Descriptions	Goals	3rd Qtr Results
Companies on Greater Racine County Job Board	130	84
Increase of Engagement in Digital Campaign	20% Increase	56% Increase
Talent Directly Recruited to Racine County	50	1
Direct Talent Placed & Acclimated	15	1

2020 Strategic Plan Goals and Results – Talent Recruitment

- Racine County – Quality of Life, Lower Cost Living, Variety, Proximity to Large Cities
- Racine County Employers – Abundance of Industries, Options and Opportunities
- Talent Recruitment
 - Awareness of Opportunities, Connect to Learn More, Visit, Employment and Finally, a New Resident



City Life



Suburban Living



Rural Retreats



On the Water



Racine County Economic Development Corp.

2020 Strategic Plan Goals and Results – Talent Recruitment

WORK HERE

OPPORTUNITIES AWAIT

- ✓ No Cost Job Board
- ✓ Community Tours
- ✓ Accompanying Spouse
- ✓ Expert Meet & Greet
- ✓ Community Guide
- ✓ Housing Featured

RCEDC

Racine County Economic Development Corp.



GREATER
RACINE
COUNTY

COMMUNITY GUIDE

2020 Strategic Plan

Goals and Results – Talent Recruitment

- Temporary Pivots
 - Local Unemployment Rise, Focus on Local Talent Placement & Networking
 - Pause External Digital Campaign July & August
- Future Activities
 - More Digital Campaigns
 - Three New Videos Planned
 - More Focus on Remote Professionals (Work Anywhere, Why Not in Racine County)

2020 Strategic Plan

Goals and Results – Leadership & Relations



rcedc.org/covid-19-business-resources/



<https://blp504.org/category/covid-19/>

RCEDC'S COVID-19 RESPONSE

- Identify Different Resources
- Build Pages on RCEDC/BLP Websites
- Push Resources Through Email
- Push Resources Through Social
- Build & Communicate “Open” For Business Listing
- Communicate RCEDC Administered Programs



Racine County Economic Development Corp.

2020 Strategic Plan Goals and Results – Leadership & Relations

PRESS RELEASE RESULTS



5 SENT



7 PUBLISHED



5 PUBLICATIONS



Racine County Economic Development Corp.

Wisconsin Small Business Grants Phase 2

- Administered by Department of Administration
- \$5,000 grants
- Qualifications:
 - Annual revenues < \$1 million
 - < 50 Employees (FTE)
- Opens Oct. 19, Closes Nov. 2
- More information: revenue.wi.gov



Racine County Economic Development Corp.

Thank you



where your future takes root

GreaterRacineCounty.com



A Division of RCEDC, A Wisconsin Corp.

BLP504.org



A Division of RCEDC

RCEDC.org



DATE: October 20, 2020

SUBJECT: RESOLUTION 5042(38) - To approve the replacement of a pole and three siren heads for the Emergency Weather Sirens.

SUBMITTED BY: Peter Riggs, Director of Public Works

BACKGROUND/HISTORY:

The City of Burlington owns three emergency weather sirens. The siren heads were installed in the early 1990s, have exceeded their expected life, and need to be replaced. Additionally, the pole for the siren at Dyer School is compromised and also needs to be replaced. This project is necessary to ensure the emergency weather sirens stay operational and meet performance expectations.

This project consists of two parts: 1) material purchase and 2) installation and testing. Federal Signal is the manufacturer of the devices we use in our sirens. The siren heads supplied by Federal Signal will be compatible with all other devices that make up the emergency weather siren. The cost for three new siren heads is \$23,967.84 including freight. Our provider for maintenance of these devices is Emergency Communication Systems. They are knowledge specialists that work with local agencies to service these devices. Typically, they are on site once a year to perform annual inspection and maintenance. The cost for them to install the new pole, relocate equipment, and install all three siren heads is \$11,600.00.

BUDGET/FISCAL IMPACT:

The total project cost is \$35,567.84. The 2020 promissory note borrowing included \$60,000 in funding for this project.

RECOMMENDATION:

Staff recommends approval of the resolution to replace a pole and three siren heads for the emergency weather sirens.

TIMING/IMPLEMENTATION:

This item is for discussion at the October 20, 2020 Committee of the Whole meeting, and due to time constraints for construction, is scheduled for final consideration at the same evening Common Council meeting.

Attachments

- Res 5042(38)
 - Federal Signal Quote
 - ECS Quote - Head Installation
 - ECS Quote - Dyer
-

A RESOLUTION APPROVING THE REPLACEMENT OF A POLE AND THREE SIREN HEADS FOR THE EMERGENCY WEATHER SIRENS FOR A NOT TO EXCEED AMOUNT OF \$35,567.84

WHEREAS, the security and effective operation of tornado sirens is integral to the public safety in the community; and,

WHEREAS, the hardware and electronics that comprise the tornado siren system will, from time-to-time, require upgrade, maintenance, and replacement; and,

WHEREAS, Federal Signal has supplied a quote to provide a replacement siren head; and,

WHEREAS, Emergency Communication Systems has supplied a quote to provide the materials and labor to perform the necessary upgrades and replacements; and,

WHEREAS, Emergency Communication Systems is uniquely qualified to perform this service due to expert knowledge and experience installing, and maintaining the City's tornado siren system; and,

WHEREAS, the Director of Public Works has reviewed the proposals and recommends proceeding with the purchase of the siren head from Federal Signal and the labor and installation completed by Emergency Communication Systems.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Burlington hereby approve the tornado siren – siren head replacement provided by Federal Signal as well as the materials and labor provided by Emergency Communication Systems for the total amount of \$35,567.84.

Introduced: October 20, 2020
Adopted: October 20, 2020

Jeannie Hefty, Mayor

Attest:

Diahnn Halbach, City Clerk

Contact Name: Peter Riggs
Customer: Burlington
Address: 224 E Jefferson St.
City: Burlington
Country: USA
Office Phone: 920-342-1182

State: WI

Zip: 53105
E-mail: priggs@burlington-wi.org

Quotation No.: ANS
100720130122
Reference quote no. on your order

Upon receipt of your order and acceptance by Federal Signal Corporation, the equipment herein will be supplied at the quoted prices below. Delivery schedule cannot be established until radio information is supplied, if applicable.

October 7, 2020

Item No.	Qty.	Federal Model/ Part No.	Description	Unit Price	Total
1			Project Name		
2			Command and Control		
3	1				
4	1				
5	1				
6	1				
7	1				
8			Equipment		
9	3	2001-130	Electro-mechanical rotating siren, 130 db(C) 800Hz	\$7,682.00	\$23,046.00
10	1				
11	1				
12	1				
13	1				
14	1				
15	1				
16	1				
17	1				
18			Services/Installation		
19	1				
20	1				
21	1				
22	1				
23	1	ES-FREIGHT	SHIPPING FEES	\$921.84	\$921.84
Total Weight:				Total:	\$23,967.84

Prices are firm for 90 days from the date of quotation unless shown otherwise. Upon acceptance, prices are firm for 6 months. This quotation is expressly subject to acceptance by Buyer of all Terms stated in the attached Terms document, and any exception to or modification of such Terms shall not be binding on Seller unless expressly accepted in writing by an authorized agent or Officer of Seller. Any order submitted to Seller on the basis set forth above, in whole or in part, shall constitute an acceptance by Buyer of the Terms. Any such order shall be subject to acceptance by Seller in its discretion. If the total price for the items set forth above exceeds \$50,000 then this quotation IS ONLY VALID if countersigned below by a Regional Manager of the Safety & Security Systems Group, Federal Signal Corporation. Installation is not included unless specifically quoted as a line item above. Adverse Site Conditions, including rock, caving soil conditions, contaminated soil, poor site access availability, and other circumstances which result in more than 2 hours to install a pole, will result in a \$385.00 per hour fee, plus equipment. Trenching is additional. Power Clause, bringing power to the equipment is the responsibility of the purchaser. Permit Clause, any special permits, licenses or fees will be additional. See attached Terms sheet.

Delivery: 8-10 Weeks

Freight Terms: FOB - University Park, IL (Factory)

Terms: Equipment - Net 30 Days upon Shipment
Services - Net 30 Days, as completed

Proposed By: Bill Van Dyn Hoven

Company: Emergency Communication Systems

Address: W971 County Road CE

City, State, Zip: Kaukauna, WI 54130

Country: USA

Work Phone: 920-585-4001

Signature: *William Van Dyn Hoven*

Fax:

Approved By: Bill VDH

SHIPPING ADDRESS

Contact Name: Bill Van Dyn Hoven

Customer: Emergency Communication Systems

Address: W971 County Road CE

City: Kaukauna

State: WI

Country: USA



2645 Federal Signal Drive
University Park, Illinois 60484-0975
800.548.7229
alertnotification.com

Contact Name: Peter Riggs

Customer: Burlington

Address: 224 E Jefferson St.

City: Burlington

State: WI

Zip: 53105

Country: USA

E-mail: priggs@burlington-wi.org

Quotation No.: ANS

100720130122

Reference quote no. on your order

Office Phone: 920-342-1182

Upon receipt of your order and acceptance by Federal Signal Corporation, the equipment herein will be supplied at the quoted prices below.
Delivery schedule cannot be established until radio information is supplied, if applicable.

October 7, 2020

Phone: 920-585-4001

Accepted By: _____
Signature:

Title:

Purchase order MUST be made out to:
Federal Signal Corporation, Alerting & Notification Systems, 2645 Federal Signal Drive, University Park, IL 60484



Emergency Communication Systems

Safety First

W971 County Road CE
 Kaukauna, WI 54130
 920-585-4001

Estimate

Date	Estimate #
10/7/2020	5440



Name / Address
City of Burlington 2200 S. Pine St Burlington, WI 53105

Description	Qty	Rate	Total
<ul style="list-style-type: none"> •Install (1) Federal Signal Siren head per Federal Signal installation specifications at site approved by the city •Furnish and install electrical accessories for 120 vAC operation of sirens •Re pipe and wire from siren control cabinet to siren head •Includes crane and bucket truck required to complete the work •Remove and dispose of old equipment •Program, Test and Optimize System 	2	3,175.00	6,350.00

Total	\$6,350.00
--------------	------------

Phone #
920-585-4001

E-mail
Bill@Siren-Service.com

Web Site
www.EmergencyCommunicationSystems-ECS.com



Emergency Communication Systems

Safety First

W971 County Road CE
 Kaukauna, WI 54130
 920-585-4001

Estimate

Date	Estimate #
10/7/2020	5043



Name / Address
City of Burlington 2200 S. Pine St Burlington, WI 53105

Description	Qty	Rate	Total
<ul style="list-style-type: none"> •Install (1) Federal Signal Siren per Federal Signal installation specifications at site approved by the city •Furnish and install (1) 50 foot wooden class 2 pole •Furnish and install 4 batteries as recommended by Federal Signal battery specifications •Furnish and install electrical accessories for 120 vAC operation of siren •Coordinate diggers hotline at siren site •Program, Test and Optimize System •Remove and dispose of old pole and equipment <p>The following rock clause will apply: In the event that rock or any other obstructions are encountered while digging, work at the site will be discontinued until the City/Village can offer an alternate site that will not require unexpected expenses to Emergency Communication Systems such as the cost of rock removal. If any permits and fees are required that will be additional.</p>	1	5,250.00	5,250.00

Total	\$5,250.00
--------------	------------

Phone #
920-585-4001

E-mail
Bill@Siren-Service.com

Web Site
www.EmergencyCommunicationSystems-ECS.com



DATE: October 20, 2020

SUBJECT: **RESOLUTION 5043(39)** - To approve the purchase of 160 Water Meters for a total cost of \$40,336.

SUBMITTED BY: Peter Riggs, Director of Public Works

BACKGROUND/HISTORY:

The City of Burlington Water Utility routinely replaces residential water meters as they reach 10 years of use. This is necessary to be compliant with Wisconsin Department of Natural Resources (WDNR) and Public Service Commission (PSC) requirements for accurate metering of water usage. As water meters age they will begin to lose accuracy and will underreport water usage. This results in billings less than actual consumption by customers.

Typically, the utility performs over 300 meter replacements a year depending on work load and ease of access. Due to COVID-19 the utility has suspended all non-emergency entry into customers homes and thereby has not made much progress on meter replacement in 2020. The meters included in this purchase would be installed when we lift access restrictions or kept in inventory for future use.

The utility's meter inventory is comprised of Badger Meters supplied through their distributor Midwest Meters. It is necessary to purchase Badger Meters to maintain consistency with our other metering, reading, and billing equipment. This purchase includes 160 meters for a total cost of \$40,336.

BUDGET/FISCAL IMPACT:

The requested purchase of 160 meters will cost \$40,336. The operating budget for the Water Utility contains funding for this purchase. The 2020 budget contains \$115,000 for the purchases of meters and other metering equipment. A balance of \$63,810 is available for this purchase.

RECOMMENDATION:

Staff recommends approval of the resolution authorizing the purchase of these meters.

TIMING/IMPLEMENTATION:

This item is for discussion at the October 20, 2020 Committee of the Whole meeting, and is scheduled for final consideration at the November 4, 2020 Common Council meeting.

Attachments

Res 5043(39) Water Meters Purchase

**A RESOLUTION APPROVING THE PURCHASE OF WATER METERS FROM BADGER
METER FOR THE NOT-TO-EXCEED PRICE OF \$40,336.00**

WHEREAS, on June 1, 2004 the Common Council did approve Resolution 3812(18), a Resolution Adopting a Purchasing Policy for the City of Burlington and on May 16, 2006 approved Resolution 4015(3), updating such Purchase Policy; and,

WHEREAS, the Purchasing Policy requires that all non-construction related Budget Items requiring expenditures of \$15,000 or more be reviewed and pre-approved by the Common Council; and,

WHEREAS, the Water Utility annually changes out aging meters in order to maintain their working functionality and ensure accuracy; and,

WHEREAS, functional and accurate water meters are critical to the billing functions and revenue of the Water Utility; and,

WHEREAS, the purchase of water meters from Badger Meter for the not-to-exceed amount of \$40,336.00 has been recommended by the Water Utility Foreman and Director of Public Works.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Burlington that the purchase of the aforementioned water meters is hereby approved for the total amount of \$40,336.00.

Introduced: October 20, 2020

Adopted: October 20, 2020

Jeannie Hefty, Mayor

Attest:

Diahn Halbach, City Clerk



DATE: October 20, 2020

SUBJECT: RESOLUTION 5044(40) - To authorize the disposal of three DPW trucks through Public Auction.

SUBMITTED BY: Peter Riggs, Director of Public Works

BACKGROUND/HISTORY:

The Department of Public Works Seeks to dispose of three pick up trucks through public auction with Don Smock Auction Company, Inc. Trucks #48, #51 and #53 are all 2005 Chevy 2500HDs. These trucks are used as general purpose vehicles for the Streets and Parks Departments. All three trucks have been replaced. The estimated auction value is \$4,300 per vehicle.

Don Smock Auction Company, Inc. has previously sold fleet for the City of Burlington successfully. They have the same terms as J.J. Kane Auctioneers, another company we have used to dispose of fleet. The Department intends to rotate auction companies until such a time as can be demonstrated that one company is more successful at disposing our fleet.

BUDGET/FISCAL IMPACT:

These fleet assets will be disposed of through a competitive online auction. The total sale is estimated to generate \$12,900 in revenue for the equipment replacement fund.

RECOMMENDATION:

Staff recommends approval of resolution authorizing the disposal of these three assets through public auction with Don Smock Auction Company, Inc.

TIMING/IMPLEMENTATION:

This item is for discussion at the October 20, 2020 Committee of the Whole meeting, and due to auction scheduling is scheduled for final consideration at the same evening Common Council meeting.

Attachments

Res 5044(40) Auction DPW Trucks

**A RESOLUTION AUTHORIZING THE DISPOSAL OF THREE DPW TRUCKS
THROUGH PUBLIC AUCTION BY DON SMOCK AUCTION COMPANY, INC.**

WHEREAS, the City of Burlington’s Department of Public Works has determined the following fleet to be surplus and no longer of use to the City; and,

1. Truck #48: 2005 Chevy 2500HD
2. Truck #51: 2005 Chevy 2500HD
3. Truck #53: 2005 Chevy 2500HD

WHEREAS, the Department of Public Works disposes of surplus equipment through public auction; and,

WHEREAS, a public auction allows for disposing of City assets in a competitive and transparent manner that is open to the public; and,

WHEREAS, Don Smock Auction Company, Inc. has successfully provided auction services to public and private agencies for the disposal of fleet and equipment; and,

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Burlington that the Director of Public Works is hereby authorized to enter into an agreement with Don Smock Auction Company, Inc. for the disposal of City owned assets through public auction.

Introduced: October 20, 2020
Adopted: October 20, 2020

Jeannie Hefty, Mayor

Attest:

Diahn Halbach, City Clerk



DATE: October 20, 2020

SUBJECT: ORDINANCE 2061(4) - To consider approval of a Rezone Map Amendment request at Falcon Ridge Drive from Rm-2/C-1, Multi-Family Residential/Conservancy District to Rm-2/C-1/PUD, Multi-Family Residential/Conservancy District with a Planned Unit Development.

SUBMITTED BY: Megan Watkins, Assistant City Administrator | Zoning Administrator

BACKGROUND/HISTORY:

This item is to consider recommending approval of a Rezone Map Amendment request from Jesse Dropik of Millennium Dream Homes, LLC, for property along Falcon Ridge Drive. The applicant is requesting to rezone the property from Rm-2/C-1, Multi-Family Residential/Conservancy District to Rm-2/C-1/PUD, Multi-Family Residential/Conservancy District with a Planned Unit Development. The applicant proposes to maintain these zoning addresses, but also add a PUD Planned Unit Development Overlay District given the application is for a condominium development. The applicant proposes to construct “Falcon Woods” a 30-unit condominium.

This item was presented and approved at its September 8, 2020 Plan Commission meeting. Additionally, a Public Hearing was held before the Common Council on October 6, 2020. This ordinance was tabled at the October 6, 2020 Common Council meeting, as the ordinance was amended to include reasons and the conditions/parameters for the PUD approval.

BUDGET/FISCAL IMPACT:

N/A

RECOMMENDATION:

Staff recommends approval of this rezone map amendment.

TIMING/IMPLEMENTATION:

This item was originally discussed at the September 15, 2020 Committee of the Whole meeting, and is scheduled for final consideration at the October 20, 2020 Common Council meeting.

Attachments

Ord 2061(4)

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP BY REZONING
PROPERTY ON FALCON RIDGE DRIVE FROM RM-2 MULTI-FAMILY
RESIDENTIAL/CONSERVANCY DISTRICT TO RM-2/C-1/PUD, MULTIPLE-FAMILY
RESIDENTIAL/CONSERVANCY DISTRICT WITH A PLANNED UNIT DEVELOPMENT
FOR THE FALCON WOODS CONDOMINIUM DEVELOPMENT**

WHEREAS, Jesse Dropik, applicant, requests property located at Falcon Ridge Drive (Falcon Woods), as described in Exhibit "A" to be rezoned to Rm-2/C-1/PUD, Multiple-Family Residential/Conservancy District with a Planned Unit Development Overlay, in order to use the property for multi-family condominium; and,

WHEREAS, this request was heard at, and recommended for approval by the Plan Commission at their September 8, 2020 meeting; and,

WHEREAS, a public hearing was held regarding this matter at the Common Council's October 6, 2020 meeting.

NOW THEREFORE BE IT ORDAINED that the Common Council of the City of Burlington, Racine County and Walworth County, State of Wisconsin does as follows:

Section 1. The district map of the City of Burlington, as it is incorporated by reference and made part of the City Zoning Ordinance, is hereby amended and changed in relation to the zoning classification of land more particularly described as follows:

Owner:	Millennium Dream Homes LLC
Applicant:	Jesse Dropik
Location of Request:	Falcon Ridge Drive (Falcon Woods)
Existing Zoning:	Rm-2/C-1, Multi-Family Residential/Conservancy District
Proposed Zoning:	RM-2/C-1/PUD, Multiple-Family Residential/Conservancy District with a Planned Unit Development Overlay (the "PUD")
Proposed Use:	To develop a 30-unit condominium development (Falcon Woods)

Section 2. The district map in all other respects shall remain the same.

Section 3. The PUD is bound by the conditions and contingencies as described in Exhibit "B", attached hereto.

Section 4. This rezoning is approved for the following reasons:

- a. This rezoning is consistent in all respects with the purpose of the City ordinance and with the spirit and intent of the zoning ordinances;
- b. This rezoning will not adversely affect the surrounding property values and is not contrary to the general welfare and the economic prosperity of the community;
- c. Adjacent properties to the northwest are currently zoned medium density residential and this rezoning creates a natural transition between commercial zoning and the medium density residential zoning;
- d. The 2035 Land Use Plan designates the portion of parcel to be rezoned as High Density Residential and this rezoning is consistent with such designation;
- e. This development will create an attractive residential environment of sustained desirability and economic stability, including structures in relation to terrain,

- consideration of safe pedestrian flow, ready access to recreation space and coordination with overall plans for the community; and
- f. The split zoning on the parcel continues to help protect the primary environmental corridor.

NOW THEREFORE BE IT FURTHER ORDAINED that the City Clerk shall provide a copy of this ordinance to Planning and Development Director, Julie Anderson, of Racine County Planning and Development, located at 14200 Washington Ave., Sturtevant, WI 53177.

Introduced: September 15, 2020
Adopted:

Jeannie Hefty, Mayor

Attest:

Diahnn Halbach, City Clerk

EXHIBIT "A"

Legal Description

206-03-19-29-084-000

Falcon Ridge Drive

Lot 1, Certified Survey Map No. 2174, Volume 6, Page 671, being part of the Southeast 1/4 of the Northeast 1/4 of Section 29, Township 3 North, Range 19 East. Said land being in the City of Burlington, County of Racine and State of Wisconsin.

The Southeast 1/4 of the Northeast 1/4 of Section 29, Township 3 North, Range 19 East; excepting therefrom a strip 2 rods wide running South from the Northeast corner of said 40 acres along the East line to Burlington and Rochester Road; also excepting a parcel of land 12 rods North and South by 40 rods East and West off the Southeast corner thereof; also excepting therefrom Lot 1 of Certified Survey Map No. 46, Volume 1, Page 99-100; also excepting therefrom lands described in deed recorded in Volume 2329, Page 611; also excepting therefrom Certified Survey Map Number 2174, Volume 6, Page 671, being a part of the Southeast 1/4 of the Northeast 1/4 of Section 29, Township 3 North, Range 19 East. Said land being in the City of Burlington, County of Racine and State of Wisconsin.

Containing approximately 25.1997 acres

**EXHIBIT “B”
PUD CONDITIONS – FALCON WOODS**

Rezoning approximately 25.1997 acres from Rm-2/C-1, Multi-Family Residential/Conservancy District to Rm-2/C-1/PUD, Multiple-Family Residential/Conservancy District with a Planned Unit Development Overlay providing for phased development of thirty condominiums, described as Lot 1, Certified Survey Map No. 2174, Volume 6, Page 671, being part of the Southeast 1/4 of the Northeast 1/4 of Section 29, Township 3 North, Range 19 East. Said land being in the City of Burlington, County of Racine and State of Wisconsin. Millennium Dream Homes LLC, Owner; Jesse Dropik, Applicant; Jesse Dropik. Parcel Id. No. 05-206-03-19-29-084-000.

GENERAL CONTINGENCIES:

1. Scope of PUD. This PUD of condominium buildings will be built in phases and is subject to the overall approximately 25.1997 acres of PUD not exceeding the density requirements of the Rm-2/PUD zoning district. The Applicant intends to construct “Falcon Woods” – 30 dwelling units built as condominium townhomes, in four two-story structures on the 25.1997-acre site. The condominium shall be located, constructed, and utilized in accordance with the plans and specifications filed with the City of Burlington dated August 13, 2020, as further set forth in the Graef Memorandum dated September 3, 2020, and as modified by these PUD conditions. Much of this parcel is part of a Primary Environmental Corridor (PEC) and will remain as such, as determined by the Southeastern Wisconsin Regional Planning Commission. The project will include a project limit of approximately 214,501 square feet. Of this, up to approximately 79,880 square feet will be impervious surface (structures, roadway, driveways) and approximately 134,621 square feet will be green space (upon completion of all phases).

In the approved development zone, there will be up to four buildings – Building A with 10 units, Building B with 10 units, Building C with 4 units, and Building D with 6 units. All four buildings will be separated into two separate 2-unit buildings by a fire wall within, per the Wisconsin Uniform Dwelling Code. Each unit will have a 4-parking stall capacity (2 in a garage, 2 on the driveway). Each building will have end cap units on each side with a different layout that is larger in size with first level master suites and two bedrooms upstairs. Other units have 3 bedrooms on the second floor. Some units will have full lower level with direct outdoor access, depending on the topography.

