ATTACHMENTS

1.4

June 18, 2012

HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following appointments for your confirmation:

JOINT REVIEW BOARD

NAME	APPOINTED	EXPIRES
Mayor Terry Van Akkeren	06/18/12	04/30/13
Gretchen Thomes (School Board Representative)	06/18/12	04/30/13
Lucio Fuentez (LTC Representative)	06/18/12	04/30/13
Tom Wegner (County Representative)	06/18/12	04/30/13

Terry Van Akkeren

TERRY VAN AKKEREN, MAYOR

1.4

June 18, 2012

HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following appointment for your consideration:

Mai Xiong, to be appointed to the Mayor's International Committee, term to expire April 22, 2013.

Mayor Terry Van Akkeren

14
1.5

May 21, 2012

HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following amended appointments for your consideration:

COLLECTIVE BARGAINING COMMITTEE

NAME	APPOINTED	EXPIRES
DON HAMMOND (FINANCE CHAIR)	05/21/12	04/15/13
CORY ROESELER (SAL & GRV CHAIR)	05/21/12	04/15/13
STEPHEN MCLEAN, (CITY ATTORNEY)	05/21/12	04/15/13
SANDY ROHRICK, (H.R. MANAGER)	05/21/12	04/15/13
JIM AMODEO, (CHIEF ADMIN. OFFICER)	05/21/12	04/15/13

Terry Van Akkeren

MAYOR TERRY VAN AKKEREN

Lies over

VII

Other Matters

10-45

R. C. No. 170- 10 - 11. By SPECIAL BUDGET SUB-COMMITTEE. August 16, 2010.

Your Committee met and researched the following potential savings in the 2011 Budgets from various departments:

* Sheboygan Fire Dept.: $200k savings from operational expenses associated w/ new pumper truck and add'l $24k from efficiencies of operating the pumper truck. Potential $100k-$110k increase in net ambulance revenues.

* Sheboygan Police Dept. No specific programs or amount identified yet. Intends to find 2011 dollar savings (not necessarily recurring savings) through overtime and personnel deployment efficiencies. Needs to know whether he'll be operating a 78 member or 81 member force. TO is 85, but only 82 were funded in 2010.

* Public Works Dept.: Will contribute ~$250k by eliminating up to 4 positions. Strategy: "Do some things well; Do some things not at all."

* Library: $200k, but will "feel like" $500k because of what the library will feel obligated to do if state authorities choose to kick us out of ESLS. Dir. Winkle also submitted documents explaining statutory relationships and language pertaining to ESLS participation.

* IT Dept: IT Director role becoming "manager" role: ~$30k. Eliminate Full time headcount and create part time LTC student (@~$14/hr.) to do desktop support (freeing up full timers to be a real helpdesk): ~$40-$50k

* So far: $220k + $100K + SPD ??? + $250k + $200k + ~$75K @ **$845,000** plus SPD, City Clerk, Engineering, & Inspection contributions

Strategic Fiscal Acc file

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

16-22

R. O. No. 319 - 09 - 10. By CITY CLERK. November 16, 2009.

Submitting a communication from Richard W. Suscha, endorsed by Sheboygan County Taxpayer's Alliance (SCTA) regarding the City's Organizational Chart recommendations.

Strategic Fiscal

cc & file

Susan Richards

City Clerk

City's Organizational Chart Recommendation **October 29, 2009**

While the Sheboygan County Taxpayers Alliance (SCTA) welcomes change and reorganization to achieve efficiencies in government, we are not impressed with Mayor Ryan's recent proposal for reorganization. Simply put, any 'synergies', cross departmental projects and efficiencies can be realized by having a full time city administrator instead of a full time mayor. The mayor's proposal adds another level of government and adds personnel to the city's table of organization. That's not what we need in these difficult economic times.

While grouping departments (strategic, tactical, and support) based on functions makes sense, such as returning the engineering dept. under the dept. of public works, it makes no sense to have a director of operations oversee the police or fire depts. However, we do urge the council to eliminate any deputy directors. Those positions are unnecessary. The word "synergy" was used often during the mayor's presentation to the committee of the whole to emphasize the important role these new directors would play in realizing savings. Their logic being that interaction (cross-departmental) total effect is greater than the sum of the individual effects. That's all well and good, but we ask what then? Once the inefficiencies are spotted and corrected, where's the need for the directors? Some aldermen may be impressed with this radical change, but why change for the sake of change? If it works, don't fix it! Again, we repeat, an administrator would be the overseer we need to correct the inefficiencies we have in city government.

Before this reorganization is pushed thru for the 2010 budget, and before any of these changes can legislatively be made, we feel an ordinance is needed. Tread slowly, this is a questionable business decision.

Richard W. Suscha
Endorsed by SCTA

III

3-44

Res. No. 10 - 10 - 11. By Alderperson Gischia. May 3, 2010.

A RESOLUTION broadening and refocusing the Strategic Fiscal Planning Committee and renaming it the Executive Committee.

WHEREAS, it is good practice for the City of Sheboygan to continually review its committee structure to better align roles and effectiveness;

WHEREAS, the Strategic Fiscal Planning Committee ("SFPC"), adopted by way of Res. No. 188-89-90, contains all standing committee chairpersons as well as ex-officio representation from the Director of City Development, Finance Director/Treasurer, HR and Public Works Director;

WHEREAS, the current purpose of the SFPC is "to establish the fiscal planning process, review major planning projections, perform analysis of strategic issues and report to the Common Council";

WHEREAS, there are significant advantages to broadening and refocusing this committee so as to allow it to become more effective in its involvement with areas beyond fiscal policy. Such functions could/should include a formal sounding board to the Mayor and Department Heads in formulating various initiatives that have a mutual effect on all areas represented by standing committee chairpersons.

NOW, THEREFORE, BE IT RESOLVED: That the Strategic Fiscal Planning Committee is hereby renamed the "Executive Committee."

BE IT FURTHER RESOLVED: That the charge of the Executive Committee shall be as follows:

> "The purpose of the Executive Committee is to act as a liaison committee between the Common Council, Mayor and Department Heads. The Executive Committee is to aid in the development of programs for the good of the City including, but not limited to, the review of major planning projections, perform analysis of strategic issues, assist in the development of city-wide initiatives or programs as needed and report to the Common Council."

BE IT FURTHER RESOLVED: That all other provisions of Res. No. 188-89-90, including committee make-up, remain unchanged.

Strategic Fiscal
Ad Hoc

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

21-26

R. O. No. 413 - 09 - 10. By CITY CLERK. February 1, 2010.

Submitting a communication from Alderperson Kliejunas being an article she wrote for "The Beacon" regarding setting Government Service Priorities.

Strategic Fiscal Plan
Acc + file

Susan Richards
City Clerk

Richards, Sue

From: Jeanne Kliejunas [jkliejunas@hotmail.com]
Sent: Sunday, January 24, 2010 1:17 PM
To: Richards, Sue
Subject: item for 2/1/10 Council agenda
Attachments: Beacon #52.doc

Sue -

I wrote this article a few weeks ago for THE BEACON, and I would like to take the next step and forward it to the Strategic Fiscal Planning Committee for their consideration. I believe this is the time set Government Service Priorities before budget planning heats up.

Thank you!

Jeanne Kliejunas
Alderperson - District 5

Hotmail: Trusted email with Microsoft's powerful SPAM protection. Sign up now.

Beacon #52 – Get Smart

You may have been asked for your 2010 New Year's resolution in the last few weeks. This can be a very personal question, but people presume the right to ask at this time of year. I am more interested in the answers this year because I don't sense the usual euphoria or anticipation of other years, and I want to know what motivates others to face 2010. For the City of Sheboygan, I propose that we get smarter this year and establish a City Services Priorities list similar to what the county did a few years ago.

In 2009, Sheboygan anticipated revenue shortfalls for 2010 due to reductions in state funding, along with lower property tax collections, and weak business growth. These revenue shortfalls were compounded by simultaneous cost increases for garbage dumping fees, employee health insurance premiums, and previously negotiated salary agreements.

Because personnel costs consume approximately 85% of the city budget, the Common Council focused on reducing personnel costs by laying off more than 30 people and leaving unfilled some city positions created by retirements and military leave. During the last quarter of 2009, designated Council members participated in marathon labor negotiations in an effort to save some jobs through union concessions, but by the end of the year, many veteran employees had lost their jobs.

I realize that many people have unfortunately lost their jobs in Sheboygan in the past few years. I face these people everyday at The Salvation Army as they come for food assistance or help with their late utility bills. My concern is that the city has not established a City Services Priorities list that would rank city services in their order of importance to the tax-paying public. This list would establish which city services should be eliminated first, second, third, etc., during tough economic times. And the list would help avoid future decisions like the city's unpopular attempt last fall to close the drop-off site.

Specifically, the Council needs to establish the relative importance of snow plowing, garbage collection, safe housing and park maintenance vs. the importance of police and fire protection. How much police and fire protection do we need or want – what's our standard? Is the standard based on national or state guidelines, or what the taxpayers are willing to pay? With public input, the Council must identify both the quantity and quality of city services to city residents.

Setting a City Services Priorities list is not easy, and it would take lots of listening, study and political will to accomplish, but the city budgeting process needs all the help it can get. Establishing priorities on city services would help the Common Council and city department heads to plan and use city resources more wisely throughout the year avoiding end of the year draconian cuts which appear to some as unfair. Ain't so?

II

Other Matters

22-47

R. O. No. 415 - 10 - 11. By DIRECTOR OF HUMAN RESOURCES AND LABOR RELATIONS. February 21, 2011.

Submitting a request to engage consultative services from the Center for Political Science and Public Policy Research from the University of Wisconsin - Whitewater to perform a 2 Phase analysis for the City.

Phase I - Analysis of Department Organization to determine where efficiencies can be gained through reorganization and/or restructuring.

Phase II - Perform a citizen survey to determine the relative interest in the various services the City provides to its citizens.

The results of this study to be initially presented to the Strategic Fiscal Planning Committee and then to the Common Council during 2011.

Finance & Strategic Ord File

Director of Human Resources and Labor Relations

I

Other Matters

5-86

Com. No. 15 - 10 - 11. June 7, 2010.

Submitting a communication from The Greater Sheboygan Committee with the subject matter being "Sheboygan Fire Department Issues & Answers."

Presented to the Common Council by Alderperson James A. Bohren. Bohren

PP&S, Strategic & Whole. Acc File

(1.)

GREATER SHEBOYGAN COMMITTEE VF

June 2, 2010

Subject: Sheboygan Fire Department Issues & Answers

The City of Sheboygan Finance Department recently released a financial analysis of the Sheboygan Fire Department (SFD) and its ambulance operation (EMS). While it does not address every issue related to the SFD, it is a good starting point to begin the discussion of financial issues related to the SFD.

We have also noted the swirl of reader comments generated in the Sheboygan Press every time the Press publishes a SFD related news article. Unfortunately, some of the comments posted on the Press web site are merely "rhetorical shouting' and contribute little. On the other hand, many of the comments made and questions raised are well reasoned and deserve serious consideration. Since most Press web site posters chose to remain anonymous, there is no way to attribute to those who have presented ideas and questions there. However, to the extent possible, we have incorporated them into this white paper as appropriate.

It is also noted that many people have difficulty separating emotional feelings from rational discussion when it relates to the SFD. As soon as one begins raising questions about the cost effectiveness and/or management of the SFD, some people see it as an attack on the bravery of the SFD staff members or it's questioning the quality of their EMS efforts.

It is without question that the SFD personnel do a potentially dangerous job and that their quality of EMS service is very good. These are not the questions. However, the local tax base is not growing. State aids to cities are continuing to be cut. Local residents are facing personal financial stress and are ill prepared to deal with property tax increases. At the core of the discussion is how can the City and the SFD provide an acceptable level of public safety within the constraints of flat revenue and increasing expense? Cities are going to continue to struggle to provide modest levels of municipal services. All City departments must evaluate how they provide service and possible financial alternatives.

With the above having been said, one disappointment is related to the management of the SFD. For the most part, management of the SFD recognizes only one way to do things and that is based on its historical mode of organization and operation. Unfortunately, budget constraints will not allow "business as usual." What is needed is change to meet the current and future realities of municipal funding.

In addition, SFD management has frequently responded on an emotionally charged basis. To summarize, "We are experts and your lives are in great danger if you don't follow our recommendations." While public safety is an important component of the discussion, it should balanced with a factual component to the analysis. Even in the face of extreme budget pressure, the SFD management has offered little in the way of alternatives.

With the above information as background, it is time to begin a more detailed analysis of the related issues. These will be presented in the form of Questions and Answers.

1. Does then SFD ambulance service (EMS) make a profit? I hear so many numbers quoted I don't know what to believe.

Unfortunately the answer is maybe yes and maybe no. The original financial reporting process for the SFD EMS was set up on a marginal cost basis. It is an economic concept that takes into consideration only the direct costs associated with the EMS operations and does not consider indirect costs.

For example, the current EMS accounting system presumes there is no management cost to run the EMS service; a highly unlikely scenario. The marginal cost analysis answer to this is that SFD management costs were there anyway, so no need to include them. However, if the existing SFD managers can entirely absorb the EMS management, it would indicate the management area was over staffed and continuing that staffing level is in fact a cost attributable to the EMS.

Another example would be the pay grades of the entire SFD staff job classified as paramedics. If there was no SFD ambulance service and the SFD members who are being paid as paramedics would be paid as fire fighters and assuming that would be a lesser amount, then that difference is a marginal cost of the ambulance service. While a number of SFD staff were paramedic qualified prior to the assumption of the ambulance service, and that may have been desirable but for their pre ambulance duties it was not necessary for them to be paramedic qualified and that is a marginal cost.

A full functional cost analysis would give a far better indication of the profitability of the SFD EMS service. This would include all direct and indirect costs associated with the EMS and would account for the total cost impact on the City rather then just the immediate marginal costs.

While the EMS service does make a contribution to City revenues, it is unlikely all the marginal costs associated with it are being captured. If all marginal costs are included, there may be no actual contribution.

In summary, whether one is versed in the intricacies of accounting or not, the current financial reporting for the SFD EMS is simply incomplete and should not be used for making long run strategic decisions.

2. In summary, what does the Finance Department analysis of SFD indicate?

The Finance Department study is based on a number of assumptions:

- There will be 2.75% growth in costs for each of the next two years followed by 3% per growth for the following eight years.
- There will be no growth in tax funding or other revenue for the SFD (except in the scenarios that show the SFD retaining the EMS).

The results, as depicted in five scenarios, show accumulated losses for the next 10 years that range from $17.5 million to $4.4 million, depending on the scenario.

One thing demonstrated by the scenarios is that even under the most favorable assumptions the retention of EMS service does not off set the accumulating SFD deficits. In fact the scenario that shows the least accumulated 10 year loss ($4.4 million), consists of no ambulance service and 3 fire stations. While there is current discussion about the "profitability" of the ambulance service, it is really irrelevant as there is no long run scenario which does not result in a large SFD deficit.

The biggest component of SFD expense is labor. The continued growth in salaries, benefits and retirement costs of SFD personnel drives large deficits in the future regardless of the scenario considered today. All of the scenarios indicate the current (and future) level of wages and benefits for SFD personnel is not sustainable, without significant property tax increases.

Every financial indicator points to a need to develop alternatives to the current methods of SFD operations. To do otherwise, only delays the inevitable financial problem.

3. The Finance Department report on the SFD compared Sheboygan to 18 other communities. What can be summarized from these comparisons?

- In terms of the ability to collect tax revenue, Sheboygan has the third lowest tax base, and the second lowest tax base/resident. This indicates a low level ability to property taxes. Never-the-less, Sheboygan property taxes + State shared revenues bring it close to the average for revenue available. However, this does indicate a high dependence on State funding which is unlikely to be available in the future.
- In terms of fire protection costs, SFD is near the average for the 19 communities. However, there are a number of areas which do not match the average:
    - The number of square miles covered by each Sheboygan fire station is approximately 50% of the area covered by stations in the other communities (i.e., SFD has approximately twice as many stations as other cities based on square miles covered per station).
    - SFD has approximately twice as many administrative support staff as the average of the communities.
    - Average population density for the 19 communities is 2,456 residents per square mile. Average population density for Sheboygan is 3,587 residents per miles.
    - The number of fire related calls in Sheboygan is 38% below the nineteen community average. This indicates that in spite of the higher population density, there are fewer fire related calls in Sheboygan. This is perhaps the result of better fire prevention and safety education. In any case the greater population density does not appear to be a highly critical factor.

4. The SFD often points to the Manitowoc Fire Department (MFD) as an example of good financial operations for a fire department run ambulance service, and uses Manitowoc's numbers to support the SFD's position. Is this appropriate?

- While it appears the Manitowoc FD may run an adequate ambulance service, it doesn't mean their performance translates to Sheboygan:
  - In 2007, the SFD projected ambulance account collections based on MFD's collection history. SFD failed to achieve similar collection results.
  - In 2007, the SFD projected ambulance revenue per call based on MFD's results. SFD then failed to code ambulance bills properly, resulting in foregoing significant revenue.
  - SFD again has used MFD as a comparative to base the SFD's desire to expand its medical transport business. This is being done in spite of the fact that MFD has no competing transport business in Manitowoc, while the SFD has a definitive competitor in the form of Orange Cross.
  - It appears that SFD desires to compare its operations to MFD because MFD's numbers look good. However, SFD has consistently failed to meet MFD's performance levels, or tries to make inappropriate comparisons to MFD.
  - If SFD is going to make comparisons to other fire departments, it should do so on a broad basis and not just on MFD.

5. It appears the ambulance service in many communities is part of the local fire department. Therefore, wouldn't that be the best place for it in Sheboygan?

- In many communities, there is simply not enough EMS activity for a private (even non profit) ambulance service to operate successfully on a financial basis. Since the local municipality has an obligation to provide ambulance service, it often winds up in the local fire department by default, often because that is the only option. However, in larger population areas (La Crosse and Appleton are examples); there is enough EMS activity for a private non profit ambulance service. If the EMS activity is high enough, having the ambulance service in a fire department becomes merely an option, not a necessity.

6. Isn't there a minimum number of fire fighters needed at all times? There appears to be no option in dealing with the staffing requirements.

There are fire departments in Wisconsin that cover larger areas with fewer fire stations. There are cities in the U.S. that are similar in size to Sheboygan, yet operate with fewer fire fighters. Following is a list of some of those cities:

- Wyoming MI, 25 square miles, 70,000 pop., 24 full time and 27 paid on call
- W. Des Moines, IA, 34 sq miles, 58,000 pop., 45 full time and 45 paid on call
- Maple Grove, MN, 36 sq miles, 64,000 pop., 90 paid on call
- Loveland, CO, 31 sq miles, 62,000 pop., 50 full time and 80 volunteer
- Eden Prairie, MN, 36 sq miles, 62,000 pop., 9 full time and 90 paid on call
- Bloomington, MN, 57 sq miles, 85,000 pop., 140 paid on call

Does that mean that all of those municipalities have taken on significantly higher levels of risk? Not necessarily.

- They are obviously following a different model than the one used by the SFD.
- It is not being suggested that these different models of organization are perfect alternatives, however they warrant consideration.

- Those that use a mix of full time firefighters and paid on call or volunteer fire fighters are called "combination fire departments". Combination fire departments address the need of having on duty fire fighters available to immediately respond backed up by those who can be called in as needed. They are an alternative to the old concept of staffing 100% of the time for the large fires which happen infrequently. There are literally thousands of combination fire departments. Why not take the time and effort to find out how they work because they obviously do?
- The fire departments in Sheboygan County have recently entered into a County wide MABAS agreement which is an enhanced form of mutual assistance.
- What is disappointing in the current discussions is that these alternatives are simply not being addressed. They have been brought forward by SFD management as possible solutions.
- This dismissal is based on the opinion that the alternatives compromise public safety. Unfortunately, this is an opinion and is not necessarily one based on fact and research. Public safety should not be compromised, but neither should discussion of alternative ways of doing things be ignored.
- All alternatives need to be included in the discussion. The current SFD organizational structure should not be perpetuated simply because it has "always been this way." If there is an acceptable way to provide fire service response at a lower cost, should that not be considered?

7. What should be taken into consideration when discussing the SFD funding and organizational structure?

When some of these questions are raised, the immediate reaction is to talk about "response times". For example, when the prospect of reducing the number of fire stations from five to three is mentioned, the criticism is that "response times" will increase. That's part of the issue, but not all of it.

- What are the response times of the other fire departments that cover larger areas with fewer stations?
- While response times are very important, so are results.
    - What are the average annual fire property losses in the 19 cities included in the Finance Department study for the last five years?
    - What are the average annual fire caused fatalities in the 19 cities included in the Finance Department study for the last five years?
    - These are examples of additional data that would assist in making determinations of safety and cost.

Unfortunately, the comparison of response times is hindered by the failure of SFD to file response time data with the NFIRS since at least 2006, even though the failure is a violation of Federal and State regulation. Willful noncompliance is hard to justify when there has been more than adequate time to take corrective action.

<u>Summary and Conclusions</u>

As demonstrated by the Finance Department analysis:

- All five scenarios show large deficit operations in the future for the SFD.
- Having the ambulance service will not resolve the deficits.
- The smallest aggregate deficit will be without any ambulance service.
- The number of fire stations operated has a significant impact on SFD costs.
- There is no anticipated source of new revenue for the City that would permit the SFD to operate in its historical mode.

Other items of note:

- The discussion of SFD operations is often clouded with emotional responses.
- The current SFD senior management is unresponsive to change and does not embrace innovation.
- The Council has recently increased the educational requirements for SFD Chief which is a positive step. As an example, the North Shore FD (north of Milwaukee, 25 square miles, 68,000 people) recently appointed a new chief whose educational back ground is an undergraduate degree in fire service management and a master's degree in fire and emergency management administration. This is the level of management expertise that will be necessary in the future.
- All alternatives should be addressed when discussing SFD organization structure
- Future SFD wages and benefits need to be part of the solution.

Intermediate Steps:

- Assuming public safety is not compromised, the appropriate long run direction appears to be toward three fire stations.
- Unfortunately, the current locations of the five SFD fire stations are not well suited to a three station solution (choosing any combination of three of the existing five does not result in even coverage).
- The City needs a long term plan to deal with the issues. Operating all five stations may be necessary in the short run, but it should not be done without incorporating a more definitive solution that is structured today for implementation over the next five years.
- A long term plan may result in construction of new fire station facilities, however, that may still be more economical than continuing to operate five stations indefinitely.

Assuming the SFD continues to operate the ambulance service (which makes little long run financial sense) the financial reporting of the EMS/ambulance service needs to be addressed for once and for all. We would suggest the Council appoint a panel of qualified citizens with back grounds in finance and accounting to develop a financial reporting system for the ambulance service. To not do so will leave lingering doubts as to the financial performance that is not helpful to the Council, citizens and the SFD.

Finally, any determinations of the SFD future need to be made with caution. It is far too easy for the emotional issues to be drawn into the process. Any pronouncements or statements by any involved parties need to be viewed as opinions until supported by some amount of factual data.

greatersheboygancommittee@hotmail.com greatersheboygan.org

III

7-16

Res. No. 42 - 11 - 12. By Alderpersons Bohren, Carlson, Sampson and Versey. July 5, 2011.

A RESOLUTION requesting the Fire Chief to draft a long range plan for the City of Sheboygan Fire Department by the second council meeting of August 2011.

WHEREAS, with the possibility of Staff reductions in the SFD a plan for a proactive expanded relationship with neighboring fire departments for a more proactive and expanded mutual aid agreement will be required.

BE IT RESOLVED: That the City of Sheboygan Fire Chief draft and present to the common council a long range plan for the City of Sheboygan Fire Department.

- as the department stands as of today with only 4 fire stations
- as a department with 50-56 full time firefighters and 3 fire stations
- as a Hybrid department with 40-50 full time firefighters AND with paid on-call firefighters

BE IT FURTHER RESOLVED: That this plan be presented to the common council no later than the 15th of August 2011.

James R. Bohren

Versey / Bohren
① suspend
Lost - roll

Kettelson / Vanakkeren
② refer. PPs 5
lost - roll

Rindfleisch / Versey
③ refer to COW.
pass - roll

Aug 10, 2011 refer to Strategic Issue file

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

15-29

R. O. No. 275 - 11 - 12. By CITY CLERK. November 7, 2011.

Submitting a report from the City of La Crosse Fire Department by Chief Hermann stating that it may be a very useful tool for the Strategic Fiscal Planning Committee when reviewing the long range plan for the Sheboygan Fire Department.

Strategic Fiscal

Acc File

Susan Richards
City Clerk

Richards, Sue

From: Hermann, Jeffrey
Sent: Tuesday, October 18, 2011 10:21 AM
To: Alderpersons; Richards, Sue
Subject: FW: Final Report Fire Department
Attachments: FD MGMT OP REV C.pdf

Sue,
Can you please submit this report to council to be referred to Strategic Fiscal Planning, I think it may be a very useful tool for that committee when reviewing the long range plan for the fire department.
Thanks Jeff

From: Cleveland, Gregg [mailto:clevelandg@cityoflacrosse.org]
Sent: Tuesday, October 18, 2011 8:57 AM
To: Hermann, Jeffrey; bmanis@manitowoc.org
Subject: Final Report Fire Department

Here is the final report concerning the La Crosse Fire Department. It was performed by group of council members; the fire department merely served as staff supplying the information that the committee requested. This report was accepted and placed on file by my common council last Thursday night. The council will appoint another committee to look at existing station location and the potential expansion to a fifth station. Questions please let me know.

Gregg A. Cleveland, Fire Chief, EFO, MPA
City of La Crosse Fire Department
5th Avenue South
La Crosse, WI 54601
608-789-7261 - Office
clevelandg@cityoflacrosse.org

GRAND RIVER • GREAT CITY
La Crosse • Wisconsin

Fire Sprinklers Are Green!
Save your building. Save our environment.
Please consider the environment before printing this email

Fire Department Management and Operations Review Committee

To: Mayor Harter
City Council Members

From: Fire Department Management and Oversight Committee

Date: September 8, 2011

Regarding: Final Report

I would like to thank the members of the Fire Department Oversight Committee for all of their time and effort they have put into this study. It has been a year since we first started this committee and we are now prepared to give a final report.

The Internal Study was started approximately four months ago to evaluate where we felt we were and whether we could save some money by doing the study in house. We broke this work into three different sub-committees.

1. Staffing
2. GIS and Response Times
3. Financial (to identify additional revenue)

This was a very complicated study as there were a number of different issues that affected more than one area and would also be affecting numerous individuals, i.e. workers, families and the taxpayers.