2. Building and Zoning Permits. The applicant must obtain building and zoning permits for each phase of the PUD from the office of the City Zoning Administrator after paying all permit fees prior to any building permit being issued for such phase. Additional buildings associated with future phases of the development will be subject to permit fees in effect at the time of permit issuance.

3. Compliance. Failure to comply with the terms and conditions stated herein could result in the issuance of citation(s) and/or revocation of this PUD and any zoning permits issued.

4. Binding Effect. These conditions bind and are applicable to the Property Owner, Applicant, and any other users or assignees of the Property Owner with respect to the uses on the Property.

5. Condominium Plat. A condominium plat and related documents, to be recorded with the Racine County Register of Deeds, shall be submitted for review and approval by the City of Burlington in accordance with Wisconsin law and City of Burlington ordinances prior to the sale of the first condominium unit.

6. Road Access and Road Improvements. All private driveways, road connections and road improvements must be constructed, maintained and paid for by Property Owner in accordance with the requirements of the City of Burlington ordinances. Once the service laterals are complete within Falcon Ridge Drive, the entire length must be milled and resurfaced across the ten individual service

connections proposed within the existing roadway in accordance with City ordinances as weather permits.

7. **Setbacks.** A minimum street yard of 25 feet from the right-of-way of all public streets is required under the Rm-2 Zoning District and this PUD. There shall be a minimum side yard required for all structures of not less than eight feet on a side nor less than 20 feet total for both side yards and there shall be a rear yard of not less than 25 feet. The approved Site Plan shows a 20-foot setback; however, it appears that it is likely at least 25 feet to the front face of the garages. A reduced setback would not cause any issue for future residents, or motorists and pedestrians on Falcon Ridge Drive.

8. **Stormwater.** Storm water and site grading shall be constructed in accordance with approved plans and specifications and City ordinance and in accordance with the submitted phasing plan. Phase 1 includes the wet detention basin portion of the storm water facility only. This is acceptable as it will serve as a sedimentation basin during construction. However, the development agreement is required to have a completion date for the infiltration portion of the development with 12 months of stabilization of the property, or within 12 months after active phasing being completed. The storm water and infiltration basins are required to be certified once excavated to final grade. The City shall be notified at the time of completion for final acceptance and certification. The as-built Data shall be provided to the City in digital format for inclusion in the city-wide system mapping.

9. **Fire Department.** Property Owner shall meet all applicable City of Burlington Fire codes.

10. **Public Works Department.** The property owner or designated agent must contact the City of Burlington Public Works Department regarding Utility and Engineering regulations for this site. Compliance with all regulations and requirements, as determined by the City of Burlington is required.

11. **Landscaping.** Landscaping shall be installed and maintained in accordance with the approved plans and specifications. In addition:

a. The C-1 Conservancy District is intended to be used to prevent destruction of valuable natural or man-made resources and to protect woodland and wetland areas and wildlife habitat, where development would result in hazards to health or safety or would deplete or destroy natural resources or be otherwise incompatible with the public welfare. The forested land that will not be developed is zoned C-1. This land shall be permanently preserved per City ordinance as shown on the approved site plan by private restriction (either as part of the condominium documents or as a separate private restriction recorded with the Racine County Register of Deeds in a form approved by the Zoning Administrator). This land falls into the permitted uses of forest reserves for wilderness and/or wildlife areas; and

b. Bufferyards function to eliminate or minimize potential nuisances, such as dirt, litter, noise, glare of lights, signs, and unsightly buildings or parking areas, or to provide spacing to reduce adverse impacts of noise, odor, or danger from fires or explosions. Based on the neighboring B-1 use, a bufferyard intensity factor of 2 is required between the properties on the eastern edge of the proposed side, on the B-1 property. There is an existing bufferyard there, and this should be maintained.

12. **Lighting.** Although a lighting plan has not been submitted or proposed, the City must review and approve all Lighting Plans prior to permit issuance. Lighting at the site must be in compliance with City of Burlington lighting requirements. All lighting at the site must be full cut-off lights that may not glare onto abutting properties or onto any public roadway.

13. **Signage.** The City's signage requirements are set forth in Chapter 315 of the City's Code of Ordinances and shall be complied with. Any proposed advertising sign or other signs at the site will require a separate permit prior to installation.

14. **No Accumulation of Refuse and Debris.** Any fence, wall, hedge, yard, space or landscaped area must be kept free of any accumulation of refuse or debris. Plant materials must be kept in a healthy growing condition and structures must be maintained in a sound manner.

15. **Property Maintenance Required.** A complete and thorough maintenance program must be established to insure attractiveness and shall be submitted for review and approval by the Zoning Administrator.. The continued positive appearance of buildings and property is dependent upon proper maintenance attitudes and procedures. Maintenance programs must be established that include watering, maintaining and pruning all landscape planting areas including removal and replacement of dead or diseased landscaping; cleaning up litter; sweeping, cleaning and repairing paved surfaces; and cleaning, painting, and repairing windows and building façade. All drives shall be paved with asphalt. Parking areas shall be paved in accordance with the plans and specifications and City ordinance. All drives and parking areas shall be maintained in a dust free condition.

16. **Access.** The applicant must allow any City employee full and unlimited access to the project site at a reasonable time to investigate the project's construction, operation, or maintenance to ensure compliance with City ordinances and this PUD.

17. **Compliance with Law.** The applicant is responsible for obtaining all necessary federal, state, and local permits, approvals, and licenses. The applicant is required to comply with all applicable local, state, and federal regulations.

18. **Sewer and Water.** All buildings shall connect to public sanitary sewer and water prior to occupancy.

19. **Agreement.** Your acceptance of the rezoning/PUD Planned Unit Development Overlay District/Zoning Permit and beginning the project means that you have read, understand, and agree to follow all conditions of this approval. Therefore, Millennium Dream Homes, LLC; Jesse Dropik and their heirs, successors, and assigns, including tenants, are responsible for full compliance with the above conditions.

20. **Subsequent Owners.** It is the property owner's responsibility to inform any subsequent owner, operator or assignee of these conditions.

21. **Amendments.** No additions, deletions, or changes may be made to the project, site plan, or these conditions without the City's prior approval. All additions, deletions, and/or change requests must be submitted to the City in writing. A minor change to the conditions of this permit, as deemed by the Zoning Administrator, may be made at a staff level, if authorized by the Zoning Administrator and is consistent with the intentions of this approval.

23. **Expiration.** This approval will expire nine (9) months from the date of the City's approval unless substantial work related to the first Phase has commenced following such grant. If this office determines that no substantial work has commenced, the project may not occur unless the City Council grants a written extension. Written extension requests shall be submitted to the City Zoning Administrator thirty (30) days before permit/approval expiration. Failure to commence substantial work shall result in the City taking action to rescind such PUD zoning approvals.

24. **Development Agreement.** The applicant/property owner/developer shall be required to enter into a development agreement addressing the phased development of this PUD as well as the procedure to establish all easements for public sanitary sewer, water main and storm water improvements as well as access in accordance with the City's ordinances prior to issuance of any zoning or building permits (provided, however, that the foregoing shall not prevent the City from issuing an "early start" permit related to site preparation and grading if the Zoning Administrator and Director of Public Works reasonably determines that the requirements related to such work are met).



DATE: October 20, 2020

SUBJECT: MOTION 20-989 - To accept the 2019 Annual Audit.

SUBMITTED BY: Steven DeQuaker, Finance Director

BACKGROUND/HISTORY:

The 2019 Annual audit performance on the City's fund balance has increased due to accounting changes and movement of some funds from the Agency funds to the General Fund. These changes may occur when auditors change and tend to have different views on the way items should be reported. The city has also qualified for the expenditure restraint payment due to the 2017, 2018 budget to budget comparison. The city received the payment in 2019. This is due to the individual departments performing better than expected in the budget year.

Below are some highlights from the Audit, addressing questions that usually come up every year.

1. Fund Balance at Year End: \$3,319,518 (this would be reduced by any fund shortages for true spendable fund balance)
2. Deficit Funds: Infrastructure: \$(653,039); Park Development (\$903)
3. Net Operating Income: Water: \$760,121; Sewer: \$469,192; Airport:(\$39,330). The Airport Revenue less expenses shortage includes depreciation.
4. Total all Cash & Investments: \$23,963,175 - cash in banks and investments. Not all these are spendable due to bond covenants and fund requirements.
5. Custodial Risk: Greenwoods State Bank, during Tax Collection only Guaranteed \$250,000 FDIC and \$400,000 State Deposit Guarantee Fund. Greenwoods State Bank typically collects \$700,000 to \$1,000,000 in taxes for the City. Moneys are transferred out of the bank after Tax collection to BMO to reduce the balance/risk.
6. GO Debt Outstanding at year-end 2019: \$22,513,763 - Allowable Debt based on 5% of Equalized Value: \$48,605,930 or \$26,092,167 remaining.

As discussed during the 2020 budget workshops we were able to reduce the short Capital Projects Infrastructure Fund from almost \$1.1 Million to \$653,000 in 2019. Further reductions to the short fund balance will happen in 2020, with a final reduction in 2021 if needed, thus eliminating the shortage in that fund.

Patricia Reda with Sitzberger will outline the audit and the findings, along with the Management letter, and items to be aware of in the future.

BUDGET/FISCAL IMPACT:

Annual Audit recaps the 2019 performance of actual vs budget.

RECOMMENDATION:

Staff recommends approving the motion to accept the annual audit.

TIMING/IMPLEMENTATION:

This item is for discussion at the October 20, 2020 Committee of the Whole meeting and due to timeliness and the need to publish this document to multiple sources including State of Wisconsin DOA, EMMA and S&P, this item is set for adoption at the same evening Common Council meeting.

Attachments

Governance Letter
Management Letter
2019 Annual Audit



www.sitzbergercpas.com

To the City Council
City of Burlington, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Burlington for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 3, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Burlington are described in Note A to the financial statements. As described in Note A to the financial statements, the City of Burlington adopted GASB Statement 84, *Fiduciary Activities*, during the year ended December 31, 2019. The application of existing policies was not changed during the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- Management's estimate of the useful lives of capital assets is based on the City's useful life schedule
- Management's estimate of the pension liability is based upon a third party actuarial valuation
- Management's estimate of the OPEB liability is based upon a third party actuarial valuation

We evaluated the key factors and assumptions used to develop the aforementioned estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

To the City Council
City of Burlington, Wisconsin

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached misstatements detected as a result of audit procedures, and supplied to us by management, were corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 4, 2020.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

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

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

To the City Council
City of Burlington, Wisconsin

Restriction on Use

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

Sitzberger & Company, S.C.

Sitzberger & Company, S.C.
Lake Geneva, Wisconsin
September 4, 2020

City of Burlington
Year End: December 31, 2019
Adjusting Journal Entries
Date: 1/1/2019 To 12/31/2019

Prepared by	Reviewed by	Manager
PAR 9/9/2020	PLG 10/7/2020	

AJE

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
Net Income (Loss) Before Adjustments							(5,572,114.54)	
1001	12/31/2019	TREASURERS CASH	100-111111 GF-100			30,000.00		
1001	12/31/2019	TRANSFER TO PARK DEVELOPME	100-595922-399 GF-100		30,000.00			
Adjustment to record transfer from general fund to parks fund per budget and discussion with Treasurer.					30,000.00	30,000.00	(5,602,114.54)	(30,000.00)
1002	12/31/2019	TREASURERS CASH	100-111111 GF-100		82,475.40			
1002	12/31/2019	NOTE RECEIVABLE - HAMPTON IN	100-122222 GF-100			60,046.94		
1002	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100			16,845.22		
1002	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100			1,235.24		
1002	12/31/2019	MISC INCOME	100-484840-000 GF-100			4,348.00		
Adjustment to account for closed TIF No. 1 activity. Hampton note is now accounted for in GF and interest income will be allocated to GF.					82,475.40	82,475.40	(5,579,686.08)	22,428.46
1003	12/31/2019	TREASURERS CASH	100-111111 GF-100		9,030.08			
1003	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100			9,030.08		
Adjustment to account for closed TIF No. 3 activity.					9,030.08	9,030.08	(5,570,656.00)	9,030.08
1004	12/31/2019	PREPAID EXPENDITURES	100-160000 GF-100			11,307.07		
1004	12/31/2019	PREPAID EXPENDITURES	100-160000 GF-100			6,109.36		
1004	12/31/2019	ADMIN - REP & MAINT IT	100-515132-241 GF-100		2,036.45			
1004	12/31/2019	ADMIN - PROP AND LIABLITY INS	100-515132-520 GF-100		5,653.54			
1004	12/31/2019	FINANCE - REP & MAINT IT	100-515141-241 GF-100		2,036.45			
1004	12/31/2019	FINANCE - PROP & LIAB INS	100-515141-520 GF-100		5,653.53			
1004	12/31/2019	PD - REP & MAINT IT	100-515211-241 GF-100		2,036.46			
Adjustment to clear prepaid items for insurance and digicorp that should have been expensed during the year (amounts and accounts provided by Steve on 4/21/2020)					17,416.43	17,416.43	(5,588,072.43)	(17,416.43)
1005	12/31/2019	ESCROW FUNDS HELD	100-293001 GF-100	HH-1		3,401.00		
1005	12/31/2019	Escrow Deposit Faust Investment	100-294001 GF-100	HH-1	3,401.00			
Adjustment to consolidate accounts for intern stipends per discussion with Steve.					3,401.00	3,401.00	(5,588,072.43)	0.00
1006	12/31/2019	TREASURERS CASH	100-111111 GF-100		62,445.63			
1006	12/31/2019	Reimbursement / CN Railway	100-484848-000 GF-100			62,445.63		
1006	12/31/2019	Reimbursement / CN Railway	100-484848-000 GF-100			79,395.33		
1006	12/31/2019	Reimbursement / CN Railway	100-484848-000 GF-100			34,173.33		
1006	12/31/2019	ADMIN - CONTRACT SERVICES	100-515132-298 GF-100		34,173.33			
1006	12/31/2019	STREETS - CONTRACT SERVICES	100-535321-298 GF-100		79,395.33			
Adjustment to reclass money received in Capital Project Infrastructure Fund for reimbursement of CN Railway project expended out of General Fund and								

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	
		reclass additional payments received out of expenditure account.				176,014.29	176,014.29	(5,525,626.80)	62,445.63
1007	12/31/2019	Customer Deposits	100-294002 GF-100			41,575.00			
1007	12/31/2019	Reimbursement / CN Railway	100-484848-000 GF-100		41,575.00				
		Adjustment to record CN Railway payment received as a deposit out of revenue account as it is to be held for 2020 expenditures per Peter Riggs and Steve DeQuaker.				41,575.00	41,575.00	(5,567,201.80)	(41,575.00)
1008	12/31/2019	TREASURERS CASH	100-111111 GF-100	KK-1.00		13,668.13			
1008	12/31/2019	CASH ACCOUNT	465-111111 CAPREP-465	KK-1.00	13,668.13				
1008	12/31/2019	County Radio Upgrade Principal	100-585810-600 GF-100	KK-1.00	13,668.13				
1008	12/31/2019	FIRE COMMUNICATION EQUIP	465-525220-806 CAPREP-465	KK-1.00		13,668.13			
		Adjustment to reclass annual radio upgrade payment from capital replacement fund to debt account in general fund.				27,336.26	27,336.26	(5,567,201.80)	0.00
1009	12/31/2019	TREASURERS CASH	100-111111 GF-100	PSC-3	438,886.00				
1009	12/31/2019	DUE FROM WATER-TAX EQUIVALE	100-156002 GF-100	PSC-3	24,696.00				
1009	12/31/2019	DEFERRED REVENUES-TAX EQUIP	100-261050 GF-100	PSC-3		24,696.00			
1009	12/31/2019	TAX EQUIVALENT FROM UTILITY	100-414131-000 GF-100	PSC-3		438,886.00			
		Adjustment to record tax equivalent and adjust deferred amount				463,582.00	463,582.00	(5,128,315.80)	438,886.00
1010	12/31/2019	Sale of Property	465-484831-000 CAPREP-465	U-1. 4		4,000.00			
1010	12/31/2019	POLICE CAPITAL OUTLAY VEHICLI	465-525211-805 CAPREP-465	U-1. 4	4,000.00				
		To gross up cost of new squads by trade-in value				4,000.00	4,000.00	(5,128,315.80)	0.00
1011	12/31/2019	GENERAL INVESTMENTS	100-111108 GF-100	A-1, A-3		1,000.00			
1011	12/31/2019	TREASURERS CASH	100-111111 GF-100	A-1, A-3		1,411.67			
1011	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100	A-1, A-3	2,411.67				
		To reclassify cash to appropriate account				2,411.67	2,411.67	(5,130,727.47)	(2,411.67)
1012	12/31/2019	SPECIAL ASSESS RECEIVABLE-S1	100-122101 GF-100	FS		4,233.19			
1012	12/31/2019	POSTPONED SPECIAL ASSESSME	100-262001 GF-100	FS	8,424.89				
1012	12/31/2019	SPECIAL ASSESS-SIDEWALKS	100-454544-000 GF-100	FS		4,191.70			
		To remove receivable and deferred revenue for special assessments levied in previous years				8,424.89	8,424.89	(5,126,535.77)	4,191.70
1013	12/31/2019	Clearwater TD Ameritrade (2019A)	313-111110 DS-313	KK-1	12,568.13				
1013	12/31/2019	Premium on Debt Issuance	313-491000-000 DS-313	KK-1		31,554.25			
1013	12/31/2019	Debt Issuance Costs	313-595900-200 DS-313	KK-1	18,986.12				
		Adjustment to record issuance of							

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
		2019A debt.			31,554.25	31,554.25	(5,113,967.64)	12,568.13
1014	12/31/2019	Reimbursement of prior year expense	453-435311-001 CP-453	U-1. 3		183,565.84		
1014	12/31/2019	2017 Kendall Street Project	453-565616-825 CP-453	U-1. 3	183,565.84			
		Adjustment to reclass Town cost share for Teut road from expenditure account.			183,565.84	183,565.84	(5,113,967.64)	0.00
1015	12/31/2019	TREASURERS CASH	461-111111 ERTIF-461			82,475.40		
1015	12/31/2019	NOTES RECEIVABLE-HAMPTON	461-140000 ERTIF-461		60,046.94			
1015	12/31/2019	DEFERRED REVENUE - HAMPTON	461-240000 ERTIF-461			60,046.94		
1015	12/31/2019	LOAN/NOTE-HAMPTON	461-484810-000 ERTIF-461		60,046.94			
1015	12/31/2019	INTEREST INCOME	461-484811-000 ERTIF-461		22,428.46			
		Adjustment to remove activity from closed TIF. Hampton note receivable is now held in GF.			142,522.34	142,522.34	(5,196,443.04)	(82,475.40)
1016	12/31/2019	TIF #3 CASH	463-111111 TIF3-463			9,030.08		
1016	12/31/2019	INTEREST ON INVESTMENTS	463-484811-000 TIF3-463		9,030.08			
		Adjustment to remove investment activity from closed TIF, to be reported in GF.			9,030.08	9,030.08	(5,205,473.12)	(9,030.08)
1017	12/31/2019	STREETS OUTLAY	465-535321-800 CAPREP-465			450,000.00		
1017	12/31/2019	Transfer to Infrastructure Capital P	465-595920-399 CAPREP-465		450,000.00			
		Adjustment to reclass transfer from expenditure to transfer out account. Per client discussion, during 2019 budget workshop it was the understanding that the borrowing(s) for expenditures paid out of the 470 fund were recorded as proceeds in the 465 fund and over a 3 year period will be transferred out to relieve the 470 fund of its deficit fund balance.			450,000.00	450,000.00	(5,205,473.12)	0.00
1018	12/31/2019	NOTE RECEIVABLE - FOX CROSSI	468-160000 TIF3CDBG-468			1.71		
1018	12/31/2019	Note Receivable Musicology	468-170000 TIF3CDBG-468		1.71			
		Adjustment to correct notes receivable.			1.71	1.71	(5,205,473.12)	0.00
1019	12/31/2019	Misc. Income	470-484840-000 CPINF-470		450,000.00			
1019	12/31/2019	Transfer from Revolving Capital Repl	470-495101-000 CPINF-470			450,000.00		
		Adjustment to reclass transfer from capital projects infrastructure. Per client discussion, during 2019 budget workshop it was the understanding that the borrowing(s) for expenditures paid out of the 470 fund were recorded as proceeds in the 465 fund and over a 3 year period will be transferred						

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
		out to relieve the 470 fund of its deficit fund balance.			450,000.00	450,000.00	(5,205,473.12)	0.00
1020	12/31/2019	Clearwater TD Ameritrade (2019A)	470-111110 CPINF-470	KK-1	897,243.63			
1020	12/31/2019	Face Value of Loan Proceeds	470-492000-000 CPINF-470	KK-1		922,061.07		
1020	12/31/2019	Debt Issuance Costs	470-585900-100 CPINF-470	KK-1	24,817.44			
		Adjustment to record issuance of 2019A debt.			922,061.07	922,061.07	(4,308,229.49)	897,243.63
1021	12/31/2019	Clearwater TD Ameritrade (2019A)	470-111110 CPINF-470			899,867.73		
1021	12/31/2019	Clearwater TD Ameritrade (2019A)	470-111110 CPINF-470		6,439.30			
1021	12/31/2019	INVESTMENT INCOME	470-484811-000 CPINF-470			7,120.51		
1021	12/31/2019	Face Value of Loan Proceeds	470-492000-000 CPINF-470		899,867.73			
1021	12/31/2019	Contract Services	470-565641-298 CPINF-470		681.21			
		Adjustment to reclass cash payments from unrecorded bond proceeds against cash accounts and adjust for interest and management fees earned and paid from account during year.			906,988.24	906,988.24	(5,201,657.92)	(893,428.43)
1022	12/31/2019	CASH IN BANK SWEEP	470-111111 CPINF-470			62,445.63		
1022	12/31/2019	Other Streets Projects	470-535321-800 CPINF-470		62,445.63			
		Adjustment to reclass CN Railway payments for their portion of project costs paid out of General Fund to the proper fund.			62,445.63	62,445.63	(5,264,103.55)	(62,445.63)
1023	12/31/2019	ACCTS RECEIV - INDUS & SEPTAC	621-138000 SEWER-621			109,917.48		
1023	12/31/2019	ECHO LAKE SEWER CHARGE	621-454561-000 SEWER-621		6,712.40			
1023	12/31/2019	BROWNS LAKE SEWER CHARGE	621-454562-000 SEWER-621		38,607.75			
1023	12/31/2019	WWTP-LAB TESTING	621-454563-000 SEWER-621		50.00			
1023	12/31/2019	SEPTAGE	621-454564-000 SEWER-621		18,328.98			
1023	12/31/2019	SEPTAGE	621-454564-000 SEWER-621		32,367.71			
1023	12/31/2019	BOHNER'S LAKE SEWER CHARGE	621-454566-000 SEWER-621		13,850.64			
		Adjustment to reverse prior year industrial and septage hauler AR.			109,917.48	109,917.48	(5,374,021.03)	(109,917.48)
1024	12/31/2019	ACCTS RECEIV - INDUS & SEPTAC	621-138000 SEWER-621		227,789.77			
1024	12/31/2019	ECHO LAKE SEWER CHARGE	621-454561-000 SEWER-621			6,182.59		
1024	12/31/2019	BROWNS LAKE SEWER CHARGE	621-454562-000 SEWER-621			137,528.28		
1024	12/31/2019	WWTP-LAB TESTING	621-454563-000 SEWER-621			200.00		
1024	12/31/2019	SEPTAGE	621-454564-000 SEWER-621			24,111.78		
1024	12/31/2019	SEPTAGE	621-454564-000 SEWER-621			39,978.25		
1024	12/31/2019	BOHNER'S LAKE SEWER CHARGE	621-454566-000 SEWER-621			19,788.87		
		Adjustment to record year end industrial and septage hauler AR.			227,789.77	227,789.77	(5,146,231.26)	227,789.77
1025	12/31/2019	DEFERRED PENSION OUTFLOWS	621-190001 SEWER-621		175,581.00			
1025	12/31/2019	DEFERRED PENSION INFLOWS	621-217000 SEWER-621		15,034.00			
1025	12/31/2019	NET PENSION LIABILITY	621-217001 SEWER-621			234,101.00		
1025	12/31/2019	PENSION EXPENSE - GASB 68	621-575740-600 SEWER-621		43,486.00			

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
		Adjustment to record changes to net pension liability and other GASB 68 deferred items.			234,101.00	234,101.00	(5,189,717.26)	(43,486.00)
1026	12/31/2019	Deferred Outflows - OPEB	621-190002 SEWER-621		2,086.00			
1026	12/31/2019	Deferred Inflows - OPEB	621-217002 SEWER-621			260.00		
1026	12/31/2019	Net OPEB Asset (Liability)	621-217003 SEWER-621			18,437.00		
1026	12/31/2019	RETAINED EARNINGS UNRESTRIC	621-339000 SEWER-621		16,611.00			
		Adjustment to correct prior period net position for GASB 75 implementation in regards to LRLIF.			18,697.00	18,697.00	(5,189,717.26)	0.00
1027	12/31/2019	Deferred Outflows - OPEB	621-190002 SEWER-621			166.00		
1027	12/31/2019	Deferred Inflows - OPEB	621-217002 SEWER-621			4,830.00		
1027	12/31/2019	Net OPEB Asset (Liability)	621-217003 SEWER-621		3,966.00			
1027	12/31/2019	OPEB Expense - GASB 75	621-575740-601 SEWER-621		1,030.00			
		Adjustment to record changes to net OPEB liability and other GASB 75 deferred items.			4,996.00	4,996.00	(5,190,747.26)	(1,030.00)
1028	12/31/2019	Clearwater TD Ameritrade (2019A)	621-111110 SEWER-621	KK-1	353,170.37			
1028	12/31/2019	2019A Bonds Payable	621-274637 SEWER-621	KK-1		362,938.93		
1028	12/31/2019	Bond Issuance Costs	621-575740-900 SEWER-621	KK-1	9,768.56			
		Adjustment to record issuance of 2019A debt.			362,938.93	362,938.93	(5,200,515.82)	(9,768.56)
1029	12/31/2019	ACCRUED INTEREST EXPENSE	621-260000 SEWER-621	KK-1		4,551.86		
1029	12/31/2019	2019A Bonds Interest	621-585820-652 SEWER-621	KK-1	4,551.86			
		Adjustment to record accrued interest on 2019A bond issuance			4,551.86	4,551.86	(5,205,067.68)	(4,551.86)
1030	12/31/2019	Clearwater TD Ameritrade (2019A)	621-111110 SEWER-621			248,223.80		
1030	12/31/2019	Clearwater TD Ameritrade (2019A)	621-111110 SEWER-621		2,534.08			
1030	12/31/2019	INTEREST ON INVESTMENTS	621-484811-000 SEWER-621			2,802.16		
1030	12/31/2019	Loan Proceeds	621-494912-001 SEWER-621		248,223.80			
1030	12/31/2019	CONTRACT SERVICE	621-575740-298 SEWER-621		268.08			
		Adjustment to reclass cash payments from unrecorded bond proceeds against cash accounts and adjust for interest and management fees earned and paid from account during year.			251,025.96	251,025.96	(5,450,757.40)	(245,689.72)
1031	12/31/2019	SEWER CHARGE	621-454560-000 SEWER-621		673,551.43			
1031	12/31/2019	SEPTAGE	621-454564-000 SEWER-621			673,551.43		
		Adjustment to reclass sewer septage charges not processed through the billing software out of Sewer Charge account for revenue analysis purposes.			673,551.43	673,551.43	(5,450,757.40)	0.00

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
1032	12/31/2019	CONSTRUCTION IN PROGRESS	621-181000 SEWER-621	U-2		277,561.91		
1032	12/31/2019	EQUIPMENT	621-182020 SEWER-621	U-2	39,898.13			
1032	12/31/2019	COMPUTERS	621-182030 SEWER-621	U-2	9,400.00			
1032	12/31/2019	SANITARY SEWER MAINS	621-184000 SEWER-621	U-2	244,877.91			
1032	12/31/2019	PLANT OPERATION	621-575740-248 SEWER-621	U-2		8,726.63		
1032	12/31/2019	REPAIR & MAINT LIFT STATIONS	621-575740-353 SEWER-621	U-2		7,887.50		
		Adjustment to reclass capital expenditures.						
					294,176.04	294,176.04	(5,434,143.27)	16,614.13
1033	12/31/2019	A/D BUILDINGS & STRUCTURES	621-182015 SEWER-621			621,252.99		
1033	12/31/2019	A/D TREATMENT & DISP. EQUIP	621-182025 SEWER-621			248,343.59		
1033	12/31/2019	A/D COMPUTERS	621-182035 SEWER-621			705.00		
1033	12/31/2019	A/D INTERCEPTOR MAINS	621-182045 SEWER-621			11,099.31		
1033	12/31/2019	A/D TRANSPORTATION EQUIPMEN	621-182055 SEWER-621			2,421.64		
1033	12/31/2019	A/D-Lab and other Misc Equip	621-182065 SEWER-621			2,231.78		
1033	12/31/2019	A/D 2014 Plant Upgrade	621-182305 SEWER-621			424,996.39		
1033	12/31/2019	A/D Lift Station Equipment	621-182325 SEWER-621			3,523.73		
1033	12/31/2019	SANITARY SEWER MAINS	621-184000 SEWER-621			122,438.96		
1033	12/31/2019	ACCUM DEP RE SANITARY SEWER	621-184090 SEWER-621		122,438.96			
1033	12/31/2019	ACCUM DEP RE SANITARY SEWER	621-184090 SEWER-621			331,684.32		
1033	12/31/2019	DEPRECIATION EXPENSE	621-575740-400 SEWER-621		1,646,258.75			
		Adjustment to record main retirements and record depreciation expense.						
					1,768,697.71	1,768,697.71	(7,080,402.02)	(1,646,258.75)
1034	12/31/2019	SEWER-CASH	621-111111 SEWER-621			56,435.43		
1034	12/31/2019	CONTRACT SERVICE	621-575740-298 SEWER-621		31,096.11			
1034	12/31/2019	DEPRECIATION EXPENSE	621-575740-400 SEWER-621		25,339.32			
		Record joint meter costs per PSC calculation						
					56,435.43	56,435.43	(7,136,837.45)	(56,435.43)
1035	12/31/2019	CONSTRUCTION WORK IN PROGF	622-107000 WATER-622			138,079.06		
1035	12/31/2019	ACCOUNTS PAYABLE	622-212000 WATER-622		144,288.70			
1035	12/31/2019	WATER TREATMENT EQUIPMENT	622-332000 WATER-622			6,209.64		
		Adjustment to reverse prior year accounts payable and adjust for change order to work after payable was recorded.						
					144,288.70	144,288.70	(7,136,837.45)	0.00
1036	12/31/2019	MATERIALS & SUPPLIES,-MAIN	622-150300 WATER-622	D-1	422.81			
1036	12/31/2019	MATERIALS & SUPPLIES-HYDRAN	622-150500 WATER-622	D-1	611.13			
1036	12/31/2019	HYDRANT INVENTORY-MAT & INVI	622-501505-000 WATER-622	D-1		611.13		
1036	12/31/2019	MAINS, WATER BREAKS-SUPPLIE	622-506510-000 WATER-622	D-1		422.81		
		Adjustment to correct inventory to amount on hand at year end count.						
					1,033.94	1,033.94	(7,135,803.51)	1,033.94
1037	12/31/2019	DEFERRED PENSION OUTFLOWS	622-190001 WATER-622		98,346.00			
1037	12/31/2019	Deferred Pension Inflows	622-217000 WATER-622		25,603.00			
1037	12/31/2019	NET PENSION ASSET (LIABILITY)	622-217001 WATER-622			159,166.00		
1037	12/31/2019	PENSION EXPENSE - GASB 68	622-509300-153 WATER-622		35,217.00			
		Adjustment to record changes to						

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		net pension liability and other GASB 68 deferred items.				159,166.00	159,166.00	(7,171,020.51)	(35,217.00)
1038	12/31/2019	Deferred Outflows - OPEB	622-190002 WATER-622		3,232.00				
1038	12/31/2019	RETAINED EARNINGS	622-216000 WATER-622		25,737.00				
1038	12/31/2019	Deferred Inflows - OPEB	622-217002 WATER-622			402.00			
1038	12/31/2019	Net OPEB Asset (Liability)	622-217003 WATER-622			28,567.00			
		Adjustment to correct prior period net position for GASB 75 implementation in regards to LRLIF.				28,969.00	28,969.00	(7,171,020.51)	0.00
1039	12/31/2019	Deferred Outflows - OPEB	622-190002 WATER-622			258.00			
1039	12/31/2019	Deferred Inflows - OPEB	622-217002 WATER-622			7,484.00			
1039	12/31/2019	Net OPEB Asset (Liability)	622-217003 WATER-622		6,145.00				
1039	12/31/2019	OPEB Expense - GASB 75	622-509300-155 WATER-622		1,597.00				
		Adjustment to record changes to net OPEB liability and other GASB 75 deferred items.				7,742.00	7,742.00	(7,172,617.51)	(1,597.00)
1040	12/31/2019	ELECTRIC PUMP EQUIPMENT-ORI	622-325400 WATER-622	U-2	37,882.17				
1040	12/31/2019	TRANS & DISTR MAINS	622-343000 WATER-622	U-2	35,411.35				
1040	12/31/2019	SERVICES	622-345000 WATER-622	U-2	10,552.50				
1040	12/31/2019	METERS	622-346000 WATER-622	U-2	97,965.42				
1040	12/31/2019	HYDRANTS	622-348000 WATER-622	U-2	8,571.29				
1040	12/31/2019	TOOLS,SHOP & GARAGE EQUIPMI	622-394000 WATER-622	U-2	9,299.00				
1040	12/31/2019	WORK IN PROGRESS	622-501070-000 WATER-622	U-2		85,000.42			
1040	12/31/2019	HYDRANT INVENTORY-MAT & INVI	622-501505-000 WATER-622	U-2		3,342.80			
1040	12/31/2019	METERS & LABOR	622-503460-000 WATER-622	U-2		93,470.42			
1040	12/31/2019	RESERVOIRS & SUPPLES	622-506500-000 WATER-622	U-2		10,785.84			
1040	12/31/2019	METERS, REPAIRS & TESTING-SU	622-506530-000 WATER-622	U-2		4,495.00			
1040	12/31/2019	HYDRANTS & SUPPLIES	622-506540-000 WATER-622	U-2		2,587.25			
		Adjustment to reclass capital expenditures.				199,681.73	199,681.73	(6,972,935.78)	199,681.73
1041	12/31/2019	ACCUMULATED DEPRECIATION	622-110000 WATER-622	U-2	14,691.00				
1041	12/31/2019	ACCUMULATED DEPRECIATION	622-110000 WATER-622	U-2		570,873.50			
1041	12/31/2019	ACCUM DEPREC ON CONTRIB PL/	622-110002 WATER-622	U-2		125,333.95			
1041	12/31/2019	ELECTRIC PUMP EQUIPMENT-ORI	622-325400 WATER-622	U-2		7,076.00			
1041	12/31/2019	SERVICES	622-345000 WATER-622	U-2		5,315.00			
1041	12/31/2019	HYDRANTS	622-348000 WATER-622	U-2		2,300.00			
1041	12/31/2019	DEPRECIATION EXPENSE	622-504030-000 WATER-622	U-2	570,873.50				
1041	12/31/2019	DEPRECIATION - CONTRIBUTED	622-504030-100 WATER-622	U-2	125,333.95				
		Adjustment to record dispositions and record depreciation expense.				710,898.45	710,898.45	(7,669,143.23)	(696,207.45)
1042	12/31/2019	INTEREST-2012 CWF Loan	622-404270-000 WATER-622		15,898.37				
1042	12/31/2019	2017 STF Loan 5475-03 Interest	622-404273-000 WATER-622			15,898.37			
1042	12/31/2019	2017 STF Loan 5475-03 Interest	622-404273-000 WATER-622			6,960.75			
1042	12/31/2019	INTEREST EXPENSE - 2017 BOND	622-404274-000 WATER-622		5,650.00				
1042	12/31/2019	2017 SDWF Loan Issuance5475-03	622-404301-000 WATER-622		6,960.75				
1042	12/31/2019	INTEREST ON DEBT	622-504270-000 WATER-622			5,650.00			
		To reclass interest expense							

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		payments on long term debt			28,509.12	28,509.12	(7,669,143.23)	0.00
1043	12/31/2019	INTEREST ACCRUED	622-237000 WATER-622			7,449.51		
1043	12/31/2019	INTEREST ACCRUED	622-237000 WATER-622			1,000.00		
1043	12/31/2019	Interest - 2011 Revenue Bonds	622-400271-000 WATER-622			356.57		
1043	12/31/2019	INTEREST-2012 CWF Loan	622-404270-000 WATER-622			52.09		
1043	12/31/2019	6.4M GO BOND INTEREST	622-404272-025 WATER-622			83.33		
1043	12/31/2019	INTEREST EXPENSE - 2017 BOND	622-404274-000 WATER-622					
1043	12/31/2019	2019B 1.575M Water Revenue Bond	622-404276-000 WATER-622		8,675.00			
1043	12/31/2019	2017 SDWF Loan Issuance5475-03	622-404301-000 WATER-622		266.50			
		To adjust accrued interest to actual			8,941.50	8,941.50	(7,676,592.74)	(7,449.51)
1044	12/31/2019	2014 1.05M GO Bond	622-221020 WATER-622		25,000.00			
1044	12/31/2019	2010 G.O. BOND 6.4M (700K)	622-221025 WATER-622			25,000.00		
1044	12/31/2019	2017 SDWF Loan 5475-03	622-221030 WATER-622			117,367.19		
1044	12/31/2019	2017 Refunding Bonds	622-221031 WATER-622		25,000.00			
1044	12/31/2019	2017A 7.99M GO Bond	622-221032 WATER-622			25,000.00		
1044	12/31/2019	BOND PROCEEDS	622-404780-000 WATER-622		117,367.19			
		To reclass loan proceeds to liability account for water fund			167,367.19	167,367.19	(7,793,959.93)	(117,367.19)
1045	12/31/2019	Clearwater TD Ameritrade (2019B)	622-125500 WATER-622		15,437.65			
1045	12/31/2019	INTEREST REVENUE	622-484811-000 WATER-622			16,925.16		
1045	12/31/2019	Bond Issuance Costs	622-585820-640 WATER-622		1,487.51			
		Adjustment to record interest and management fees earned and paid from 2019B bond account during year.			16,925.16	16,925.16	(7,778,522.28)	15,437.65
1046	12/31/2019	WATER-CASH	622-111111 WATER-622	PSC-3		438,886.00		
1046	12/31/2019	TAXES ACCRUED	622-236000 WATER-622	PSC-3		24,696.00		
1046	12/31/2019	TAXES	622-504080-000 WATER-622	PSC-3	463,582.00			
		Adjustment to record tax equivalent and adjust accrued taxes in relation to tax equivalent to actual.			463,582.00	463,582.00	(8,242,104.28)	(463,582.00)
1047	12/31/2019	ACCRUED INTEREST EXPENSE	621-260000 SEWER-621		2,903.12			
1047	12/31/2019	State Loan 5096-09 Interest	621-585820-621 SEWER-621			1,530.70		
1047	12/31/2019	INTEREST 5096-02 2008 CWF	621-585820-625 SEWER-621			966.34		
1047	12/31/2019	INTEREST 5096-04 2008 CWF	621-585820-626 SEWER-621			195.24		
1047	12/31/2019	6.4M GO BOND INTEREST	621-585820-627 SEWER-621			70.00		
1047	12/31/2019	2017 1.61M Revenue Bond Int	621-585820-641 SEWER-621			140.84		
		To adjust accrued interest expense on long term debt to actual			2,903.12	2,903.12	(8,239,201.16)	2,903.12
1048	12/31/2019	INTEREST -2014 GO Refunding	621-585820-622 SEWER-621			10,568.75		
1048	12/31/2019	6.4M GO BOND INTEREST	621-585820-627 SEWER-621		10,568.75			
		To reclass interest expense on long term debt			10,568.75	10,568.75	(8,239,201.16)	0.00

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1049	12/31/2019	BOND PROCEEDS	622-404780-000 WATER-622		20,711.87				
1049	12/31/2019	GRANT PROCEEDS	622-404781-000 WATER-622			20,711.87			
		To record grant proceeds for waterworks system revenue bonds				20,711.87	20,711.87	(8,239,201.16)	0.00
		To record long-term debt proceeds for water revenue bond 2019B				0.00	0.00	(8,239,201.16)	0.00
1051	12/31/2019	WATER-CASH	622-111111 WATER-622		56,274.89				
1051	12/31/2019	SEWER BILLING FEES	622-404750-000 WATER-622			14,749.31			
1051	12/31/2019	DEPRECIATION EXPENSE	622-504030-000 WATER-622			25,339.32			
1051	12/31/2019	TAXES	622-504080-000 WATER-622			7,501.14			
1051	12/31/2019	METERS, REPAIRS & TESTING-SU	622-506530-000 WATER-622			7,306.49			
1051	12/31/2019	Meter Repairs - LABOR	622-506530-001 WATER-622			1,378.63			
		Record joint meter costs per PSC calculation				56,274.89	56,274.89	(8,182,926.27)	56,274.89
1052	12/31/2019	WORK IN PROGRESS	622-501070-000 WATER-622	TB		9,730.00			
1052	12/31/2019	GENERAL PLANT-SUPPLIES	622-509350-000 WATER-622	TB	9,730.00				
		Reclass water station expense				9,730.00	9,730.00	(8,182,926.27)	0.00
1053	12/31/2019	ACCUMULATED DEPRECIATION	622-110000 WATER-622		12,030.00				
1053	12/31/2019	METERS	622-346000 WATER-622			12,030.00			
		To record meter retirements				12,030.00	12,030.00	(8,182,926.27)	0.00
1054	12/31/2019	RESERVE ACCOUNT	622-125602 WATER-622						
		To record long-term debt proceedds for 2019B waterworks revenue bonds				0.00	0.00	(8,182,926.27)	0.00
1055	12/31/2019	DEPT CASH RESTRICTED	811-117100 LT-811		14,572.75				
1055	12/31/2019	DEPT INVESTMENTS RESTRICTED	811-117200 LT-811			14,572.75			
		Adjustment to reclass cash balances as client combined money market account with certificates of deposit while performing year-end reconciliation.				14,572.75	14,572.75	(8,182,926.27)	0.00
1056	12/31/2019	CITY PARKS	820-111111 PARK-820		30,000.00				
1056	12/31/2019	TRANSFER FROM OTHER FUND	820-494929-000 PARK-820			30,000.00			
		Adjustment to record transfer from general fund to parks fund per budget and discussion with Treasurer.				30,000.00	30,000.00	(8,152,926.27)	30,000.00
1057	12/31/2019	PARK DEVELOPMENT FEE	820-454590-000 PARK-820			22,173.00			

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1057	12/31/2019	CONTRACT SERVICES	820-555551-298 PARK-820		22,173.00			
		Adjustment to reclass expenditures paid to Ayres Associates to expense account.			22,173.00	22,173.00	(8,152,926.27)	0.00
1058	12/31/2019	TREASURERS CASH	100-111111 GF-100	IS-2	42,750.99			
1058	12/31/2019	CASH ACCOUNT	452-111111 PHTIF5-452	IS-2	315.54			
1058	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	IS-2		42,750.99		
1058	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	IS-2		315.54		
1058	12/31/2019	TAXES RECEIVABLE	864-121100 TAXROLL-864	IS-2	42,750.99			
1058	12/31/2019	TAXES RECEIVABLE - WALWORTH	864-121101 TAXROLL-864	IS-2	315.54			
1058	12/31/2019	SHARED TAX FROM STATE	100-424221-000 GF-100	IS-2		42,750.99		
1058	12/31/2019	STATE AID-POLICE TRAINING	100-424275-000 GF-100	IS-2		2,880.00		
1058	12/31/2019	POLICE - TRAVEL	100-525211-330 GF-100	IS-2	2,880.00			
1058	12/31/2019	TAX REVENUE	452-414111-000 PHTIF5-452	IS-2	1.18			
1058	12/31/2019	Grant Revenue	452-424241-000 PHTIF5-452	IS-2		316.72		
		Adjustment to reclass aids for Form C presentation.			89,014.24	89,014.24	(8,109,859.74)	43,066.53
1059	12/31/2019	NOTES RECEIVABLE-HAMPTON	253-140000 CDBG-253			2.23		
1059	12/31/2019	NOTE RECEIVABLE CANELLA	253-140600 CDBG-253			16,000.00		
1059	12/31/2019	NOTE RECEIVABLE DAWLEY MFG	253-140700 CDBG-253		18.45			
1059	12/31/2019	DEFERRED REVENUE-HAMPTON	253-263000 CDBG-253		2.23			
1059	12/31/2019	DEFERRED REVENUE-CANELLA	253-263600 CDBG-253		16,000.00			
1059	12/31/2019	DEFERRED REVENUE-DAWLEY MI	253-263700 CDBG-253			18.45		
1059	12/31/2019	LOAN REIMBURSEMENTS	253-484810-000 CDBG-253		18.45			
1059	12/31/2019	LOAN REIMBURSEMENTS	253-484810-000 CDBG-253			2.23		
1059	12/31/2019	INTEREST	253-484811-000 CDBG-253			18.45		
1059	12/31/2019	INTEREST	253-484811-000 CDBG-253		2.23			
		Adjust note receivable balance to actual			16,041.36	16,041.36	(8,109,859.74)	0.00
1060	12/31/2019	Prepaid Expenditures	622-160000 WATER-622			1,869.96		
1060	12/31/2019	METERS, REPAIRS & TESTING-SU	622-506530-000 WATER-622		1,869.96			
		Reverse prior year prepaid			1,869.96	1,869.96	(8,111,729.70)	(1,869.96)
1061	12/31/2019	TREASURERS CASH	100-111111 GF-100		50,603.69			
1061	12/31/2019	NET PAYROLL-GENERAL FUND	100-215001 GF-100		4,280.01			
1061	12/31/2019	FICA TAXES PAYABLE	100-215110 GF-100			25,978.17		
1061	12/31/2019	STATE TAXES PAYABLE	100-215130 GF-100			8,049.98		
1061	12/31/2019	RETIREMENT PAYABLE	100-215210 GF-100			10,669.74		
1061	12/31/2019	POLICE UNION DUES PAYABLE	100-215902 GF-100			252.00		
1061	12/31/2019	RACINE FIREFIGHTERS UNION DU	100-215904 GF-100			123.24		
1061	12/31/2019	SUPPORT DED PAYABLE	100-215905 GF-100			724.91		
1061	12/31/2019	EBC-125	100-215912 GF-100			314.62		
1061	12/31/2019	HSA DED PAYABLE	100-215913 GF-100			2,926.29		
1061	12/31/2019	POLICE TRUST PAYABLE	100-215914 GF-100			320.00		
1061	12/31/2019	LAW-VISION	100-239006 GF-100			379.81		
1061	12/31/2019	LIFE INSURANCE	100-239007 GF-100			1,250.64		
1061	12/31/2019	MISC DEDUCTION PAYABLE	100-239008 GF-100			23.22		
1061	12/31/2019	DEFERRED COMP PAYABLE	100-239010 GF-100			3,862.08		
1061	12/31/2019	CLERKS REVENUE	100-454511-000 GF-100			9.00		