The information that we gathered came from a variety of sources that included but was not limited to: official city web sites, Wisconsin Taxpayer Alliance, US Census Bureau, and published reports authored by individual people who are considered subject matter experts.

We looked at a total of 34 cities that had full-time career departments throughout the State of Wisconsin. We also received presentations from the director of 911 Dispatch Center, the medical director for the fire department and Tri-State Ambulance, as well as the director of Tri-State Ambulance. We believe that the attached documents substantiate our conclusions in all three areas.

Mayor Harter
City Council Members
September 8th, 2011

It is the conclusion of this committee that our fire department is extremely well trained and run. We do not feel that they are over or under staffed at this time. We need to find ways to embrace and support this very important part of our city and be thankful for the excellent service that is provided. We feel that we are getting what we pay for.

In our initial committee, we recommended doing an external study. The members of this committee would only see this as a necessity if the council decides to consider getting into the ambulance business. We believe this would be very political and controversial, therefore should have a third party involved.

We feel that there does need to be a special committee formed to do long range planning due to the age of our buildings, equipment, and the current station locations. We feel that this work can be done in-house but needs to be done by a new committee.

Respectfully Submitted,

Chris Olson, Chair
Dick Swantz
Doug Farmer
Al Wagner
Doug Happel
Andrea Richmond

Previous Members
Jai Johnson
Tom Sweeney
Bruce Ranis

STAFFING

To: Council member Chris Olson
Chair, Fire Department Management and Operations Review Committee

From: Council members Doug Happel and Dick Swantz
Members, Staffing Sub-Committee

Re: Fire Department Staffing Sub-Committee Study Report

Date: August 24, 2011

Council member Olson and fellow Committee members,

The attached report is submitted following numerous meetings with fire department staff, research regarding fire service demands and related demographic data, research regarding costs and services provided by other full-time career fire departments in Wisconsin and tours of facilities and scheduling operations.

We found the study to be very revealing. Costs for public services are under scrutiny today more than ever. Hopefully, cities will also take the time to analyze the level of services provided and the unique demands placed upon those services in each community.

The owner of a home valued at $100,000 in La Crosse currently pays $171.88 for community services, first responder and fire protection from the La Crosse Fire Department. After completing this study, we find this to be reasonable.

Respectfully,

Doug Happel
Council Member
District 15

Dick Swantz
Council Member
District 17

Significant Findings

1. La Crosse ranked 9 out of the 34 career based full-time fire departments in the state based upon cost per capita
2. La Crosse is the one of two departments of the 21 departments reporting that does not have ambulance service.
3. La Crosse ranked 2 out of the 34 cities in percent of individuals living below the poverty line.
4. 49% of the housing stock in La Crosse is rental occupied. This is second only to Milwaukee. Research indicates a strong relationship between fire rates, poverty and rental property.
5. La Crosse has one of the best overall response times of the 18 reporting departments.
6. La Crosse Fire Department community programming is at par or slightly above other fire departments in the state.
7. A community survey conducted by Viterbo University in 2010 found that 90% of respondents desired current levels of fire department services to be maintained.
8. Historical data indicate that La Crosse had more firefighters in 1968 and 1997 than today.
9. Legislative changes and societal expectations have changed the demands on staffing. Examples include the Fair Labor Standards Act, the Family Leave Act and Medical Leave Act.
10. Calls for service have increased dramatically since 1960 and in disproportion to population increase.
11. 97.4% of structural fires in La Crosse are confined to the room of origin after fire department arrival.
12. In 1968, 102 fire personnel responded to 882 total calls. In 1997, 97 personnel responded to 3226 total calls and in 2010, 95 budgeted personnel responded to 4898 total calls.

Conclusions

1. Based upon the above significant findings and its review of Fire Department operations, this sub-committee does not believe that the La Crosse fire department is overstaffed.

Recommendations

1. The pressing budget challenges resulting from the Wisconsin budget legislation will require all city services to consider reductions in expenditures/services. The sub-committee believes such reductions should be the extent to which the fire department reduces its operating budget. To exceed that amount would in our opinion, seriously jeopardize the level of fire related services this community expects. In fact, any significant budget reduction would, in our opinion, compromise these services. If an amount of budget reduction is determined to be necessary, it is critical that the professional staff determine how services will be affected.

2. Given the continuing budget challenges facing all public municipalities in Wisconsin, the sub-committee recommends that the city consider the exploration of a metropolitan fire and emergency medical services department with surrounding communities. Such an organization could provide fire and emergency services to the area.

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La Crosse Fire Department
2010 Public Input Survey, Executive Summary
Prepared by Leanne Hedberg Carlson, MBA and Sara Cook, PhD
Viterbo University

METHODOLOGY:

The following data was gathered from a survey that was mailed to 1000 randomly selected households and businesses in La Crosse, WI (random sample methodology available upon request). There were 100 responses, providing a 9% margin of error with a 95% confidence level. A reasonable limitation of the response population is that individuals who are more politically active, for example, or who perceive a strong sense of community membership may be more likely to respond.

SUMMARY OF RESPONSES:

Services: Aware of and Use

Most respondents *were aware* of all fire department services.

Fire department services *were used* by the following percentage of respondents:
EMS: 22.2%
Prevention: 19.7%
Inspection: 14.5%
Fire Suppression: 9.4%
Hazardous Materials: 3.4%
Technical Rescue: .9%
Water Rescue: 0%
Extrication: 0%

Expand, Reduce or Maintain Services

Following are percentage responses to the question, "Would you like to see the following services expanded, reduced or remain as is?"

Service	Expanded	As is	Reduce
Fire Supression	4.3	94.6	1.1
EMS	10.3	81.4	8.2
Haz Mat Response	4.3	93.6	2.1
Technical Rescue	3.3	94.6	2.2
Water/Ice Rescue	6.4	91.5	2.1
Fire Inspections	4.3	94.7	1.1
Fire Prevention & Public Education	18.1	78.7	3.2

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(Page 2, Public Input Survey Summary)

Level of Satisfaction with Fire Department Personnel

83% of respondents are "Very Satisfied" and 17% are "Somewhat Satisfied" with the *level of expertise* of the La Crosse Fire Department personnel. Not one person was "Dissatisfied" with the La Crosse Fire Department personnel".

66.7% of respondents rated the *quality of service* as "Excellent", 27.9% as "Above Average" and 5.4% as "Average". Not one rated the *quality of service* as "Below Average".

Charging for Certain Services

Are the respondents in favor of charging for services? More than half said they should be charged for no services, but 37.8% said they are in favor of charging for some services.

Charging for Medical Response Services That Are Generally Covered by Medical Insurance Plans

One-quarter of respondents support charging while the remaining three-quarters do not support charging.

How Can the City of La Crosse Fire Department Better Meet the Needs of the Community?

This was a comment section and the comments were overwhelmingly positive. Selected comments are included below:

- *You are great!*
- *Keep up the good work!*
- *More education for all new procedures coming out and maintain enough personnel to do job.*
- *Be more visible for the community.*
- *They are doing an excellent job. We are grateful for their services. A job well done!*
- *Doing great. One of the best FD in the nation. The city needs to stop working them to death. I want healthy and rested rescue personnel when I need them. The life that is lost is not worth all the money in the world.*
- *In my opinion they now meet the needs of the community. In the economic time we are in we cannot burden the tax payer with more costs.*
- *Hire more personnel to offset the need to pay present employees of the LFD overtime. I don't like to see those guys working too many shifts in a row! They need to be able to perform effectively when called upon!*

Individuals and Families Below the Poverty Level
2005-2009 (U.S. Census Bureau, n.d.)

City	Individuals Below the Poverty Level	Families Below the Poverty Level
Stevens Point	26.2%	8.6%
*La Crosse	25.2%	13.3%
Milwaukee	24.3%	19.9%
*Beloit	19.5%	16.8%
Madison	19.4%	8.1%
*Eau Claire	18.7%	9.0%
Marinette	18.7%	16.4%
Rhinelander	18.3%	15.8%
Racine	17.7%	13.6%
Superior	15.7%	12.2%
Green Bay	15.5%	11.4%
Kenosha	15.0%	10.9%
*Oshkosh	14.5%	8.1%
Merrill	14.4%	13.3%
*Wausau	12.4%	8.4%
Cudahy	12.2%	8.6%
West Allis	11.8%	8.7%
*Fond du Lac	11.6%	8.1%
Wisconsin Rapids	11.4%	10.3%
*Sheboygan	11.3%	8.8%
Chippewa Falls	11.0%	9.4%
*Janesville	11.0%	8.6%
*Appleton	10.3%	7.9%
Manitowoc	10.0%	6.2%
Marshfield	8.8%	3.6%
*Waukesha	8.8%	6.1%
Caledonia	8.2%	1.6%
Oak Creek	6.1%	5.0%
Greenfield	5.2%	2.0%
*Wauwatosa	5.0%	2.0%
Franklin	4.1%	2.9%
*Brookfield	2.6%	1.6%

*Comparable Cities Identified by Council Resolution

The Influence that Poverty has on Fire Rates

- Average fire rates 2-4 times higher in census tracts with high levels of poverty (Karter and Donner, 1978).
- Strong negative relationship between income and fire rates (Gunther, 1981).
- Poorest groups of neighborhoods have 14 times the number of suspicious fires (Gunther, 1981).
- Poorest groups of neighborhoods 14 times more likely to have children start a fire (Gunther, 1981).
- Poorest groups of neighborhoods 8 times more likely to have a fire started by careless smoking (Gunther, 1981).

The Influence that Rentals have on Fire Rates

- A lower rate of owner-occupied homes related to an increased fire risk (Munson and Oates, 1987).
- Two times more likely to have a fire in a rental (Karter and Donner, 1978).

Reasons why Poverty and Rentals Increase Fire Rates

- Housing Quality
    - Withdrawal of routine maintenance services erodes the quality of housing units (USFA, 1997).
    - Electrical wiring not designed to carry the load placed on it (Jennings, 1996).
    - Risk increases when households try to compensate for inadequate heating/cooling systems (Jennings, 1996).
- Smoke Detectors
    - Older structures less likely to have smoke detectors (USFA, 1997).
    - People living in poverty do not have the financial resources to invest in fire safety (Munson and Oates, 1987).
- Children are more likely to be left alone (Kraizer et al, 1990).
- Increased levels of alcohol and drug abuse (USFA, 1997).

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	Population	Sq. Miles	# of St	Sta/sq mi	Authorized FF's	Firefighters/ 1000 population	Budget	Expenditures Per Capita
*Wauwatosa	46396	13.2	3	4.40	111	2.39	$13,186,741	$284.22
*Beloit	36966	16.4	3	5.47	65	1.76	$8,109,192	$219.37
Rhinelander	7798	7.9	1	7.90	20	2.56	$1,601,534	$205.38
North Shore	68000	25	5	5.00	105	1.54	$13,478,447	$198.21
*La Crosse	51320	22.2	4	5.55	95	1.85	$9,973,050	$194.33
Green Bay	104057	54.3	7	7.76	181	1.74	$20,008,300	$192.28
Stevens Point	26717	16.2	2	8.10	39	1.46	$4,954,681	$185.45
Madison	233209	84.7	12	7.06	366	1.57	$41,176,979	$176.57
Caledonia	24705	48.7	3	16.23	43	1.74	$4,239,190	$171.59
Milwaukee	594833	96.9	36	2.69	881	1.48	$99,820,902	$167.81
Manitowoc	33736	17.2	4	4.30	57	1.69	$5,534,577	$164.06
*Wausau	39106	17.8	3	5.93	59	1.51	$6,384,621	$163.26
Greenfield	36720	11.6	2	5.80	54	1.47	$5,836,031	$158.93
*Janesville	63575	28.1	5	5.62	92	1.45	$9,816,053	$154.40
*Sheboygan	49288	14.1	5	2.82	78	1.58	$7,270,513	$147.51
Superior	27244	55.4	3	18.47	37	1.36	$3,780,545	$138.77
Kenosha	99218	24	6	4.00	153	1.54	$12,028,021	$121.23

*Comparable Cities Identified by Council Resolution

Title from Wisconsin Taxpayers Alliance

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History of the LaCrosse Fire Department

The first Fire Company "Pioneer Engine Company" is formed after a devastating fire in 1857. W.W. Crosby is elected foreman

As years went along, the department grew and added career personnel.

By1895 the department grew to 5 Fire Stations.

The career Fire Department inaugurated on January 1, 1896. Charles Hunt is the Chief and there are 45 Firefighters on staff. That year they responded to 232 emergency calls.

- **1957** - 93 career Firefighters, 5 Fire Stations, 44 Firefighters per shift, responded to 729 emergency calls.
- **1966** - 94 Career Firefighters, 5 Fire Stations, 44 Firefighters per shift, responded to 825 fire calls and 53 medical calls, 878 total calls
- **1968** - 102 career firefighters, 4 Fire Stations, 32 Firefighters per shift, responded to 852 Fire Calls 30 Medical calls 882 total calls, 5 Engines, 3 Trucks, Command Squad
- **1975** – Started responding to medical emergencies (first responders)
- **1977** – 31 firefighters assigned per shift, 28 minimum staffing per day.
- **1997** - 97 Career Firefighters, 30 F.F. per shift, 26 Firefighters minimum on duty. The LaCrosse Fire Dept. changes to Quint system. Responded to 1260 Fire calls, 1966 Medical calls, 3226 total calls. 2 Engines, 3 Quints, 1 Heavy Rescue, 2 Lt. Rescues, Command Squad.
- **2010** - 95 Budgeted, 83 Actual Firefighters, 25 Firefighters minimum on duty, responded to 1613 Fire calls, 3285 Medical calls, 4898 total calls.

LaCrosse Fire Department Timeline

- 1857-First Volunteer Company Is Formed
- 1858- First Hand Pumped Fire Engine Arrives
- 1867-City Buys First Steam Fire Engine
- 1868-City Builds First Fire Station
- 1889-Fire Alarm System Completed
- 1895-City has 5 Fire Stations
- 1896-Career Dept. Formed
- 1916-First Motorized Fire Engine
- 1926-Last Horses Taken Out Of Service
- 1967 City Downsizes to 4 Fire Stations
- 1975 LCFD begins First Responders
- 1980s-Underground Tank Inspection Program Begins
- 1981-911 Emergency Dispatch Center Opens
- 1986-Fair Labor Standards Act For Firefighters
- 1993-Family Medical Leave Act
- 1994-Juvenile Fire Setter Program
- 1994-HazMat, Tech Rescue, Water Core Teams Formed
- 2000-State HazMat Team
- 2011-State Task Force 1

City Population and Emergency Calls

Year	Population	% +-	Alarms	% +-	1st Resp.	%+-	# Firefighters	% +-
1857	3000		232				60	
1881	14,505	+475%						
1895	29,000	+200%						
1920	31,000	+8%					63	+5%
1940			402	+72%				
1960	47,575	+52%	799	+99%	50		93	+48%
1970	51,153	+8%	872	+9%	30	-40%	106	+14%
1980	48,347	-6%	1206	+39%	321	+975%	103	-3%
1990	51,103	+6%	1148	-5%	1599	+398%	100	-3%
2000	51,965	+1%	1119	-3%	2285	+43%	97	-3%
2010	51,320	-1%	1613	+45%	3285	+44%	95	-2%

	Geographical Info				Personnel				
City	Square Miles	2010 Population Estimation	Fire Stations	Square Miles Per Station	Total Personnel	Per Capita Staffing	Day Personnel	Shift Personnel	# of FFs Responding to Fire
Beloit	17.00	37,100	3	5.67	65.75	1.77	5	60	
Eau Claire	34.00	66,149	6	5.67	94	1.42	8	86	18
Janesville	33.60	63,600	5	6.72	92.75	1.46	7	87	14
La Crosse	22.20	51,900	4	5.55	95	1.83	7	88	14
Oshkosh	24.89	66,080	6	4.15	108	1.64	7	96	17
Sheboygan	15.00	50,400	5	3.00	79.5	1.58	8	69	12 + 4[3]
Waukesha	25.11	69,100	5	5.02	107	1.55	10	96	21
Wausau	19.20	40,700	3	6.40	60	1.49	5	54	12
Wauwatosa	13.07	45,800	3	4.36	99	2.16	8	102	15
Racine	18.70	80,100	6	3.12	144	1.80	12	132	14
Merrill	8.24	10,130	2	4.12	23	2.28	2	21	9
Green Bay	46.00	104,000	7	6.57	186	1.79	13	172	14
West Allis	11.40	60,600	3	3.80	107	1.77	8	99	19
Chippewa Falls	11.40	13,470	2	5.70	27	2.01	3	24	17
Manitowoc	17.20	34,700	4	4.30	57	1.64	15	51	12
Milwaukee	96.60	594,833	36	2.68	1027	1.73		810	14+
North Shore	25.00	66,000	5	5.00	113	1.71	8	105	21
Brookfield	26.80	39,600	3	8.93	60	1.52	5	55	16
Fond du Lac	20.17	43,600	3	6.72	67	1.54	7	60	17
Appleton	24.9	72,563	6	4.15	98	1.35	13	85	17
Rhinelander	7.9	8,210	1	7.9	20	2.44	2	18	7
Superior									
Kenosha									
Madison									

[3] Additional Personnel for 2nd Alarm

City	Services						Equipment			
	Water Rescue	Technical Rescue	Haz Mat Team	High Angle Rescue	EMS Services	Ambulance Service	Quints	Engines	Rescues	
Beloit	Yes[1]	Yes	No[2]	Yes	Paramedic	Yes	1	3	4	
Eau Claire	No	Yes	Yes	No	Paramedic	Yes	2	6	6	
Janesville	Yes	Yes	No[2]	Yes	Paramedic	Yes	3	3	1	
La Crosse	Yes	Yes	Yes	Yes	EMT	No	3	4	3	
Oshkosh	Yes	Yes	Yes	Yes	Paramedic	Yes	2	4	1	
Sheboygan	Yes	Yes	No[2]	Yes	Paramedic	Yes	1	5	2	
Waukesha	Yes	Yes	No[2]	Yes	Paramedic	Yes	2	3	See List	
Wausau	Yes	No	Yes	Yes	Paramedic	Yes	1	3	3	
Wauwatosa	Yes[1]	Yes	No[2]	Yes	BLS & ALSA	Yes	2	2	4	
Racine	Yes	Yes	Yes	Yes	Paramedic	Yes	3	8	8	
Merrill	Yes	Yes	No	Yes	Paramedic	Yes	1	1	3	
Green Bay	Yes	Yes	No[2]	Yes	Paramedic	Yes	3	7	4	
West Allis	Yes	Yes	No[2]	No	Paramedic	Yes	1	3	3	
Chippewa Falls	No	Yes	No[2]	No	BLS & ALS A	Yes	1	3	4	
Manitowoc	Yes	yes	Yes	Yes	Paramedic	Yes	1	5	10	
Milwaukee	Yes	Yes	Yes	Yes	Paramedic	Yes				
North Shore	Yes	Yes	No	No	BLS & ALA A	Yes	2	5	5	
Brookfield	Yes	Yes	No[2]	No	Paramedic	Yes	1	2	3	
Fond du Lac	Yes	Yes	Yes	Yes	Paramedic	Yes	2	4	6	
Appleton	Yes	Yes	Yes	Yes	BLS	No	1	6	1	
Rhinelander	Yes	Yes	No[2]	Yes	Paramedic	Yes	1	2	4	
Superior										
Kenosha										
Madison										

[1] Surface Only
[2] County Level B

City	# of calls (Primary City Only - Fire)	# of calls (Primary City Only - EMS)	# of calls (Primary City Only - Total)	# of Colleges / Universities	# of Students in Colleges / Universities	# of Hospitals
Beloit			0	1	2,000	1
Eau Claire	157	6010	6167	3	14,000	2
Janesville	1324	1978	3302	1	950	1
La Crosse	1250	3340	4590	3	15,000	2
Oshkosh	752	7222	7977	2	13,100	2
Sheboygan	917	2758	3675	2	730	2
Waukesha	1128	4536	5664	2	3,400	3
Wausau	1333	4161	5494	2	3,100	1
Wauwatosa	1671	3473	5144	2	1,500	3
Racine	898	8237	9135			2
Merrill	176	1577	1753	0		1
Green Bay	2584	7182	9766	4		4
West Allis	172	6456	7818	1		2
Chippewa Falls	669	2465*	3134	0	0	1
Manitowoc	500	5000**	5650	2		2
Milwaukee	13903	26128	40031			
North Shore	1827	4343	6170			1
Brookfield	1108	2092	3200	6		1
Fond du Lac	2605	4172	6777	3		2
Appleton	1396	2128	3524			
Rhinelander				0		1
Superior						
Kenosha						
Madison						

* Chippewa Falls responds to 3 townships as well

** Manitowoc covers 100 sq. miles in EMS coverage

City	Annual Property Loss	90% Fractile Response Time(All Calls)	Avg Response Time (All Calls)	Mutual Aid?	# of Inspections (Annually)	Budgeted Overtime (2009)
Beloit	$1,332,272.00	N/A	5:00	Y (Airport)	4,800	$326,000
Eau Claire	$1,487,766.00	7.91	5.13	Y	6,029	$248,000
Janesville	N/A	Not Calculated	Not Calculated	Y	6,000	$232,921
La Crosse		4:14	2:39	N	5,412	$197,000
Oshkosh	$900,000.00	N/A	4:00	N	4,000	$206,000
Sheboygan	$450,000.00	Not Calculated	3:00	Y	3,800	45,000 + 50,000[4]
Waukesha	N/A	Not Calculated	5:34	Y	5,500	$257,000
Wausau	N/A	N/A	> 5:00	Y (Airport)	3,823	$120,000
Wauwatosa	$550,000.00	Not Calculated	Not Calculated	Y	6,800	$304,803
Racine		Not Calculated	6:13	Y	3,200	$300,000
Merrill		Not Calculated	2:43	Y	1,126	$125,000
Green Bay	$2,500,000.00	Not Calculated		Y	5,000	$481,120
West Allis	$797,251.00		>5:00 91%	Y	4,300	$187,500
Chippewa Falls	$175,000.00	Not Calculated	4:42	Y	1,600	$90,000
Manitowoc	$500,000.00	Not Calculated	>5:00 90%	Y	1,590	$98,000
Milwaukee		Not Calculated	> 7:00 90%	Y		
North Shore	$15,000,000.00	Not Calculated	5:30	Y	2700+	$350,000
Brookfield	$738,000.00	Not Calculated	5:40	Y	5,000	$210,000
Fond du Lac	N/A		6:21	Y	2,615	$464,000
Appleton	$1,200,000.00	Not Calculated	4:40	Y		
Rhinelander	N/A		3:30	Y	720	
Superior						
Kenosha						
Madison						

[4] 45,000 for Fire and 50,000 for EMS

City	Housing (%)		Housing (Actual Numbers)		
	Owner Occupied	Rental	Owner Occupied	Rentals	Total
Beloit	62.0%	38.0%	8,277	5,093	13,370
Eau Claire	57.3%	42.7%	13,759	10,257	24,016
Janesville	68.2%	31.8%	16,289	7,605	23,894
La Crosse	51.0%	49.0%	10,746	10,364	21,110
Oshkosh	57.6%	42.4%	13,851	10,231	24,082
Sheboygan	61.2%	38.8%	12,698	8,081	20,779
Waukesha	56.6%	43.4%	14,508	11,155	25,663
Wausau	61.8%	38.2%	9,676	6,002	15,678
Wauwatosa	67.8%	32.2%	13,819	6,569	20,388
Racine	60.4%	39.6%	18,972	12,477	31,449
Merrill	65.4%	34.6%	2,732	1,451	4,183
Green Bay	56.0%	44.0%	23,281	18,310	41,591
West Allis	58.1%	41.9%	16,031	11,573	27,604
Chippewa Falls	58.3%	41.7%	3,284	2,354	5,638
Manitowoc	67.7%	32.3%	9,626	4,609	14,235
Milwaukee	45.4%	54.6%	232,188	126,953	232,188
North Shore	71.5%	28.4%	19,043	7,569	26,612
Brookfield	85.0%	15.0%	12,227	2,156	14,383
Fond du Lac	61.8%	38.2%	10,270	6,368	16,638
Appleton	68.7%	31.3%	18,455	8,409	26,864
Rhinelander	59.3%	40.7%	1,907	1,307	3,214
Superior					
Kenosha					
Madison					

Housing souce- www.maps n stats

City	Community Programs					
	JFS	Fire Prevention K-6	Fire Safety House or equiv.	Senior Citizens (Get Out and Stay Alive)	Senior Citizens (Disabled Program)	Ethnic Community Services / Education
Beloit	Y	K-5	Y	N	N	Y
Eau Claire	Y	K-5	Y	Y	Y	Y
Janesville	N	K,1,3,5,9	Y	Y	N	Y
La Crosse	Y	K-6, 12	Y	Y	Y	Y
Oshkosh	Y	Y	Y	Y	Y	N
Sheboygan	N	K,1,3,4	N	Y	Y	Y
Waukesha	Y	K,1,4	N	Y	N	Y
Wausau	Y	Y	Y	Y	Y	Y
Wauwatosa	N	Y	Y	Y	N	Y
Racine						
Merrill	N	Y	N	Y	Y	N
Green Bay	Y	Y	Y	N	Y	Y
West Allis	Y	Y	Y	Y	N	N
Chippewa Falls	Y	Y	N	Y	N	N
Manitowoc	Y	Y	Y	Y	N	Y
Milwaukee						
North Shore	N	Y	Y	N	Y	N
Brookfield						
Fond du Lac	Y	Y	Y	Y	N	N
Appleton	Y					
Rhinelander	Y	Y	Y	N	N	N
Superior						
Kenosha						
Madison						

City	State LPO (Underground Tank Program
Beloit	Y
Eau Claire	Y
Janesville	Y
La Crosse	Y
Oshkosh	Y
Sheboygan	N
Waukesha	Y
Wausau	Y
Wauwatosa	Y
Racine	
Merrill	N
Green Bay	Y
West Allis	Y
Chippewa Falls	Y
Manitowoc	N
Milwaukee	
North Shore	N
Brookfield	
Fond du Lac	Y
Appleton	
Rhinelander	Y
Superior	
Kenosha	
Madison	