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		Reverse 2018 payroll accrual entry - Fund 100			54,883.70	54,883.70	(8,111,720.70)		9.00
1062	12/31/2019	CASH ACCOUNT	251-111111 LIB-251			15,893.72			
1062	12/31/2019	NET PAYROLL-LIBRARY	251-215001 LIB-251		15,893.72				
		Reverse 2018 payroll accrual entry - Fund 251			15,893.72	15,893.72	(8,111,720.70)		0.00
1063	12/31/2019	CASH ACCOUNT	452-111111 PHTIF5-452			85.52			
1063	12/31/2019	Accrued Wages	452-215001 PHTIF5-452		85.52				
		Reverse 2018 payroll accrual entry - Fund 452			85.52	85.52	(8,111,720.70)		0.00
1064	12/31/2019	SEWER-CASH	621-111111 SEWER-621			23,831.11			
1064	12/31/2019	NET PAYROLL-WASTEWATER	621-215001 SEWER-621		23,831.11				
		Reverse 2018 payroll accrual entry - Fund 621			23,831.11	23,831.11	(8,111,720.70)		0.00
1065	12/31/2019	WATER-CASH	622-111111 WATER-622			15,461.27			
1065	12/31/2019	ACCRUED WAGES	622-215001 WATER-622		15,461.27				
		Reverse 2018 payroll accrual entry - Fund 622			15,461.27	15,461.27	(8,111,720.70)		0.00
1066	12/31/2019	CASH ACCOUNT	501-111111 SI-501		4,667.93				
1066	12/31/2019	PREMIUMS FROM DEPARTMENTS	501-474930-000 SI-501			4,667.93			
		Reverse 2018 payroll accrual entry - Fund 501			4,667.93	4,667.93	(8,107,052.77)		4,667.93
1067	12/31/2019	TREASURERS CASH	100-111111 GF-100			50,068.77			
1067	12/31/2019	NET PAYROLL-GENERAL FUND	100-215001 GF-100			9,619.86			
1067	12/31/2019	FICA TAXES PAYABLE	100-215110 GF-100		27,663.68				
1067	12/31/2019	STATE TAXES PAYABLE	100-215130 GF-100		8,600.87				
1067	12/31/2019	RETIREMENT PAYABLE	100-215210 GF-100		11,977.98				
1067	12/31/2019	POLICE UNION DUES PAYABLE	100-215902 GF-100		285.00				
1067	12/31/2019	RACINE FIREFIGHTERS UNION DU	100-215904 GF-100		123.84				
1067	12/31/2019	SUPPORT DED PAYABLE	100-215905 GF-100		414.45				
1067	12/31/2019	EBC-125	100-215912 GF-100		258.69				
1067	12/31/2019	HSA DED PAYABLE	100-215913 GF-100		2,702.49				
1067	12/31/2019	POLICE TRUST PAYABLE	100-215914 GF-100		355.00				
1067	12/31/2019	LAW-VISION	100-239006 GF-100		393.96				
1067	12/31/2019	LIFE INSURANCE	100-239007 GF-100		1,306.67				
1067	12/31/2019	DEFERRED COMP PAYABLE	100-239010 GF-100		5,600.00				
1067	12/31/2019	CLERKS REVENUE	100-454511-000 GF-100		6.00				
		Record 2019 accrued wages - Fund 100			59,688.63	59,688.63	(8,107,058.77)		(6.00)
1068	12/31/2019	GENERAL FUND ACCTS RECEIVAF	100-136001 GF-100		27,091.02				
1068	12/31/2019	Room Tax	100-414133-000 GF-100			27,091.02			

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		To Book 4th Qtr Room tax Revenue and Receivable			27,091.02	27,091.02	(8,079,967.75)	27,091.02
1069	12/31/2019	DELINQ PERSONAL PROPERTY TAXES	100-121400 GF-100		20,703.78			
1069	12/31/2019	UNCOLLECTIBLE PP TAXES	100-121401 GF-100		3,166.06			
1069	12/31/2019	GENERAL PROPERTY TAXES	100-414111-000 GF-100			23,869.84		
		To adjust to 12/31/2019 delinquent personal property taxes due and to adjust the uncollectible allowance account			23,869.84	23,869.84	(8,056,097.91)	23,869.84
1070	12/31/2019	TREASURERS CASH	100-111111 GF-100			4,135.41		
1070	12/31/2019	TREASURERS CASH	100-111111 GF-100		99,163.19			
1070	12/31/2019	DUE FROM MUNI COURT	100-158750 GF-100		4,135.41			
1070	12/31/2019	COURT FINES & COSTS	100-444411-000 GF-100			99,163.19		
		Adjustment to record revenues posted to agency fund for Muni Ct.			103,298.60	103,298.60	(7,956,934.72)	99,163.19
1071	12/31/2019	Accounts Receivable	452-136001 PHTIF5-452		16,399.50			
1071	12/31/2019	Deferred Revenue-Other	452-261002 PHTIF5-452			16,399.50		
		To adjust Aurora debt shortfall receivable and associated deferred			16,399.50	16,399.50	(7,956,934.72)	0.00
1072	12/31/2019	Clearwater TD Ameritrade (2019B)	622-125500 WATER-622		1,562,667.68			
1072	12/31/2019	Unamortized Premium on Debt	622-180070 WATER-622			67,671.00		
1072	12/31/2019	2019B Revenue Bonds (1.575M)	622-221035 WATER-622			1,575,000.00		
1072	12/31/2019	Bond Issuance Costs	622-585820-640 WATER-622		80,003.32			
		To record 2019B waterworks system revenue bonds			1,642,671.00	1,642,671.00	(8,036,938.04)	(80,003.32)
1073	12/31/2019	Clearwater TD Ameritrade (2019B)	622-125500 WATER-622			46,961.61		
1073	12/31/2019	BOND PROCEEDS	622-404780-000 WATER-622		46,961.61			
		To reclass loan proceed disbursements to cash account			46,961.61	46,961.61	(8,083,899.65)	(46,961.61)
1074	12/31/2019	ACCOUNTS RECEIVABLE - OTHER	623-125600 AIRPORT-623			4,987.26		
1074	12/31/2019	FUEL SALES	623-484848-000 AIRPORT-623		4,987.26			
		To adjust Airport Receivable to agree with amounts traced to subsequent bank statements			4,987.26	4,987.26	(8,088,886.91)	(4,987.26)
1075	12/31/2019	FUEL INVENTORY	623-159999 AIRPORT-623			45,671.23		
1075	12/31/2019	FUEL FOR RESALE	623-575740-200 AIRPORT-623		45,671.23			
		To reduce Fuel Inventory to calculated year-end FIFO value			45,671.23	45,671.23	(8,134,558.14)	(45,671.23)
1076	12/31/2019	CASH ACCT-FUND 875	875-111111 MC-875			99,163.19		
1076	12/31/2019	CASH ACCT-FUND 875	875-111111 MC-875		4,135.41			

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	
1076	12/31/2019	MUNICIPAL COURT DEP	875-232000 MC-875		99,163.19				
1076	12/31/2019	DUE TO GENERAL FUND	875-251000 MC-875			4,135.41			
		Adjustments to move Muni Ct. fines recorded in agency fund to general fund				103,298.60	103,298.60	(8,134,558.14)	0.00
1077	12/31/2019	DEFERRED TAX ROLL REVENUE	100-261000 GF-100	C-1.00	6,267,395.44				
1077	12/31/2019	CURRENT TAX ROLL	251-121100 LIB-251	C-1.00		417,665.00			
1077	12/31/2019	DEFERRED REVENUE TAX ROLL	251-261000 LIB-251	C-1.00	417,665.00				
1077	12/31/2019	DEFERRED REVENUE TAX ROLL	313-261000 DS-313	C-1.00	1,278,353.00				
1077	12/31/2019	Deferred Tax Revenue	452-261000 PHTIF5-452	C-1.00	201,699.77				
1077	12/31/2019	GENERAL PROPERTY TAXES	100-414111-000 GF-100	C-1.00		6,267,395.44			
1077	12/31/2019	GENERAL PROPERTY TAXES	313-414111-000 DS-313	C-1.00		1,278,353.00			
1077	12/31/2019	TAX REVENUE	452-414111-000 PHTIF5-452	C-1.00		201,699.77			
		To recognize cy tax roll revenue				8,165,113.21	8,165,113.21	(387,109.93)	7,747,448.21
1078	12/31/2019	LGIP	100-111106 GF-100	TB	0.28				
1078	12/31/2019	TREASURERS CASH	100-111111 GF-100	TB		0.21			
1078	12/31/2019	TREASURERS CASH	100-111111 GF-100	TB	0.28				
1078	12/31/2019	GENERAL FUND	100-342900 GF-100	TB	0.21				
1078	12/31/2019	GENERAL FUND	100-342900 GF-100	TB		0.56			
1078	12/31/2019	TREASURERS CASH	458-111111 ECPF-458	TB	0.21				
1078	12/31/2019	FUND BALANCE DESIGNATED	458-342100 ECPF-458	TB		0.21			
1078	12/31/2019	LGIP	466-111106 DOWNTOWN-466	TB		0.28			
1078	12/31/2019	CASH ACCOUNT	466-111111 DOWNTOWN-466	TB		0.28			
1078	12/31/2019	FUND BALANCE DESIGNATED	466-342100 DOWNTOWN-466	TB	0.56				
		To close out stale funds				1.54	1.54	(387,109.93)	0.00
1079	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00	8,490,376.25				
1079	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00		8,279.69			
1079	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00		41,859.13			
1079	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00	189,572.92				
1079	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00		8,490,376.25			
1079	12/31/2019	GENERAL FUND ACCOUNTS PAYA	100-212000 GF-100	C-1.00	8,279.69				
1079	12/31/2019	Property tax refunds payable	100-212001 GF-100	C-1.00	41,859.13				
1079	12/31/2019	Due to water utility	100-256011 GF-100	C-1.00		92,832.71			
1079	12/31/2019	Due to Sewer utility	100-256013 GF-100	C-1.00		90,674.03			
1079	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	C-1.00		8,490,376.25			
1079	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	C-1.00	8,279.69				
1079	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	C-1.00	41,859.13				
1079	12/31/2019	CASH ACCT-FUND 864	864-111111 TAXROLL-864	C-1.00		189,572.92			
1079	12/31/2019	TAXES RECEIVABLE	864-121100 TAXROLL-864	C-1.00	11,357,202.03				
1079	12/31/2019	TAXES RECEIVABLE - WALWORTH	864-121101 TAXROLL-864	C-1.00	244,748.75				
1079	12/31/2019	ADVANCE TAX COLLECTION	864-121200 TAXROLL-864	C-1.00	6,499,157.79				
1079	12/31/2019	A/P ACCT-FUND 864	864-212000 TAXROLL-864	C-1.00		8,279.69			
1079	12/31/2019	REFUNDS PAYABLE	864-212001 TAXROLL-864	C-1.00		41,859.13			
1079	12/31/2019	DUE TO COUNTY CURRENT LEVY	864-243100 TAXROLL-864	C-1.00		2,432,052.45			
1079	12/31/2019	DUE TO SCHOOL CURRENT LEVY	864-246001 TAXROLL-864	C-1.00		6,607,188.89			
1079	12/31/2019	DUE TO VTAE CURRENT LEVY	864-247000 TAXROLL-864	C-1.00		571,490.98			
1079	12/31/2019	DUE TO WATER DEPARTMENT	864-256011 TAXROLL-864	C-1.00	92,832.71				
1079	12/31/2019	DUE TO SEWER DEPARTMENT	864-256013 TAXROLL-864	C-1.00	90,674.03				
1079	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100	C-1.00		6,066.18			
1079	12/31/2019	INVESTMENT INCOME	864-484811-000 TAXROLL-864	C-1.00	6,066.18				
		To correct tax roll fund - agency							

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
accounts at year end					27,070,908.30	27,070,908.30	(387,109.93)	0.00
1080	12/31/2019	SPECIAL ASSESSMENT RECEIVAE	621-144500 SEWER-621			7,000.00		
1080	12/31/2019	SPECIAL ASSESSMENT RECEIVAE	621-144500 SEWER-621			3,314.47		
1080	12/31/2019	SPECIAL ASSESSMENT RECEIVAE	622-144500 WATER-622			2,651.10		
1080	12/31/2019	SPECIAL ASSESS-SEWER	621-454542-000 SEWER-621		7,000.00			
1080	12/31/2019	SPECIAL ASSESS-SEWER	621-454542-000 SEWER-621		3,314.47			
1080	12/31/2019	Special Assess - Water	622-454542-000 WATER-622		2,651.10			
To apply cash payments received to special assessment receivables					12,965.57	12,965.57	(400,075.50)	(12,965.57)
1081	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00	3,435,523.54			
1081	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00		3,435,523.54		
To record deposit in transit to match January settlement					3,435,523.54	3,435,523.54	(400,075.50)	0.00
1082	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00		1,278,353.00		
1082	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00		201,699.77		
1082	12/31/2019	TREASURERS CASH	100-111111 GF-100	C-1.00		65,545.26		
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	1,278,353.00			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	201,699.77			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	4,375.80			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	11,519.96			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	6,745,054.90			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	417,665.00			
1082	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	65,545.26			
1082	12/31/2019	Due to water utility	100-256011 GF-100	C-1.00		4,375.80		
1082	12/31/2019	Due to Sewer utility	100-256013 GF-100	C-1.00		11,519.96		
1082	12/31/2019	DEFERRED TAX ROLL REVENUE	100-261000 GF-100	C-1.00		6,745,054.90		
1082	12/31/2019	CASH ACCOUNT FD 313	313-111111 DS-313	C-1.00	1,278,353.00			
1082	12/31/2019	CURRENT TAX ROLL	313-121100 DS-313	C-1.00	55,781.00			
1082	12/31/2019	DEFERRED REVENUE TAX ROLL	313-261000 DS-313	C-1.00		1,334,134.00		
1082	12/31/2019	CASH ACCOUNT	452-111111 PHTIF5-452	C-1.00	201,699.77			
1082	12/31/2019	Current Tax Roll	452-121100 PHTIF5-452	C-1.00	46,543.30			
1082	12/31/2019	Deferred Tax Revenue	452-261000 PHTIF5-452	C-1.00		248,243.07		
1082	12/31/2019	SEWER-CASH	621-111111 SEWER-621	C-1.00	32,662.86			
1082	12/31/2019	SEWER ACCTS RECEIVABLE	621-136001 SEWER-621	C-1.00		32,662.86		
1082	12/31/2019	SPECIAL ASSESSMENT RECEIVAE	621-144500 SEWER-621	C-1.00		8,760.01		
1082	12/31/2019	RECEIVABLE FROM MUNICIPALITY	621-145000 SEWER-621	C-1.00	11,519.96			
1082	12/31/2019	WATER-CASH	622-111111 WATER-622	C-1.00	32,662.86			
1082	12/31/2019	ACCOUNTS RECEIVABLE-WATER	622-142000 WATER-622	C-1.00		32,662.86		
1082	12/31/2019	SPECIAL ASSESSMENT RECEIVAE	622-144500 WATER-622	C-1.00		3,892.64		
1082	12/31/2019	RECEIVABLES FROM MUNICIPALITY	622-145000 WATER-622	C-1.00	4,375.80			
1082	12/31/2019	GENERAL PROPERTY TAXES	100-414111-000 GF-100	C-1.00		417,665.00		
1082	12/31/2019	SPECIAL ASSESS-SEWER	621-454542-000 SEWER-621	C-1.00		2,759.95		
1082	12/31/2019	Special Assess - Water	622-454542-000 WATER-622	C-1.00		483.16		
To adjust accounts to actual for property tax activity					10,387,812.24	10,387,812.24	20,832.61	420,908.11
1083	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00	49,486.05			
1083	12/31/2019	Property tax refunds payable	100-212001 GF-100	C-1.00		49,486.05		
To adjust property tax refunds payable to actual					49,486.05	49,486.05	20,832.61	0.00

Prepared by	Reviewed by	Manager
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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	
1084	12/31/2019	LGIP	820-111106 PARK-820	UU-1	20,967.71				
1084	12/31/2019	General investments	820-111108 PARK-820	UU-1	39,113.85				
1084	12/31/2019	CITY PARKS	820-111111 PARK-820	UU-1		40,090.00			
1084	12/31/2019	FUND BALANCE DESIGNATED	820-342100 PARK-820	UU-1	19,991.56				
1084	12/31/2019	Restricted for Wehmhoff Park	820-343100 PARK-820	UU-1		19,991.56			
1084	12/31/2019	WEHMHOFF FUND	821-111106 W-821	UU-1		20,967.71			
1084	12/31/2019	CASH ACCT-FUND 821	821-111111 W-821	UU-1	40,090.00				
1084	12/31/2019	INVESTMENTS	821-111201 W-821	UU-1		39,113.85			
1084	12/31/2019	TRANSFER FROM OTHER FUND	820-494929-000 PARK-820	UU-1		19,991.56			
1084	12/31/2019	Transfer to general fund	821-595928-100 W-821	UU-1	19,991.56				
		To transfer Wehmhoff Park activity into the general fund							
					140,154.68	140,154.68	20,832.61	0.00	
1085	12/31/2019	LGIP	820-111106 PARK-820	UU-1	38,166.10				
1085	12/31/2019	CITY PARKS	820-111111 PARK-820	UU-1		9,357.32			
1085	12/31/2019	FUND BALANCE DESIGNATED	820-342100 PARK-820	UU-1	28,808.78				
1085	12/31/2019	Restricted for Wehmhoff Park	820-343100 PARK-820	UU-1		28,808.78			
1085	12/31/2019	LGIP DeRozier Fund	822-111106 DEROZIER-822	UU-1		38,166.10			
1085	12/31/2019	CASH ACCOUNT	822-111111 DEROZIER-822	UU-1	9,357.32				
1085	12/31/2019	TRANSFER FROM OTHER FUND	820-494929-000 PARK-820	UU-1		28,808.78			
1085	12/31/2019	Transfer to general fund	822-595928-100 DEROZIER-822	UU-1	28,808.78				
		To transfer DeRozier activity into the general fund per discussion with client							
					105,140.98	105,140.98	20,832.61	0.00	
1086	12/31/2019	LGIP	100-111106 GF-100	UU-1.00	1,820.58				
1086	12/31/2019	TREASURERS CASH	100-111111 GF-100	UU-1.00	6,043.96				
1086	12/31/2019	Developer deposits	100-294003 GF-100	UU-1.00		7,824.42			
1086	12/31/2019	CASH IN BANK - RIPPLEWOOD	823-111111 DR-823	UU-1.00		6,043.96			
1086	12/31/2019	INVESTMENTS/LGIP	823-111201 DR-823	UU-1.00		1,820.58			
1086	12/31/2019	DUE FROM DEVELOPERS	823-160000 DR-823	UU-1.00	7,824.42				
1086	12/31/2019	INVESTMENT INCOME	100-484811-000 GF-100	UU-1.00		40.12			
1086	12/31/2019	INTEREST ON INVESTMENTS	823-484811-000 DR-823	UU-1.00	40.12				
		To transfer developers reimbursements into the general fund per discussion with client							
					15,729.08	15,729.08	20,832.61	0.00	
1087	12/31/2019	K-NINE UNIT	802-484840-000 DP-802	PGL-1		2,344.60			
1087	12/31/2019	SUPPLIES FOR DOG/K-9 Unit	802-525211-310 DP-802	PGL-1	2,344.60				
		To reclassify K-9 expenditures into appropriate account							
					2,344.60	2,344.60	20,832.61	0.00	
1088	12/31/2019	TREASURERS CASH	461-111111 ERTIF-461	KK-1.00		20,316.25			
1088	12/31/2019	TIF #3 CASH	463-111111 TIF3-463	KK-1.00	20,316.25				
1088	12/31/2019	6.4M GO BOND INTEREST	461-585820-601 ERTIF-461	KK-1.00	20,316.25				
1088	12/31/2019	2014 6.2M GO Refunding	463-585820-610 TIF3-463	KK-1.00		20,316.25			
		To move interest on debt to appropriate fund							
					40,632.50	40,632.50	20,832.61	0.00	
1090	12/31/2019	TREASURERS CASH	100-111111 GF-100	FS		1,035,281.53			
1090	12/31/2019	Advance to Fund 470	100-177000 GF-100	FS	1,035,281.53				
1090	12/31/2019	CASH IN BANK SWEEP	470-111111 CPINF-470	FS	1,035,281.53				

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount	Chg
1090	12/31/2019	Advance from general fund	470-275000 CPINF-470	FS		1,035,281.53			
		To reclassify negative cash to advance from general fund			2,070,563.06	2,070,563.06	20,832.61		0.00
1091	12/31/2019	CASH ACCOUNT	251-111111 LIB-251		16,213.62				
1091	12/31/2019	NET PAYROLL-LIBRARY	251-215001 LIB-251			16,213.62			
		Record 2019 accrued wages - Fund 251			16,213.62	16,213.62	20,832.61		0.00
1092	12/31/2019	CASH ACCOUNT	452-111111 PHTIF5-452		89.38				
1092	12/31/2019	Accrued Wages	452-215001 PHTIF5-452			89.38			
		Record 2019 accrued wages - Fund 452			89.38	89.38	20,832.61		0.00
1093	12/31/2019	SEWER-CASH	621-111111 SEWER-621		22,946.25				
1093	12/31/2019	NET PAYROLL-WASTEWATER	621-215001 SEWER-621			22,946.25			
		Record 2019 accrued wages - Fund 621			22,946.25	22,946.25	20,832.61		0.00
1094	12/31/2019	WATER-CASH	622-111111 WATER-622		16,901.01				
1094	12/31/2019	ACCRUED WAGES	622-215001 WATER-622			16,901.01			
		Record 2019 accrued wages - Fund 622			16,901.01	16,901.01	20,832.61		0.00
1095	12/31/2019	CASH ACCOUNT	501-111111 SI-501			6,081.49			
1095	12/31/2019	PREMIUMS FROM DEPARTMENTS	501-474930-000 SI-501		6,081.49				
		Record 2019 accrued wages - Fund 501			6,081.49	6,081.49	14,751.12		(6,081.49)
1096	12/31/2019	CURRENT TAX ROLL	100-121100 GF-100	C-1.00		24,019.74			
1096	12/31/2019	GENERAL PROPERTY TAXES	100-414111-000 GF-100	C-1.00	24,019.74				
		To correct revenue accounts for delinquent personal property tax recorded to property tax revenue account			24,019.74	24,019.74	(9,268.62)		(24,019.74)
1097	12/31/2019	MISCELLANEOUS DONATIONS	802-484842-000 DP-802	GL		9,683.40			
1097	12/31/2019	MISC DONATIONS	802-525211-392 DP-802	GL	9,683.40				
		To appropriately classify revenues and expenses for Safety Town for the report			9,683.40	9,683.40	(9,268.62)		0.00
1098	12/31/2019	LGIP	820-111106 PARK-820	CLIENT		38,166.10			
1098	12/31/2019	CITY PARKS	820-111111 PARK-820	CLIENT	9,357.32				
1098	12/31/2019	FUND BALANCE DESIGNATED	820-342100 PARK-820	CLIENT		28,808.78			
1098	12/31/2019	Restricted for Wehmhoff Park	820-343100 PARK-820	CLIENT	28,808.78				
1098	12/31/2019	LGIP DeRozier Fund	822-111106 DEROZIER-822	CLIENT	38,166.10				
1098	12/31/2019	CASH ACCOUNT	822-111111 DEROZIER-822	CLIENT		9,357.32			

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Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
1098	12/31/2019	TRANSFER FROM OTHER FUND	820-494929-000 PARK-820	CLIENT	28,808.78			
1098	12/31/2019	Transfer to general fund	822-595928-100 DEROZIER-822	CLIENT		28,808.78		
		To reverse entry 1085 placing DeRozier Funds in park fund			105,140.98	105,140.98	(9,268.62)	0.00
1099	12/31/2019	LGIP	100-111106 GF-100	CLIENT	38,166.10			
1099	12/31/2019	TREASURERS CASH	100-111111 GF-100	CLIENT		9,357.32		
1099	12/31/2019	GENERAL FUND	100-342900 GF-100	CLIENT	28,808.78			
1099	12/31/2019	Assigned for DeRozier Funds	100-343110 GF-100	CLIENT		28,808.78		
1099	12/31/2019	LGIP DeRozier Fund	822-111106 DEROZIER-822	CLIENT		38,166.10		
1099	12/31/2019	CASH ACCOUNT	822-111111 DEROZIER-822	CLIENT	9,357.32			
1099	12/31/2019	TRANSFER FROM OTHER FUND	100-494929-000 GF-100	CLIENT		28,808.78		
1099	12/31/2019	Transfer to general fund	822-595928-100 DEROZIER-822	CLIENT	28,808.78			
		To move DeRozier funds to the general fund			105,140.98	105,140.98	(9,268.62)	0.00
1100	12/31/2019	TREASURERS CASH	100-111111 GF-100	CLIENT	13,668.13			
1100	12/31/2019	CASH ACCOUNT	465-111111 CAPREP-465	CLIENT		13,668.13		
1100	12/31/2019	County Radio Upgrade Principal	100-585810-600 GF-100	CLIENT		13,668.13		
1100	12/31/2019	FIRE COMMUNICATION EQUIP	465-525220-806 CAPREP-465	CLIENT	13,668.13			
		To reverse entry 1008 per discussion with client			27,336.26	27,336.26	(9,268.62)	0.00
					0.00	0.00	(9,268.62)	0.00
100-100000	12/31/2019	Reimbursement/Airport	100-494928-000 GF-100			25,000.00		
100-100000	12/31/2019	TRANSFER FROM OTHER FUND	100-494929-000 GF-100		25,000.00			
		To reclass transfer from airport for Form C purposes.			25,000.00	25,000.00	(9,268.62)	0.00
					64,297,398.52	64,297,398.52	(9,268.62)	5,562,845.92



CPAs and Business Advisors

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To the City Council
City of Burlington, Wisconsin

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burlington (“City”) as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

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

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

MATERIAL AUDIT ADJUSTMENTS

During the course of our audit, we proposed a number of adjusting journal entries that were required to prevent the financial statements from being materially misstated. We recommend that management review the nature of these entries in order to determine if these adjustments could be made prior to the audit.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the City’s internal control to be significant deficiencies:

SEGREGATION OF DUTIES

Under ideal conditions, there are many procedures and controls designed to limit the access of any one individual to all phases of a transaction. Many entities the size of the City do not have a large enough administrative staff to adequately segregate the various procedures from any one individual. Management should constantly be aware of this condition and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view. Because the overlapping responsibilities exist, you need to rely on your direct knowledge of the City’s operations and trust in and have contact with employees to control and safeguard assets. This may continue to be an acceptable method for you to use for years to come.

PREPARATION OF FINANCIAL STATEMENTS

The City Council and management share the ultimate responsibility for the City's internal control. It is acceptable to outsource various accounting functions; however the responsibility for internal control cannot be outsourced.

The City engages Sitzberger & Company, S.C. to assist in the preparation of the City's financial statements and accompanying disclosures. However as independent auditors, Sitzberger & Company, S.C. cannot be considered part of the City's internal control. The City Council should design and implement a review procedure to ensure that the financial statements and disclosures are complete and accurate. These review procedures should be performed by an individual possessing a thorough understanding of applicable generally accepted accounting principles and knowledge of the City's activities and operations.

During our audit, we also became aware of the following deficiencies in internal control other than significant deficiencies or material weaknesses, and other matters that are opportunities for strengthening internal controls and operating efficiency of the City.

FDIC Insurance

You may note that at December 31, 2019 the City had significant amounts of deposits in excess of the FDIC insurance limits. We note that the City does collateralize various deposits. When taking these factors into account, we noted the City was carrying uncollateralized and uninsured deposits of \$3,047,690 as of December 31, 2019. At minimum we would advise the City to look at its options to maximize insurance coverage and collateral of its deposits.

Self-Insurance Fund Deficit Balance

The City maintains a separate "internal service" fund to account for charges made to City departments for employee insurance premiums and payments made for medical and dental claims incurred. The deficit fund balance in the fund decreased from \$145,165 to \$105,278. The deficit balance effects the General Fund as the deficit is financed by this fund. Management should review these amounts to ensure they are appropriate to eliminate this deficit in future years.

Infrastructure Capital Projects Fund Deficit Balance

The Infrastructure Capital Projects Fund reported a deficit (negative) fund balance of \$653,039 at December 31, 2019. The deficit balance, consequently, effects the fund balance of the City's General Fund as the deficit is financed by that fund. Although previous audit management letters reviewed by us have discussed the deficit fund balance of the Infrastructure Capital Projects Fund, we believe its significance to the financial statements warrants repeated discussion.

Fund Balance Policy

During our audit procedures, we noted that the City does not have a formal fund balance policy. A comprehensive fund balance policy would include the components of GASB Statement No. 54 as well as address a minimum fund balance. A fund balance policy assists in providing financial stability, cash flow for operations, and the assurance that the City will be able to respond to emergencies with fiscal strength.

It is essential to maintain adequate levels of fund balance/net position to mitigate current and future risks. Fund balance levels are also critical considerations in long-term financial planning. Credit rating agencies monitor levels of fund balance/net position and unassigned fund balances in the general fund to evaluate creditworthiness.

Deposit and Investment Policy

GASB requires financial statement disclosures of key policies affecting the management of cash deposits and other long-term investments. Current disclosures indicate that there are no specific policies in place to ensure that deposits and investments are managed prudently or that such items are not subject to extraordinary risks.

Implementation of Statement No. 87, Leases

The Governmental Accounting Standards Board (GASB) issued Statement No. 87 *Leases* in June 2017. This statement will require recognition of certain lease assets and liabilities for leases that previously were classified in operating leases. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This statement will be effective for the 2020 audit period.

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

Sincerely,

Sitzberger & Company, S.C.

Sitzberger & Company, S.C.
Lake Geneva, Wisconsin
September 4, 2020

CITY OF BURLINGTON

**INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

YEAR ENDED DECEMBER 31, 2019

CITY OF BURLINGTON

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CITY OF BURLINGTON

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CPAs and Business Advisors

www.sitzbergercpas.com

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Burlington, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Burlington, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Burlington's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Burlington as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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To the City Council
City of Burlington, Wisconsin

Change in Accounting Principle

As discussed in Note A to the financial statements, in 2019 the City adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Adjustment Due to Change in Accounting Principle

As described in Notes A, K and Q to the financial statements, in 2019 the City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Emphasis of a Matter

As described in Note Q to the financial statements, the December 31, 2019 financial statement have been restated to correct misstatements: Prior period adjustments were made to correct amounts recorded as internal service fund activity. A prior period adjustment was made to correct an error relating to deferred revenues from special assessments paid in prior year. A prior period adjustment was made to bring the liability for the County-wide radio system into the government-wide statements. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Burlington's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

To the City Council
City of Burlington, Wisconsin

This supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Sitzberger & Company, S.C.

Sitzberger & Company, S.C.
Lake Geneva, Wisconsin
September 4, 2020

CITY OF BURLINGTON
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	<u>Primary Government</u>		<u>Totals</u>	<u>Component</u> <u>Unit</u>
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>		<u>Housing</u> <u>Authority</u>
<u>ASSETS</u>				
Cash and investments	\$ 8,302,644	\$ 5,943,145	\$ 14,245,789	\$ 42,934
Receivables:				
Tax levy	4,677,416	-	4,677,416	-
Accounts and other	706,506	1,284,136	1,990,642	65
Special assessments	-	103,223	103,223	-
Internal balances	264,179	(264,179)	-	-
Inventories	-	59,961	59,961	-
Prepayments	62,972	-	62,972	18,340
Restricted Assets - cash and investments	3,216,765	430,912	3,647,677	224,383
Notes receivable	1,662,835	-	1,662,835	-
Other deferred debits	-	654	654	-
Capital Assets:				
Land	24,089,365	1,164,332	25,253,697	87,236
Construction in process	178,292	-	178,292	-
Other capital assets, net of depreciation	34,276,318	40,178,041	74,454,359	2,004,270
TOTAL ASSETS	77,437,292	48,900,225	126,337,517	2,377,228
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred outflows related to pension	3,028,893	596,857	3,625,750	21,575
Deferred outflows related to OPEB	24,836	4,894	29,730	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,053,729	601,751	3,655,480	21,575
<u>LIABILITIES</u>				
Accounts payable and other accrued expenses	765,280	183,910	949,190	21,855
Accrued interest payable	123,040	30,795	153,835	1,089
Deposits held	83,625	-	83,625	-
Long-term obligations, due in one year	3,253,331	1,148,755	4,402,086	29,568
Liabilities Payable from Restricted Assets:				
Accrued interest payable	-	43,118	43,118	-
Security deposits	-	-	-	37,084
Non-current Liabilities:				
Long-term obligations, due in more than one year	16,568,375	14,830,692	31,399,067	2,154,615
Unamortized premium on debt issuance	31,423	67,672	99,095	-
Net pension liability	1,111,756	219,077	1,330,833	11,070
Net OPEB Liability	187,225	36,893	224,118	-
Compensated absences	235,915	56,991	292,906	-
TOTAL LIABILITIES	22,359,970	16,617,903	38,977,873	2,255,281
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unearned property tax revenue	8,791,014	-	8,791,014	-
Deferred notes receivable	1,512,599	-	1,512,599	-
Deferred inflows related to pension	1,534,052	302,292	1,836,344	6,620
Deferred inflows related to OPEB	65,852	12,976	78,828	-
TOTAL DEFERRED INFLOWS OF RESOURCES	11,903,517	315,268	12,218,785	6,620
<u>NET POSITION</u>				
Net investment in capital assets	38,690,846	25,362,926	64,053,772	4,717
Restricted	3,599,506	430,912	4,030,418	-
Restricted for Housing Authority	-	-	-	191,184
Unrestricted	3,937,182	6,774,967	10,712,149	(58,999)
TOTAL NET POSITION	\$ 46,227,534	\$ 32,568,805	\$ 78,796,339	\$ 136,902

See accompanying notes.

CITY OF BURLINGTON
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Housing Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-type Activities	Totals	
<u>PRIMARY GOVERNMENT</u>								
<u>GOVERNMENTAL ACTIVITIES</u>								
General government	\$ 1,496,863	\$ 60,160	\$ -	\$ -	\$ (1,436,703)	\$ -	\$ (1,436,703)	\$ -
Public safety	4,840,066	799,599	78,913	-	(3,961,554)	-	(3,961,554)	-
Public works	3,053,441	2,763	650,118	317	(2,400,243)	-	(2,400,243)	-
Health and human services	92,290	-	-	-	(92,290)	-	(92,290)	-
Culture, recreation, and education	1,772,618	19,508	319,723	15,000	(1,418,387)	-	(1,418,387)	-
Conservation and development	302,938	69,543	-	-	(233,395)	-	(233,395)	-
Interest and fiscal charges	511,765	-	-	-	(511,765)	-	(511,765)	-
Other	43,803	710,066	-	-	666,263	-	666,263	-
TOTAL GOVERNMENTAL	12,113,784	1,661,639	1,048,754	15,317	(9,388,074)	-	(9,388,074)	-
<u>BUSINESS-TYPE ACTIVITIES</u>								
Water	2,068,661	2,637,755	-	22,925	-	592,019	592,019	-
Sewer	3,826,318	3,996,076	-	52,800	-	222,558	222,558	-
Airport	849,992	810,662	-	-	-	(39,330)	(39,330)	-
TOTAL BUSINESS-TYPE	6,744,971	7,444,493	-	75,725	-	775,247	775,247	-
TOTAL PRIMARY GOVERNMENT	18,858,755	9,106,132	1,048,754	91,042	(9,388,074)	775,247	(8,612,827)	-
<u>COMPONENT UNIT</u>								
Housing Authority	\$ 481,536	\$ 340,845	\$ 74,039	\$ -				(66,652)
<u>GENERAL REVENUES AND TRANSFERS</u>								
Property taxes levied for general purposes					8,165,114	-	8,165,114	-
Payments in lieu of taxes					38,134	-	38,134	-
Intergovernmental revenues not restricted to specific programs					825,825	-	825,825	-
Gain on sale of capital assets					16,346	-	16,346	(8,259)
Insurance recoveries					25,693	-	25,693	-
Reimbursement of prior year expenses					318,005	-	318,005	-
Unrestricted interest earnings					299,607	103,341	402,948	379
Transfers					463,886	(483,510)	(19,624)	-
TOTAL GENERAL REVENUES AND TRANSFERS					10,152,610	(380,169)	9,772,441	(7,880)
CHANGE IN NET POSITION					764,536	395,078	1,159,614	(74,532)
NET POSITION - BEGINNING OF YEAR					46,678,336	33,012,498	79,690,834	211,434
Prior Period Adjustment - Change in accounting principle					(214,906)	(42,348)	(257,254)	-
Prior Period Adjustment - Correction of errors					(1,000,432)	(796,423)	(1,796,855)	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED					45,462,998	32,173,727	77,636,725	211,434
NET POSITION - END OF YEAR					\$ 46,227,534	\$ 32,568,805	\$ 78,796,339	\$ 136,902

See accompanying notes.

**CITY OF BURLINGTON
BALANCE SHEETS
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	<u>General</u>	<u>Debt Service</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
		<u>Debt</u>	<u>Environmental Remediation</u>		
<u>ASSETS</u>					
Cash and investments	\$ 5,746,099	\$ 49,111	1,964,459	\$ 2,470,281	\$ 10,229,950
Receivables:					
Tax levy	3,095,039	1,334,134	-	248,243	4,677,416
Accounts and other	47,106	-	-	659,400	706,506
Due from other funds	463,582	-	-	-	463,582
Prepayments	62,972	-	-	-	62,972
Restricted Assets:					
Cash and investments	28,809	-	-	1,223,497	1,252,306
Advances to other funds	1,035,282	-	-	-	1,035,282
Notes receivable	809,636	-	-	853,199	1,662,835
TOTAL ASSETS	11,288,525	1,383,245	1,964,459	5,454,620	20,090,849
<u>LIABILITIES</u>					
Accounts payable and accrued expenses	477,342	-	-	145,506	622,848
Deposits held	75,801	-	-	-	75,801
Developer deposits	7,824	-	-	-	7,824
Due to utilities	199,403	-	-	-	199,403
Advances from other funds	-	-	-	1,035,282	1,035,282
TOTAL LIABILITIES	760,370	-	-	1,180,788	1,941,158
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred revenue - taxes	7,208,637	1,334,134	-	248,243	8,791,014
Deferred revenue - notes	-	-	-	1,512,599	1,512,599
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 7,208,637	\$ 1,334,134	\$ -	\$ 1,760,842	\$ 10,303,613
<u>FUND BALANCES</u>					
Nonspendable for:					
Prepayments	\$ 62,972	\$ -	\$ -	\$ -	\$ 62,972
Net advances to other funds	1,035,282	-	-	-	1,035,282
Restricted	28,809	49,111	1,964,459	1,557,127	3,599,506
Assigned	-	-	-	1,609,805	1,609,805
Unassigned	2,192,455	-	-	(653,942)	1,538,513
TOTAL FUND BALANCES	\$ 3,319,518	\$ 49,111	\$ 1,964,459	\$ 2,512,990	\$ 7,846,078

See accompanying notes.

CITY OF BURLINGTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 7,846,078

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

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

Capital assets	93,415,019	
Accumulated depreciation	(34,871,044)	
		58,543,975

The City's proportionate share of the net pension liability at the WRS is reported on the statement of net position, but is not reported in the governmental funds. (1,111,756)

The City's proportionate share of the net OPEB liability for the Local Retiree Life Insurance Fund ("LRLIF") is reported on the statement of net position, but is not reported in the governmental funds. (187,225)

Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods, and therefore, are not reported in the governmental funds.

Deferred outflows related to pensions	3,028,893	
Deferred inflows related to pensions	(1,534,052)	
Deferred outflows related to OPEB	24,836	
Deferred inflows related to OPEB	(65,852)	
		1,453,825

Long-term debt and related items are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Long-term debt and related items at year end consist of:

Notes and bonds payable	(19,821,706)	
Unamortized premium	(31,423)	
Accrued interest payable	(123,041)	
Compensated absences payable	(235,915)	
		(20,212,085)

Internal service funds are used by management to charge the costs of health and dental insurance benefits to individual funds. The assets and liabilities of this fund are included in governmental activities in the statement of net position. (105,278)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 46,227,534

CITY OF BURLINGTON
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	General	Debt Service		Nonmajor Governmental Funds	Total Governmental Funds
		Debt	Environmental Remediation TIF		
<u>REVENUES</u>					
General property taxes	\$ 6,685,061	\$ 1,278,353	\$ -	\$ 201,700	\$ 8,165,114
Payments in lieu of taxes	36,944	-	-	-	36,944
Room tax and other taxes	129,050	-	-	-	129,050
Special assessments	4,492	-	-	-	4,492
Intergovernmental	1,541,149	-	-	320,040	1,861,189
Licenses and permits	462,410	-	-	-	462,410
Fines and forfeitures	229,676	-	-	-	229,676
Charges for services	112,323	-	-	27,510	139,833
Interest income	158,345	26,013	-	114,277	298,635
Repayments of note receivable principal	-	-	-	59,634	59,634
Developers agreements	-	-	-	643,000	643,000
Other	31,970	-	-	18,136	50,106
TOTAL REVENUES	9,391,420	1,304,366	-	1,384,297	12,080,083
<u>EXPENDITURES</u>					
Current:					
General government	1,387,682	-	-	33,701	1,421,383
Public safety	4,187,837	-	-	37,490	4,225,327
Public works	1,780,678	-	-	31,157	1,811,835
Health and human services	92,290	-	-	-	92,290
Culture, recreation, and education	520,238	-	-	842,690	1,362,928
Conservation and development	289,161	-	-	13,777	302,938
Capital outlay	-	-	-	1,518,308	1,518,308
Debt Service:					
Principal	-	1,010,083	220,000	1,778,395	3,008,478
Interest and fiscal charges	-	360,636	44,332	106,400	511,368
Debt issuance costs	-	18,986	-	24,817	43,803
TOTAL EXPENDITURES	8,257,886	1,389,705	264,332	4,386,735	14,298,658
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	\$ 1,133,534	\$ (85,339)	\$ (264,332)	\$ (3,002,438)	\$ (2,218,575)
<u>OTHER FINANCING SOURCES (USES)</u>					
Proceeds from sale of capital assets	\$ -	\$ -	\$ -	\$ 25,945	\$ 25,945
Reimbursement of prior year costs	134,439	-	-	183,566	318,005
Face value of debt issued	-	-	-	922,061	922,061
Premium on issuance of debt	-	31,554	-	-	31,554
Transfers in	53,809	102,896	-	1,337,656	1,494,361
Transfers in - tax equivalent	438,886	-	-	-	438,886
Transfers out	(970,561)	-	-	(498,800)	(1,469,361)
TOTAL OTHER FINANCING SOURCES (USES)	(343,427)	134,450	-	1,970,428	1,761,451
NET CHANGE IN FUND BALANCES	790,107	49,111	(264,332)	(1,032,010)	(457,124)
FUND BALANCES - BEGINNING OF YEAR					
	2,529,411	-	2,228,791	3,545,000	8,303,202
FUND BALANCES - END OF YEAR	\$ 3,319,518	\$ 49,111	\$ 1,964,459	\$ 2,512,990	\$ 7,846,078

See accompanying notes.

CITY OF BURLINGTON
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (457,124)

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

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

Capital outlays	1,518,308	
Depreciation expense	(1,932,966)	(414,658)

In the statement of activities, gains and losses on the disposal of assets are shown, whereas in the governmental funds, only the proceeds on the disposal (if any) are shown.

Sale proceeds	\$ (25,945)	
Gain on asset disposal	16,346	(9,599)

In the statement of activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as an expense. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.

Pension expense	(749,029)	
City pension contributions	320,199	
OPEB expense	(14,731)	
City OPEB contributions	1,398	(442,163)

Bond premiums are recorded as an other financing source in the governmental funds, but these are amortized over the life of the bonds in the statements of activities. (31,554)

Amortization of premium from the issuance of debt reduces the balances of the respective item in the statement of net position. The amortization is an expenditure in the statement of net position, but is not shown in the governmental funds. 131

Governmental funds report proceeds from the issuance of long-term debt as other financing sources, but issuing debt increases long-term liabilities in the statement of net position. Repayments of long-term debt principal are expenditures in the governmental funds but the repayments reduce long-term liabilities in the statement of net position.

Proceeds from the issuance of debt	(922,061)	
Principal payments on bonds, notes and capital leases	3,008,478	2,086,417

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

Changes in interest accrued on long-term debt	(529)	
Changes in compensated absences	(6,272)	(6,801)

Internal service funds are used by management to charge the cost of various insurance coverages to individual funds. The change in net position of these internal service funds is reported in the governmental activities. 39,887

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 764,536

CITY OF BURLINGTON
STATEMENTS OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Business-type Activities - Enterprise Funds				Governmental
	Water	Sewer	Airport	Totals	Activities -
	Utility	Utility			Internal
					Service Fund
<u>ASSETS</u>					
Current Assets:					
Cash and investments	\$ 2,572,534	\$ 2,849,898	\$ 520,713	\$ 5,943,145	\$ 37,153
Customer accounts receivable	660,936	622,473	727	1,284,136	-
Special assessments receivable	21,706	81,517	-	103,223	-
Other receivables	97,209	102,194	-	199,403	-
Inventories	17,714	-	42,247	59,961	-
Total Current Assets	3,370,099	3,656,082	563,687	7,589,868	37,153
Non-current Assets:					
Restricted Assets:					
Cash and investments	222,338	208,574	-	430,912	-
Other Assets:					
Other deferred debits	-	654	-	654	-
Capital Assets:					
Land	260,027	778,671	125,634	1,164,332	-
Other capital assets, net of depreciation	17,233,230	21,678,570	1,266,241	40,178,041	-
Total Capital Assets	17,493,257	22,457,241	1,391,875	41,342,373	-
TOTAL ASSETS	21,085,694	26,322,551	1,955,562	49,363,807	37,153
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred outflows related to pension	234,114	362,743	-	596,857	-
Deferred outflows related to OPEB	2,974	1,920	-	4,894	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	237,088	364,663	-	601,751	-
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts payable	\$ 52,528	\$ 86,066	\$ 5,469	\$ 144,063	\$ 142,431
Accrued payroll	16,901	22,946	-	39,847	-
Accrued interest payable	22,804	7,991	-	30,795	-
Due to general fund	463,582	-	-	463,582	-
Current general obligation bonds	50,000	47,061	-	97,061	-
Total Current Liabilities	605,815	164,064	5,469	775,348	142,431
Current Liabilities Payable from Restricted Assets:					
Current revenue bonds payable	345,440	706,254	-	1,051,694	-
Accrued interest payable	-	43,118	-	43,118	-
Total Current Liabilities Payable from Restricted Assets	345,440	749,372	-	1,094,812	-
Non-current Liabilities:					
Revenue bonds payable	2,415,805	9,004,009	-	11,419,814	-
General obligation bonds payable	2,285,000	1,125,878	-	3,410,878	-
Net pension liability	85,932	133,145	-	219,077	-
Net OPEB liability	22,422	14,471	-	36,893	-
Unamortized debt premium	67,672	-	-	67,672	-
Compensated absences	27,373	29,618	-	56,991	-
Total Non-current Liabilities	4,904,204	10,307,121	-	15,211,325	-
TOTAL LIABILITIES	5,855,459	11,220,557	5,469	17,081,485	142,431
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred inflows related to pension	118,573	183,719	-	302,292	-
Deferred inflows related to OPEB	7,886	5,090	-	12,976	-
TOTAL DEFERRED INFLOWS	126,459	188,809	-	315,268	-
<u>NET POSITION</u>					
Net investment in capital assets	12,397,012	11,574,039	1,391,875	25,362,926	-
Restricted for debt service	222,338	208,574	-	430,912	-
Unrestricted	2,721,514	3,495,235	558,218	6,774,967	(105,278)
TOTAL NET POSITION	\$ 15,340,864	\$ 15,277,848	\$ 1,950,093	\$ 32,568,805	\$ (105,278)

See accompanying notes.

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CITY OF BURLINGTON
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019

	Business-type Activities - Enterprise Funds				Governmental
	Water Utility	Sewer Utility	Airport	Totals	Activities - Internal Service Fund
<u>OPERATING REVENUES</u>					
Charges for service	\$ 2,611,309	\$ 3,993,316	\$ -	\$ 6,604,625	\$ -
Fuel sales	-	-	707,305	707,305	-
Billings to departments	-	-	-	-	1,536,930
Other	18,352	2,760	103,357	124,469	20,566
TOTAL OPERATING REVENUES	2,629,661	3,996,076	810,662	7,436,399	1,557,496
<u>OPERATING EXPENSES</u>					
Operation and maintenance	1,198,672	1,855,286	168,423	3,222,381	-
Fuel for resale	-	-	598,996	598,996	-
Depreciation	670,868	1,671,598	82,573	2,425,039	-
Insurance claims and administration	-	-	-	-	1,531,153
TOTAL OPERATING EXPENSES	1,869,540	3,526,884	849,992	6,246,416	1,531,153
OPERATING INCOME (LOSS)	760,121	469,192	(39,330)	1,189,983	26,343
<u>NONOPERATING REVENUES (EXPENSES)</u>					
Interest income	48,955	47,145	7,241	103,341	13,544
Grant proceeds	20,712	-	-	20,712	-
Debt issuance costs	(81,491)	(9,769)	-	(91,260)	-
Insurance proceeds	8,094	-	-	8,094	-
Interest expense	(117,630)	(289,665)	-	(407,295)	-
TOTAL NONOPERATING REVENUE (EXPENSE)	(121,360)	(252,289)	7,241	(366,408)	13,544
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	638,761	216,903	(32,089)	823,575	39,887
Capital contributions - other	2,213	52,800	-	55,013	-
Transfers out	-	-	(25,000)	(25,000)	-
Transfers out - tax equivalent	(458,510)	-	-	(458,510)	-
CHANGE IN NET POSITION	182,464	269,703	(57,089)	395,078	39,887
NET POSITION -					
BEGINNING OF YEAR	15,184,137	15,024,756	2,007,182	32,216,075	(145,165)
Change in Accounting Principle	(25,737)	(16,611)	-	(42,348)	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED	15,158,400	15,008,145	2,007,182	32,173,727	(145,165)
NET POSITION - END OF YEAR	\$ 15,340,864	\$ 15,277,848	\$ 1,950,093	\$ 32,568,805	\$ (105,278)

See accompanying notes.