La Crosse Fire Department

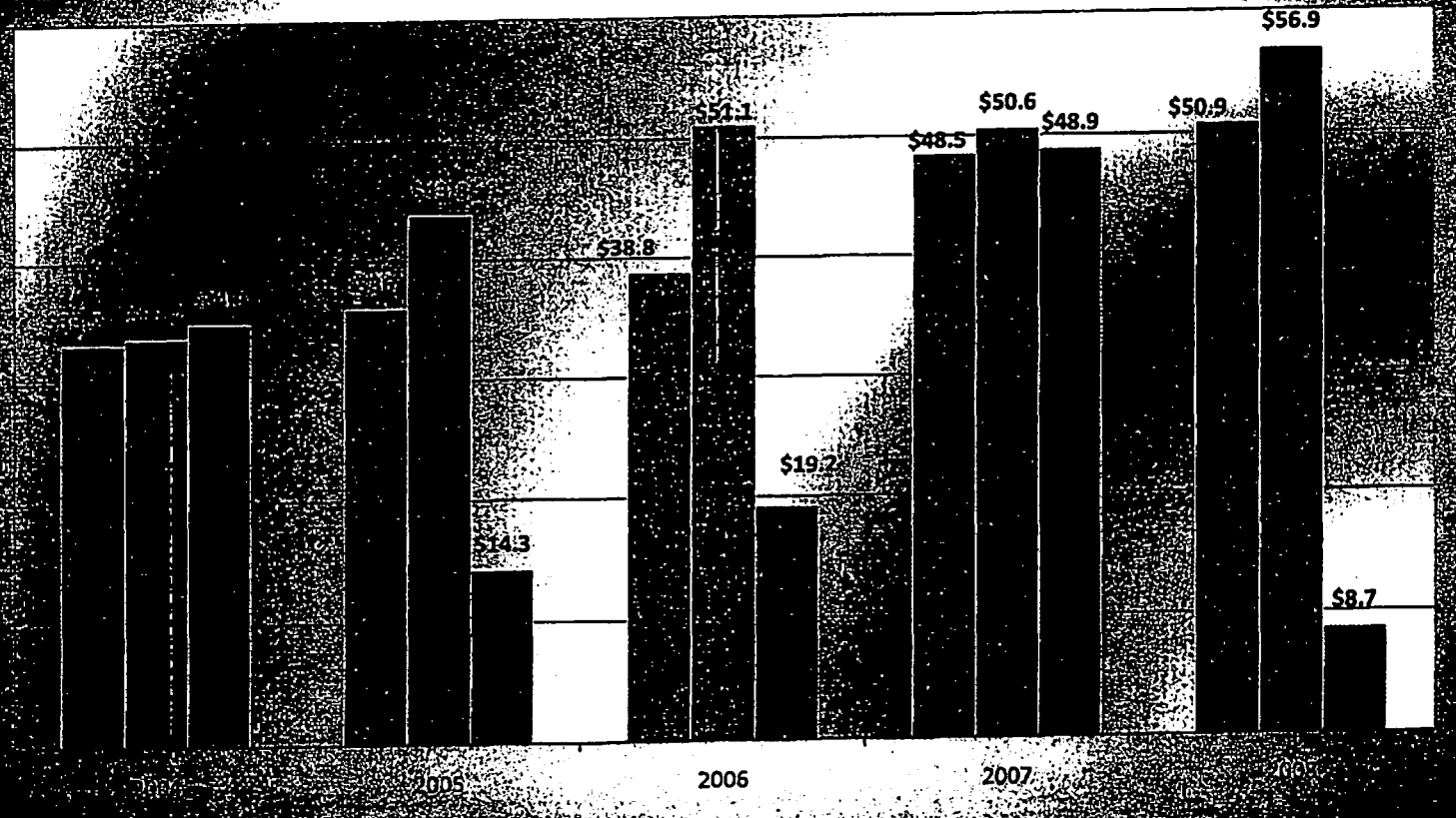
726 5th Ave South, La Crosse, WI 54601 ■ (608) 789-7260 Fax (608) 789-7276
http://www.cityoflacrosse.org clevelandg@cityoflacrosse.org

Serving La Crosse and Southwestern Wisconsin Quality Emergency Services Since 1896

Sources used for FD Study 2011

1. City of Racine website
2. City of Green Bay website
3. City of Brookfield website
4. City of Fond du Lac website
5. City of Appleton website
6. City of North Shore website
7. City of Manitowoc website
8. City of Chippewa Falls website
9. City of Merrill website
10. City of West Allis website
11. City of Rhinelander website
12. Interim Fire Chief Rob Goplin, Green Bay FD
13. Captain Chris Heil, Green Bay FD
14. Rick Larson, Bldg Dept. Green Bay
15. Fire Chief Charlie Myers, Brookfield FD
16. Asst. Chief Greg Kadow, Manitowoc FD
17. Fire Chief Gary Buchberger, Wausau FD
18. Fire Chief Len Vander Wyst, Appleton FD
19. Fire Chief Steve Hanson, Racine FD
20. DC Craig Metz, Rhinelander FD
21. Stephanie Woelfel, City of Green Bay
22. AC Gary Streicher, West Allis FD

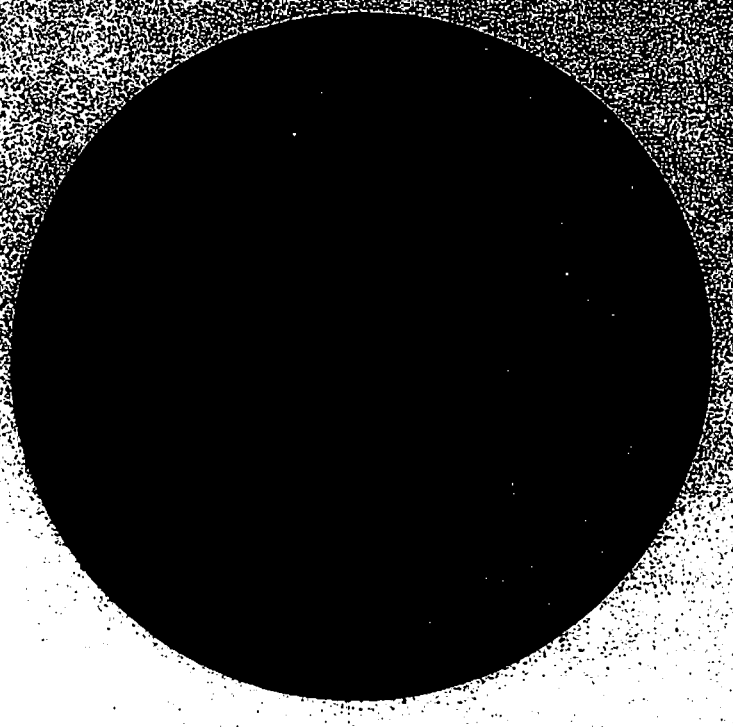
La Crosse Fire Department
2004 - 2008 Fire Loss Rates per Capita
Source: NFPA Annual Survey of Fire Departments for U.S. Fire Experience (2004 - 2008)



Note: All data is for municipalities with a population between 50,000 to 99,999 and is [illegible]

Fires Contained to Room of Origin After Fire Department Arrival 2009-2010

Source: National Fire Incident Reporting System (Local Fire Department Records Management System)



■ Contained to Room of Origin After Fire Department Arrival

■ Spread Past Room of Origin After Fire Department Arrival

RESPONSE TIMES

Comparable Cities Average Response Times 2010

Appleton	4.4 min
Beloit	5 min
Brookfield	5.4 min
Chippewa Falls	4:42 min
Eau Claire	5:07 min
Fond du Lac	
Green Bay	
Janesville	4:30 min
La Crosse	2:39 min
Manitowoc	7 min 90% of time
Merrill	3:07 min fire / 2:40 min EMS
Milwaukee	1:14.5 min
North Shore	5 min
Oshkosh	4 min
Racine	4:42 min
Rhinelander	4:16 min
Sheboygan	3:07 min
Waukesha	
Wausau	4 min
Wauwatosa	
West Allis	defib on scene 4 min or less 89.2%

Summary of Standard Regarding Response Times

Fire Suppression

National Fire Protection Association (NFPA)

NFPA 1710 (2010 Edition)

5.2.4.1.1 The fire department's fire suppression resources shall be deployed to provide for the arrival of an engine company within a 240-second travel time to 90 percent of the incidents as established in Chapter 4.

5.2.4.2.1 The fire department shall have the capability to deploy an initial full alarm assignment within a 480-second travel time to 90 percent of the incidents as established in Chapter 4.

Insurance Services Office

Generally, ISO's criteria say that a built-upon area of a community should have a first-due engine company within 1.5 road miles of the protected properties and a ladder-service company within 2.5 road miles.

Rand Formula $T = 0.65 + 1.7D$

Where:

T = time in minutes to the nearest 1/10 of a minute

0.65 = a vehicle-acceleration constant for the first 0.5 mile traveled

1.7 = a vehicle-speed constant validated for response distances ranging from 0.5 miles to 8.0 miles.

D = distance

Response time for the first due Engine Company based on a 1.5 mile road distance equals 3.2 minutes.

Response time for the first due Ladder Company based on 2.5 miles road distance equals 4.9 minutes.

Emergency Medical Services

National Fire Protection Association (NFPA)

NFPA 1710 (2010 Edition)

5.3.3.3.2 The fire department's EMS for providing a first responder with AED shall be deployed to provide for the arrival of a first responder with AED company within a 240-second travel time to 90 percent of the incidents as established in Chapter 4.

American Heart Association

No universally accepted response time; references NFPA 1710 and American College of Surgeons and Pre-hospital Trauma Life Support International.

Both recognize the four minute response time as outlined in NFPA 1710.

American Ambulance Association

Allows four (4) minutes and 59 seconds for first responder (basic life support) with AED.

Cleveland, Gregg

From: Tom Tornstrom [ttornstrom@tristateambulance.org]
Sent: Tuesday, August 16, 2011 10:09 AM
To: Cleveland, Gregg; Olson, Chris; Richmond, Andrea; Happel, Douglas; Swantz, Richard; Farmer, Douglas; Johnson, Jai; Wagner, Al
Cc: Murphy, Jeffery
Subject: RE: Response Times

We are measuring only those responses where both Tri-State and the fire department respond using lights and sirens. We would certainly expect LFD to be first in on almost all of the responses where Tri-State does not respond with use of lights and sirens. I'm sorry if this was unclear or in error in the handouts.

Tom

Tom Tornstrom, MBA, NREMT-P
Director of Operations
Tri-State Ambulance, Inc.
221 Buchner Pl.
La Crosse, WI 54603
office: 608-782-2282
cell: 608-406-0390
fax: 608-784-4522
www.tristateambulance.org

Please check out our 2010 Community Report http://www.tristateambulance.org/wp-content/uploads/2011/02/Community-Report-2010.pdf

CONFIDENTIALITY NOTICE:
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From: Cleveland, Gregg [mailto:clevelandg@cityoflacrosse.org]
Sent: Tuesday, August 16, 2011 10:00 AM
To: Olson, Chris; Richmond, Andrea; Happel, Douglas; Swantz, Richard; Farmer, Douglas; Johnson, Jai; Wagner, Al
Cc: Tom Tornstrom; Murphy, Jeffery
Subject: Response Times

At the last meeting the handout materials from Tri-State Ambulance indicated that the ambulance arrived prior to the fire department 40% of the time. Obtaining times recorded at the La Crosse County Emergency Dispatch Center indicate that in 2009 the fire department arrived on scene prior to the ambulance 88.8% for all EMS calls. In 2009 the fire department arrived on scene first for all EMS calls 90.9% of the time, and year to date for 2011 the fire department arrived on scene first 91.4% of the time.

GIS

RAND Formula for Determination of Adequate Station Coverage in a Community
For sufficient coverage the result should be less than 0

$$A - \tfrac{1}{2}(n)(Dmax)^2/(k^2)$$

4 Stations	
Variables	Values
A	22.2
k	0.4714
Dmax	1.5
n	4

1.949611598
Greater than 0 =
Insufficient Stations

5 Stations	
Variables	Values
A	22
k	0.4714
Dmax	1.5
n	5

-3.312985503
Less than 0 =
Sufficient Stations

A = Square Miles
k = Rand constant
Dmax = Acceptable Distance in Miles for Response
n = Number of Stations

	Square Miles	Fire Stations	Rand Calculation		Required # of Stations	
Beloit	17	3	1.812208698	Insufficient	4	-3.25039
Eau Claire	34	6	3.624417396	Insufficient	7	-1.43818
Janesville	33.6	5	8.287014497	Insufficient	7	-1.83818
La Crosse	22.2	4	1.949611598	Insufficient	5	-3.11299
Oshkosh	24.89	6	-5.4855826	Sufficient	5	-0.42299
Sheboygan	15	5	-10.3129855	Sufficient	3	-0.18779
Waukesha	25.11	5	-0.2029855	Sufficient	5	-0.20299
Wausau	19.2	3	4.012208698	Insufficient	4	-1.05039
Wauwatosa	13.07	3	-2.1177913	Sufficient	3	-2.11779
Racine	18.7	6	-11.6755826	Sufficient	5	-6.61299
Green Bay	54.3	7	18.8618203	Insufficient	11	-1.38857
West Allis	11.4	3	-3.7877913	Sufficient	3	-3.78779
Chippewa Falls	11.4	2	1.274805799	Insufficient	3	-3.78779
Manitowoc	17.2	4	-3.0503884	Sufficient	4	-3.05039
Milwaukee	96.9	36	-85.3534956	Sufficient	20	-4.35194
North Shore	25	5	-0.3129855	Sufficient	5	-0.31299
Rhinelander	7.9	1	2.837402899	Insufficient	2	-2.22519
Appleton	24.9	6	-5.4755826	Sufficient	5	-0.41299
Brookfield	26.8	3	11.6122087	Insufficient	6	-3.57558
Fond du Lac	20.17	3	4.982208698	Insufficient	4	-0.08039
Merrill	8.24	2	-1.8851942	Sufficient	2	-1.88519

Rand Constant	0.4714
D_{MAX} =	1.5

-Analysis Overview

The goal of this analysis is to provide the following deliverables:
-1 overall overview initial response map of the city with the 4 current stations
-1 overall overview initial response map of the city with the 4 current stations plus planned station at Hwy 14/61 & MM
-1 initial response map per station including planned station at Hwy 14/61 & MM
-1 analysis map of estimated best locations for station distribution for initial response
-If time allows we will assemble 1 overall overview response map of the city with the 4 current stations taking into account time needed for a full response (ie. all apparatus needed.) This will be done for as many types of response as time allows.

Further notes:
-All response maps will show 4 & 8 minute estimated response times
-We will take the existing stop signs into account and try to apply a standard lesser barrier where those signs may be missing.
-We will take into account railroad crossing barriers.
-When all stop signs are complete we can complete a new updated set of maps under a new contract.
-All maps will be estimates based on available data and not fact.

-Analysis Process

An analysis network was built using ArcGIS 9.2 that models navigation on the streets of La Crosse. Street direction was modeled. All one-way streets and divided lanes present in the provided data were modeled as traversable only under the appropriate conditions. Road elevation (overpasses/bridges) and connectivity (turn restrictions) were also modeled and implemented when the appropriate conditions in the data were met. Speed limits were modeled as an impedance value for traversing the network. Speed limit data was provided for a portion of the city, the speed limit was modeled at the appropriate values where the data was provided. A default value of 25 mph was implemented for all other streets. Street lights, stop signs, and yield signs were modeled in the best possible manner given the provided data. These traffic intersections were modeled with impedance values that are appended to the traversal time of the route given the manner in which the route is being traversed. The below table (*fig 1*) explains the impedance values that were used. All intersections (not just the ones that do not involve a traffic signal) have a global impedance value assigned to it that varies given the nature of how the intersection is being traversed (i.e. right turn, left turn, u-turn etc.). The railroad overheads were modeled by placing barriers on the roads that should be avoided due to railroad tracks. These points in the road are made non- traversable in the analysis.

The process of this analysis involved building a GIS network that implements the above rules and impedance values. Once the network is properly modeled, it can be used to perform an analysis such as identifying the service area of given points.

Fig. 1

Turn Type	Impedance Value (in minutes)
Yield (left turn)	0.15
Yield (right turn)	0.05
Yield (straight)	0.1
Yield (u turn)	0.15
Stop Light (left turn)	0.33
Stop Light (right turn)	0.1
Stop Light (straight turn)	0.33
Stop Light (u turn)	0.33
Stop (left turn)	0.16666
Stop (right turn)	0.083
Stop (straight turn)	0.125
Stop (u turn)	0.16666

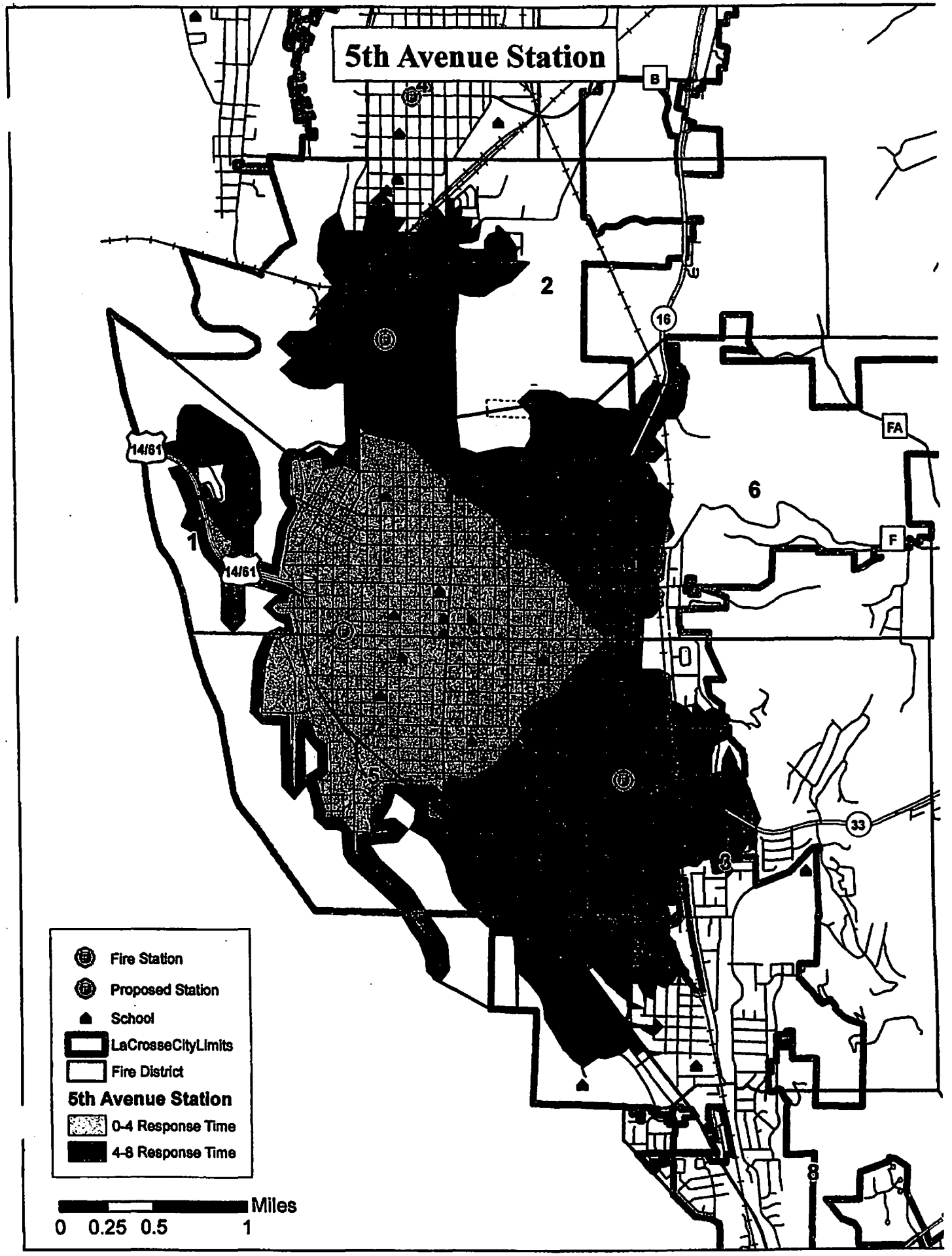
Work done to clean data

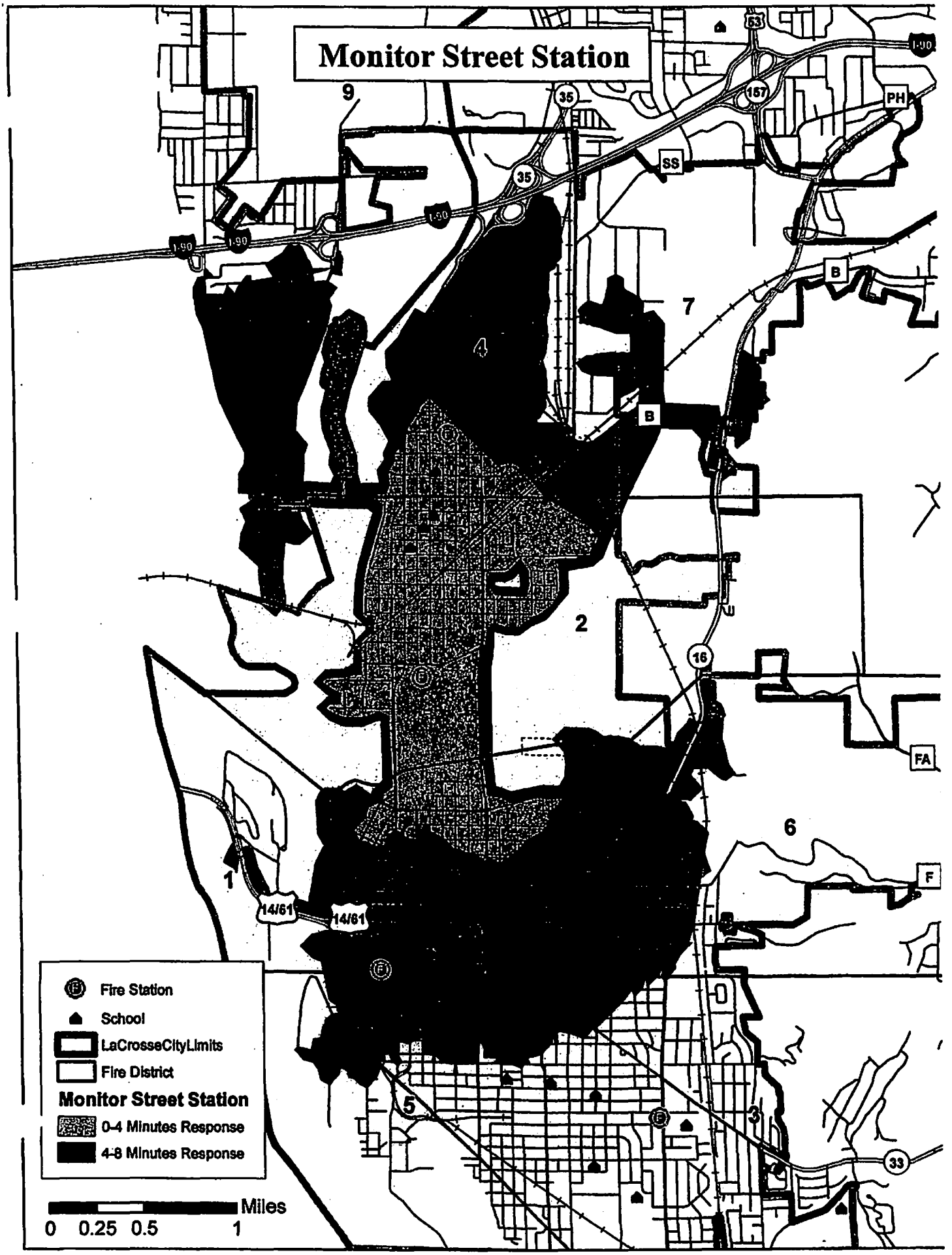
- Conflation of stop sign data and road data was required. We were unable to systematically snap all stop signs to the appropriate road. Furthermore, digitizing direction of roads was not consistent or accurate so assigning a To-From / From-To value to identify location of a stop sign could not be automated. All stop signs had to be either manually verified as correct or manually edited.
- Conflation of stop light data and road data was required. All stop lights had to be either manually verified as correct or manually edited for the same reasons as above.
- Conflation of yield data and road data was required. All yields had to be either manually verified as correct or manually edited for the same reasons as above.
- Road digitizing direction (direction of lines) was not consistently accurate needed to be manually corrected and analyzed to implement one way roads appropriately.
- Barrier information had to be manually extracted from railroad overhead descriptions.
- In some cases, ramps were missing and did not allow for vehicle access where it should be available. These ramps were digitized from aerial photographs.
- In some cases network topology had small breaks or line ends were inappropriately snapped to line vertices when they should be snapped to line end points (and vice versa). This was also the cause of errors in lane elevation which is used to model overpasses and highway intersections.
- Speed limit data was provided for only the city and was spatially joined to the complete county network a default value was systematically applied to the streets that did not receive a speed limit from the spatial join. It is a requirement that all roads have a speed limit value.