**CITY OF BURLINGTON
STATEMENTS OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019**

	Business-type Activities - Enterprise Funds				Governmental
	Water Utility	Sewer Utility	Airport	Totals	Activities - Internal Service Fund
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts from customers and users	\$ 2,605,369	\$ 3,894,182	\$ 812,753	\$ 7,312,304	\$ -
Receipts from interfund services provided	-	-	-	-	1,561,564
Payments to suppliers	(823,946)	(1,175,037)	(801,820)	(2,800,803)	-
Payments to employees	(436,545)	(685,172)	-	(1,121,717)	-
Payments for interfund services used	-	-	-	-	(1,537,955)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,344,878	2,033,973	10,933	3,389,784	23,609
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Transfers to other funds	(458,510)	-	(25,000)	(483,510)	-
NET CASH (USED) BY NONCAPITAL FINANCING ACTIVITIES	(458,510)	-	(25,000)	(483,510)	-
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Capital contributions	2,213	52,800	-	55,013	-
Acquisition and construction of capital assets	(193,472)	(326,465)	-	(519,937)	-
Proceeds of debt	1,692,367	362,939	-	2,055,306	-
Debt issuance cost	(81,491)	(9,769)	-	(91,260)	-
Unamortized debt premium	67,672	-	-	67,672	-
Grant and insurance proceeds	28,806	-	-	28,806	-
Principal paid on bonds / leases	(379,106)	(730,100)	-	(1,109,206)	-
Interest paid	(110,180)	(288,017)	-	(398,197)	-
Special assessment collections	11,833	27,912	-	39,745	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	1,038,642	(910,700)	-	127,942	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Interest income	48,955	47,145	7,241	103,341	13,544
NET CASH PROVIDED BY INVESTING ACTIVITIES	48,955	47,145	7,241	103,341	13,544
NET CHANGE IN CASH AND INVESTMENT:	1,973,965	1,170,418	(6,826)	3,137,557	37,153
CASH AND INVESTMENTS - BEGINNING OF YEAR	820,907	1,888,054	527,539	3,236,500	-
CASH AND INVESTMENTS - END OF YEAR	\$ 2,794,872	\$ 3,058,472	\$ 520,713	\$ 6,374,057	\$ 37,153

See accompanying notes.

CITY OF BURLINGTON
STATEMENTS OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water</u>	<u>Sewer</u>	<u>Airport</u>	<u>Totals</u>	<u>Activities -</u>
	<u>Utility</u>	<u>Utility</u>			<u>Internal</u>
					<u>Service Fund</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</u>					
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Operating income (loss)	\$ 760,121	\$ 469,192	\$ (39,330)	\$ 1,189,983	\$ 26,343
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	670,868	1,671,598	82,573	2,425,039	-
Depreciation charged to clearing account	25,340	(25,340)	-	-	-
(Increase) decrease in customer and other receivables	(48,988)	(101,894)	2,091	(148,791)	4,068
(Increase) decrease in inventories	(1,034)	-	10,287	9,253	-
(Increase) decrease in prepaid expenditures	1,870	-	-	1,870	-
(Increase) decrease in net pension and deferred items	36,814	44,516	-	81,330	-
Increase (decrease) in accounts payable	(126,249)	(23,214)	(44,688)	(194,151)	31,997
Increase (decrease) in accrued payroll	1,440	(885)	-	555	-
Increase (decrease) in due to other funds	24,696	-	-	24,696	(38,799)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	1,344,878	2,033,973	10,933	3,389,784	23,609
<u>RECONCILIATION OF CASH AND INVESTMENTS TO STATEMENT OF NET POSITION - PROPRIETARY FUNDS</u>					
Cash and investments reported as current assets	2,572,534	2,849,898	520,713	5,943,145	37,153
Cash and investments reported as restricted assets	222,338	208,574	-	430,912	-
CASH AND INVESTMENTS - END OF YEAR	\$ 2,794,872	\$ 3,058,472	\$ 520,713	\$ 6,374,057	\$ 37,153

NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES

Capital additions of \$2,213 and \$52,800 were contributed to the Water and Sewer utilities, respectively, by developers.

CITY OF BURLINGTON
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Tax Roll</u>	<u>Municipal Court</u>	<u>Library Trust</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and investments	\$ 5,915,691	\$ 17,028	\$ 136,990	\$ 6,069,709
Taxes receivable	6,954,102	-	-	6,954,102
TOTAL ASSETS	<u>12,869,793</u>	<u>17,028</u>	<u>136,990</u>	<u>13,023,811</u>
<u>LIABILITIES</u>				
Accounts payable	-	17,028	-	17,028
Due to county and state	3,297,028	-	-	3,297,028
Due to school and VTAE districts	9,572,765	-	-	9,572,765
Deposits held	-	-	-	-
TOTAL LIABILITIES	<u>12,869,793</u>	<u>17,028</u>	<u>-</u>	<u>12,886,821</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,990</u>	<u>\$ 136,990</u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Tax Roll</u>	<u>Municipal Court</u>	<u>Library Trust</u>	<u>Totals</u>
<u>ADDITIONS</u>				
Collection of property tax	\$ 12,714,251	\$ -	\$ -	\$ 12,714,251
Court fees	-	13,123	-	13,123
Donations	-	-	10,922	10,922
Intest Income	-	-	1,329	1,329
Miscellaneous Income	-	-	7,165	7,165
TOTAL ADDITIONS	<u>12,714,251</u>	<u>13,123</u>	<u>19,416</u>	<u>12,746,790</u>
<u>DEDUCTIONS</u>				
Distributions to other governmental units	12,714,251	-	-	12,714,251
Court payments	-	13,123	-	13,123
Miscellaneous expense	-	-	3,030	3,030
Outlay	-	-	3,495	3,495
TOTAL DEDUCTIONS	<u>12,714,251</u>	<u>13,123</u>	<u>6,525</u>	<u>12,733,899</u>
NET POSITION, January 1	<u>-</u>	<u>-</u>	<u>124,099</u>	<u>124,099</u>
NET POSITION, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,990</u>	<u>\$ 136,990</u>

See accompanying notes.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note A - Summary of Significant Accounting Policies

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

Financial Reporting Entity

The City of Burlington is a municipal corporation governed by an elected mayor and eight-member council. The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. Although it is a legally separate entity, standards set forth in Statement No. 61 of the Governmental Accounting Standards Board require that the financial statements of the Housing Authority of the City of Burlington be reported as a component unit of the City due to the appointment of its board of commissioners by the City’s mayor. The Housing Authority of the City of Burlington is reported as a discretely presented component unit to emphasize that it is an entity that is legally separate from the City. The financial information included in the statement of net position is as of the Housing Authority’s fiscal year end of August 31, 2019. Complete financial statements for the component unit may be obtained at its administrative offices:

Riverview Manor
580 Madison Street
Burlington, Wisconsin 53105

Basis of Presentation

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 revenue, and other non-exchange revenues. Business-type activities are financed, in whole or in part, by fees charged to external parties for goods and services. Eliminations have been made to avoid double counting of internal activities of the City.

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.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Fund Financial Statements

Financial statements of the reporting entity 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, fund equity, revenues, and expenditure/expenses.

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.

Funds are organized as major funds or non-major 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 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Major Governmental Funds

The City reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all financial transactions except those legally and administratively required to be accounted for in another fund.

Environmental TIF District Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of the City's Environmental Tax Increment Financing District No. 1.

General Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, general long-term obligations principal, interest and related costs (other than debt accounted for in the Proprietary Funds).

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Major Proprietary Funds

The City reports the following major proprietary funds:

Sewer Utility Enterprise Fund – This fund accounts for the activities of operating the sewage treatment plant, sewage pumping stations, and collections systems.

Water Utility Enterprise Fund – This fund accounts for the activities of operating the water distribution system.

Airport Enterprise Fund – This fund accounts for the activities of the City’s airport operations. The City chose to classify this fund as major although it did not meet the criteria indicated above.

Non-Major Funds

The City reports the following non-major governmental funds:

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The City reports the following non-major special revenue funds:

- Library Operations
- Community Development Block Grant
- Revolving Loan
- Park Development
- Police Donations
- Wehmhoff
- DeRozier

Remaining balances in the Wehmhoff Fund was transferred to the Parks Fund and the DeRozier fund was transferred to the general fund during the year ended December 31, 2019. Management has determined that these funds no longer meet the specific criteria to be recorded as special revenue funds.

Capital Projects Funds – Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure of funds for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The City reports the following non-major special revenue funds:

- TIF #5
- General Capital Projects
- Revolving Capital Projects
- General Infrastructure
- Façade Grants

Debt Service Funds – Debt service funds are used for the accumulation of resources for, and the payment of, long-term obligations principal, interest and related costs. The City reports the following non-major debt service fund:

- TIF #3

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Additionally, the City reports the following fund types:

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis. The City's internal service fund accounts for the City's risk financing activities related to its employee health insurance medical claims.

Fiduciary Funds – Fiduciary funds are used to account for assets held by the City in a trustee capacity or as a custodian for individuals, private organizations, and/or other governmental units:

- Tax Roll Fund
- Municipal Court Bond Fund
- Library Trust

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 of resources. 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 inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Water and Sewer Utilities, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, pension and OPEB 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 of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Fund Financial Statements (continued)

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available, are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources. Amounts received prior to meeting eligibility requirements are recorded as unearned revenue.

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 deferred inflows of resources.

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.

The City reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds allow the accrual basis of accounting, and do not have a measurement focus.

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

All Financial Statements

The preparation of the City's financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Cash and Investments

The City's cash and investments are considered to be cash on hand, demand deposits, savings deposits, certificates of deposit, the Wisconsin Local Government Investment Pool and government agency securities.

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Cash and Investments (continued)

The City categorizes fair value measurements of its investments based on the hierarchy established by GAAP. The Asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The local government investment pool ("LGIP") is valued at amortized cost, and the certificates of deposit ("CD's") are valued at cost plus accrued interest.

For purposes of the statement of cash flows for the enterprise funds, cash equivalents are temporary cash investments with a maturity of three months or less at the date of purchase. Pooled bank accounts that are shared between its various accounting funds are maintained.

Investment of City funds are restricted by state statutes. Permitted investments for the City include any of the following:

- Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in Wisconsin.
- Bonds or securities of any county, drainage district, technical college district, city, 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 by the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed by the federal government and its agencies.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

The City has adopted an investment policy. That policy follows the state statutes for allowable investments.

Receivables

In the government-wide statements, receivables consist of all revenues earned or to which the City is otherwise entitled and has not yet received.

In the fund financial statements, material receivables in the governmental funds include revenue accruals such as intergovernmental grants and aids and other similar revenues since they are usually both measurable and available. Receivables collectible, but not available, are deferred in the fund financial statements in accordance with the modified accrual basis of accounting but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Interest earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Receivables (continued)

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. No provision for uncollectible accounts receivable has been made for the proprietary funds 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.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are provided. In addition to property taxes for the municipality, taxes are collected for and remitted to the state and county governments as well as the local and vocational school districts. Taxes for all state and other local governmental units billed in the current year for the succeeding year are reflected as receivables and as due to other governmental units on the statement of net position – fiduciary (agency) fund. Taxes are levied in December on the assessed value as of the prior January 1.

Details of the City’s property tax calendar for the 2019 tax levy follows:

Lien and levy dates	December 2019
Real estate collection due dates:	
First installment due	January 31, 2020
Second installment due	July 31, 2020
Personal property tax due in full	January 31, 2020
Final settlement with county	August 2020
Tax sale of 2019 delinquent real estate taxes	October 2022

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection. Therefore, management has determined that no allowance is considered necessary.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term inter-fund loans are reported as “due to and from other funds”. Long-term inter-fund loans (noncurrent portion) are reported as “advances from and to other funds”. Inter-fund 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 government-wide financial statements as internal balances.

Inventories

Inventories of the utility enterprise fund are generally used in the operation and maintenance of the Water Utility. The inventories are valued at cost using the first-in/first-out method (FIFO), which approximates market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements or 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.

Cash and equivalents of the City's governmental and proprietary funds have been restricted for the following purposes:

	Governmental Funds	Proprietary Funds	Total
Bond reserve account	\$ -	\$ 222,338	\$ 222,338
Bond debt service fund	-	208,574	208,574
TIF No. 3 debt service	1,162,174	-	1,162,174
TIF No. 3 revolving loan	61,323	-	61,323
General fund - DeRozier, Senior Center	28,809	-	28,809
Environmental TIF debt service	1,964,459	-	1,964,459
Total Restricted Assets	\$ 3,216,765	\$ 430,912	\$ 3,647,677

Capital Assets

Government Wide Statements

Capital assets, which include property, plant and equipment and intangible assets, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 for general capital assets and infrastructure assets, and an estimated useful life in excess of 2 years, except for certain assets of the water and Sewer Utilities which may be capitalized at a lower cost. All capital assets are valued at historical cost or estimated historical costs if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Prior to January 2004, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB No. 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged but GASB No. 34 does not require the City to retroactively report all major infrastructure assets. The City has not retroactively reported all infrastructure acquired by its governmental fund types prior to implementation of GASB 34.

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

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

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 of depreciation.

Government Wide Statements (continued)

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Buildings	50 – 75 Years
Land improvements	30 Years
Roads	30 Years
Other infrastructure	30 – 50 Years
Vehicles	5 – 10 Years
Office equipment	6 – 10 Years
Computer equipment	5 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.

Compensated Absences

City employees earn vacation time in varying amounts in accordance with City policy. All full-time employees are eligible for paid vacation annually on the anniversary of their date of hire. Payments for vacation will be made at rates in effect when the benefits are used. At December 31, 2019, the total vacation benefits accrued were \$32,958 for the governmental activities and \$7,125 for the business-type activities.

All regular full-time employees who have completed 30 calendar days of employment are eligible to earn sick leave at the rate of one day per month. Employees may accumulate sick leave to a maximum of 150 days. It is the City's policy to pay for unused sick leave upon retirement or death at a rate of \$50 per day or apply it to future retiree health insurance premiums at a rate of \$75 per day. The City determined its liability for accumulated sick pay benefits payable based on the option of applying \$75 per day toward health insurance premiums. The total sick leave benefits payable upon termination or retirement were approximately \$202,957 for the governmental activities and \$49,866 for the business-type activities.

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

The separate financial statement elements, deferred outflows of resources, represents an increase in net position or fund balance that applies to future period(s) and thus, will not be recognized as an outflows of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to pensions and OPEB.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Deferred Outflows / Inflows of Resources

In accordance with GASB, the statement of financial position will sometimes report a separate section for deferred outflows and inflows of resources.

The separate financial statement element, deferred inflows of resources, represents an increase in net position or fund balance that applies to a future period(s) and thus, will not be recognized as an inflow of resources (revenue) until then. The City reports deferred inflows of resources related to property taxes, pensions, OPEB, and notes receivable.

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, capital leases, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt and premiums on issuance are reported as other financing sources. Payments of principle and interest, losses on debt refunding, as well as costs of issuance are reported as expenditures.

For the government-wide statements, bond premiums are deferred and amortized over the life of the issue using the effective interest method. The balance at year end for premiums is shown as a liability on the statement of net position. The accounting for proprietary fund obligations is the same in the fund financial statements as it is in the government-wide financial statements.

Pensions

For purposes of measuring the net pension liability (assets), 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.

Other Post-Employment Benefits (OPEB)

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

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balances

Equity is classified as Net Position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation, and any capital related deferred outflows of resources and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

Restricted Net Position - 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.

Unrestricted Net Position - Consists of Net Position which are available for appropriation and expenditure in future periods and are neither classified as restricted or as 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.

Governmental Fund Financial Statements

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund balance is classified as non-spendable, restricted, committed, assigned, or unassigned. Following are descriptions of fund balance classifications.

Restricted Fund Balance - includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Assigned Fund Balance - includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the City Council.

Committed Fund Balance - includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the City Council, the City's highest level of decision-making authority. This formal action is a City Council resolution.

Non-spendable Fund Balance - includes amounts that cannot be spent because they are not in a spendable form and cannot be converted to cash or because they are legally or contractually required to remain intact.

Unassigned Fund Balance - is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports an unassigned fund balance amount.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note A - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balances (continued)

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the City's general policy to use restricted resources first.

When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

Utility User Rates

Water utility user rates currently in place were established by the Wisconsin Public Service Commission effective January 27, 2016. Sewer utility rates currently in place were approved by the City Council effective January 1, 2017.

Claims and Judgements

Claims and judgments are recorded as liabilities if all of the conditions of GASB pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

Adoption of New Accounting Guidance

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. See Notes K and Q for additional information. The City also implemented GASB Statement No. 84, *Fiduciary Activities*.

Note B - Stewardship, Compliance, and Accountability

Deficit Fund Equity

The following individual fund had deficit fund balance as of December 31, 2019:

	Deficit
Infrastructure Capital Projects Fund	\$ (653,039)
Park Development Fund	(903)
Total deficit fund balance	<u><u>\$ (653,942)</u></u>

The deficit fund balance in the infrastructure fund will be eliminated by future borrowing or general fund transfers. The deficit fund balance in the park development fund will be eliminated by general fund transfers.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note B - Stewardship, Compliance, and Accountability (Continued)

Utility Bond Covenant Compliance

The 2011 Waterworks System Revenue Refunding Bonds, Series 2011A require the maintenance of a bond reserve account in the amount of \$205,000. This account was properly funded at December 31, 2019.

Resolutions for water and sewer revenue bonds specify that a debt service fund be established for monthly deposits of principal and interest payments coming due. An investment account has been set aside to separate these funds. This account was properly funded at December 31, 2019. All principal and interest payments on outstanding debt were made timely.

Note C - Cash and Investments

The City's cash and investments at December 31, 2019 consisted of the following:

	Cash	Investments	Total
Custodial Risk:			
Petty Cash	\$ 1,158	\$ -	\$ 1,158
Demand deposits	18,173,633	-	18,173,633
Money market	3,699,602	-	3,699,602
Ameritrade cash	2,047	-	2,047
Local government investment pool	-	128,707	128,707
Custodial and Interest Rate Risk			
Ameritrade certificates of deposit	-	1,685,674	1,685,674
Ameritrade municipal securities	-	200,239	200,239
Bank certificated of deposit	-	72,115	72,115
Total cash and investments	\$ 21,876,440	\$ 2,086,735	\$ 23,963,175

The City's cash and investments are reported in the financial statements as follows:

Per Statement of Net Position

Cash and investments	\$ 14,245,789
Restricted cash and investments	3,647,677

Per Statement of Fiduciary Net Position

Tax Collection Fund	5,915,691
Municipal Court	17,028
Library Trust	136,990
Total cash and investments	\$ 23,963,175

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note C - Cash and Investments (continued)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Deposits in local banks and the Wisconsin Government Investment Pool (LGIP) are also insured by the State Deposit Guarantee Fund (“SDGF”) in the amount of \$400,000 per financial institution. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual Cities. Investments in the local government investment pool are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insured against losses arising from principal defaults on substantially all types of securities acquired by the pool. The bond provides unlimited coverage on principal losses, reduced by any FDIC, SDGF insurance, and income on the investment during the calendar quarter a loss occurs.

Money market investments may be withdrawn upon request.

The LGIP does not have a credit quality rating and is also not subject to credit risk disclosures because investments are not issued in securities form. It is part of the State Investment Fund (“SIF”) and is managed by the State of Wisconsin Investment Board. The LGIP 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 and carries investments at amortized cost for purposes of calculating income to participants. At December 31, 2019 the fair value of the City’s share of the LGIP’s assets was substantially equal to the amount as reported in these statements.

In accordance with certain contractual provisions, investment income associated with LGIP is assigned to the corresponding fund in which the assets are held. Participants in LGIP have the right to withdraw their funds in total on one day’s notice. The LGIP does not include any involuntary participants.

A separate financial report for SIF is prepared in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Copies of the report can be obtained from [HTTP://www.doa.state.wi.us/Division/Budget-and-Financial/LGIP](http://www.doa.state.wi.us/Division/Budget-and-Financial/LGIP).

The City has investments with Ameritrade consisting of municipal securities and certificates of deposit. Ameritrade has no minimum investment period, no short-term redemption fees and funds are available the next business day. The investments are SIPC insured. Ameritrade is governed by the U.S. Securities and Exchange Commission’s Rule 606. A separate financial report for Ameritrade is prepared annually and can be obtained from <http://tdameritrade.com/financial-statement#financial-statement>.

The City has adopted an investment policy which permits all investments allowed under the state statutes.

Custodial Risk

Custodial risk is the risk that, in the event of a financial institution failure, the City’s deposits may not be returned to the City. The City’s carrying value for cash and investments was \$23,963,175 at December 31, 2019 and the bank’s carrying value was \$20,633,119, of which \$2,747,112 was fully insured and \$14,838,318 was collateralized with securities held by the pledging financial institution, and \$3,047,690 was uninsured and uncollateralized.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note C - Cash and Investments (continued)

Credit Risk

The City has policies to minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in the policy resolution.
- The common council shall by resolution each year approve the public depositories within the City that are deemed appropriate for use under the state and federal law.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- Maintain balances with its banking financial institutions that do not exceed the combined amount FDIC insurance and State Deposit Guarantee Fund insurance, along with the amount of collateralized deposits per an agreement with its primary banking institution. However, deposits may temporarily exceed the insured and collateralized amounts during periods when property taxes are collected.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the maturity of any security in accordance with state statutes and structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Information regarding the exposure of the City's investments to this risk using the segmented time distribution model is as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>	
		<u>Less Than 1 Year</u>	<u>1-5 Years</u>
Ameritrade	\$ 200,239	\$ 200,239	\$ -
Municipal securities	1,685,674	748,970	936,704
Certificates of deposit	-		
Town Bank certificates of deposit	50,563	50,563	-
Fox River Bank certificates of deposit	20,290	20,290	-
Total	\$ 1,956,766	\$ 1,020,062	\$ 936,704

Custodial Risk

The City has policies to minimize custodial risk, which is the risk that in the event of a financial institution failure, the City's deposits may not be returned to it, by:

- Maintaining a list of financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services.
- All financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note C - Cash and Investments (continued)

Fair Value Measurements of Investments

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 assets and is described as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that a government can access at the measurement date.
- Level 2 Significant inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 Significant unobservable inputs for an asset or liability.