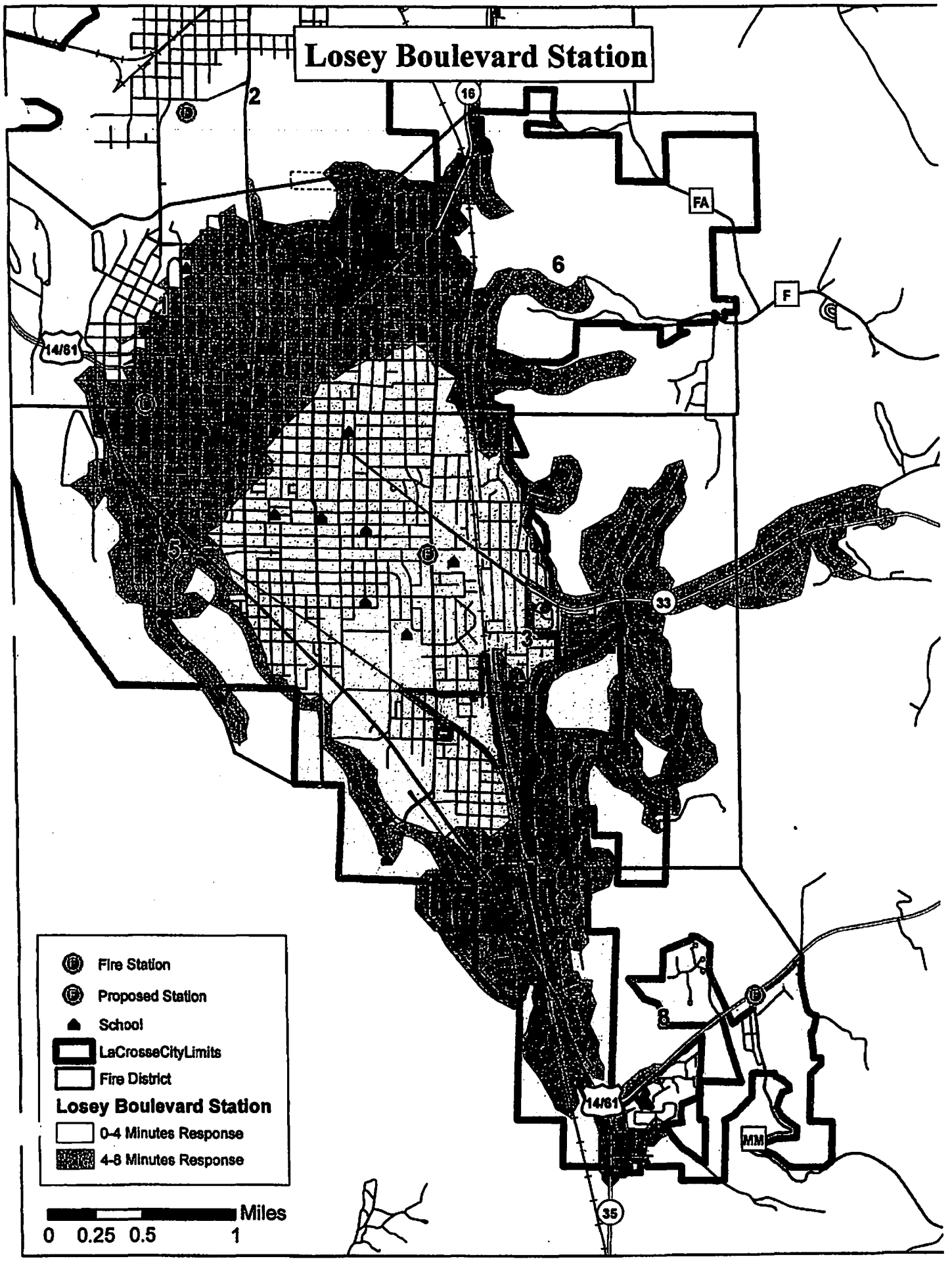
Analysis Restraints

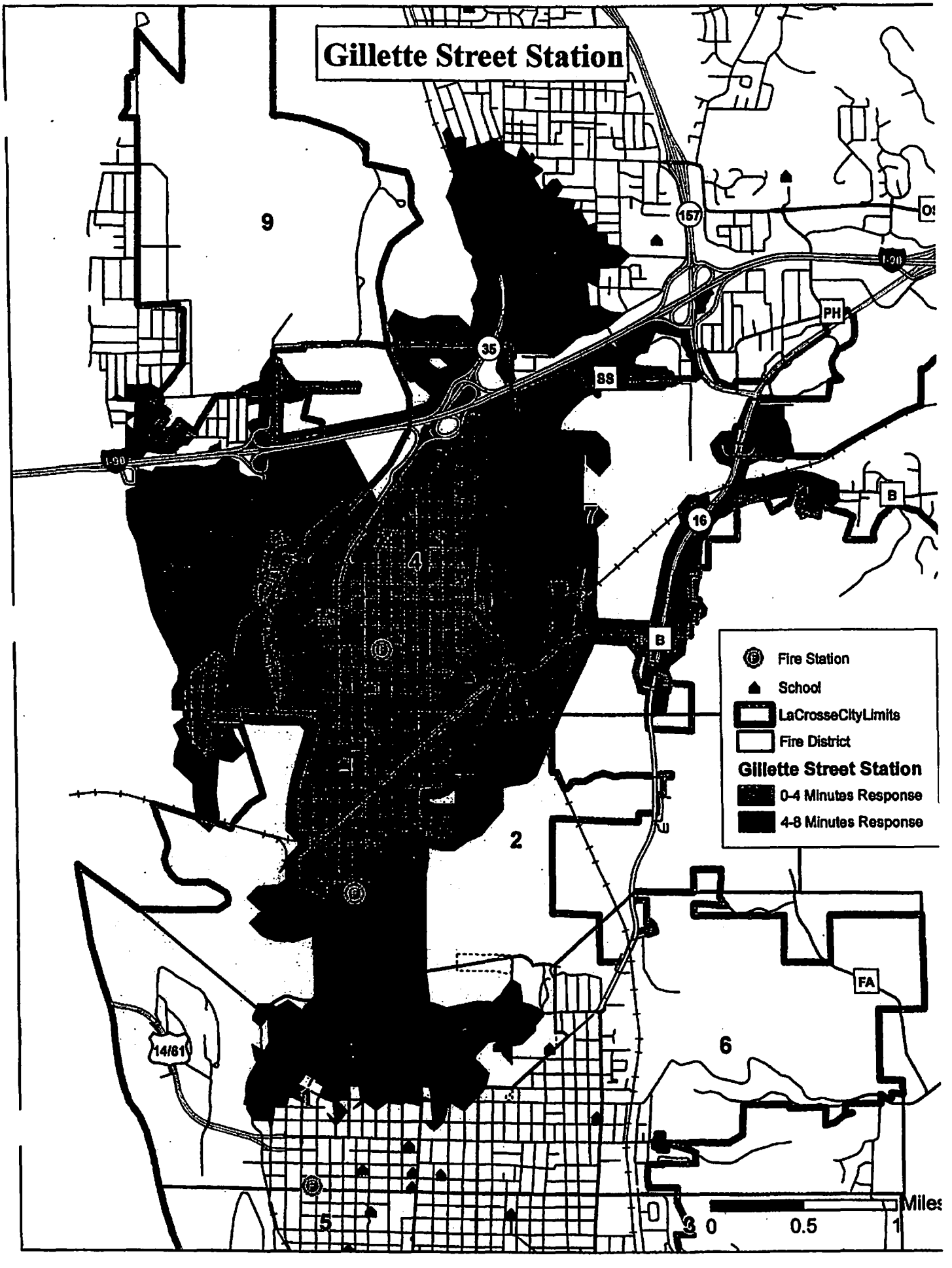
There are some restraints that limited the network's ability to model reality:

-Incomplete / confused data – for several of the layers, we went in and cleaned up the data but there was only so much we could do here. (See the descriptions above).
-Speed limit data was only available in the city limits; having speed limits for the entire county dataset would increase accuracy.
-Stop & yield signs were only available for portions of the city; having complete datasets for the county dataset would increase accuracy.
-Stop sign, yield sign, & stop light data was not available outside city limits; having complete datasets for the county dataset would increase accuracy.
-Modeling impedance values – as expected, the variables used for implementing impedance (*fig 1*) are an estimation of what would happen in reality. The above values could be a better simulation of reality if research of each individual intersection in La Crosse were available.
- Traffic density per road and per time of day could be implemented to better simulate reality. These factors have been left out of the analysis because the data is not available.


5th Avenue Station
B
2
16
FA
6
F
14/61
1
14/61
5
33
3
8
Fire Station
Proposed Station
School
LaCrosseCityLimits
Fire District
5th Avenue Station
0-4 Response Time
4-8 Response Time
Miles
0 0.25 0.5 1


Monitor Street Station
9
35
53
I-90
157
PH
SS
35
I-90
I-90
I-90
B
7
4
B
2
16
FA
6
F
1
14/61
14/61
5
3
33
Fire Station
School
LaCrosseCityLimits
Fire District
Monitor Street Station
0-4 Minutes Response
4-8 Minutes Response
Miles
0 0.25 0.5 1


Losey Boulevard Station
16
2
FA
6
F
14/61
5
33
3
8
14/61
MM
35
Fire Station
Proposed Station
School
LaCrosseCityLimits
Fire District
Losey Boulevard Station
0-4 Minutes Response
4-8 Minutes Response
Miles
0 0.25 0.5 1


Gillette Street Station
9
4
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157
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35
PH
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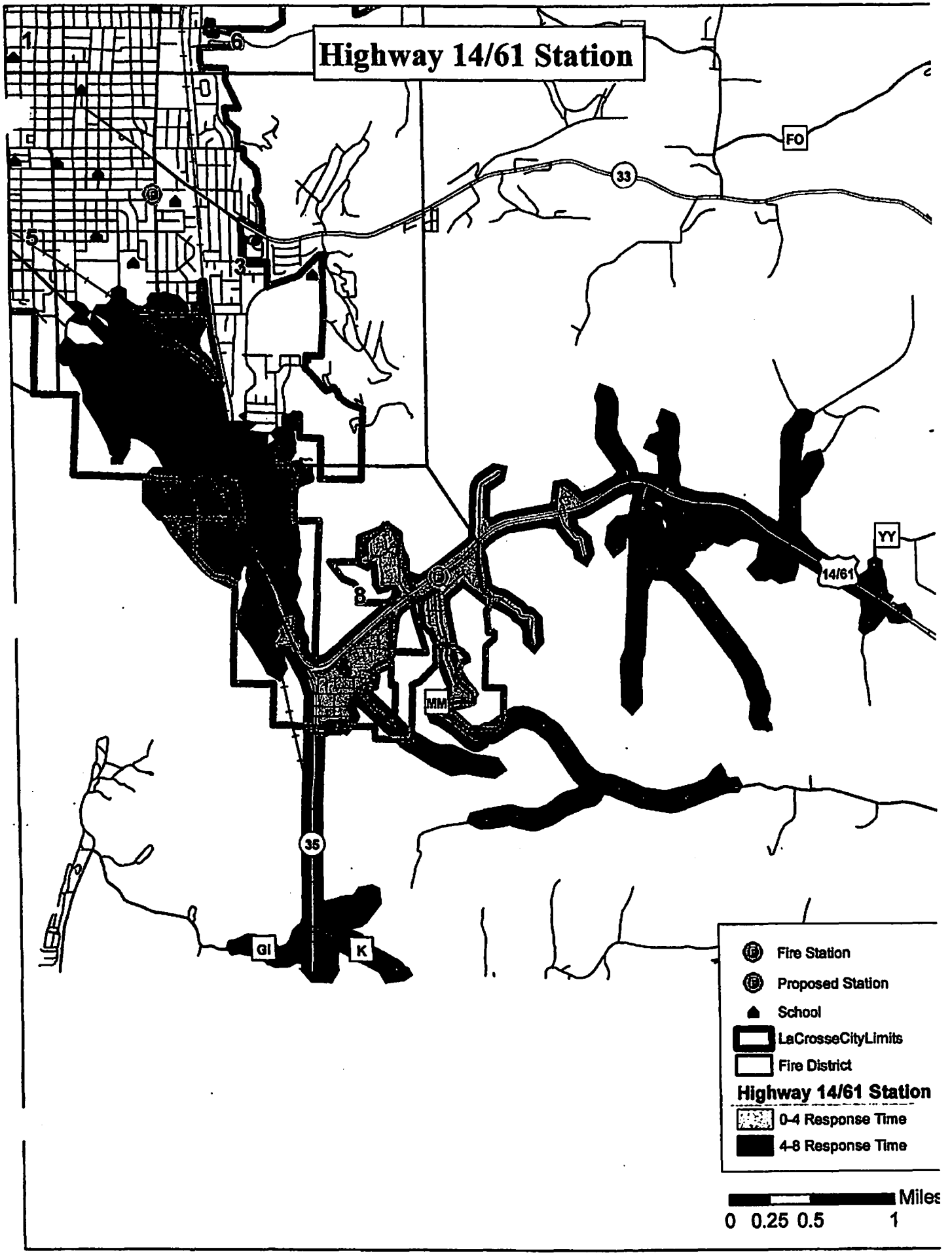
FA
14/61
Fire Station
School
LaCrosseCityLimits
Fire District
Gillette Street Station
0-4 Minutes Response
4-8 Minutes Response
0
0.5
1
Miles


Highway 14/61 Station
1
6
5
3
FO
33
YY
14/61
8
MM
35
GI
K
Fire Station
Proposed Station
School
LaCrosseCityLimits
Fire District
Highway 14/61 Station
0-4 Response Time
4-8 Response Time
Miles
0 0.25 0.5 1

Emergency Response Analysis - Fire House Location Allocation
City of La Crosse Fire Department
9/5/11
Mapping Specialists Ltd.

-Analysis Overview - Using the GIS road network built for fire response time maps, execute an analysis for potential locations within La Crosse City limits and allocate the best fitting locations. The deliverable will be five proposed locations for fire houses. The analysis will aim to weigh road traversal impedances in identifying the best locations for these five firehouses. The proposed locations will offer the optimal emergency coverage times with a primary requirement of serving all sites within the area of demand. The area of demand being all sites requiring emergency response within La Crosse's City limits. More about how the area of demand is identified in the data description below.
Map deliverables:

- One overview map of the City of La Crosse depicting the location of the existing/future fire houses and the location of the fire houses recommended as optimal by the location-allocation analysis.
- Also the above overview map will depict the four minute and eight minute response time zones that each analysis-recommended site would offer if they were to exist.

Shapefile deliverables:

- One point shapefile depicting the sites identified as optimal for five fire houses by the location-allocation analysis.
- One polygon shapefile depicting the four minute and eight minute response times that each of the above fire house sites would serve. These polygons do not overlap. This means that if a response location appears within service range of two proposed fire houses, the fire house with the quickest response time to the location will be identified as the primary responding fire house.

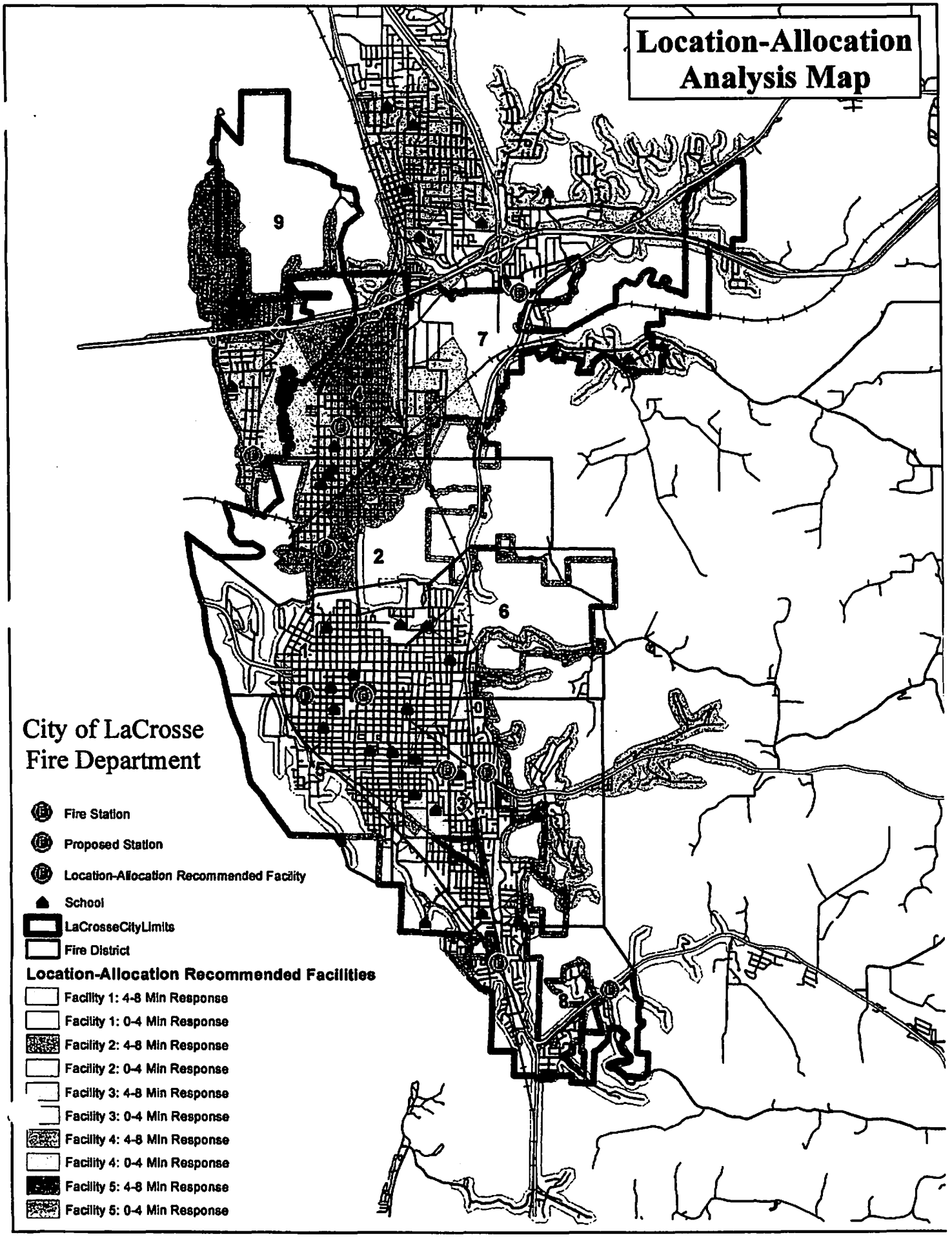
-Analysis Process - The road network was developed in the same manner as in the previous analysis (see document dated 8/22/11). All turns, stop lights, stop signs, road elevations etc. were modeled exactly the same as previously. The idea of this analysis was to identify all of the demand areas (areas where a response is required) and all possible facilities (areas where a fire house could be facilitated) as points in the system. Then, demand points would be reverse-routed to the facility of least impedance (the best route). An algorithm was applied each facility point as the analysis iterated through the demand points. A collective coverage value was assigned to each facility point for every possible location and an overall ranking of each was made. The best overall ranking locations were allocated as the five most recommended facility points.

-Work done to clean data - All data used is the same as that used in the previous analysis (see document dated 8/22/11) except for the *facility points* and the *demand points*. These two datasets are described below:

-facility points - This file includes all of the possible points where a fire station could exist. Since this data was not explicitly provided by the client we created the data to the best we could given the data that was available.
**Steps:*
1) La Crosse City parcels were extracted from La Crosse County Shapefile
2) Parcels that were less than 3 acres and parcels that held a tax number / tax ID had their geometry dissolved together. This was done in attempt to reduce number of features analyzed without compromising overall location availability.
3) All parcels (dissolved and original) within city limits were converted to point features (poly to geometric center) and these are the points that were used in the analysis as potential fire station locations.

-demand points - This file includes all of the possible points where an emergency response is likely to be required. Like facility points, this data was not explicitly provided by the client so steps were taken so that usable data was created to best of our ability.
**Steps*:
1) La Crosse City parcels were extracted from La Crosse County Shapefile
2) All parcels with any property improvement value were assumed to be properties that would require emergency response coverage. These properties were queried and extracted from the above La Crosse City parcels.
3) The polygon parcels were converted to points (poly to geometric center). These are the points that were used in the analysis as demand points for emergency response.

-Analysis Restraints - It would be appropriate to include weights to both the facility points and demand points as a way of simulating certain constraints/conditions that certain locations are attributed with. For example, a location may not be available as a potential facility point because it may be part of a historic district that is not available for reconstruction. Similarly, demand points are not weighted for housing density so a house with one inhabitant has equal weight to an apartment building with (possibly) multiple times more inhabitants. Considerations like the above have not been accounted for in the analysis because the time and data provided were not adequate for completing this extensive of an analysis.


Location-Allocation Analysis Map
9
7
2
6
City of LaCrosse Fire Department
Fire Station
Proposed Station
Location-Allocation Recommended Facility
School
LaCrosseCityLimits
Fire District
Location-Allocation Recommended Facilities
Facility 1: 4-8 Min Response
Facility 1: 0-4 Min Response
Facility 2: 4-8 Min Response
Facility 2: 0-4 Min Response
Facility 3: 4-8 Min Response
Facility 3: 0-4 Min Response
Facility 4: 4-8 Min Response
Facility 4: 0-4 Min Response
Facility 5: 4-8 Min Response
Facility 5: 0-4 Min Response

REVENUE

Office of the Fire Chief Gregg A. Cleveland

La Crosse Fire Department

726 5th Ave South, La Crosse, WI 54601 ■ (608) 789-7260 Fax (608) 789-7276
http://www.cityoflacrosse.org ClevelandG@cityoflacrosse.org

Serving La Crosse and Southwestern Wisconsin With Quality Emergency Services Since 1896

Memorandum

TO: Council Members Olson, Richmond, and Farmer

FROM: Gregg A. Cleveland, Fire Chief

DATE: June 22, 2011

SUBJECT: Fire Service Revenues

Attached to this memorandum is the summary of the fees that other communities are currently charging to recover or produce revenues in order to offset property taxes.

The table identifies which fees are being charged by which community. We have identified the specific fees for each of the categories. As you can see the fee structure differs significantly by community which suggests that there are differing levels of community acceptance for such fees. The most consistent area for charges is in the area of fire prevention where fees are charged for inspection of various fire suppression and prevention systems and their components and for medical services.

The State of Wisconsin Department of Transportation will reimburse fire departments for the costs of suppressing vehicle fires, extrication, or hazardous materials releases on highways maintained by WDOT.

Of the fees listed, the La Crosse Fire Department does not charge for fees for medical services, fireworks sales, false alarms, vehicle fires, campfires/cooking fires, or structure fires. Extrication fees are charged only to non-residents (all college students attending school in La Crosse are considered residents).

For the purpose of the department evaluation I would recommend that the department move forward in developing fees in the following areas: fire inspections of properties, fireworks sales permits, residential burn permits, environmental research surveys, and false alarms. I would further recommend that we expand the extrication fee to all persons regardless of resident status.

Fees for medical services are more complex and will require additional research because of reimbursement issues from the state and federal governments. I would, however, make a recommendation that the fees for medical responses be further evaluated by the Oversight Committee at a later date. The lack of a significant source of revenue in the area of medical services is the primary reason why La Crosse has a higher per capita rate for fire and EMS services of Wisconsin fire departments.

If there is consensus as to the recommendations above, the department can move forward and begin the process of estimating the financial impact to the city from implementation of these fees.

cc Mayor Harter

Attachment

Survey of Fees and Charges Assessed by Other Communities for Revenue
Wednesday, June 22, 2011

City	Suppression system fees	Tank fees	Fireworks sales	Carnival permit	Burn permits	Tents	Ambulance fees	Vehicle fires	Hazmat
Oshkosh						X	X		X
Eau Claire	X	X	X		X	X	X		
Neenah-Menasha	X	X	X	X	X				
Janesville	X	X					X	X	
Stevens Point							X		X
Marshfield	X		X			X	X		
Fitchburg							X		
Appleton	X	X			X	X		X	X
West Bend							X		X
Sheboygan							X		X
Fon du Lac		X	X	X	X		X		
Brookfield	X	X					X	X*	X*
Waukesha	X	X					X		X
La Crosse	X	X							X
Pecentage	64%	50%	36%	14%	29%	29%	79%	21%	57%

* Denotes charge only on highways

Committee Report of Possible Revenue Fees

August 23, 2011

This analysis was created to look for additional revenues and possibly increasing/charging fees.

Item

- **False Alarms – 200.00 per incident – Yearly Rev. - $35,000.00**

Fire Inspections

- **Apartments – Based on $8.30 per $16,600.00**
- **Motels/Hotels – Based on $4.90 per room $6,120.00**
- **Commercial Buildings – Based on size. Approx. $372,400.00**
- **High Life Safety – Based on size – Approx. $5,000.00**
- **Vehicle Fires $550.00 per approx. Rev. $18,700.00**
- **Fire Works Vendors Rev. $7,800.00**
- **Fire Pits - $20.00 each Rev. $10,000.00**

Water Rescue

Technical Rescue } **These items were discussed, but no final decision made on them**

Ambulance Services

Total Revenue Possible - $471,720.00

Ambulance Fees

City	BLS Resident	BLS Non Resident	ALS Resident	ALS Non Resident	Mileage	Oxygen
Beloit	434.00	514.00	748.00	932.00		
Brookfield	555.00	680.00	730.00	880.00		
Eau Claire	745.00	995.00	850.00	1100.00	14.00	60.00
Fon du Lac	450.00	NA	550.00	NA		
Janesville	515.00	720.00				
Manitowoc	725.00	825.00	725.00	825.00		
North Shore	575.00	700.00	780.00	870.00	14.50	75.00
Oshkosh	450.00	600.00	550.00	700.00		
Sheboygan	575.00	675.00	750.00	850.00	16.00	65.00
Two Rivers	660.00	715.00	715.00	770.00		
Waukesha	593.00	800.00	712.00	900.00	14.00	
Wauwatosa			640.00	690.00		
West Allis	500.00	600.00	640.00	690.00	14.00	

BLS = Basic Life Support
ALS = Advanced Life Support
Most cities charge for supplies such as medications, bandages, splints, oxygen masks etc.

TRI-STATE

Tri-State Ambulance

221 Buchner Place
La Crosse, WI 54603
Phone: 608.784.8827
Fax: 608.782.4522
www.tristateambulance.org

September 7th, 2011

City of La Crosse Common Council
400 La Crosse Street.
La Crosse, WI 54601

Dear Council Members;

At the request of the Fire Department Management and Operations Review Committee, Tri-State Ambulance is submitting this document for inclusion in the Fire Department operations report. It should be noted that a detailed presentation was given to the committee on August 10th, 2011. In addition to the presentation, Tri-State Ambulance provided committee and audience members a question and answer document which addressed many of the frequently asked questions regarding the provision of ambulance service in the City of La Crosse.

Please find attached to this letter the detailed response to the questions outlined below:

- Why does the La Crosse Fire Department often arrive at medical scenes before Tri-State?
- What are the response time requirements that guide fire departments and ambulance services?
- Is it more costly to staff an ambulance than a first responder unit?
- Is there a difference in training and level of medical care between the medical responders the fire department provides and those provided by Tri-State?
- Since paramedics are trained at a higher level and can provide advanced skills, shouldn't the La Crosse fire department upgrade their staff to the paramedic level first response?
- Since the fire department is going to the medical calls anyway, shouldn't they just be trained as paramedics and respond using an ambulance?
- Wouldn't a "dual role" firefighter, one who works on an ambulance and fights fires, be more cost effective than just a firefighter?
- Wouldn't it be a good idea for the La Crosse Fire Department to just add one ambulance to the system and supplement Tri-State Ambulance?
- If the La Crosse Fire Department started an ambulance service, what kind of initial changes would residents who call 911 notice?
- Can the La Crosse Fire Department generate revenue by providing ambulance service?
- In what ways is operating an ambulance service different than the other revenue generating ideas?
- Isn't there profitability in running ambulance services?
- Why are ambulance bills so high?
- How can Tri-State Ambulance operate without requiring a financial subsidy?

Sincerely,

Tom Tornstrom, MBA, Paramedic
Director of Operations

Medical Care in Motion

Tri-State Ambulance

City of La Crosse Emergency Medical Services

Prepared by Tom Tornstrom, Director of Operations – July 2011

Frequently Asked Questions

Question: Why does the La Crosse Fire Department often arrive at scenes before Tri-State Ambulance? Is La Crosse different from other communities in this aspect?