	Fair Value Measurement Using			
	Level 1	Level 2	Level 3	Total
Government agency securities	\$ 200,239	\$ -	\$ -	\$ 200,239

Note D - Receivables

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report deferred inflows of resources in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and deferred inflows of resources reported in the governmental funds were as follows:

	Unavailable	Unearned
Property and other taxes receivable	\$ -	\$ 8,327,432
Water utility property tax equivalent	-	463,582
Notes and accounts receivable	1,512,599	-
Total deferred / unearned revenue for governmental funds	\$ 1,512,599	\$ 8,791,014

The City has issued notes receivable which are due for the following purposes:

Purpose	Date of Issue	Interest Rate	Original Principal	Balance 12/31/2019
Environmental TIF Capital Projects	9/1/2010	7.00%	\$ 1,160,000	\$ 659,400
Revolving Loan	7/6/2010	2.00%	340,000	217,330
Revolving Loan	12/31/2011	2.00%	400,000	202,500
Revolving Loan	7/2/2013	0.00%	202,500	112,000
Revolving Loan	1/24/2013	1.625%	175,000	161,847
Revolving Loan	7/1/2016	1.75%	70,000	29,913
Revolving Loan	12/31/2017	1.75%	140,000	129,609
Total				\$ 1,512,599

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note E - Capital Assets

Governmental Activities

Governmental capital asset activity for the year ended December 31, 2019 was as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 24,089,365	\$ -	\$ -	\$ 24,089,365
Construction in progress	-	178,292	-	178,292
Total capital assets not being depreciated	<u>24,089,365</u>	<u>178,292</u>	<u>-</u>	<u>24,267,657</u>
Capital assets being depreciated:				
Building and improvements	10,129,231	-	-	10,129,231
Land improvements & structures	3,469,845	-	-	3,469,845
Machinery and equipment	8,224,419	365,128	184,304	8,405,243
Infrastructure	46,168,154	974,889	-	47,143,043
Total capital assets being depreciated	<u>67,991,649</u>	<u>1,340,017</u>	<u>184,304</u>	<u>69,147,362</u>
Less: accumulated depreciation	<u>(33,112,783)</u>	<u>(1,932,966)</u>	<u>(174,705)</u>	<u>(34,871,044)</u>
Net capital assets being depreciated	<u>34,878,866</u>	<u>\$ (592,949)</u>	<u>\$ 9,599</u>	<u>34,276,318</u>
Net governmental activities capital assets	<u>\$ 58,968,231</u>			<u>\$ 58,543,975</u>

Depreciation expense was charged to governmental activities of the City as follows:

General government	\$ 43,681
Public safety	305,992
Public works (includes depreciation of infrastructure)	1,216,682
Culture and recreation	366,611
Total governmental activities depreciation expense	<u>\$ 1,932,966</u>

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note E - Capital Assets (continued)

Business-type Activities

Capital asset activity in the business type activities for the year ended December 31, 2019 was as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Water Utility:				
Capital assets not being depreciated				
Land	\$ 260,027	\$ -	\$ -	\$ 260,027
Capital assets being depreciated				
Buildings and improvements	3,069,562	-	-	3,069,562
Machinery and equipment	4,082,301	47,181	13,287	4,116,195
Infrastructure	19,716,592	152,501	19,645	19,849,448
Total capital assets being depreciated	<u>26,868,455</u>	<u>199,682</u>	<u>32,932</u>	<u>27,035,205</u>
Total capital assets	<u>27,128,482</u>	<u>199,682</u>	<u>32,932</u>	<u>27,295,232</u>
Less: accumulated depreciation	<u>(9,132,489)</u>	<u>(696,207)</u>	<u>(26,721)</u>	<u>(9,801,975)</u>
Capital assets net of depreciation	<u>\$ 17,995,993</u>	<u>\$ (496,525)</u>	<u>\$ 6,211</u>	<u>\$ 17,493,257</u>
	Balance Beginning	Additions	Deletions	Balance Ending
Sewer Utility:				
Capital assets not being depreciated				
Land	\$ 778,671	\$ -	\$ -	\$ 778,671
Capital assets being depreciated				
Buildings and system	27,156,174	-	-	27,156,174
Machinery and equipment	7,072,950	81,587	-	7,154,537
Infrastructure	17,077,962	244,878	122,439	17,200,401
Total capital assets being depreciated	<u>51,307,086</u>	<u>326,465</u>	<u>122,439</u>	<u>51,511,112</u>
Total capital assets	<u>52,085,757</u>	<u>326,465</u>	<u>122,439</u>	<u>52,289,783</u>
Less: accumulated depreciation	<u>(28,308,722)</u>	<u>(1,646,259)</u>	<u>(122,439)</u>	<u>(29,832,542)</u>
Sewer capital assets net of depreciation	<u>\$ 23,777,035</u>	<u>\$ (1,319,794)</u>	<u>\$ -</u>	<u>\$ 22,457,241</u>

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note E - Capital Assets (continued)

Business-type Activities (continued)

	Balance Beginning	Additions	Deletions	Balance Ending
Airport:				
Capital assets not being depreciated				
Land	\$ 125,634	\$ -	\$ -	\$ 125,634
Total capital assets not being depreciated	<u>125,634</u>	<u>-</u>	<u>-</u>	<u>125,634</u>
Capital assets being depreciated:				
Buildings	627,810	-	-	627,810
Land improvements	2,054,267	-	-	2,054,267
Machinery and equipment	301,350	-	-	301,350
Total capital assets being depreciated	<u>2,983,427</u>	<u>-</u>	<u>-</u>	<u>2,983,427</u>
Total capital assets	<u>3,109,061</u>	<u>-</u>	<u>-</u>	<u>3,109,061</u>
Less: accumulated depreciation	<u>(1,634,614)</u>	<u>(82,572)</u>	<u>-</u>	<u>(1,717,186)</u>
Airport capital assets net of depreciation	<u>\$ 1,474,447</u>	<u>\$ (82,572)</u>	<u>\$ -</u>	<u>\$ 1,391,875</u>

Depreciation expense was charged to business-type activities of the City as follows:

Water Utility	\$ 696,207
Sewer Utility	1,646,529
Airport	82,572
Total business-type activities depreciation expense	<u>\$ 2,425,308</u>

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note E - Capital Assets (continued)

Discretely Presented Component Unit

Capital asset activity for the Housing Authority of the City of Burlington for the year ended August 31, 2019 follows:

Governmental Activities:	Balance Beginning	Additions	Deletions	Balance Ending
Capital assets not being depreciated				
Land	\$ 87,236	\$ -	\$ -	\$ 87,236
Total capital assets not being depreciated	87,236	-	-	87,236
Capital assets being depreciated:				
Buildings and improvements	3,699,104	8,300	(26,670)	3,680,734
Furniture and equipment	222,957	27,490	-	250,447
Landscaping	262,238	3,800	-	266,038
Total capital assets being depreciated	4,184,299	39,590	(26,670)	4,197,219
Less: accumulated depreciation	(2,083,415)	(127,945)	18,411	(2,192,949)
Net capital assets being depreciated	2,100,884	(88,355)	(8,259)	2,004,270
Net governmental activities capital assets	\$ 2,188,120	\$ (88,355)	\$ (8,259)	\$ 2,091,506

Accumulated depreciation by capital asset category for the housing authority is not available.

Note F – Inter-fund Receivables, Payables and Transfers

The following is a schedule of inter-fund receivables and payables at December 31, 2019:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water Utility (tax equivalent)	\$ 463,582

Advances to and from other funds consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Infrastructure Capital Projects	\$ 1,035,282

The City is establishing a five-year financing plan that is expected to include settling the General Fund advance to the Infrastructure Fund by a combination of budgetary allotments and borrowed money.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note F – Inter-fund Receivables, Payables and Transfers (continued)

Inter-fund transfers consist of the following:

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>
General fund	Revolving capital projects	\$ 400,000
General fund	Façade grants	20,000
General fund	Library operations	417,665
General fund	Park development	30,000
General fund	General debt service	102,896
DeRozier fund	General fund	28,809
Wehmhoff fund	Park development	19,991
Revolving capital projects	Capital projects infrastructure	450,000
Water fund - tax equivalent	General fund	438,886
Airport	General fund	25,000
		<u>\$ 1,933,247</u>

Note G - Long-Term Obligations

Outstanding debt and other long-term obligations were comprised of the following at December 31, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities</u>					
General obligation debt	\$ 20,915,000	\$ 922,061	\$ 2,925,000	\$ 18,912,061	\$ 3,167,939
County Radio	-	107,158	13,395	93,763	13,395
Compensated absences	229,643	6,272	-	235,915	-
Total governmental activities	<u>21,144,643</u>	<u>1,035,491</u>	<u>2,938,395</u>	<u>19,241,739</u>	<u>3,181,334</u>
<u>Business-Type Activities</u>					
General obligation debt	1,660,000	1,937,939	90,000	3,507,939	97,061
Revenue bonds	13,373,348	117,367	1,019,207	12,471,508	1,051,694
Compensated absences	56,991	-	-	56,991	-
Total business-type activities	<u>15,090,339</u>	<u>2,055,306</u>	<u>1,109,207</u>	<u>16,036,438</u>	<u>1,148,755</u>
<u>Other Long-Term Obligations</u>					
Leases payable	885,965	-	70,083	815,882	71,997
Total Long-Term Obligations	<u>\$ 37,120,947</u>	<u>\$ 3,090,797</u>	<u>\$ 4,117,685</u>	<u>\$ 36,094,059</u>	<u>\$ 4,402,086</u>

General Obligation Debt

General obligation notes and bonds payable are backed by the full faith and credit of the City. Governmental funds general obligation debt will be retired by future property tax levies and tax increments accumulated in the Debt Service Fund. Business-type activities general obligation debt will be retired by revenues from user fees or, if the revenues are not sufficient to cover debt, by future tax levies.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note G - Long-Term Obligations (continued)

General obligation debt of the City currently outstanding is as follows:

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Principal	Balance 12/31/2019
2011 Refunding bonds	11/15/11	04/01/20	2.0% - 3.0%	\$9,120,000	\$ 1,145,000
2012A Street bonds	05/23/12	04/01/32	2.0% - 2.8%	3,155,000	2,790,000
2012B Refunding bonds	06/12/12	04/01/32	2.0% - 3.0%	1,460,000	270,000
2014A Refunding bonds	06/10/14	05/01/30	0.4% - 3.2%	4,539,000	2,935,000
2015B Promissory notes	05/13/15	04/01/22	0.7% - 2.25%	4,500,000	2,350,000
2015 Bank Note	12/02/15	04/01/22	2.25% - 3.25%	300,000	180,000
2017A Refunding bonds	05/25/17	04/01/37	2.0% - 3.375%	7,715,000	7,110,000
2017D Promissory notes	12/06/17	04/01/27	2.0% - 3.0%	1,495,000	1,210,000
2019A Refunding bonds	05/30/19	04/01/39	3%	922,061	922,061
County radio finance	07/01/17	07/01/26	2%	136,627	93,763
Total general obligation debt - governmental activities					19,005,824
Business-Type Activities					
2014A Refunding bonds	06/10/14	05/01/30	0.4% - 3.2%	1,661,000	1,345,000
2017A Refunding bonds	05/25/17	04/01/37	2.0% - 3.375%	275,000	225,000
2019A Refunding bonds	05/30/19	04/01/39	3%	362,939	362,939
2019 Bonds	05/30/19	05/01/39	3.0% - 4.0%	1,575,000	1,575,000
Total general obligation debt - business-type activities					3,507,939
Total general obligation debt					\$ 22,513,763

The annual debt service requirements to maturity for general obligation long term debt as of December 31, 2019, are as follows:

Year Ending December 31,	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2020	\$ 3,181,334	\$ 455,041	\$ 97,061	\$ 105,439
2021	1,938,624	392,110	144,771	99,540
2022	1,941,333	351,538	167,061	96,242
2023	1,084,921	318,677	223,473	91,307
2024	1,116,334	293,080	222,061	85,069
2025-2029	5,157,706	1,043,315	1,254,084	312,017
2030-2034	3,316,145	405,271	723,855	147,357
2035-2039	1,269,427	72,475	675,573	52,057
	\$ 19,005,824	\$ 3,331,507	\$ 3,507,939	\$ 989,028

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note G - Long-Term Obligations (continued)

Revenue Bonds

Revenue bonds are pledged by the assets and revenues of the issuing utility. Revenue bond debt outstanding at December 31, 2019 is as follows:

Business-type Activities	Date of Issue	Final Maturity	Interest Rates	Original Principal	Balance 12/31/2019
2008 CWF bonds (1)	7/23/2008	5/1/2028	2.569%	\$ 4,465,837	\$ 2,310,852
2008 CWF bonds (2)	2/27/2008	5/1/2027	2.365%	926,948	440,853
2011 refunding bonds	11/15/2011	4/1/2020	2.0% - 3.5%	2,050,000	650,000
2012 CWF sewer bonds	10/10/2012	5/1/2032	2.625%	7,439,911	5,478,559
2012 CWF water bonds	2/22/2012	5/1/2031	2.20%	2,044,276	1,348,060
2017 Sewer revenue bonds	5/25/2017	11/1/2037	1.3% - 4.0%	1,610,000	1,480,000
2017 Water revenue bonds	6/28/2017	5/1/2037	1.870%	615,145	763,185
Total Business-Type Activity Revenue Debt					\$ 12,471,509

Debt service requirements to maturity for revenue bond debt as of December 31, 2019, are as follows:

Year Ending December 31,	Business-type Activities Revenue Bonds	
	Principal	Interest
2020	\$ 1,051,694	\$ 310,727
2021	1,081,126	282,941
2022	1,111,048	253,900
2023	906,471	227,813
2024	927,408	205,019
2025-2029	4,595,470	664,477
2030-2034	2,347,789	187,005
2035-2039	450,503	22,490
	\$ 12,471,509	\$ 2,154,372

Lease purchase agreements

Annual debt service requirements to maturity of lease purchase agreements are as follows:

Year Ending December 31,	Lease agreements	
	Principal	Interest
2020	\$ 71,997	\$ 21,319
2021	73,764	19,352
2022	75,984	17,332
2023	78,060	15,256
2024	80,192	13,124
2025-2029	435,685	31,538
	\$ 815,682	\$ 117,921

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note G - Long-Term Obligations (continued)

Debt Premiums

Debt premiums are deferred and amortized using the straight-line method over the life of the debt issue in the government-wide statements. The unamortized debt premiums are reported in the liability section.

Activity for the year ended December 31, 2019 is summarized as follows:

	<u>Balance</u> <u>1/1/2019</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance</u> <u>12/31/2019</u>
Governmental activities	\$ -	\$ 31,554	\$ (1,183)	\$ 30,371

Compensated Absences

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.

Margin of Indebtedness

The Wisconsin Statutes restrict the City's general obligation debt to 5% of the equalized value of all property in the City. This amount is compared below with the outstanding debt on December 31, 2019.

Equalized Value - 2019	\$ 972,118,600
Debt limit (5% of \$962,118,600)	48,605,930
Deduct general obligation debt	<u>22,513,763</u>
Margin of indebtedness	<u>\$ 26,092,167</u>

In June, 2020, the City Council approved the issuance and sale of \$940,000 general obligation promissory notes. The debt was issued on June 25, 2020. The proceeds from issuance will be used for street improvements, water system improvements and to repair the City siren. The loan matures on April 1, 2030, at interest rates between 0.5% and 1.4%.

Note H - Risk Management

The City has purchased commercial insurance policies for various risks of loss related to litigation, theft, damage or destruction of assets, errors or omissions, injuries to employees, or natural disasters. Payments of premiums for these policies are recorded as expenditures or expenses in the various funds of the City.

The City is also exposed to various risks of loss related to medical claims. The City's risk management fund (an internal service fund) is used to account for and finance its uninsured health risks of loss. Under this program the risk management fund provides coverage for up to a maximum of \$50,000 for each individual's total claims with group claims limited to 125% of expected claims. The City purchases commercial insurance for health claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial insurance coverage since inception of the fund.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note H - Risk Management (continued)

All funds of the City participate in the health program and are charged amounts needed to pay prior and current year claims and to establish a reserve for future insurance costs. That reserve had a deficit balance of \$105,278 at December 31, 2019 and is reported as the internal service fund net position. The deficit balance is expected to be eliminated by future year interdepartmental charges. The accounts payable of \$142,431 reported in the fund at December 31, 2019 is based on the amount of the loss that can be reasonably estimated at year end.

Changes in the fund's reported liability amount for the year ended December 31, 2019 is as follows:

<u>Beginning of Year Liability</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>End of Year Liability</u>
\$ 110,434	\$ 1,578,949	\$ 1,546,952	\$ 142,431

Note I – Net Position and Fund Balances

Government-wide Financial Statement Net Position

Governmental Activities

Governmental net position at December 31, 2019 consists of the following:

Net Investment in Capital Assets:

Land	\$24,089,365	
Construction in process	178,292	
Other capital assets, net of accumulated depreciation	34,276,318	
Less: Related long-term debt	(19,821,706)	
Less: Unamortized debt premium	(31,423)	
	\$ 38,690,846	

Restricted for:

General debt service	49,111	
Environmental remediation	1,964,459	
Revolving loan	228,037	
Revolving loan	61,323	
DeRozier Funds - Senior Center	28,809	
Police K-9	51,700	
Police Safety Town	2,782	
TIF #5	51,111	
TIF #3 Debt service	1,162,174	
	3,599,506	

Unrestricted

		3,937,182
Total Government-wide net position		\$ 46,227,534

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note I – Net Position and Fund Balances (continued)

Government-wide Financial Statement Net Position (continued)

Business-type Activities:

Net Investment in Capital Assets:

Land	\$ 1,164,332	
Other capital assets, net of accumulated depreciation	40,178,041	
Less: Related long-term debt	(15,979,447)	
Less: Unamortized debt premium	<u>(67,672)</u>	
		\$ 25,295,254
Restricted for bond reserve		430,912
Unrestricted		<u>6,842,639</u>
Total Business-type Activities Net Position		<u><u>\$ 32,568,805</u></u>

Governmental Fund Financial Statements

Governmental fund balances consist of the following:

Nonspendable:

Prepayments	\$ 62,972	
Advances to other funds	<u>1,035,282</u>	
		\$ 1,098,254

Restricted:

General debt	49,111	
Environmental remediation	1,964,459	
Revolving loan	228,037	
TIF #3 revolving loan	61,323	
DeRozer Funds - Senior Center	28,809	
Police K-9	51,700	
Police Safety Town	2,782	
TIF #5	51,111	
TIF #3 debt service	<u>1,162,174</u>	
		3,599,506

Assigned:

Library operations	87,294	
General capital projects	495,769	
Revolving capital projects	995,107	
Façade grants	<u>31,635</u>	
		1,609,805

Unassigned:

General infrastructure capital projects	(653,942)	
General fund	<u>2,178,787</u>	
		<u>1,538,513</u>

Total governmental funds - fund balance		<u><u>\$ 7,846,078</u></u>
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CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note J - WRS Pension Plan

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 Comprehensive Annual Financial Report (“CAFR”) which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

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

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

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

The WRS also provides death and disability benefits for employees.

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.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note J - WRS Pension Plan (continued)

Post-Retirement Adjustments (continued)

The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

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

During the reporting period, the WRS recognized \$389,096 in contributions from the employer.

Contribution rates as of December 31, 2019 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives, and elected officials)	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

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

At December 31, 2019, the City reported a liability of \$1,330,833 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.03740726%, which was an increase of 0.00064849% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$907,778.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note J - WRS Pension Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At December 31, 2019, the City of Burlington 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	\$ 1,036,516	\$ 1,832,189
Net differences between projected and actual earnings on pension plan investments	1,943,590	-
Changes in assumptions	224,328	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,333	4,155
Employer contributions subsequent to the measurement date	403,983	-
	\$3,625,750	\$ 1,836,344

The amount of \$403,983 reported as deferred outflows related to pension resulting from the City of Burlington'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, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflow of Resources	Deferred Inflow of Resources
2020	\$ 1,890,116	\$ 1,385,262
2021	1,246,533	1,116,611
2022	1,218,744	999,685
2023	883,805	352,217

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note J - WRS Pension Plan (continued)

Actuarial assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.00%
Discount Rate:	7.00%
Salary Increases:	
Inflation	3.00%
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. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note J - WRS Pension Plan (continued)

Long-term Expected Return on Plan Assets (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns			
As of December 31, 2018			
<u>Core Fund Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term</u> <u>Expected Nominal</u> <u>Rate of Return %</u>	<u>Long-Term</u> <u>Expected Real</u> <u>Rate of Return %</u>
	%		
Global Equities	49	8.1	5.5
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4
New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%			
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations			

Single Discount rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% from the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note J - WRS Pension Plan (continued)

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) 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)	\$ 5,288,869	\$ 1,330,833	\$ (1,612,274)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

Payable to the pension plan. At December 31, 2019 the City reported a payable of \$67,630 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

Note K – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)

Summary of Significant Accounting Policies

Other Post-Employment Benefits (“OPEB”). 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 LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Other Post-Employment Benefits

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.

OPEB Plan Fiduciary Net Position. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

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.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note K – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)-(continued)

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 contributions 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 as of June 30, 2019 are:

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

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are as listed below:

Life Insurance Employee Contribution Rates* For the year ended December 31, 2018		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$1,673 in contributions from the employer.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note K – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)-(continued)

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

At June 30, 2019, the City reported a liability of \$224,118 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. 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 2018, the City’s proportion was 0.08685600%, which was a decrease of 0.00805300% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$17,634.

At December 31, 2019, the City’s reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 11,369
Net differences between projected and actual earnings on OPEB plan investments	5,356	-
Changes in assumptions	21,384	48,580
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,211	18,879
Employer contributions subsequent to measurement date	1,779	-
	\$ 29,730	\$ 78,828

The amount of \$1,779 reported as deferred outflows related to OPEB resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020.

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

Year Ended December 31,	Deferred Outflow of Resources	Deferred Inflow of Resources
2020	\$ 5,613	\$ 12,875
2021	5,613	12,875
2022	5,613	12,875
2023	4,861	40,203
2024	6,251	-

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note K – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)-(continued)

Actuarial assumptions. The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
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. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The total OPEB liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note K – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)-(continued)

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, 2018

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

Single Discount rate. A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. 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.

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 4.22 percent, 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 (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	<u>1% Decrease to Discount Rate (3.22%)</u>	<u>Current Discount Rate (4.22%)</u>	<u>1% Increase to Discount Rate (5.22%)</u>
City's proportionate share of the OPEB liability	\$ 318,822	\$ 224,118	\$ 151,075

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

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note L - Tax Incremental Financing Districts

The City created the tax incremental financing District No. 5 under the provisions of Wisconsin Statute Section 66.1105 as a “Mixed Use District”. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area that the property taxes generated on the increased value of property after the creation date of the district. That tax on the increased value is referred to as a tax increment.

Summary information on TIF District No. 5 follows:

	<u>Creation Date</u>	<u>End of Statutory Construction Period</u>	<u>Maximum Statutory Life of District</u>
TIF No. 5	12/2/2014	10/1/2017	10/1/2022

The following summarizes the transactions to date of TIF District No. 5.

<u>Project Costs</u>	<u>Year Ended</u>	<u>From Date of Creation</u>
Accumulated project expenditures (including interest costs)	\$ 63,183	\$ 5,290,611
 <u>Less: Project Revenues</u>		
Tax increments	201,700	720,898
Intergovernmental revenues	317	45,317
Developer reimbursements	643,000	2,017,398
Investment income	12,107	28,109
Total Project Revenues	<u>857,124</u>	<u>2,811,722</u>
 Net Costs Recoverable (Recovered) Through TIF Increments - December 31, 2019		
	<u>\$ (793,941)</u>	<u>\$ 2,478,889</u>

Note M - Litigation and Contingencies

The City attorney and City management are unaware of any pending or threatened litigation against the City that would have a material effect on the financial statements.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note N - Subsequent Events

Management has evaluated the need for disclosure or recording of transactions resulting from subsequent events through September 9, 2020 the date the financial statements were available to be issued; and concluded the following matters required disclosure:

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact net position. Other financial impact could occur through such potential impact is unknown at this time.

Subsequent to year-end, the City issued \$940,000 in General Obligation Notes. See footnote G for additional information.

Note O – Franchise Fees

The City entered into an agreement with U.S. Cellular in May, 2007 for a five-year term beginning May 2, 2007 and through May 1, 2021. The agreement has an option to renew for four additional five-year terms. The contract is in the second renewal phase. Fee income under this agreement for the year ended December 31, 2019 was \$28,539.

The City entered into an agreement with Verizon Wireless in December 2001 for a five-year term beginning January 1, 2001 and through December 31, 2006. The agreement has an option to renew for four additional five-year terms. There have been two separate amendments to the agreement for additional space and service. The agreement is in the third renewal phase. Fee income under this agreement for the year ended December 31, 2019 was \$29,604.

The City also received revenue from Charter Communications for cable television franchise fees. Charter pays five percent of its gross income from cable revenue earned in the City. In 2019, the City received approximately \$115,782 from Charter Communications for cable revenue.

Future minimum lease payments receivable in conjunction with the leases noted above are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 59,804
2021	61,693
2022	32,105
Total	<u><u>\$ 153,602</u></u>

Note P - Housing Authority Component Unit

The Housing Authority of the City of Burlington (the “Housing Authority”) is a component unit of the City. The fiscal year end of the Housing Authority is August 31, 2019. The following is a summary of significant disclosures of the Housing Authority.

Summary of Significant Accounting Policies

The Housing Authority was formed under the applicable sections of the Wisconsin Statutes to provide an economically designed and constructed low-rent housing facility for senior citizens in the City of Burlington. The Housing Authority is governed by a five-member board of commissioners appointed by the City’s mayor.

The Housing Authority uses the accrual basis of accounting.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2019
 (Continued)

Note P - Housing Authority Component Unit (continued)

Property and equipment are stated at cost. Depreciation is provided on the straight line method over the estimated useful lives of the assets.

Cash and Investments

The Housing Authority's cash and investments consist of deposits at local banks. At August 31, 2019, the Housing Authority's deposits totaled \$229,654. The carrying value of those deposits on the Housing Authority's financial statements was \$267,317. All of the Housing Authority's deposits at August 31, 2019 were covered by FDIC insurance.