Answer: Historically, the La Crosse Fire Department responds to about 60% of EMS requests as first in (arriving before Tri-State). This means that even though Tri-State intentionally places ambulances in some less populated areas of the city in order to protect our patients, we still are first at scene roughly 40% of the time. In addition, Tri-State responds to 42% of City of La Crosse 911 EMS calls without the use of lights and sirens. The reason we do this is because we have a dispatch protocol that triages medical calls and allows us to send the appropriate resources in the safest and most appropriate response mode. For example, we see no reason to respond using lights and sirens when we know the patient we're responding to is only suffering from a migraine headache.

Even though Tri-State considers the "first-in" argument invalid, it is worthy of even further explanation. First responders are often first in because this is the way EMS systems are designed based on patient needs and financial resources. In the U.S., the standard of EMS operations involves sending first responders and an ambulance to the vast majority of EMS requests. This is a patient-centered practice and ensures adequate medical resources are in place when needed. First response provided by first responders is also much more cost efficient than providing paramedic level providers. In addition, basic life saving skills, such as those first responders are trained in, are the most important treatment in the first minutes of even the most critical patient responses. More information regarding response times and resources can be found later in this document.

Question: We hear a lot about response times in EMS and fire departments. Is there actually a standard that both EMS and fire departments follow in regard to response times?

Answer: Since every EMS and fire system is different, there are no federally mandated response time requirements but there are guidelines issued by the NFPA (National Fire Protection Association). Defining response times is typically left up to the counties, cities, or jurisdictions where the service is being provided.

NFPA rule 1710, which the City of La Crosse Fire Department contends to follow, offers response guidelines for BLS (basic life support), typically first responders, and ALS (advanced life support paramedics). These guidelines state that first response BLS should have a travel time of four minutes or less (five minutes or less with turn-out time) to 90% of emergency medical incidents. In the City of La Crosse, Tri-State Ambulance has also chosen to follow the NFPA 1710 guideline for advanced life support (ALS) response of eight minutes or less (nine minutes or less with turn-out time) to 90% of emergency

medical incidents. Although these standards require efficient staffing and planning, Tri-State has had 100% monthly compliance with the guideline since it began tracking it in 2007. Please visit www.tristateambulance.org for detailed response time reports.

Another significant reason why ambulances may often have a slightly slower response time than first responders is due to their level of availability. In the City of La Crosse, it typically takes an ambulance 50 minutes from start to finish to complete an ambulance run. During these 50 minutes, the ambulance is committed and unavailable for additional responses. In contrast, a first responding unit, because they don't transport a patient, is typically available for another call in less than 25 minutes, essentially making a first responder unit available twice as often as an ambulance. In most cases, the firefighter first responders can become available for another medical or fire call within a few minutes after scene arrival.

Question: Is it more costly to staff an ambulance than a first responder unit?

Answer: Financially, operating an ambulance is much more expensive than a two person first response unit. Because of this, it would be cost prohibitive to supply the City of La Crosse with enough ambulances to achieve similar response times to that of first responders. It should also be noted that first responder fire apparatus are truly dual role, meaning they can respond and commit their resources to fire fighting duties with minimal impact on the system. Tri-State Ambulance has projected that the City of La Crosse would require eight ambulances to offer the same level of availability as its fire department first responders. To illustrate this point further, please see the below table outlining some similarly sized Wisconsin cities and how they staff ambulances:

Figure 1 – information gathered December of 2010

City	Population	Number of Stations / first responder units	Number of typically staffed ambulances
Beloit FD	37110	3	2
Eau Claire FD	65362	6	3
Janesville FD	63540	5	4
La Crosse	51840	4	3 to 6 (provided by Tri-State)
Oshkosh FD	65920	6	3

Question: Is there a difference in training and level of medical care between the medical responders the fire department provides and those provided by Tri-State?

Answer: Yes. First responders and EMT-Basics are trained in basic life-saving measures such as CPR, defibrillation, oxygen administration, and airway management. These initial treatments are time critical and the reason why it's important to have first responders. Paramedics, provided by Tri-State Ambulance in La Crosse, are medically trained at a much higher level than first responders and expand

on the initial treatment provided by first responders. Tri-State paramedics offer such additional advanced treatments as EKG diagnostics, cardioversion, external pacing, surgical airway placement, numerous medications, and advanced level patient assessment skills.

Question: Since paramedics are trained at a higher level and can provide advanced skills, shouldn't the La Crosse fire department upgrade their staff to the paramedic level first response?

Answer: It's important to understand that the first five to ten minutes of medical emergencies are typically spent performing basic life support skills and assessments. These basic life support skills include CPR, defibrillation, Oxygen administration, and patient assessment; these treatments will be performed first regardless of whether the first arriving medical responder is a paramedic, basic EMT, or even a trauma surgeon.

Because paramedics utilize advanced level skills, it's imperative that individual paramedics treat enough patients to be able to utilize and retain their skills and assessment competency. Studies have shown that higher levels of individual paramedic experience are associated with increased positive outcomes for cardiac arrest victims, (Sayre, Hallstrom, Rea, Van Ottingham, White, & Christianson, 2006). In another recent study of the Milwaukee, WI EMS system, researchers found that the achievement of critical care benchmarks by paramedics was inversely proportional to the number of practicing paramedics in that EMS system; in other words, when an EMS system increases the number of paramedics beyond what the system can sustain, the skills and proficiency of all paramedics suffer, (Vrotsos, Pirrallo, Guse, & Aufderheide, 2008). And lastly, a 2008 retrospective study looked at the number of paramedics at the scene of OHCA (out-of-hospital cardiac arrest) in the Kenosha, WI EMS system. In evaluating 10,298 victims over a 13 year time frame, the study found no statistical significance in cardiac arrest survival when patients were treated by two to three paramedics but found an actual decrease in OHCA when treated by more than three paramedics, (Eschmann, Pirrallo, Aufderheide, & Lerner, 2009). Adding additional paramedics to the La Crosse EMS system, whether in the form of first responder paramedics or ambulance paramedics, will upset the current balance of skill proficiency.

Question: Since the fire department is going to the medical calls anyway, shouldn't they just be trained as paramedics and respond using an ambulance?

Answer: Although this may seem reasonable on the surface, further exploration reveals why this practice would create staffing shortfalls and an increased fire department budget. As mentioned earlier, it's extremely important for patient survival that both a first response unit and an ambulance respond immediately to most medical emergencies. Since the La Crosse Fire Department typically utilizes two person crews for first responder calls, and an ambulance would require a minimum of a two person crew, the fire department would place its fire fighting capabilities in danger with current staffing level, here's why:

Tri-State Ambulance

According to Tri-State Ambulance historical data, the City of La Crosse, in a most recent 12 month time period, had 952 times when there were two or more medical responses occurring within the same one-hour period. Considering that it typically takes 25 minutes to complete the first responder portion of a call and 50 minutes for the ambulance portion, the La Crosse Fire Department could be short eight firefighters, two on the ambulance and two on the first response crew, for up to 25 minutes at one time, 952 times per year. This equates to nearly three times per day when 50% of on duty staffing could be tied up on medical calls. There were 196 times in this period where three or more medical responses occurred at the same time which could have placed up to 12 firefighters unavailable for 25 minutes. In the most profound scenario, there was 76 times where four or more responses occurred in the same one-hour period. This type of scenario could reduce the La Crosse Fire Department staffing levels by up to 16 personnel making it virtually impossible to fight any fire or handle additional EMS calls. Undoubtedly, the only logical solution which would be offered by the La Crosse Fire Department to overcome this inevitable dilemma would be to further increase the number of firefighters, essentially replacing the firefighters who would now be dedicated to ambulances.

Question: Wouldn't a "dual role" firefighter, one who works on an ambulance and fights fires, be more cost effective than just a firefighter?

Answer: As explained above, expecting a firefighter assigned to a dedicated ambulance to also be available to fight fires is not possible without dangerously reducing the number of ambulances available.

When an EMS system is designed, it projects how many ambulances will be needed to adequately serve an area. In La Crosse's case, three primary ambulances and at least one backup ambulance would be needed to fully serve the city. Since NFPA 1710 calls for a less than one minute turn-out time for EMS response, there wouldn't be any actual firefighting duties that could be performed by ambulance paramedics while still meeting this guideline; patients will suffer. A person experiencing a medical emergency cannot afford to wait for an ambulance crew to finish firefighting duties before being able to respond. Since staffing three ambulances would require between 19 and 21 paramedics (about 7 per shift), one should expect the request for additional staffing of firefighters.

Question: Wouldn't it be a good idea for the La Crosse Fire Department to just add one ambulance to the system and supplement Tri-State Ambulance? This would allow some flexibility to the firefighters, help Tri-State or, when it gets busy, reduce response times in the remainder of the county, and bring in some revenue for the city.

Answer: The current La Crosse County EMS system is very finely balanced. In addition to the fact that Tri-State's overall ambulance transport volume has actually decreased in the past three years, adding another ambulance into the system will cause the following issues:

- A loss of revenue for Tri-State Ambulance which would require significant tax funded subsidies in order to maintain the current level of service throughout the region. Without a subsidy, reductions in service are certain, negatively impacting pre-hospital healthcare.
- The probability that Tri-State would layoff highly experienced and skilled paramedics who would then be replaced with newly trained and inexperienced fire department paramedics.
- The reduction of available firefighters in the City of La Crosse by 2.3 FTEs per day for each staffed ambulance.
- An expense to operate the ambulance which will be far higher than the revenue it generates (see financial section).

Question: If the La Crosse Fire Department started an ambulance service, what kind of initial changes would residents who call 911 notice?

Answer: The most notable change would be the experience levels of the staff. The average Tri-State paramedic has over 9 years of full-time experience and has treated thousands of patients. Another significant change would be the reduction in the number of female paramedics. Currently, female paramedics and EMTs make up 25% of Tri-State's clinical staff where the La Crosse Fire Department has no female caregivers.

Financial Q&A

Question: I hear that the La Crosse Fire Department can generate revenue by providing ambulance service. Is this true, and if so, how much revenue could be generated?

Answer: While there is no question that providing ambulance service can generate revenue, the real question not asked enough is whether or not it will generate revenue beyond the costs it takes to provide the service. As mentioned earlier, fire department employees assigned to an ambulance must be considered dedicated and unavailable for firefighting duties.

Startup of an ambulance service requires significant capital outlay as well as continued financial support to maintain education, training, additional equipment, fleet, and ensure federal Medicare compliance. In the case of the City of La Crosse, Tri-State Ambulance projects that the fire department ambulance could respond to an additional 5,182 EMS calls on an annual basis. Of these 5,182 responses, only 3,656 (70.5%) will be able to be legally charged for the service. Of these remaining 3,656 billable runs, the City will collect only 40% of the money it bills. Since most Wisconsin fire departments outsource their accounts receivables due to the high risk federal Medicare compliance requirements, an additional 9% in outsourced fees can be taken off of the 40% collection rate to bring it to 31%. When operating expenses are fully accounted for and calculated against projected revenue, the City of La Crosse can expect to spend one dollar in order to bring in just fifty-four cents in revenue; an operating loss of nearly 46%.

Tri-State Ambulance

Question: The La Crosse Fire Department is looking at a number of different revenue sources. In what ways is operating an ambulance different than the other revenue generating ideas?

Answer: The common factors with all of the revenue generating options other than provision of ambulance service is that they do not commit additional resources, they do not require a significant capital outlay, and they do not require increasing and maintaining the training level of employees by at least tenfold. In other words, performing a fire inspection or issuing a fireworks permit require minimal overhead and are planned activities which can immediately be abandoned to respond to a fire call. As discussed earlier, operating an ambulance service requires dedicated staff specifically assigned to provide ambulance service, rendering them unavailable to fight fires.

Question: It seems that all around the United States private ambulance companies are competing for municipal contracts to provide ambulance service. In light of this information, isn't there profitability in running ambulance services?

Answer: It depends. Private ambulance services, whether they are non-profit like Tri-State, hospital based, or for-profit, almost universally are unable to provide their employees with the same rich benefit and wage structures enjoyed by municipal fire departments. In addition, ambulance providers bidding on RFPs must take into account the volume of ambulances runs, the geographic size of the service area, the level of service required by the municipality, the demographic of the population (do they have health insurance), and whether or not a financial subsidy is being provided. The real question that should be asked here is why are municipalities sending out RFPs for ambulance service when their fire department is already providing the service? The typical reason is that running a government funded ambulance service is just too expensive when there are other high quality alternatives.

Question: A friend of mine was taken by Tri-State Ambulance from her home to the hospital and received a bill that was over $1,000. This seems outrageous and I would like to know why Tri-State charges so much.

Answer: Although a bill of this size is significant, it's important to understand the reasons why Tri-State and most similarly sized ambulance services charge this amount.

Although one might think that Tri-State Ambulance charges more than government run ambulance services because they don't receive tax subsidies, this is typically not the case. In a 2009 rate comparison, Tri-State learned that the neighboring cities of Eau Claire, Red Wing, MN, and Chippewa Falls (all fire department ambulances) charged service fees similar to or more than Tri-State Ambulance while also being funded with taxpayer dollars.

Cost of readiness. It is very expensive to maintain enough ambulances available around the clock to adequately serve the La Crosse area. The fully accounted cost for Tri-State to operate one staffed ambulance for one hour is nearly $100.00. The reason for this cost is that there must be enough ambulances available to respond to emergencies quickly while keeping in mind that there are typically

multiple emergencies occurring at any given time. A single Tri-State ambulance typically responds to between six and ten emergency medical calls in a twenty-four hour period. Additionally, of the nearly 13,000 ambulance requests Tri-State responds to each year, just over 70% are actual transports to a hospital. Since, with very few exceptions, ambulance services are only reimbursed (paid) when a patient is transported, Tri-State is legally not allowed to charge for just under one-third of its responses.

Collection rates. The ambulance industry is much different from that of typical business collections in that it is not reimbursed the same amount of money in which it charges. Although the majority of patients in the City of La Crosse have some type of health care coverage, whether it be a government plan such as Medicare or Medicaid or commercial insurance, overall collection rates in 2010 were just 39%. This means that for every dollar Tri-State is allowed to bill, it collects just 39 cents. This makes sense when consideration is given to the fact that Medicare reimburses only 41% of charges, Medicaid 23%, private insurance up to 98%, and those individuals without insurance pay only 65% of what they were billed as the remaining 35% is written off as bad debt. In the La Crosse area, nearly 70% of the patients we transport are covered by either Medicare or Medicaid while an additional 11% have no medical coverage whatsoever.

Question: If the La Crosse Fire Department would have a negative 46% operating margin, how can Tri-State Ambulance operate without requiring a financial subsidy?

Answer: There are many reasons why Tri-State is able to operate without financial subsidy, but ultimately it comes down to a few important factors:

- Maintaining a non-competitive ambulance market where Tri-State is able to experience enough response volume to ensure it continues to provide high performance ambulance service
- Labor costs. Based on published data by the City of La Crosse, on average, the labor costs for a typical La Crosse fire fighter is 39% higher than a typical Tri-State paramedic. It's important to note that Tri-State wage and benefit packages are very competitive within the industry
- Control of costs. As a non-profit organization, Tri-State must operate very efficiently while continuing to maintain a high level of quality and performance.
- Gundersen Lutheran owns Tri-State Ambulance and is committed to ensuring that the La Crosse Area receives high quality emergency medical care through use of Gundersen's expertise and health care experience.

Tri-State Ambulance

References

Eschmann, N., Pirrallo, R. G., Aufderheide, T. P., & Lerner, E. B. (2009). The Effect of Emergency Medical Services Personnel Staffing Patterns on Patient Survival from Out-of-Hospital Cardiac Arrest. *Prehospital Emergency Care* , 92.

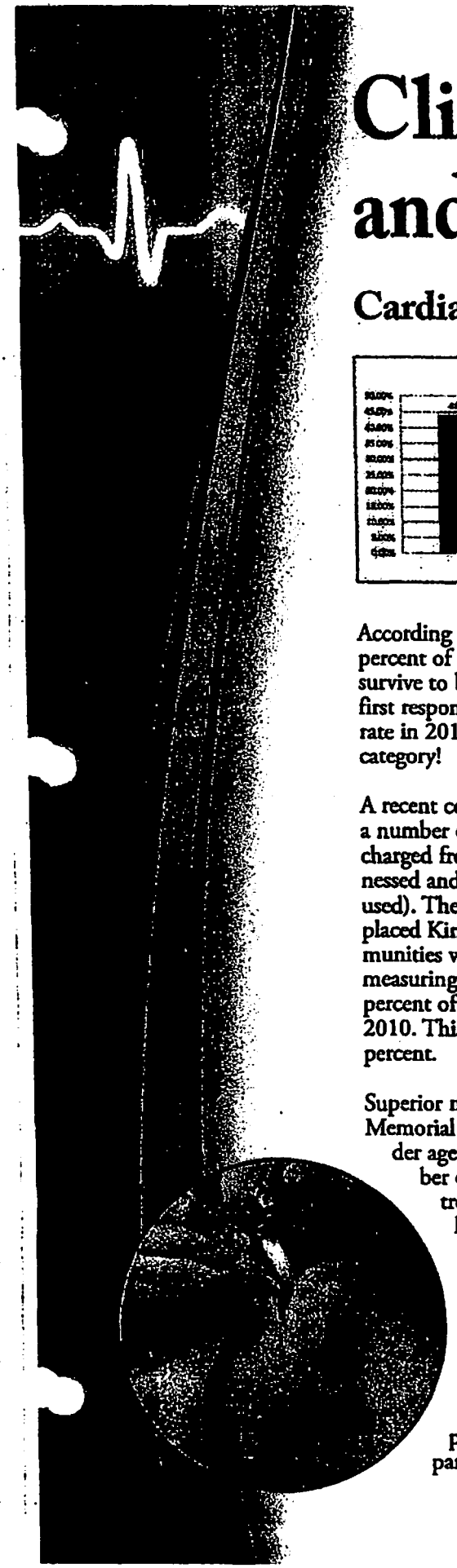
Sayre, M. R., Hallstrom, A., Rea, T. D., Van Ottingham, L., White, L. J., & Christianson, J. (2006). Cardiac Arrest Survival Rates Depend on Paramedic Experience. *Academic Emergency Medicine* , S55.

Vrotsos, K. M., Pirrallo, R. G., Guse, C. E., & Aufderheide, T. P. (2008). Does the Number of System Paramedics Affect Clinical Benchmark Thresholds? *Prehospital Emergency Care* .

Tri-State Ambulance

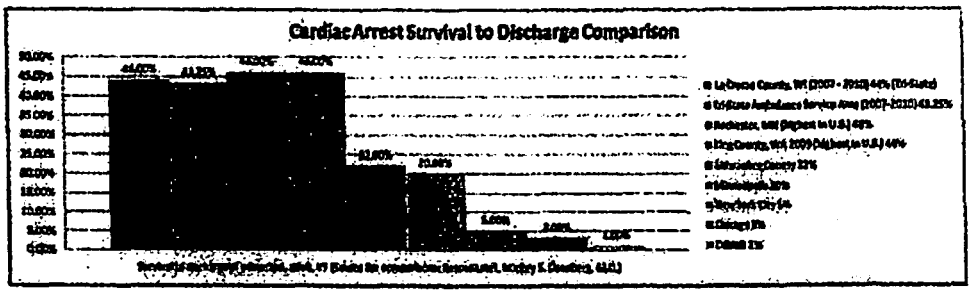
2010 Community Report

Tri-State Ambulance



Clinical Performance and Accomplishments

Cardiac Arrest Survival Rate



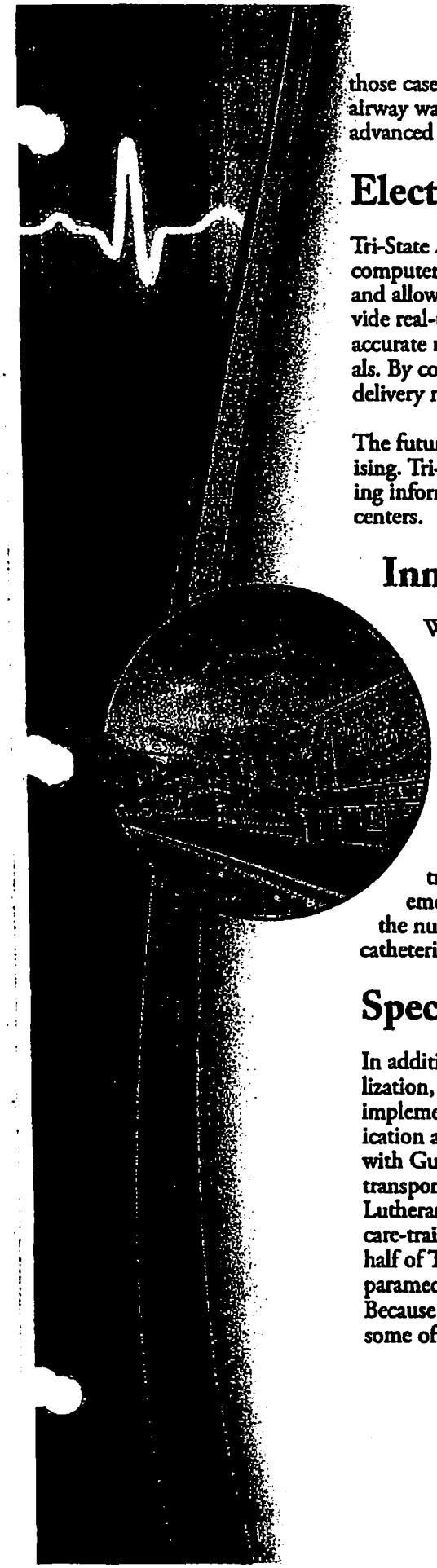
According to national data published in 2005 by the American Heart Association, 5.4 percent of all patients who suffer a sudden cardiac arrest in the non-hospital setting survive to be discharged from the hospital(1). Tri-State Ambulance, along with area first responders and citizens, achieved an impressive 13.5 percent discharged normal rate in 2010 for all treated cardiac arrests, more than twice the national average in this category!

A recent comprehensive study of EMS system performance for cardiac arrests involved a number of U.S. cities (see graphic). This study looked at patients who were discharged from a hospital after suffering a cardiac arrest in which the event was witnessed and the victim was in a shockable heart rhythm (where a defibrillator could be used). The study showed a wide range of performance throughout the nation and placed King County, Wash. and Rochester, Minn. as the leaders. Although the communities where Tri-State provides ambulance service were not involved in this study, measuring with the same criteria, the Tri-State service area achieved an impressive 48 percent of cardiac arrest victims who survived to be discharged from a hospital in 2010. This quality measure has remained consistent with a four year average of 43.25 percent.

Superior medical care by Gundersen Lutheran, Franciscan Skemp and Vernon Memorial medical centers as well as early CPR and defibrillation by area first responder agencies contributed to achieving this outcome. Carefully controlling the number of paramedics in the system has enabled the average Tri-State paramedic to treat 3.6 cardiac arrests annually; nearly twice the national average (2). This high utilization rate helps produce our impressive cardiac arrest survival rate and places our system among the best in the nation.

Advanced Airway Proficiency

One of the most critical skills performed by paramedics is advanced airway placement. Advanced airways can include endotracheal intubation, the technique of placing a breathing tube into the trachea (windpipe) of a patient who is not breathing or is breathing inadequately. In 2010, Tri-State paramedics were able to successfully intubate patients 85 percent of the time. In



those cases where endotracheal intubation wasn't successful, another type of advanced airway was used allowing Tri-State paramedics to arrive at area medical centers with advanced airways 99 percent of the time.

Electronic Patient Care Reporting and Tracking

Tri-State Ambulance continues to record and track all patient-related data on notebook computers in our ambulances. Electronic information assures accurate patient records and allows Tri-State Ambulance's medical director and quality assurance team to provide real-time quality assurance reviews of our paramedics. This system also facilitates accurate retrospective data analysis of all patient care done by our medical professionals. By continuously analyzing patient data, we are able to constantly improve our delivery model.

The future of electronic data reporting and patient information gathering looks promising. Tri-State Ambulance has the electronic infrastructure in place to support upcoming information technology initiatives by the federal government and partner medical centers.

Innovative "Cardiac Alert" Protocol

Working with both Gundersen Lutheran and Franciscan Skemp, Tri-State Ambulance and our medical director continue to use our "Cardiac Alert" protocol which allows paramedics in the field to activate the hospital cardiac catheterization teams prior to the patient arriving at the hospital. This early activation significantly reduces the time between when a patient's heart attack is diagnosed and the time the patient receives definitive intervention at the receiving hospital. With heart attack patients, every minute is crucial to survival and long-term heart health.

In 2009, Tri-State Ambulance added the ability for our paramedics to electronically transmit a patient's diagnostic EKG directly to cardiologists and emergency room physicians via e-mail. This technology has drastically reduced the number of critical minutes it takes to admit a heart attack patient to a cardiac catheterization lab where the blocked blood vessels are again opened.

Specialty Care Services and Training Level

In addition to our high clinical performance and skill utilization, Tri-State Ambulance continues to embrace and implement the latest industry life-saving procedures, medication and services. Tri-State Ambulance, in conjunction with Gundersen Lutheran, offers critical care interfacility transports from smaller hospitals back to Gundersen Lutheran or Franciscan Skemp. This service uses critical care-trained paramedics and nurses to create a mobile intensive care ambulance. Nearly half of Tri-State's paramedics are trained to this critical care level. These are the same paramedics who respond to 9-1-1 calls in the La Crosse area while not on transfers. Because of this high level of certification, La Crosse area residents are cared for by some of the nation's highest trained critical care paramedics.

Operational Accomplishments

Strategic Deployment of Ambulances

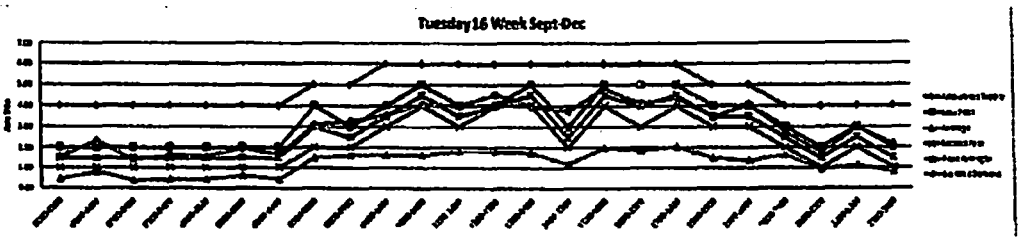
Tri-State Ambulance continues to deploy ambulances strategically throughout the region by using System Status Management which "stages" or "posts" ambulances in and around the La Crosse area based on historical and projected ambulance demand. This type of ambulance deployment works to maximize the availability of ambulances and offers quick response times to the patients who need it.