Restricted Cash

The Housing Authority is required to maintain separate restricted accounts for debt service, security deposits, and capital improvements and replacements. Restricted cash at August 31, 2019 consisted of the following:

Reserve account	\$ 187,517
Security deposits	36,866
Total Restricted Assets	\$ 224,383

Long-term Debt

The Housing Authority's long-term debt as of August 31, 2018 consisted of the following:

1977 USDA Rural Development loan. This loan was reamortized on July 1, 2014 at a stated interest rate of 3.625%, however, a Rural Development interest subsidy reduces the rate paid to 1%. The loan has been deferred for 20 years and will be due for refinancing on July 1, 2034. \$ 422,323

1984 USDA Rural Development loan. This loan was reamortized on July 1, 2014 at a stated interest rate of 3.625%, however, a Rural Development interest subsidy reduces the rate paid to 1.0%. The loan has been deferred for 20 years and will be due for refinancing on July 1, 2034. 333,867

2014 USDA Rural Development loan. This loan was authorized on July 10, 2014 for \$1,475,978 with principal payments to commence September 2015. Interest is not charged on the loan. Monthly principal payments for the loan will be \$2,464 based on a 50 year amortization. The loan requires HA to maintain a reserve account. Transfers not less than agreed upon schedule shall be made annually until the amount in the reserve account reaches the sum of \$350,000. By 6/30/18, the reserve account should have a minimum balance of \$28,788. 1,360,167

Total Notes Payable	2,116,357
Add: Deferred interest payable	67,826
Add: Net pension liability	11,070
Less: Current maturities	(29,568)
Total Long-term Debt	\$ 2,165,685

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note P - Housing Authority Component Unit (continued)

Interest payments of the scheduled payments below are reported at the subsidized rate of 1%.

Annual principal and interest payments to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 29,568	\$ -
2021	29,568	-
2022	29,568	-
2023	29,568	-
2024	29,568	-
2025 - 2029	147,840	-
2030 - 2034	919,228	140,688
2035 - 2039	147,840	-
2040 - 2044	147,840	-
2045 - 2049	147,840	-
2050 - 2054	147,840	-
2055 - 2059	147,840	-
2060 - 2064	147,840	-
2065 - 2069	14,409	-
	<u>\$ 2,116,357</u>	<u>\$ 140,688</u>

* The 1977 and 1984 USDA Rural Development loans are due for refinancing on July 1, 2034 including accrued interest of \$140,688.

Note Q – Restatement of Net Position

Adjustment Due to Change in Accounting Principle

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement modified requirements for the accounting and financial statement reporting for postemployment benefits. The City participates in the Local Retiree Life Insurance fund, which is a multi-employer defined benefit OPEB plan. Due to the application of GASB Statement No. 75, a prior period adjustment was recorded.

The net effect of this change in net position is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Net position as of December 31, 2018	\$ 46,678,336	\$ 33,012,498
Adjustment due to change in accounting principle	(214,906)	(42,348)
Net position as of December 31, 2018, as adjusted	<u>\$ 46,463,430</u>	<u>\$ 32,970,150</u>

Adjustments Due to Correction of Errors

Prior period adjustments were made to decrease the net position of the Governmental Activities and Business-type Activities due to a misstatement in the accumulated effects of allocation of the self-insured health insurance fund.

A prior period adjustment was made to bring the liability for the County-wide radio system loan into the government-wide statements.

CITY OF BURLINGTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019
(Continued)

Note Q – Restatement of Net Position (continued)

A prior period adjustment was made to remove the liability for special assessments which were paid in full in the prior year.

The net effect of these changes in net position are as follows:

	Governmental Activities	Business-type Activities
Net position, as adjusted for change in accounting principle	\$ 46,463,430	\$ 32,970,150
Adjustments to correct self-insurance allocations	(941,588)	(796,423)
Adjustment to add County-wide radio liability	(107,158)	-
Adjustment to remove special assessments previously paid	48,314	-
Change in net position as of December 31, 2018, as restated	\$ 45,462,998	\$ 32,173,727

Note R – Effect of New Accounting Standards on Financial Statements

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

- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest-cost Incurred Before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

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

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF BURLINGTON
GENERAL FUND
SCHEDULES OF REVENUES - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>TAXES</u>				
General property taxes	\$ 5,867,394	\$ 5,867,394	\$ 6,685,061	\$ 817,667
Payments in lieu of taxes	50,000	50,000	36,944	(13,056)
Room tax	158,000	158,000	126,889	(31,111)
Interest on personal property taxes	200	200	971	771
Ag use-value penalties	-	-	1,190	1,190
TOTAL TAXES	<u>6,075,594</u>	<u>6,075,594</u>	<u>6,851,055</u>	<u>775,461</u>
<u>SPECIAL ASSESSMENTS</u>				
Sidewalks and all other	15,000	15,000	4,492	(10,508)
<u>INTERGOVERNMENTAL</u>				
Shared taxes from state	737,475	737,475	783,958	46,483
Fire insurance from state	39,000	39,000	43,240	4,240
Exempt computer aid	26,000	26,000	41,866	15,866
State aid for police training	-	-	19,514	19,514
Safety aid	4,000	4,000	893	(3,107)
General transportation aid	555,534	555,534	555,279	(255)
Connecting streets	2,854	2,854	2,854	-
Clean sweep	15,000	15,000	15,635	635
Recycling grants	30,000	30,000	30,210	210
Municipal services	1,450	1,450	1,560	110
DNR aid in lieu of tax	700	700	-	(700)
Miscellaneous grants	2,900	2,900	46,140	43,240
TOTAL INTERGOVERNMENTAL	<u>1,414,913</u>	<u>1,414,913</u>	<u>1,541,149</u>	<u>126,236</u>
<u>LICENSES AND PERMITS</u>				
Business and occupational licenses	48,810	48,810	43,245	(5,565)
Weights and measures	7,025	7,025	6,915	(110)
Wisconsin cable TV licenses	144,000	144,000	139,324	(4,676)
Cell tower permit	60,000	60,000	59,942	(58)
Building and electrical permits	172,000	172,000	199,159	27,159
Right of way and zoning permits	10,000	10,000	13,825	3,825
Developer reimbursement	-	-	-	-
TOTAL LICENSES AND PERMITS	<u>441,835</u>	<u>441,835</u>	<u>462,410</u>	<u>20,575</u>
<u>FINES AND FORFEITURES</u>				
Court penalty costs	100,000	100,000	194,939	94,939
Parking violations	38,000	38,000	34,737	(3,263)
TOTAL FINES AND FORFEITURES	<u>\$ 138,000</u>	<u>\$ 138,000</u>	<u>\$ 229,676</u>	<u>\$ 91,676</u>

**CITY OF BURLINGTON
GENERAL FUND
SCHEDULES OF REVENUES - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>CHARGES FOR SERVICES</u>				
Clerk's revenue	\$ 11,000	\$ 11,000	\$ 10,710	\$ (290)
Police department	13,000	13,000	10,396	(2,604)
Fire department	23,600	23,600	12,510	(11,090)
Other public safety	5,000	5,000	648	(4,352)
Street department	4,000	4,000	837	(3,163)
Parking lots, ramps, and meters	350	350	315	(35)
Zoning and developer fees	25,000	25,000	69,543	44,543
Parks fees	8,000	8,000	7,364	(636)
TOTAL CHARGES FOR SERVICES	<u>89,950</u>	<u>89,950</u>	<u>112,323</u>	<u>22,373</u>
<u>INTEREST</u>				
Interest earnings	25,000	25,000	158,345	133,345
Interest on special assessments	2,500	2,500	-	(2,500)
TOTAL INTEREST	<u>27,500</u>	<u>27,500</u>	<u>158,345</u>	<u>130,845</u>
<u>OTHER</u>				
Insurance recoveries	10,000	10,000	25,694	15,694
Police donations	-	-	70	70
All other	302,500	302,500	6,206	(296,294)
TOTAL OTHER	<u>312,500</u>	<u>312,500</u>	<u>31,970</u>	<u>(280,530)</u>
TOTAL REVENUES	<u>\$ 8,515,292</u>	<u>\$ 8,515,292</u>	<u>\$ 9,391,420</u>	<u>\$ 876,128</u>

**CITY OF BURLINGTON
GENERAL FUND
SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>GENERAL GOVERNMENT</u>				
Mayor and City Council	\$ 69,300	\$ 69,300	\$ 49,491	\$ 19,809
Municipal court	92,877	92,877	64,363	28,514
City attorney	145,000	145,000	103,616	41,384
Administration	534,640	534,640	556,260	(21,620)
City clerk	69,230	69,230	69,541	(311)
Elections	24,159	24,159	11,823	12,336
Finance - treasurer	203,397	203,397	241,755	(38,358)
Assessor and board of review	43,100	43,100	42,907	193
Insurance	202,915	202,915	247,402	(44,487)
Town annexation revenue sharing	350	350	524	(174)
TOTAL GENERAL GOVERNMENT	<u>1,384,968</u>	<u>1,384,968</u>	<u>1,387,682</u>	<u>(2,714)</u>
<u>PUBLIC SAFETY</u>				
Police department	3,211,827	3,211,827	3,015,618	196,209
Fire department	1,094,797	1,094,797	1,042,836	51,961
Building inspector	176,228	176,228	129,383	46,845
TOTAL PUBLIC SAFETY	<u>4,482,852</u>	<u>4,482,852</u>	<u>4,187,837</u>	<u>295,015</u>
<u>PUBLIC WORKS</u>				
Street administration and maintenance	1,090,389	1,090,389	876,115	214,274
Street lighting	270,000	270,000	268,643	1,357
Sidewalks, curb, and gutters	35,000	35,000	14,357	20,643
Storm sewers	8,500	8,500	4,107	4,393
Parking structure	21,000	21,000	8,034	12,966
Garbage collection	396,215	396,215	415,692	(19,477)
Recycling	156,144	156,144	145,951	10,193
Landfill	27,000	27,000	30,539	(3,539)
Clean sweep	25,000	25,000	17,240	7,760
TOTAL PUBLIC WORKS	<u>2,029,248</u>	<u>2,029,248</u>	<u>1,780,678</u>	<u>248,570</u>
<u>HEALTH AND HUMAN SERVICES</u>				
Health officer	78,650	78,650	78,650	-
Animal shelter	8,650	8,650	6,845	1,805
Senior citizens	5,000	5,000	542	4,458
Cemetery	6,500	6,500	6,253	247
TOTAL HEALTH AND HUMAN SERVICES	<u>\$ 98,800</u>	<u>\$ 98,800</u>	<u>\$ 92,290</u>	<u>\$ 6,510</u>

**CITY OF BURLINGTON
GENERAL FUND
SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>CULTURE, RECREATION, AND EDUCATION</u>				
Historical society	\$ 2,000	\$ 2,000	\$ 1,000	\$ 1,000
Parks	518,616	518,616	500,199	18,417
Celebrations and festivals	20,000	20,000	17,476	2,524
Recreation facilities	-	-	1,563	(1,563)
TOTAL CULTURE, RECREATION, AND EDUCATION	<u>540,616</u>	<u>540,616</u>	<u>520,238</u>	<u>20,378</u>
<u>CONSERVATION AND DEVELOPMENT</u>				
Economic development	200,000	200,000	148,833	51,167
Plan commission	78,800	78,800	123,821	(45,021)
Other conservation and development	46,000	46,000	16,507	29,493
TOTAL CONSERVATION AND DEVELOPMENT	<u>324,800</u>	<u>324,800</u>	<u>289,161</u>	<u>35,639</u>
TOTAL EXPENDITURES	<u>\$ 8,861,284</u>	<u>\$ 8,861,284</u>	<u>\$ 8,257,886</u>	<u>\$ 603,398</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Reimbursement of prior year costs	-	-	134,439	134,439
Transfers in	25,000	25,000	53,809	28,809
Transfers in - tax equivalent	480,000	480,000	438,886	(41,114)
Transfers out	(1,802,165)	(1,802,165)	(970,561)	831,604
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,297,165)</u>	<u>(1,297,165)</u>	<u>(343,427)</u>	<u>953,738</u>
CHANGES IN FUND BALANCES	(1,643,157)	(1,643,157)	790,107	<u>\$ 853,050</u>
FUND BALANCES - BEGINNING OF YEAR	<u>2,529,411</u>	<u>2,529,411</u>	<u>2,529,411</u>	
FUND BALANCES - END OF YEAR	<u>\$ 886,254</u>	<u>\$ 886,254</u>	<u>\$ 3,319,518</u>	

**CITY OF BURLINGTON
DECEMBER 31, 2019**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Wisconsin Retirement System
Last 10 Fiscal Years***

WRS Year End	Proportion of the net pension (asset) liability	Proportionate share of the net pension (asset) liability	Covered-employee payroll	Net pension (asset) liability as a percentage of employee payroll	Plan fiduciary net position as a percentage of total pension (asset) liability
2018	0.03740726%	\$ 1,330,833	\$ 4,420,807	30.10%	96.45%
2017	0.03675877%	\$ (1,091,411)	\$ 4,471,203	(24.41%)	102.93%
2016	0.03654138%	\$ 301,188	\$ 4,325,346	6.96%	99.12%
2015	0.03723434%	\$ 605,052	\$ 4,234,746	14.29%	98.20%
2014	0.03809625%	\$ (935,748)	\$ 4,351,295	(21.51%)	102.74%

**SCHEDULE OF CONTRIBUTIONS
Wisconsin Retirement System
Last 10 Fiscal Years***

WRS Year End	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered-employee payroll
2018	\$ 389,096	\$ 389,096	\$ -	\$ 4,420,807	8.80%
2017	\$ 386,927	\$ 386,927	\$ -	\$ 4,471,203	8.65%
2016	\$ 343,934	\$ 343,934	\$ -	\$ 4,325,346	7.95%
2015	\$ 346,167	\$ 346,167	\$ -	\$ 4,234,746	8.17%
2014	\$ 369,564	\$ 369,564	\$ -	\$ 4,351,295	8.49%

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

*GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented for this schedule.

**CITY OF BURLINGTON
DECEMBER 31, 2019**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Local Retiree Life Insurance
Last 10 Fiscal Years***

Year End	Proportion of the net OPEB (asset) liability	Proportionate share of the net OPEB (asset) liability	Covered-employee payroll	Net OPEB (asset) liability as a percentage of employee payroll	Plan fiduciary net position as a percentage of total OPEB (asset) liability
2018	0.08685600%	\$ 224,118	\$ 4,126,000	5.43%	48.69%
2017	0.09490900%	\$ 285,541	\$ 3,991,195	7.15%	44.81%

**SCHEDULE OF CITY CONTRIBUTIONS
Local Retiree Life Insurance
Last 10 Fiscal Years***

Year End	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	covered-employee payroll	Contributions as a percentage of covered-employee payroll
2018	\$ 1,673	\$ 1,673	\$ -	\$ 4,126,000	0.04%
2017	\$ 1,802	\$ 1,802	\$ -	\$ 3,991,195	0.05%

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

*GASB Pronouncement 75 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented for this schedule.

CITY OF BURLINGTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

Note 1. Budgetary Information

The City reviews and adopts its annual budget by December or earlier of the preceding year. The budgetary information included in the accompanying financial statements is comprised of the originally approved budget plus or minus approved revisions of budgeted revenues and expenditures. These budgets are adopted on a basis consistent with GAAP. Management control of the budgetary process has been established at the departmental level of expenditure. A department can be a fund, cost center, program or other activity for which control of expenditures is considered desirable. Budget appropriations for certain capital projects funds are project oriented, often possessing multi-year lives; consequently, budgeted capital projects expenditures are controlled through fund balances. The budget may be amended for supplemental appropriations periodically during the year. Budget changes require a two-thirds approval by the City Council. The 2019 general fund budget was not amended.

Note 2. Excess Expenditures over Appropriations

The City had the following expenditures in excess of appropriations as presented in the “Budgetary Comparison Schedule – General Fund Expenditures”.

General government	\$ 2,714
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The excess expenditures were absorbed by revenues in excess of budget and expenditures under budget in other areas.

Note 3. WRS Information

Changes of benefit terms: There were no changes of benefit terms for any participating employee in the WRS.

Changes of assumptions: Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop total pension liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

Note 4. OPEB Information

Change of benefit terms: There were no changes of benefit terms for any participating employer in the LRLIF.

Changes of assumptions: Actuarial assumptions are based upon an experience study conducted using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop total OPEB liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

SUPPLEMENTARY INFORMATION

**CITY OF BURLINGTON
COMBINING BALANCE SHEETS
NONMAJOR SPECIAL REVENUE - GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	Special Revenue Funds						Total Nonmajor Special Revenue Funds	
	Library Operations	Community Development Block Grant	TIF No. 3 Revolving Loan	Park Develop- ment	Police Donations	Wehmhoff		DeRozier
<u>ASSETS</u>								
Cash and investments	\$ 114,231	\$ 228,037	\$ -	\$ 109,286	\$ 54,482	\$ -	\$ -	\$ 506,036
Notes receivable	-	531,830	321,369	-	-	-	-	853,199
Restricted Assets:								
Cash and investments	-	-	61,323	-	-	-	-	61,323
TOTAL ASSETS	114,231	759,867	382,692	109,286	54,482	-	-	1,420,558
<u>LIABILITIES</u>								
Accounts payable	26,937	-	-	110,189	-	-	-	137,126
<u>DEFERRED INFLOWS OF RESOURCES</u>								
Deferred revenue	-	531,830	321,369	-	-	-	-	853,199
<u>FUND BALANCES</u>								
Restricted	-	228,037	61,323	-	54,482	-	-	343,842
Assigned	87,294	-	-	-	-	-	-	87,294
Unassigned	-	-	-	(903)	-	-	-	(903)
TOTAL FUND BALANCES	\$ 87,294	\$ 228,037	\$ 61,323	\$ (903)	\$ 54,482	\$ -	\$ -	\$ 430,233
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 114,231	\$ 759,867	\$ 382,692	\$ 109,286	\$ 54,482	\$ -	\$ -	\$ 1,420,558

CITY BURLINGTON
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	<u>Special Revenue Funds</u>							Total Nonmajor Special Revenue Funds
	Library Operations	Community Development Block Grant	TIF No. 3 Revolving Loan	Park Develop- ment	Police Donations	Wehmhoff	DeRozier	
<u>REVENUES</u>								
Intergovernmental	\$ 319,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 319,723
Charges for services	12,510	-	-	15,000	-	-	-	27,510
Interest income	4,040	24,939	9,524	-	-	1,710	841	41,054
Repayment of note receivable	-	36,314	23,320	-	-	-	-	59,634
All other	2,939	-	-	-	15,197	-	-	18,136
TOTAL REVENUES	339,212	61,253	32,844	15,000	15,197	1,710	841	466,057
<u>EXPENDITURES</u>								
Current:								
General government	7,765	-	-	-	-	-	-	7,765
Public safety	-	-	-	-	15,148	-	-	15,148
Culture, recreation, and education	749,779	-	-	34,047	-	-	7,209	791,035
Conservation and development	-	6,027	-	-	-	-	-	6,027
Capital outlay	-	-	-	166,094	-	-	-	166,094
TOTAL EXPENDITURES	757,544	6,027	-	200,141	15,148	-	7,209	986,069
EXCESS (DEFICIENCY) OF REVENUES								
OVER EXPENDITURES	(418,332)	55,226	32,844	(185,141)	49	1,710	(6,368)	(520,012)
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfers in	417,665	-	-	49,991	-	-	-	467,656
Transfers out	-	-	-	-	-	(19,991)	(28,809)	(48,800)
TOTAL OTHER FINANCING SOURCES	417,665	-	-	49,991	-	(19,991)	(28,809)	418,856
NET CHANGE IN FUND BALANCES								
	(667)	55,226	32,844	(135,150)	49	(18,281)	(35,177)	(101,156)
FUND BALANCES - BEGINNING OF YEAR								
	87,961	172,811	28,479	134,247	54,433	18,281	35,177	531,389
FUND BALANCES - END OF YEAR								
	\$ 87,294	\$ 228,037	\$ 61,323	\$ (903)	\$ 54,482	\$ -	\$ -	\$ 430,233

**CITY OF BURLINGTON
COMBINING BALANCE SHEETS
NONMAJOR CAPITAL PROJECTS FUNDS - GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	Capital Projects Funds					Total Nonmajor Capital Projects Funds
	TIF #5	General Capital Projects	Revolving Capital Projects	General Infrastructure	Façade Grants	
<u>ASSETS</u>						
Cash and investments	\$ 53,700	\$ 496,038	\$ 995,107	\$ 387,765	\$ 31,635	\$ 1,964,245
Taxes receivable	248,243	-	-	-	-	248,243
Accounts and other	659,400	-	-	-	-	659,400
TOTAL ASSETS	961,343	496,038	995,107	387,765	31,635	2,871,888
<u>LIABILITIES</u>						
Accounts payable	2,589	269	-	5,522	-	8,380
Advances from other funds	-	-	-	1,035,282	-	1,035,282
TOTAL LIABILITIES	2,589	269	-	1,040,804	-	1,043,662
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred revenue - taxes	248,243	-	-	-	-	248,243
Deferred revenue - notes	659,400	-	-	-	-	659,400
TOTAL DEFERRED INFLOWS OF RESOURCES	907,643	-	-	-	-	907,643
<u>FUND BALANCES</u>						
Restricted	51,111	-	-	-	-	51,111
Assigned	-	495,769	995,107	-	31,635	1,522,511
Unassigned	-	-	-	(653,039)	-	(653,039)
TOTAL FUND BALANCES	\$ 51,111	\$ 495,769	\$ 995,107	\$ (653,039)	\$ 31,635	\$ 920,583

CITY BURLINGTON
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	<u>Capital Projects Funds</u>					Total Nonmajor Capital Projects Funds
	TIF #5	General Capital Projects	Revolving Capital Projects	General Infrastructure	Facade Grants	
<u>REVENUES</u>						
Taxes	\$ 201,700	\$ -	\$ -	\$ -	\$ -	\$ 201,700
Intergovernmental	317	-	-	-	-	317
Interest income	12,107	30,045	10,027	20,563	481	73,223
Developers agreements	643,000	-	-	-	-	643,000
TOTAL REVENUES	857,124	30,045	10,027	20,563	481	918,240
<u>EXPENDITURES</u>						
Current:						
General government	3,457	-	22,479	-	-	25,936
Public safety	-	-	22,342	-	-	22,342
Public works	-	29,587	889	681	-	31,157
Culture, recreation, and education	-	37,368	14,287	-	-	51,655
Conservation and development	2,500	-	-	-	5,250	7,750
Capital outlay	-	17,348	415,254	919,612	-	1,352,214
Debt Service:						
Principal	795,000	-	13,395	-	-	808,395
Interest	57,226	-	273	-	-	57,499
Debt issuance costs	-	-	-	24,817	-	24,817
TOTAL EXPENDITURES	858,183	84,303	488,919	945,110	5,250	2,381,765
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	(1,059)	(54,258)	(478,892)	(924,547)	(4,769)	(1,463,525)
<u>OTHER FINANCING SOURCES (USES)</u>						
Proceeds from sale of capital asset	-	-	25,945	-	-	25,945
Proceeds on debt issuance	-	-	-	922,061	-	922,061
Expense reimbursement	-	183,566	-	-	-	183,566
Transfers in	-	-	400,000	450,000	20,000	870,000
Transfers out	-	-	(450,000)	-	-	(450,000)
TOTAL OTHER FINANCING SOURCES	-	183,566	(24,055)	1,372,061	20,000	1,551,572
NET CHANGE IN FUND BALANCES						
	(1,059)	129,308	(502,947)	447,514	15,231	88,047
FUND BALANCES - BEGINNING OF YEAR						
	52,170	366,461	1,498,054	(1,100,553)	16,404	832,536
FUND BALANCES - END OF YEAR						
	\$ 51,111	\$ 495,769	\$ 995,107	\$ (653,039)	\$ 31,635	\$ 920,583

**CITY OF BURLINGTON
 COMBINING BALANCE SHEETS
 NONMAJOR DEBT SERVICE - GOVERNMENTAL FUNDS
 DECEMBER 31, 2019**

	Debt Service TIF #3
<u>ASSETS</u>	
Restricted Assets:	
Cash and investments	\$ 1,162,174
TOTAL ASSETS	1,162,174
 <u>FUND BALANCES</u>	
Restricted	1,162,174
TOTAL FUND BALANCES	\$ 1,162,174

CITY BURLINGTON
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES NONMAJOR DEBT SERVICE - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	Debt Service TIF #3
<u>REVENUES</u>	
Taxes	\$ -
TOTAL REVENUES	-
<u>EXPENDITURES</u>	
Debt Service:	
Principal	970,000
Interest	48,901
Debt issuance costs	-
TOTAL EXPENDITURES	1,018,901
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,018,901)
FUND BALANCES - BEGINNING OF YEAR	2,181,075
FUND BALANCES - END OF YEAR	\$ 1,162,174