In 2010, Tri-State Ambulance took deployment one step further by changing the focus from our own response time performance to the response time performance of the entire system. Even though we know that it's relatively simple to place ambulances in areas of high call demand (like downtown La Crosse) and achieve short response times, this practice may not be in the best interest of the patients we serve. For example, we know that patients who experience cardiac arrest, typically our most time-sensitive response type, require a trained responder with an automated external defibrillator (AED) to provide treatment within 5-6 minutes of collapse or their chances of survival decrease by 10 percent for every additional minute. In response, we have chosen to strategically place ambulances in areas around the greater La Crosse area to fill the gaps where first responder agencies are unable to respond in the 5-6 minute window. In addition, we track cardiac arrests and take into consideration any trends in occurrence times and locations.

This practice has increased our overall response times slightly, but it is the right thing to do. Ultimately, it makes little sense to park an ambulance near a fire station when we know that the first 5-10 minutes of most ambulance responses require only basic life support treatment already offered by all area first responder groups.

Peak Load Staffing

An analysis of historical ambulance data shows when and where Tri-State Ambulance has typically experienced the highest number of ambulance requests for life-threatening situations. Using trends gathered from this analysis, Tri-State is able to staff efficiently and effectively while still bettering response time requirements. A simple example, and one of the most obvious, is to consider that there are 50 percent less ambulance responses after midnight as compared to a typical day. It makes little sense to have the same number of on-duty staff at 3 a.m. as required at 3 p.m.



Example of daily staffing levels compared to run volumes

Contractual Compliance – La Crosse County

In the latter part of 2009, La Crosse County formed an EMS Commission made up of elected and appointed officials from various municipalities, villages, and townships. The purpose of the EMS Commission is to work toward regulation and oversight of ambulance services within La Crosse County. Through a collaborative effort between Tri-State Ambulance, commission members, and local public safety officials, a comprehensive ambulance contract was finalized and the language unanimously approved.

In the second half of 2010, the members of the commission were asked to bring the contract back to their local governing bodies for approval. Although the contract for ambulance service has not yet been adopted by all towns and municipalities, and therefore not enforceable, Tri-State Ambulance has continued to meet and exceed the criteria set forth. One of the most prominent topics of the contract is the response time of ambulances. Below are Tri-State's 2010 La Crosse County emergency response time compliance results. Times are measured from the time an ambulance is dispatched until arrival at a scene.

Zone 1: The City of La Crosse

- Monthly reporting
- 100 percent compliance all months
- 94 percent of 3,037 "lights and sirens" responses at scene in less than 9 minutes (90 percent required)
- 50th percentile at scene in less than 5 minutes (56 percent)

Zone 2: The City of Onalaska, Town of Shelby and Town of Campbell

- Monthly reporting
- 100 percent compliance all months
- 94 percent of 1,160 "lights and sirens" responses at scene in less than 11 minutes (90 percent required)
- 50th percentile at scene in less than 7 minutes (57 percent)

Zone 3: Villages of Holmen and West Salem, Towns of Medary and Onalaska

- Quarterly reporting
- 100 percent compliance all quarters
- 92 percent of 595 "lights and sirens" responses at scene in less than 16 minutes (90 percent required)
- 50th percentile at scene in less than 10 minutes (53 percent)

Zone 4: Towns of Barre, Farmington, Greenfield, Hamilton, Holland and Washington (Note: The Village of Bangor, Village of Rockland, Town of Bangor and Town of Burns have agreements with other ambulance services and, therefore, are not included)

- No contractual requirement
- Annual reporting
- 90 percent of 157 "lights and sirens" responses at scene in less than 25 minutes
- 50th percentile at scene in less than 15 minutes (51 percent)

Technology

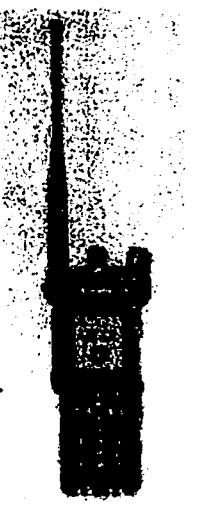
Vehicle Area Computer Networks

Tri-State Ambulances all are equipped with On-Board Mobile Gateway computers that use high-speed wireless data to communicate with our state-of-the-art dispatch center. These sophisticated on-board computers transmit GPS information to our dispatch center which automatically informs our dispatchers which ambulance to send to the scene of the 9-1-1 call based on geographic distance. In addition, our on-board computers give our paramedics access to medical protocols, medication interaction resources, traffic and weather information.

Driver Safety and Vehicle Monitoring

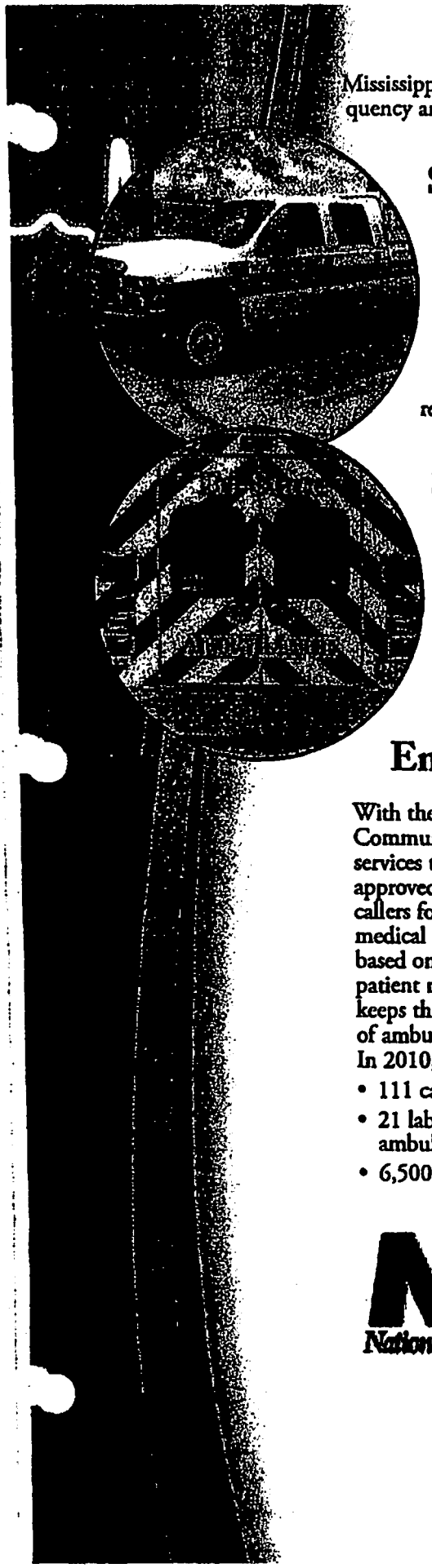
Tri-State installed its first ambulance "black box" driver safety monitoring system in 2010. This system helps employees ensure that they are driving safely and that patients receive the most comfortable ride possible. In addition, vehicle electronic sensors are monitored so vehicles can be pulled off of the roadway prior to major mechanical problems or failures. These "black boxes" will be installed in all future Tri-State ambulances.

Radio Interoperability



In the latter part of 2009 and early 2010, Tri-State Ambulance was awarded a $110,000, 20 percent match grant from the federal government to purchase radio equipment. Since Tri-State responds to emergencies in Wisconsin, Minnesota and Iowa, and has relationships with more than 40 different agencies, it is imperative that Tri-State is able to communicate across numerous radio wave boundaries. The new digital multi-band equipment is capable of communicating with all agencies.

In addition to new equipment, Tri-State has been able to lease space on a newly constructed tower high above Lake Onalaska and the



Mississippi River. This tower will serve as Tri-State's primary transmit-and-receive frequency and will increase the range dramatically.

Special Operations Unit

Tri-State Ambulance continues to offer the area coverage with its Special Operations Unit (SOU). The SOU is a modified four-wheel drive pickup truck that acts as a fully equipped Advanced Life Support response unit and is operated by our field supervisors. The SOU carries equipment and gear for high-angle rescues, remote patient access, GPS ambulance fleet tracking, and other scene support equipment and supplies. Since being placed in service, the SOU has been on numerous rescue calls and first-in cardiac arrest responses.

Safety Culture Changes

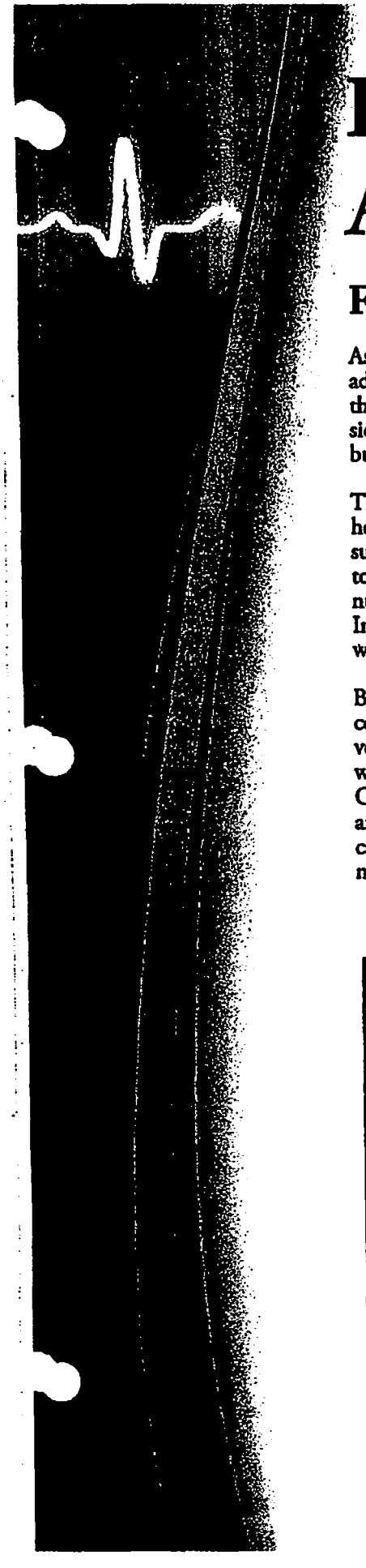
The highest priority for Tri-State Ambulance is to continue to offer a safe environment for its employees and the patients they care for. With this in mind, Tri-State took delivery of its first high-visibility ambulance in late 2010. All future Tri-State ambulances will exhibit this highly reflective and contrasting design on the rear portion. In addition, all paramedics and EMTs now have high-visibility outerwear that will help protect them while working dangerous scenes.

Emergency Medical Dispatch

With the assistance of Tri-State Ambulance, the Gundersen Lutheran Medical Communications Center continues to provide emergency medical dispatch (EMD) services to anyone who calls 911 in La Crosse County. EMD is an internationally approved, locally authorized protocol for providing pre-arrival medical instructions to callers for emergency medical services. The protocol also teaches certified emergency medical dispatchers how to determine the proper mode the ambulance should respond based on the patient's medical condition. These two parts of EMD help assure that the patient receives medical treatment as soon as the call is placed for an ambulance. It also keeps the community and other drivers safe by appropriately reducing the occurrence of ambulances responding with lights and sirens to non-emergency calls.
In 2010, EMD was crucial in the following areas:

- 111 cardiac or respiratory arrest victims with CPR instructions given when needed
- 21 labor-and-delivery requests with step-by-step instructions while awaiting an ambulance
- 6,500 total ambulance requests triaged through EMD

NAED
National Academies of Emergency Dispatch®



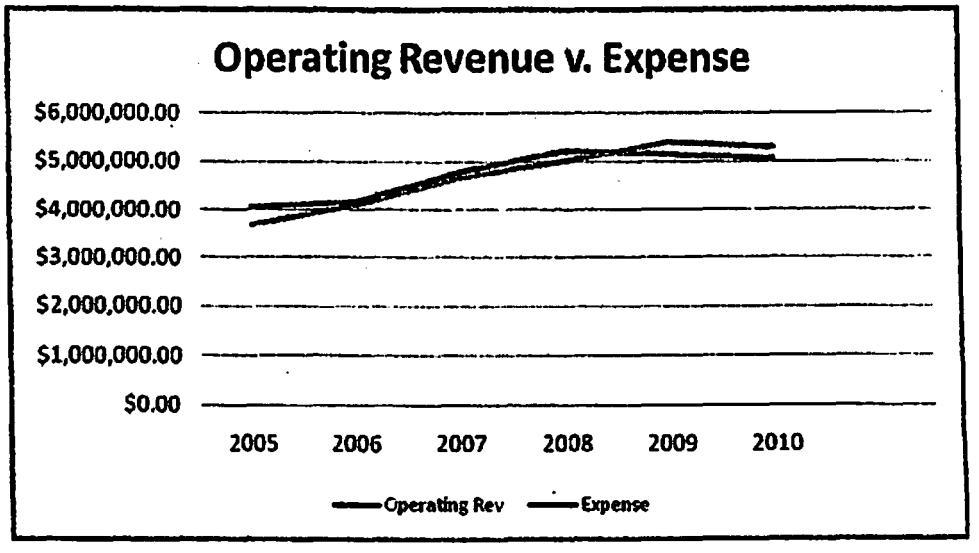
Fiscal Accomplishments

Funding

As a non-profit healthcare organization, Tri-State Ambulance provides paramedic, advanced life support service with no taxpayer subsidies. This is impressive considering that across America the majority of 911 ambulance providers receive a tax-funded subsidy. Government-run ambulance services often see as much as 75 percent of their budget as taxpayer supported.

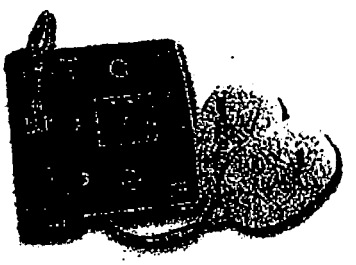
The past few years have been financially challenging to the ambulance industry and healthcare in general. Lower insurance reimbursement and higher numbers of uninsured have left countless ambulance providers asking for increased subsidies from their towns or counties. Due to Tri-State's decreased revenue and lower reimbursement, numerous adjustments to its operations have been made without reducing service. Interestingly, Tri-State has actually been able to improve response time performance while at the same time decreasing expenses.

Because the service area is large, it has allowed just enough business for Tri-State to continue to offer excellent service without the need for financial subsidies. This is a very fine balance that would be upset if any changes in coverage area or population were to occur. Keep in mind that a Tri-State Ambulance can respond to calls in La Crosse, La Crescent, Holmen, Nodine, Onalaska, West Salem, Genoa, Coon Valley and Viroqua in the same day very quickly. This regional delivery system creates significant economic efficiency and helps maintain clinical proficiency by giving our paramedics a high call volume throughout the region.



Community Service Accomplishments

Nation's First AED Loaner Program



In the latter part of 2009 and early 2010, Tri-State Ambulance, with assistance from the local chapter of the Sudden Cardiac Arrest Association, received national attention for the creation of an AED (automated external defibrillator) loaner program. The new AED Loaner Program allows the general public to borrow an AED for group events within the Tri-State service area.

This program was created to aid in the treatment and survival of sudden cardiac arrest victims. Contact Tri-State Ambulance for more information or to reserve an AED for an event.

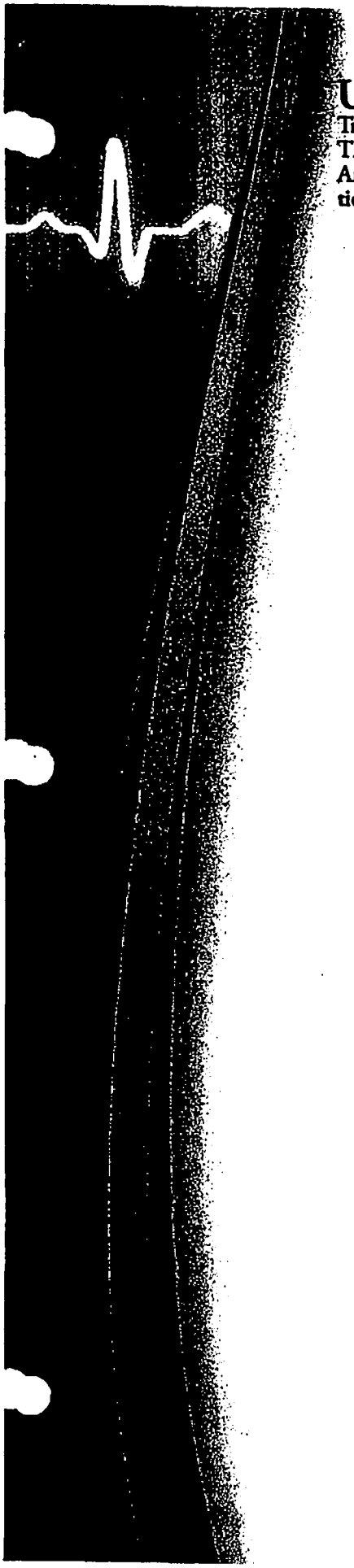
Freedom Honor Flight Medical Team

2010 marked the third consecutive year where Tri-State Ambulance has donated a contingency of paramedics to the assist veterans on a trip to Washington D.C. to view war memorials. The Freedom Honor Flight program in the La Crosse area has been hugely successful and Tri-State is honored to take part. In 2010, Tri-State's involvement with Freedom Honor Flight was featured in an article written for the Journal of Emergency Medical Services (6). Tri-State will be sending paramedics on two flights in 2011 to make a total of eight flights in four years.

Donated Community Service Responses

In 2010, Tri-State Ambulance donated services to 500 requests from local agencies and patients. This included more than 300 assistance calls where patients were assisted but not injured, greater than 100 public event standbys or safety seminars, 75 combined standbys for area fire or police departments.

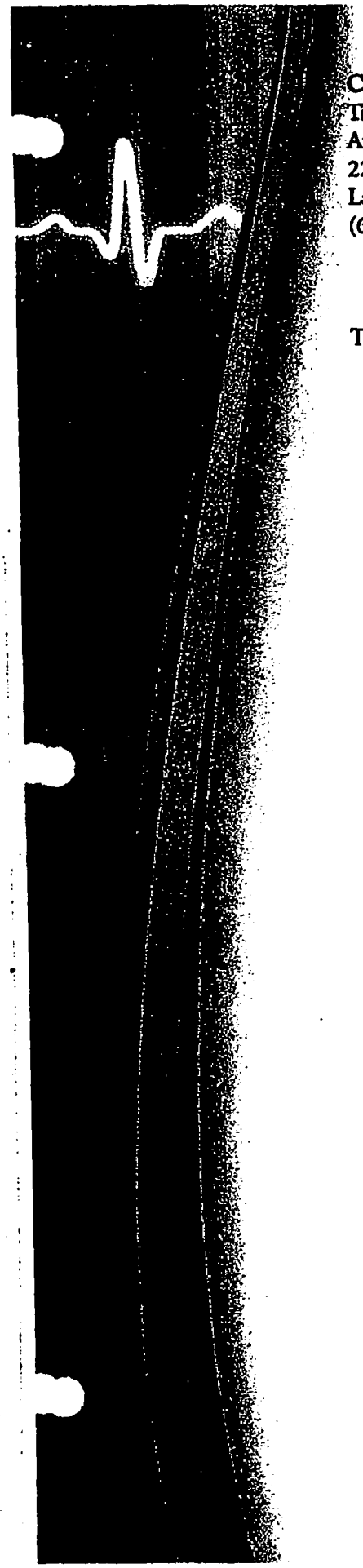
In addition, during 2010, Tri-State Ambulance donated over 300 hours of ambulance and bike medic team standby service to events such as Oktoberfest, Riverfest, the 3rd Street Aid Station, Applefest, the American Heart Association's Heart Walk, numerous YMCA marathons and triathlons, and frequent community gatherings. These events amounted to greater than $120,000 worth of services donated to our local community.



United Way

Tri-State Ambulance ran its first ever United Way Campaign as a Pacesetter for 2007. This tradition continues and has grown and pledges are up for 2010. Tri-State Ambulance is proud to be able to contribute to the United Way. Total 2010 contributions were nearly $3,500.

LIVE UNITED



Contact Information
Tri-State Ambulance, Inc.
Attn: Tom Tornstrom, Director
221 Buchner Place
La Crosse, WI 54603
(608) 784-8827

Tri-State Ambulance is a wholly owned subsidiary of Gundersen Lutheran

References

1. American Heart Association; Circulation. 2005; 112: IV-1—IV-5
2. Academy of Emergency Medicine, May 2006, Vol. 13, No. 5, Suppl.1
3. Wang HE, Yearly DM. "Out-of-hospital endotracheal intubation where are we?" Annals of Emergency Medicine 2006; 47:532-41
4. Journal of Emergency Medical Services, Feb 2007, 200 City Survey
5. Journal of Emergency Medical Services, Feb 2010, 200 City Survey
6. Journal of Emergency Medical Services, Online

EDC

LA CROSSE COUNTY EMERGENCY SERVICES

PUBLIC-SAFETY
COMMUNICATIONS – 9-1-1
(608) 785-9834

Alan L. Blencoe
Manager

Courthouse & Law Enforcement Center
333 Vine Street
La Crosse, Wisconsin 54601-3296

Jay A. Loeffler
Administrator

EMERGENCY
MANAGEMENT
(608) 789-4811

Keith S. Butler
Coordinator

September 7, 2011

Chris Olson
La Crosse City Hall
400 La Crosse Street
La Crosse, WI 54601

Dear Mr. Olson;

On July 20, 2011, I appeared before the Fire Department Management and Operations Review Committee to present and participate in a discussion of 9-1-1's involvement in the emergency medical system for the City of La Crosse. The following is a synopsis of that presentation.

I first discussed how 9-1-1 calls and calls for emergency medical services (EMS) have increased dramatically over the years. Since 1996, there has been a 28% increase in 9-1-1 calls overall and a 68% increase (from 2,101 to 3,541) in EMS calls in the City of La Crosse. Countywide, medical calls have increased just as dramatically.

That trend continues this year as 9-1-1calls have increased 8% in the first six months of 2011 – in fact, during July this year, our center experienced the busiest month for 9-1-1 calls in its history. Likewise, EMS calls for service in La Crosse continue to increase, jumping 14% in the first half of 2011, compared to 2010.

Nearly all EMS calls begin with a 9-1-1 call. On occasion, there are non-emergency medical calls that are given only to the ambulance service. These are considered transport-only calls and account for just 5% of total medical calls. Most often these calls come from nursing homes, clinics or are made from law enforcement responders already on location of the call.

Our standard procedure is to treat 9-1-1 calls as an emergency until proven otherwise. When a medical call comes in through the 9-1-1 lines, there is basically a four-step process:

1. Dispatchers determine and verify: Location; Call-back number; and General nature of illness/injury.

AN EQUAL OPPORTUNITY EMPLOYER

2. Notify First Responders (LCFD in City of La Crosse) and Ambulance of the medical call. For LCFD, this is done by an alerting system. At the same time, the stations and FD rigs can receive the information through their connection with 9-1-1 center's computer aided dispatch (CAD) system. Tri-State Ambulance (TSA) service also has access to La Crosse County's CAD System and receives the information simultaneously. The 9-1-1 dispatcher does not determine the response level (emergent or non-emergent).

3. Initiate a conference call between the caller, the 9-1-1 call-taker and Gundersen Lutheran Emergency Medical Communications for Emergency Medical Dispatch (EMD) protocol. EMD provides post-dispatch and pre-arrival instructions to the callers, including CPR directions, basic first aid and child birth instructions.

   Based on scripted questions and the information the caller provides, EMD codes the medical call to pre-determined response levels. These response level determinants are used by the responding ambulances while enroute to the call. The response determinants are not relayed to the First Responder units, unless requested by the responding units.

4. Call-taker stays connected in the call to gather appropriate information to relay to responding units. At times, depending upon the priority of other events happening in the 9-1-1 Dispatch Center, the 9-1-1 call taker may need to discontinue monitoring the call.

In January of 2008, La Crosse County Resolution #91-1/08 provided for the agreement for pre-arrival medical dispatch instruction services between La Crosse County and Gundersen Lutheran Administrative Services. This agreement was developed at the direction of the Public Safety Communications Board, which is an intergovernmental board made up of local officials and representatives from law enforcement, fire departments and medical services. The Communications board exercises operation control over Public Safety Communications and established the guidelines used for the pre-arrival medical dispatch instructions.

Sincerely,

Jay Loeffler, Administrator

07/20/2011

La Crosse County Public Safety Communications - Medical Calls

Number of calls *(statistics are through May 31st)*

Telephone Calls: Total Calls – **117,731** *(about 780 per day)*
9-1-1 Calls – just under **11,911** *(about 80 per day)*

Calls for Service: **44,245** (law enforcement, fire fighting & emergency medical)
2,883 Medical calls *(6.5% of all calls for service)*

Medical Calls include are in three general categories for dispatch purposes:
1st Responder Calls
Accidents with Personal Injury *(hit & runs, car vs. pedestrian, unknown injury)*
Ambulance Only *(typically requests for transport only calls)*

1,613 Medical calls in City *(1,608 in same period last year)*
80 Ambulance only calls in City

In 2010 6,140 medical calls
3,541 in City
(3% increase over 2009)

History In 15 years, medical calls have increased from 2,101 *(1996)* to 3,541*(2010)*
(68% increase)

In 15 years, 9-1-1 calls have increased from 22,992 *(1996)* to 29,139 *(2010)*
(28% increase)

Procedure:

Begins with 9-1-1 Call to Dispatch: 9-1-1 calls are treated as emergency until proven otherwise.

1. Dispatchers determine and verify: Location, Call-back number and General nature of illness/injury
2. First Responders and Ambulance are notified of the medical call.
3. Initiate Conference call between Call-taker, the caller and Gundersen Lutheran Emergency Medical Communications for EMD protocol.
4. Call-taker stays in call to gather appropriate information to relay to responding units.

Emergency Medical Dispatch (EMD) Protocol

EMD provides post-dispatch and pre-arrival instructions, including CPR directions, basic first aid or child birth instructions. It also can provide response determinants. It codes calls to pre-determined levels that dictate responses.

Gundersen Lutheran Medical Communications provides Emergency Medical Dispatch in the form of pre-arrival instructions on all medical calls.

The agreement for pre-arrival medical dispatch between La Crosse County and Gundersen Lutheran was developed at the direction of the Public Communications Board:

Board make-up:
- La Crosse, Onalaska and at-large Police Chief (Bangor)
- La Crosse, Onalaska and at-large Fire Chief (West Salem)
- Sheriff
- City Council Member appointed by Mayor
- County Board Supervisor (Chair of Judiciary/Law Committee)
- Medical Service Representative (Medical Director)
- County Administrator

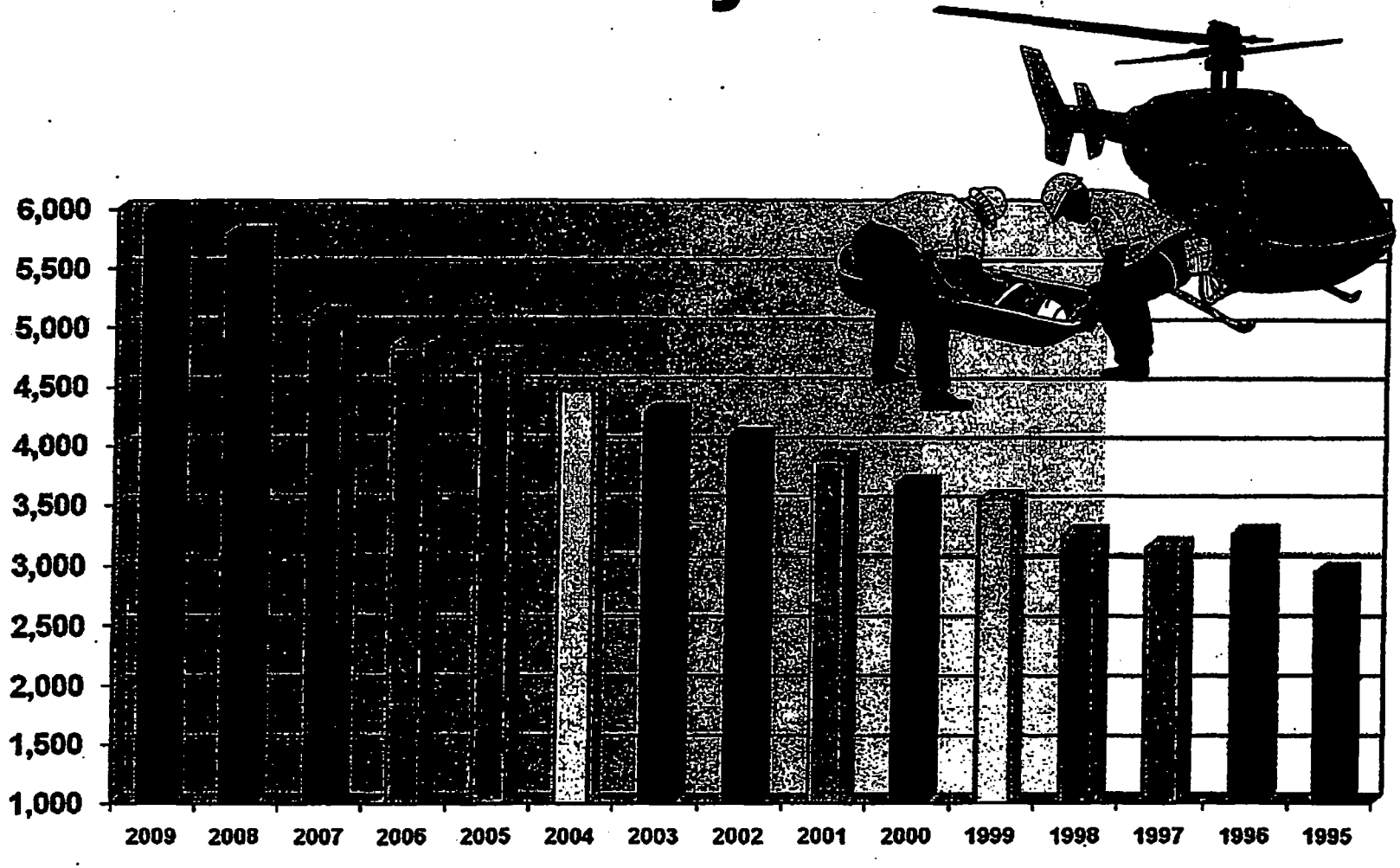
This board also approved of the Medical Dispatch standard operating guideline.

EMS Commission:

In 2008, La Crosse County Ordinance created a Joint City/County Emergency medical Services Commission to establish standards and contract for emergency medical services in the County.

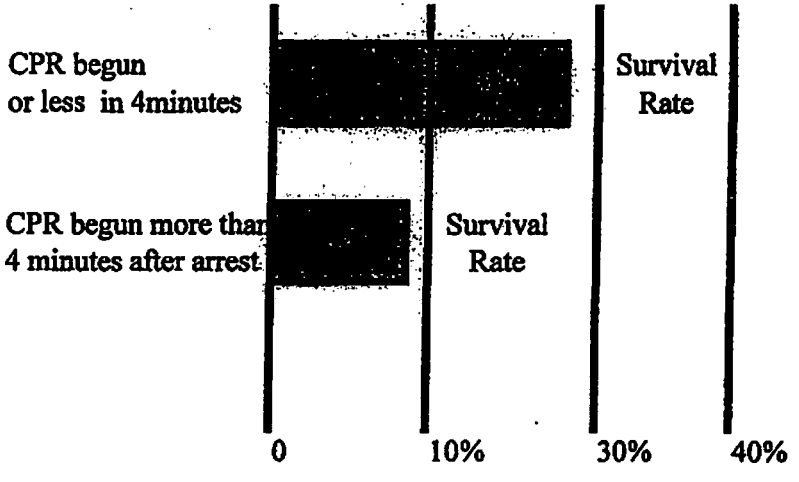
Commission make-up:
- 3 from City of La Crosse (Mayor, Council Member, Citizen)
- 2 from County of La Crosse (Chair, Supervisor)
- 1 from City of Onalaska (Mayor)
- 1 from Townships (Town of Bangor Chair)
- 1 from Villages (Holmen President)
- 1 from Franciscan Skemp
- 1 from Gundersen Lutheran
- Non-voting Members
  - Physician from Franciscan Skemp
  - Physician from Gundersen Lutheran

Emergency Medical Calls
15-Year History

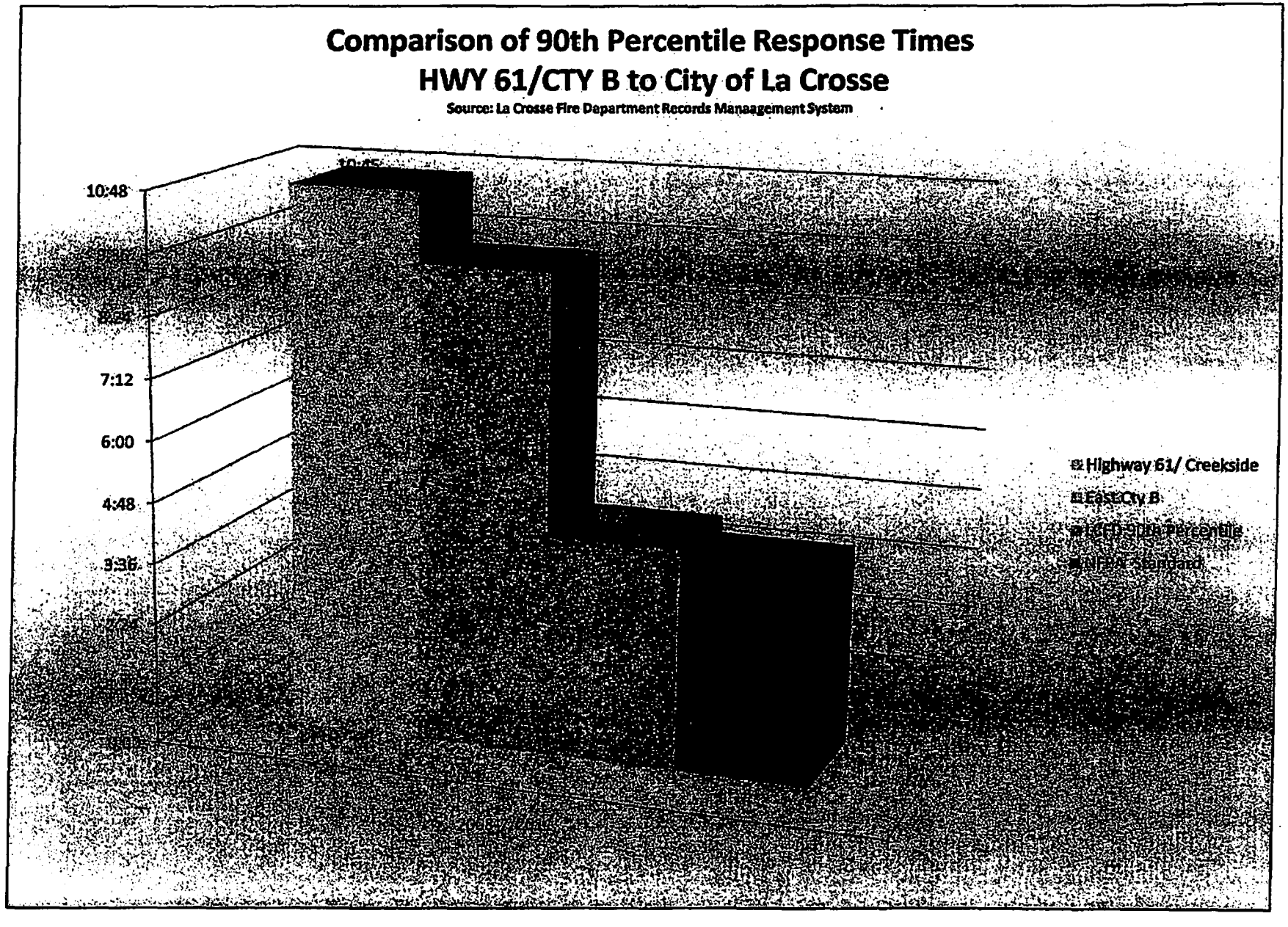


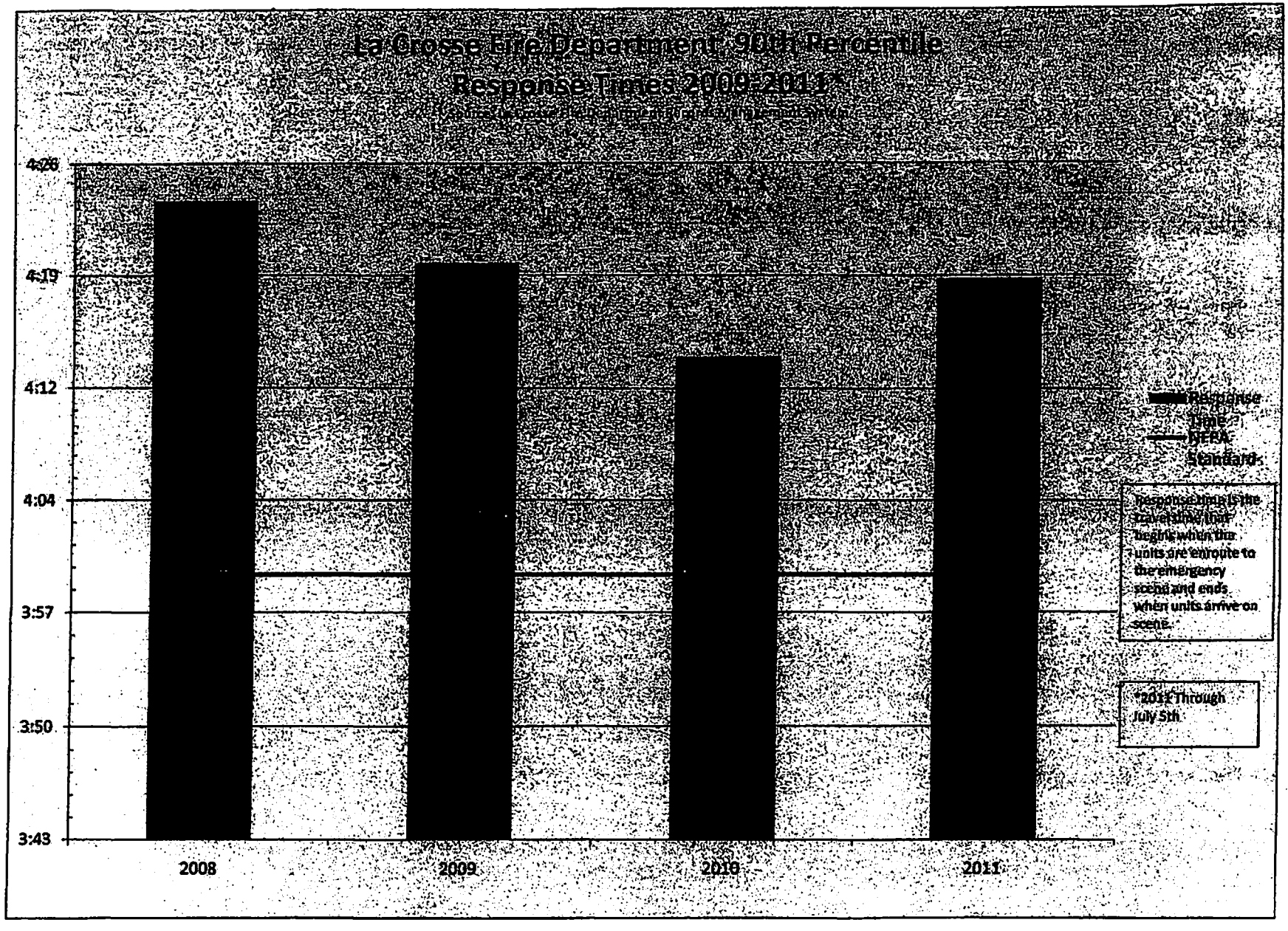
GENERAL

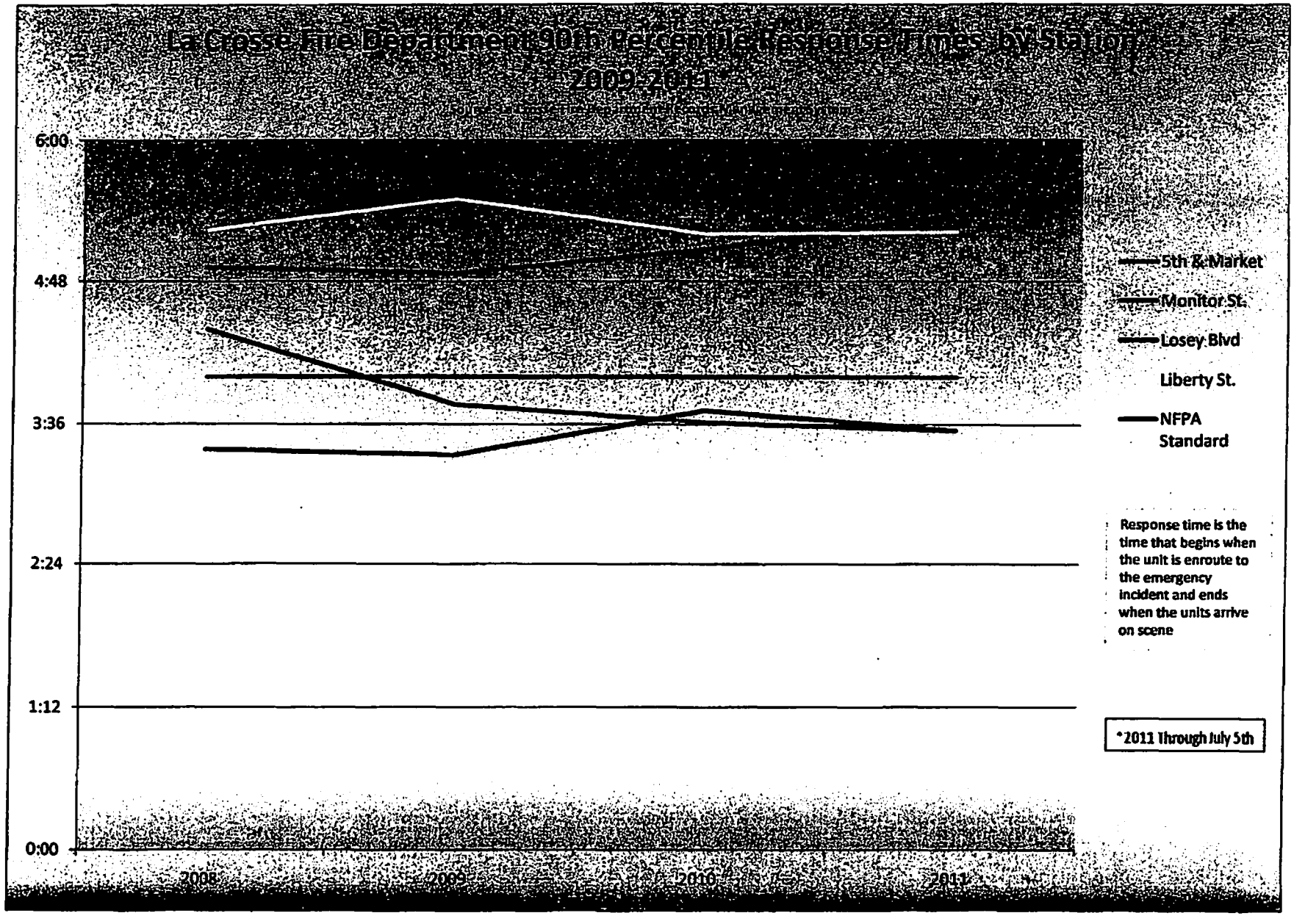
Survival Rate of Heart Attack Victims When CPR is Available



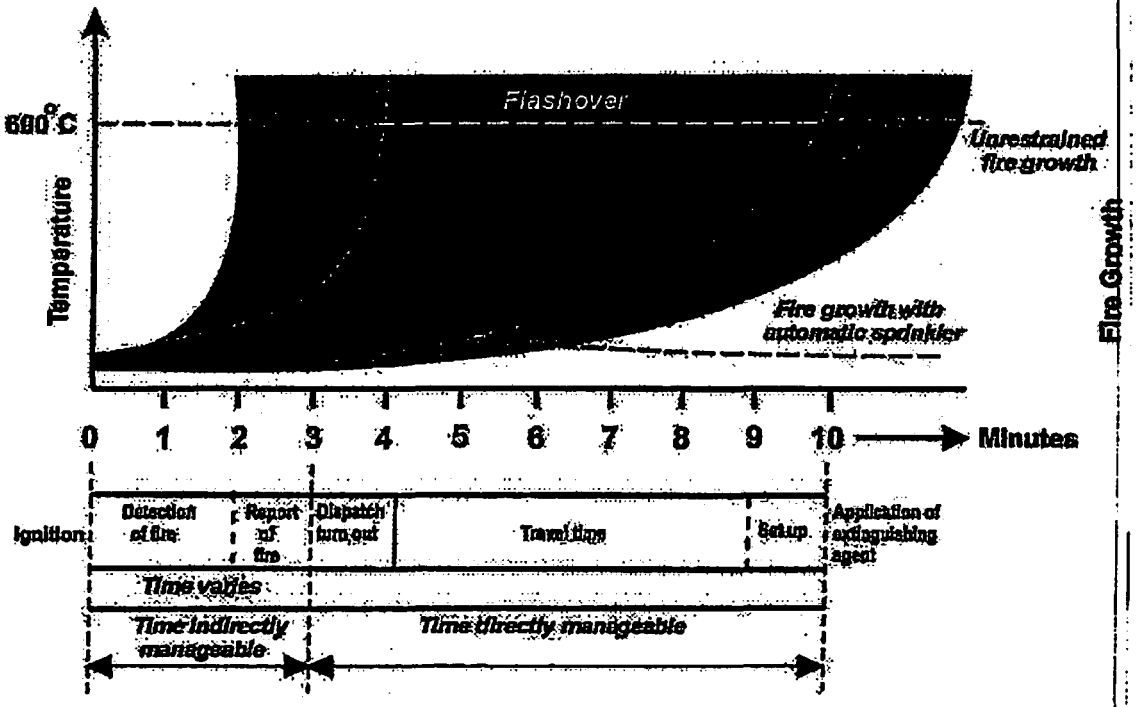
GIS for Fire Station Locations and Response Protocols, Jan 2007, Relands, CA, p. 7


Comparison of 90th Percentile Response Times
HWY 61/CTY B to City of La Crosse
Source: La Crosse Fire Department Records Management System
10:48
7:12
6:00
4:48
Highway 61/ Creekside
East City B
NFPA Standard


La Crosse Fire Department 90th Percentile
Response Times 2008-2011*
4:26
4:19
4:12
4:04
3:57
3:50
3:43
2008
2009
2010
2011
Response Time
NFPA Standard
Response time is the travel time that begins when the units are enroute to the emergency scene and ends when units arrive on scene.
*2011 Through July 5th


La Crosse Fire Department 90th Percentile Response Times by Station
2009-2011
6:00
4:48
3:36
2:24
1:12
0:00
2008
2009
2010
2011
5th & Market
Monitor St.
Losey Blvd
Liberty St.
NFPA Standard
Response time is the time that begins when the unit is enroute to the emergency incident and ends when the units arrive on scene
*2011 Through July 5th

Time Temperature Curve [1]



This diagram illustrates fire growth over time and the sequence of events that may occur from ignition to suppression. Depending on the size of the room, contents of the room, and available oxygen, flashover can occur in less than 2 minutes or more than 10 minutes. Flashover occurs most frequently between 4 and 10 minutes.

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[1] ESRI, GIS for Fire Station Locations and Response Protocol, January 2007, Relands, CA p.5

I.

5-17

Com. No. 13 - 10 - 11. June 7, 2010.

Submitting a communication from Joe R. Richardson stating his concerns regarding the brownouts for the fire stations, wanting to keep 5 stations open and no ambulances and also questioning why we no longer have the original bridge tenders that made $8.75 an hour but now $22.00 an hour are the wages for bridge tenders.

Presented to the Common Council by Alderperson James A. Bohren.
Bohren

Pub Prot & Safety & Strategic Transp
Ac & File

Richards, Sue

From: James Bohren [aldermanjimb@charter.net]
Sent: Tuesday, June 01, 2010 12:32 PM
To: Richards, Sue
Cc: Alderman Mark Hanna; Alderperson Jean Kittelson; Alderman Joe Heidemann; greenmary40 @charter.net
Subject: FW: fire dept.

Sheboygan City Clerk Sue Richards – Sue

Please submit the attached e-mail from Mr. Joe Richardson of 1204 Camelot Blvd. as a document for the June 7th, 2010 Council meeting and refer it to the PP&S Committee and the SFP Committee. I talked to him on the telephone about the Bridge Tender issue and no referral on that issue is necessary.

Thanks.

Alderman Jim Bohren
4th District - City of Sheboygan, WI
920.452.1777/aldermanjimb@charter.net
2010 - 2011 Committee Assignments
Chairman, Public Works Committee
Finance Committee
Strategic Fiscal Planning Committee
Capital Improvements Commission
Sheboygan Transit Commission
Board of Park & Forestry Commissioners

From: Mary Richardson [mailto:greenmary40@charter.net]
Sent: Saturday, May 29, 2010 10:24 AM
To: Jim Bohren
Subject: fire dept.

Hi Jim,
No brown-outs--leave the fire fighters at their regular stations, don't move them around.
I noticed the fire department was doing okay and fully manned before someone had the bright idea of becoming ambulance people. They claimed that they were going to make so much money we could cut the city budget. It seems that the more money they make, the deeper we go into debt. I have a feeling that if the tax payers could vote on it we would have 5 fire stations and no ambulances.
Also, I am wondering why we no longer have the original bridge tenders that made $8.75 and hour, but rehired them at $22.00 and hour? I realize that the bridge tenders are seasonal, but why the discrepancy of the wages?
Sincerely,
Joe R. Richardson

I. Other Matters 4-43

Com. No. 2 - 10 - 11. May 17, 2010.

Submitting a communication from Beverly and Henry Schaefer stating that they want the City of Sheboygan to get out of the ambulance business and get back to providing fire protection only to the citizens.

Presented to the Common Council by Alderperson James A. Bohren.
Bohren

PP+S, Strategic & Whole. Circ File

MAY 14 '10 AM 10:21

May 13, 2010

Alderman James A. Bohren
1526 Knoll Crest Dr.
Sheboygan, WI 53081

Re: Fire Dept./Ambulance Service Issue

Per our phone conversation of this date, it is my wish, as well as that of my husband, that the city of Sheboygan get out of the ambulance business and get back to providing fire protection only to the citizens of Sheboygan.

If my memory serves me correctly, the fire department got into the ambulance business for two reasons: because there weren't enough calls to keep all the firefighters busy on a regular basis, and they felt they could generate more money by taking on the ambulance business. If this is true, we don't need more firefighters if we eliminate the ambulance business and return to having these people do what they were originally hired to do — fight fires!

Orange Cross did a good job of serving the people, & the majority of the citizens were not in favor of investing more money to replace something that wasn't broken. The "vocal majority" spoke, but once again, the council didn't listen.

Respectfully submitted,
Beverly & Henry Schaefer
3723 So. 13 6th St.
Sheboygan, WI 53081

VI

9-44

R. C. No. 146 - 10 - 11. By WHOLE. August 2, 2010.

Your Committee to whom was referred a copy of R. O. No. 126-10-11 by the City Clerk submitting the "Annual Proposals For Action" presented to the City of Sheboygan Common Council, June 2010, by the Sheboygan County Taxpayers Alliance; recommends referral of the various topics to the following:

#1 refer to Strategic Fiscal Planning
#2, 4 and 6 refer to Finance
#3 refer to Salaries and Grievances
#4 refer to Public Protection and Safety and Finance
#2, 5 and 7 refer to Public Works
#6 refer to Redevelopment Authority

Acc File

Julie Kath
Jodi VanderWeele
Jean Kittelson

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

IV

II

Other Matters

7-62

R. O. No. 126 - 10 - 11. By CITY CLERK. July 6, 2010.

Submitting the "Annual Proposals For Action" presented to the City of Sheboygan Common Council, June 2010, by the Sheboygan County Taxpayers Alliance.

Finance

Susan Richards
City Clerk

SHEBOYGAN COUNTY TAXPAYERS ALLIANCE

ANNUAL PROPOSALS FOR ACTION

PRESENTED TO

THE CITY OF SHEBOYGAN

COMMON COUNCIL

JUNE 2010

PREPARED FOR
CITY OF SHEBOYGAN
ALDERMEN

CC: OFFICIALS (MAYOR, CLERK, ATTORNEY)
CC: MEDIA (PRESS, RADIO)

SHEBOYGAN COUNTY TAXPAYERS ALLIANCE
3120 SOUTH BUSINESS DRIVE, SUITE 173, SHEBOYGAN, WI 53081

Sheboygan County Taxpayers Alliance (SCTA) thanks the Common Council for addressing many of the proposals that we submitted to you on June 1, 2009. While all of the items were not addressed, the ones that were are having a positive effect on the taxpayers of Sheboygan and for that you are to be congratulated.

SCTA requests that you (the new Common Council headed by Mayor Bob Ryan) continue your positive efforts in addressing our 2010 proposals. We refrained from listing any 'wants' (like electronic voting capabilities for the Council). We fully understand the enormous economic dilemma you're facing during this budget time, and our 2010 Proposals for Action stayed focused on feasible suggestions to institute now and some with an eye to the future.

We submit the following items for your consideration and action this year.

SCTA 2010 Proposals For Action ---EXECUTIVE SUMMARY

1. **Master Plan**
   - Initiate a Comprehensive Priority Study of Depts. & Service
   - Ten (10) Year Business Development Plan
   - Five (5) Year Streets Plan
   - Encourage Industrial Revenue Bonds & Expand Industrial Park
   - Work with SCEDC, New North, Wisconsin Way for Good Job Creation
2. **Shared Services//Outsourcing//Privitization – with County & Schools**
   - County Run Library, Maywood & Wildwood Complex
   - Expedite Full Use of the new Spillman Technologies System for joint dispatch
   - Outsource Targets: janitorial, tree trimming, masons, grounds & park work, garbage & plowing operations
   - Central Purchasing & Insurance: City, County, & Schools
3. **Government Structure and Department Table of Organization**
   - Do Not Restructure City Depts. Until an Administrator is Hired
   - Adopt the Recommendation of the Government Structure Com.
   - Eliminate all Deputy Assistants (change status)
   - Hire Corporate Council
4. **Fire Dept. T.O. and Ambulance**
   - Phase Out SFD Ambulance by Fiscal 2011
   - Taxpayers are Entitled to Separate Financial Statements
   - Address & Change T.O. through job descriptions
5. **Transit / Parking** (see attached)
   - Public Mass Transit is Recognized as a Needed Service & Therefore Subsidized
   - Combine DPW & Transit Vehicle Maintenance
   - Re-route Buses and Get Away From "Spoke" System
   - Transfer Parking Responsibilities to Dept. Public Works
   - Independent Consultant Study for Cost Saving and Reorganization
6. **Revenues // Cuts // Concessions**
   - Address Delinquent Ground Leases
   - Insist on Business Loans & Grants Repayments be Kept Current
   - Review all Tax Exempt Property
   - Cut all Capital Improvements Except Streets & Sewers
   - Cut full and use Part-time / Seasonal Employees
   - Must increase 'co-pays' for Health Insurance
   - Seek North and South Annexation
   - Strive for the 10% Reductions (proposed by J. Kliejunas) 'Green Team
   - Sell Selected Parking Lots // Increase Fees (refer to attachment)
   - Retired Tax Incremental Districts (TID) monies must go to General Fund
7. **Miscellaneous**
   - Regular Com. of Whole Meetings (2nd and 4th Monday)
   - Continue Steady Reduction of Indebtedness
   - 35 Yrs. & River Dredging is Still Not Done - $600 a Cubic Yard for a problem we didn't create
   - Eighth Street Bridge Should Open ONLY on the Hour. (the mechanics are wearing out & replacement is too costly at this time)

SCTA 2010 PROPOSALS FOR ACTION

1. Master Plan (Wis. Way attachment #1)

Under the guidance of County Administrator, Adam Payne, the county initiated a comprehensive priority study of departments and services. It is a necessary first step towards proper planning with every department informed and on board to expedite efficiently. This city needs to take that important first step. This city must have a (10) year 'business development plan', and a (5) year street plan.

Your constituents need jobs and this administration should be seeking manufacturing as well as technological industry. This Council should be thinking about expanding our industrial park. (We allowed the industrial park land purchase fund to drop almost to zero by using $1 million for the police station -- what's the repayment schedule?) Certainly having a location ready for business as well as encouraging and offering to float industrial revenue bonds will attract new industry.

The Sheboygan Development Corp.(SDC—partnership of 24 business owners), Sheboygan County, and the City of Sheboygan, have contributed $100K each towards the 'new' Sheboygan County Economic Development Corp.(SCEDC). The united effort for economic growth 'must' be supported and encouraged to join the "New North and the "Wisconsin Way" groups for good job creation Perhaps the leadership of unifying these groups, as well as the League of Municipalities could effect a mediation/arbitration laws and mandates change in benefiting all government budgets (*keep in mind that benefit costs are now over 60 percent of wages)*

We can NOT afford to neglect the deplorable streets. Therefore, this Council needs to adopt an 'on-going' (5) year street program so you can budget or borrow to meet the yearly goal – notify utilities two years prior so they can complete their work, plus five years gives home owners time to prepare (as well as businesses/realtors/etc.)

2. Shared Services

This Council can promote a fiscally responsible budget by privatizing/contracting services, job consolidation, sharing services, and implementing greater technology. The City subsidizes library services for all of Sheboygan and Ozaukee Counties. SCTA strongly supports a County Library System. Also Maywood and Wildwood should be County entities.

The Spillman technologies system is a huge improvement and its' 'full use' should be expedited for joint dispatch. The process must begin now – not five years from now.

Requests for proposals (RFP's) are necessary to actively study and compare cost for privatization of or contracted for janitorial, grounds, tree trimming, and mason services, as well as garbage and plowing operations. Central purchasing and group insurance for City, County and Schools are other areas to be studied and discussed. A private service provider measure will reduce the tax burden – County wide.

3. **Government Structure**

The 'number one' item this Council could do to assure future stability is to go with the recommendation of the Gov. Structure Com. and hire a City Administrator. Whether the Mayor's position is full-time or part-time, will be determined by a referendum vote. Do NOT restructure City departments until an administrator is hired! However, this Council can and should be involved in the table of organization (T.O.) of various depts.., especially the Department of Public Works and Transit. By changing 'status' you could eliminate all deputy directors.

Especially with the present economy, departmental efficiencies and management, or 'provider' services changes, can and will reduce the tax levy. Ultimately, that would stimulate business investment and spending and create jobs.

4. **Fire Department///Ambulance**

Stop this game of "make believe" ! The ambulance service has caused headaches and the costs will escalate. The taxpayers have asked for 'separate' financial statements:

1. *sources and uses of funds to start the ambulance service (debt service and/or amortization schedule)*
2. *profit and loss statement*
3. *balance sheet*
4. *statement of cash flows*

SCTA already knows the City won't or can't provide this, but that's the point!! This Council should phase out SFD Ambulance by fiscal 2011 and decide how to best serve this city with fire protection. Keep in mind that the bench mark average square miles (of 18 cities-- comparable in size) to emergencies is 5.8 miles, whereas Sheboygan is 2.8 miles.

Here too, the Council has authority to set the (T.O.) and job descriptions. The recent promotions were not wise, since eliminating the captain/lieutenant and inspector position could possibly save $100K. Remember Deputy Chiefs are 'salaried' – (no overtime). Administrative duties can be done by them--designating dual roles, but wisely. During these 'tight money times' you have to exercise your authority over depts., and responsibility to your constituents by reducing expenses thru efficiencies. You can reduce expenses without compromising services.

5. **Transit / Parking – (see attachment (#2)**

Because public mass transit is nationally recognized as a needed service, it is subsidized.. The stipulated size of new buses in order to receive funding should be challenged by the City through our congressman and senator. Surely in this day and age cities shouldn't be penalized for striving to save on gas, curb pollution, or by recognizing that smaller buses could serve our needs and help the environment. Has this City made any effort to contact our representatives and point out the glaring contradiction in what government proclaims and it's actually policy? Nothing will change if we never ask the question.

Sheboygan transit needs to be closely monitored and new ideas implemented for efficiency--- ex: re-route buses – getting away from the "spoke" system now in place, also combine DPW and transit vehicle maintenance.

A parking (independent consultant) study must begin now. In the meantime, transfer the parking lots to the public works department and eliminate the parking manager, assistant transit director and a part time secretary.

SCTA supports the (2 page) attachment by Ed Wackowski, who did a thorough study and made recommendations with approximate savings.

6. **Revenue // Cuts // Concessions**

The amount of delinquent ground leases of City property and late or delinquent payments of loans and grants is not acceptable. These must be addressed and shame on us for entering into such 'risky' endeavors. Sheboygan is not a lending institution; yet, there are approximately 40 outstanding loans totaling almost $5 Million!

This Council should try to negotiate annexations. The lines are all over the map, especially on our north border. When you consider services, taxes aren't that much less.

SCTA does not support selling lakefront property. To give up control is asking for trouble, and the leases are more than fair. The aldermen should be looking into selling selected parking lots and other parcels of city owned land. The aldermen should not be looking at buying any parcels (The only property the City should be looking into, if necessary, is for industrial expansion for jobs.

It's imperative that we increase 'co-pays' for health insurance. We should also cut full time employees and hire part time or seasonal employees wherever possible. Insurance should be constantly reviewed and certainly this area would benefit from collective efforts to solve a common problem throughout the County.

Every nickel we can save is important. Therefore a reasonable effort by depts.. throughout City Hall to promote former Ald. Kliejunas' 'Green Team' idea is a good start. The proposals would reduce (by 10%) energy, fuel, and product use for a possible $250K in savings.

7. **Miscellaneous**

SCTA believes that regular Com. of the Whole meetings (2nd & 4th Mondays) are the best way to involve the full Council on issues and affords limitless times to speak.

In conclusion we again respectfully request
that the Mayor and Aldermen
address these issues
presented at this session of the Common Council,
in a positive way,
to improve the quality of life
for the taxpayers of the City of Sheboygan.
They deserve
Fiscal responsibility
Competent performance
Open government

E

charter email

From: "Wisconsin Way" <wisconsinway@wcgpr.com>
To: <Undisclosed recipients:>
Sent: Thursday, May 27, 2010 3:27 PM
Subject: 2010 Economic Summit Series

Greetings!

Thank you for your continued interest in, and support of, the Wisconsin Way. We have had a lot of activity this spring with the release of the Blueprint for Change 2010, and we hope you have had a chance to review it. Representatives of the Wisconsin Way continue to reach out to fellow citizens and leaders throughout the state as we approach the election this fall. As a part of this outreach, we are pleased to announce the Wisconsin Way's participation in an important statewide effort to revitalize Wisconsin's economic future.

This summer, the University of Wisconsin System, Competitive Wisconsin, the Wisconsin Higher Education Business Roundtable and the Wisconsin Way are co-hosting the **2010 Wisconsin Economic Summit Series** — a series of three major summits dedicated to helping Wisconsin forge dynamic strategies for a stronger economic future.

The first of the summits is focused on new strategies for economic development and will be held in **Appleton on Tuesday, June 29, 2010**. This summit will highlight, among other things, the findings and recommendations from a recent study commissioned by Competitive Wisconsin, the Wisconsin Economic Development Association and the Wisconsin Counties Association. The second summit will focus on the critical strategic choices that will have to be made as the new administration and legislature begin their 2011-13 state budget deliberations and will be held in **La Crosse on Thursday, August 26.** The third summit will concentrate on building on the results of the first two summits to develop a set of strategic briefing papers and recommendations for the incoming administration and legislature. This summit will be held in **Milwaukee on Tuesday, October 5.**

We encourage you to stay involved and join us for one or more of these critical discussions. Please visit www.wiroundtable.org/summit to find out more about this important program and to register today! The series is open to the public, and we urge you to share this information with your colleagues, friends and other individuals in your community who would like to help change the future of Wisconsin.

Thank you, and we hope to see you later this year!

Sincerely,

The Wisconsin Way Team

(attachment #1)

Parking Commission Plan for Action

The Parking Commission, in my opinion, has failed to offer oversight and fiscial discipline to the management of the parking facilities that are under their control.

BACKGROUND:

Parking lot locations:

Lot 2 - Behind Children's Museum (1 meter)
Lot 3 - 9th & Niagara Sts. – along side of Trinity Lutheran Church
Lot 4 - 9th Street along side of Mead Library
Lot 5 - Between 8th & 9th Streets along side of fire station
Lot 6 - 8th Street between Center and New York – Community Bank
Lot 7 - Between 8th and 9th Streets east side of Transit center
Lot 8 - 9th and Pennsylvania Ave – west of Transit center
Lot 9 - Between 8th and 9th south side of Pennsylvania Ave
Lot 10 - On 7th St behind Liverenz Apts
Lot 11 - Pennsylvania Ave. west side of Salvation Army building
Lot 13 - South of Boston Stores – 7th and Center
Lot 14 - North of Boston Stores – 7th and Niagara
Lot 15 - Between 8th & 9th on St Clair
Lot 16 - 8th and Indiana (meters and stalls)
Lot 17 - Around Grand Stay hotel

OTHER – There are two public parking lots on south 12th St (1600 south) that do not have meters or reserved stalls and the cost associated with these lots is not readily determinable.

OBSERVATIONS:

- A Parking Study was authorized by the Parking Commission but was not done.
- Charges that are recorded on the books of the city are subject to correction...they do not reflect proper revenues or expenses associated with each parking entity.
- Reduce management/employees in the parking organization.
- Sell identified parking lots that would be placed back on the tax rolls.
- All parking lots require snow removal and maintenance and some are getting a "free ride".
- A Storm water fee was applied to some parking lots but not to all.
- Why is a Vehicle & Equipment charge applied to the parking lots?
- Why is there a telephone bill for lots 14 & 15?
- Approved budget is not relevant to the actual costs and is grossly inflated.
- Why is there a land fee charged to lot 14?
- Why is the snow removal charge for lot 9, which is the same size as lots 14 & 15, only half the of the cost billed to 14 & 15?
- What is the automobile charge to Administration?
- Why is there a training school charge to the parking authority?
- Why is there a charge of $36,644.64 for resurfacing...where was this done?

(attachment #2)

- Did the Commission authorize a $18,445.00 Holder/trackless Utility vehicle and a $1,407.00 Lawn Mower be purchased?
- There is a $64,000.00 shortfall in the anticipated revenue for the parking utility and this fact was kept from the Commission...WHY?

I offer the following suggestions to affect cost savings and better service to the taxpayers of the City of Sheboygan:

- Review snow removal billings since there are indications that they have been applied incorrectly. There are some lots that did not have a snow removal charge applied to them.
- Transfer the parking responsibilities to the Public Works department.
- Revenues received from on street parking could be used to offset plowing of the streets where parking meters are in service. This would free up needed revenue for the Public Works department while requiring the people who use these parking spaces to pay the charges associated with same.
- A Parking (independent consultant) study should be employed to affect cost savings and reorganization of the parking organization.
- The transfer of the parking lots to the PWD would allow for the elimination of the Parking Manager, the Assistant Transit Director and a part time secretary.
- Place parking meters in the parking lot on Brighton Drive opposite the YMCA.
- By installing "centralized" meter parking along with monthly rental stall parking would reduce cost and generate increase revenue in lots 14 and 15. This would also eliminate the need for personnel in the booths that would be removed.
- Payment to the parking meters should be 24/7 along with the parking lots. Requiring people who do business downtown during the day to pay to park while the people in the evening do not. Is this fair?
- Sell parking lots that would be better on the tax rolls.
- On line payment and reservations for stall parking similar to the seat reservations used by the airlines.
- Increase the on street parking (meter) fee to $30.00.
- Increase stall fee to the cost of a monthly transit pass of $48.00.
- Evaluate the job performance of the Parking and Transit Director and take appropriate action.

This report is only the "tip of the iceburg" of the changes and need for proper management of the parking utility in our city. With the change recommended there would be a cost saving of over $250,000.00 - $300,000.00 per year and more money, properly utilized to provide services to the taxpayers of this city.

I

6-39

Com. No. 18 - 10 - 11. June 21, 2010.

Submitting a communication from Alderperson Bohren being a letter he wrote that was published in the Sheboygan Press entitled, "Sheboygan taxpayers should know everything they are paying for".

Presented to the Common Council by Alderperson James A. Bohren. Bohren

Finance, ~~Strategic~~ & Whole

Acc & File

Richards, Sue

From: James Bohren [aldermanjimb@charter.net]
Sent: Tuesday, June 08, 2010 2:30 PM
To: Richards, Sue
Subject: Emailing: scan0008 My Letter in the Sheboygan Press "Community Conversations" on 6/8/2010
Attachments: scan0008.pdf

Sheboygan City Clerk Sue Richards - Sue

Please include the attached article "Sheboygan taxpayers should know everything they are paying for" written by me in the 6/8 Sheboygan Press as a document for the next Council meeting 6/14 (if the Mayor calls one) or on 6/21. Please refer it to the COW, SFP and Finance Committee.

Thanks.

Alderman Jim Bohren
4th District - City of Sheboygan, WI
920.452.1777/aldermanjimb@charter.net
2010 - 2011 Committee Assignments
Chairman, Public Works Committee
Finance Committee
Strategic Fiscal Planning Committee
Capital Improvements Commission
Sheboygan Transit Commission
Board of Park & Forestry Commissioners

COMMUNITY CONVERSATIONS

FIRE DEPARTMENT/AMBULANCE SERVICE

Sheboygan taxpayers should know everything they are paying for

BY JIM BOHREN

The Sheboygan Common Council is in the process of deciding the future course of the Sheboygan Fire Department — both from the aspect of providing maximum public safety for the citizens of Sheboygan and what taxpayers want and can afford and are willing to pay.

The council, as part of this discussion, must decide what to do with the ambulance business — keep it in the fire department or get it back in the private sector. Council members are being bombarded with much financial information, which is good, and I thought I would take this opportunity to share some of that information with you, the taxpayer.

The latest unemployment figure for Sheboygan is about 10.8 percent. If we are like most communities nationwide, we have an additional 6 percent or 7 percent of the unemployed people who have given up looking for employment, bringing our actual unemployment rate to 16.8 percent or 17.8 percent.

This is hardly the environment to ask people to pay more in property taxes.

With the state budget mess in Madison, the city will be lucky to maintain its shared revenue payment, which was cut for 2010. The City of Sheboygan currently faces a budget deficit for 2011 of about $1.2 million.

You should know that the taxpayers are paying from 11 percent to 17.6 percent of all city employee wages into the Wisconsin Retirement Fund in 2010. As an example, for a fire department employee making $80,000 per year, the taxpayers will put $14,080 into that employee's retirement fund; the employee pays nothing. This amounts to $3.4 million for all city employees in 2010.

Again, the taxpayers fund this 100 percent, and city employees pay nothing.

In the private sector, most retirement programs — if you are lucky enough to have one — are funded, at best, 50/50 by the employee and employer.

The taxpayers should also be aware that this year they will be paying back about $400,000 in losses for city employees' retirement accounts in last year's stock market crash. Over five years, this state-mandated payback in stock market losses will amount to $1.5 to $1.6 million — money we have no idea where to find, except to cut worthwhile projects we would have bonded for.

Is anybody paying back your stock market losses?

For 2010, for the fire department specifically, the taxpayer will pay $833,748 in retirement benefits. For health insurance taxpayers will pay $1.2 million for a total benefit package for fire department employees of just over $2 million. The total fire department budget for 2010 is about $7.6 million.

Fire department employees pay 12 percent of the health care premiums for 2010 and next year will go back to 10 percent. Private sector employees are paying 25 percent to 35 percent of their premiums if they have health coverage.

We as taxpayers are going to need long-term concessions from the firefighters union and other city unions in the area of their benefit packages if you want the Common Council to be able to make the best decisions to continue to provide the excellent fire protection we have come to expect and make the correct decision regarding the ambulance business which has provided excellent care to our citizens.

The revenue from the ambulance business has been a huge disappointment, collecting only 38 percent to 40 percent (the business plan from the fire department in 2007 projected 48 percent) of receivables for 2008 and 2009. Net return in 2008 into the general fund was $199,000 and $250,000 for 2009. There was also a recently discovered billing snafu which may have cost the city in excess of $250,000 in lost revenue due to poor oversight by senior management in the fire department and an inept billing service.

To this point, no one has been held accountable for this huge monetary loss in revenue from the ambulance business. In the private sector, heads would have rolled.

Please call your alderperson and let him or her know what you want after digesting the above facts provided by the city's Finance Department.

About the author

Jim Bohren is an alderman representing Sheboygan's 4th District. He is a member of the Common Council Finance Committee.

I

Other Matters 17-50

Com. No. 48 - 10 - 11. December 6, 2010.

Submitting an email from the Deputy Finance Director/Treasurer titled, "WI Retirement Rates".

Presented to the Common Council by Alderperson James A. Bohren. Bohren

Finance, Sale & Grant & Strategy

Acc & File

Richards, Sue

From: Alderperson Jim Bohren
Sent: Thursday, December 02, 2010 10:59 AM
To: Richards, Sue
Subject: FW: WI Retirement Rates
Attachments: 2010_12_02_10_04_28.pdf

Sheboygan City Clerk Sue Richards - Sue

Please include the attached e-mail from Nancy Buss of the City Finance Department titled "WI Retirement Rates" as a document under other matters authorized by law for the Monday December 6th 2010 Council meeting. Please refer it to the Strategic Fiscal Planning Committee, the Finance Committee and the S&G Committee.

Alderman Jim Bohren
4th District - City of Sheboygan, WI
920.395.2230
jim.bohren@ci.sheboygan.wi.us
2010 - 2011 Committee Assignments
Chairman, Public Works Committee
Finance Committee
Strategic Fiscal Planning Committee
Capital Improvements Commission
Sheboygan Transit Commission
Board of Park & Forestry Commissioners
Industrial Development Commission

From: Buss, Nancy
Sent: Thursday, December 02, 2010 10:05 AM
To: Alderperson Jim Bohren
Subject: WI Retirement Rates

Attached are rates for 2010 and 2011

Nancy Buss

WRS Employer Rates
Current / Future Rates Inquiry

12/02/2010

This page allows you to view current and future employer rates.

Employer Selection: 1017-000 ::: SHEBOYGAN, CITY OF

Calculate | Clear Form | Return to Homepage

Employer Name SHEBOYGAN, CITY OF
Employer Number 1017-000

General							
Calendar Year	Employee Required	Benefit Adjust	Employer Required	Prior Service	Duty Disability	Sick Leave	Total
2010	5.0	1.2	4.8	0.0	0.0	0.0	11.0
2011	5.0	1.5	5.1	0.0	0.0	0.0	11.6

Elected Officials, Judges, State Executive Pay Plan							
Calendar Year	Employee Required	Benefit Adjust	Employer Required	Prior Service	Duty Disability	Sick Leave	Total
2010	3.2	0.0	8.7	0.0	0.0	0.0	11.9
2011	3.9	0.0	9.4	0.0	0.0	0.0	13.3

Protective with Social Security							
Calendar Year	Employee Required	Benefit Adjust	Employer Required	Prior Service	Duty Disability	Sick Leave	Total
2010	5.5	0.0	8.6	0.0	2.4	0.0	16.5
2011	5.8	0.0	8.9	0.0	2.4	0.0	17.1

Protective without Social Security							
Calendar Year	Employee Required	Benefit Adjust	Employer Required	Prior Service	Duty Disability	Sick Leave	Total
2010	3.9	0.0	11.3	0.0	2.4	0.0	17.6
2011	4.8	0.0	12.2	0.0	2.4	0.0	19.4

RPT ID: AC207
PGM ID: TR655P63

DEPARTMENT OF EMPLOYE TRUST FUNDS
WISCONSIN EMPLOYE BENEFITS SYSTEM
CONTRIBUTION RATES FOR 2010

JUN 23 2009

EMPLOYER NO: 69-036-1017-000 SHEBOYGAN, CITY OF

---------- GENERAL ----------

YEAR	EMPLOYE REQUIRED	BENEFIT ADJUST	EMPLOYER REQUIRED	PRIOR SERVICE	DUTY DSBLTY	SICK LEAVE	TOTAL
2009	5.0	0.9	4.5	0.0	0.0	0.0	10.4
2010	5.0	1.2	4.8	0.0	0.0	0.0	11.0

------- ELECTED OFFICIALS, JUDGES, STATE EXECUTIVE PAY PLAN -------

YEAR	EMPLOYE REQUIRED	BENEFIT ADJUST	EMPLOYER REQUIRED	PRIOR SERVICE	DUTY DSBLTY	SICK LEAVE	TOTAL
2009	3.0	0.0	8.5	0.0	0.0	0.0	11.5
2010	3.2	0.0	8.7	0.0	0.0	0.0	11.9

---------- PROTECTIVE WITH SOCIAL SECURITY ----------

YEAR	EMPLOYE REQUIRED	BENEFIT ADJUST	EMPLOYER REQUIRED	PRIOR SERVICE	DUTY DSBLTY	SICK LEAVE	TOTAL
2009	5.0	0.0	8.1	0.0	2.4	0.0	15.5
2010	5.5	0.0	8.6	0.0	2.4	0.0	16.5

---------- PROTECTIVE WITHOUT SOCIAL SECURITY ----------

YEAR	EMPLOYE REQUIRED	BENEFIT ADJUST	EMPLOYER REQUIRED	PRIOR SERVICE	DUTY DSBLTY	SICK LEAVE	TOTAL
2009	3.2	0.0	10.6	0.0	2.4	0.0	16.2
2010	3.9	0.0	11.3	0.0	2.4	0.0	17.6

ET-2530

II

5-36

R. O. No. 88 - 10 - 11. By CITY CLERK. June 7, 2010.

Submitting petitions from various business owners in the City requesting that the Mayor and Council keep 5 fire stations open in the City and hire additional firefighters to maintain all stations.

Pub Prot & Safety

& Strategic Fiscal

Susan Richards
City Clerk

SOMMER'S WOODHAVEN COMMUNITY

♦♦♦

4441 SOUTH 12TH STREET
SHEBOYGAN, WI 53081

PHONE (920) 452-9645
FAX (920)452-8727

May 25, 2010

City of Sheboygan
828 Center Avenue, 3rd Floor
Sheboygan, WI 53081

Re: Station 5, 4504 South 18th Street Fire Station

To Mayor Ryan and Alderman:

I am the manager of Sommer's Woodhaven Manufactured Home Community located at 4441 South 12th Street. Fire protection is one of the reasons we annexed to the City of Sheboygan in 1988. This letter is in regards to Station #5 at 4504 South 18th Street Fire Station. Fire Station #5 is south of the railroad tracks, which runs to Edgewater Power Plant. Station #5 has a significant shorter response time to residents south of the tracks. We all know, the long delays the coal cars can cause when delivery or returning the empty cars to the plant. The only road available when the train is coming through is the over pass which crosses over the tracks on Business Drive. For the safety and well being of the residents of Sheboygan, we need Station #5 to stay open. In fact, we need all our fire and ambulance stations to stay open.

We have a large investment in fire stations, fire trucks, equipment and the ambulances. You had the foresight to plan ahead and to expand/build to the needs of the Sheboygan Residents, now have the courage to keep them all open. We do not realize how important the fire stations and ambulances are until it effects us.

Sincerely,

Dale L Sommer

Dale Sommer
Manager

Taylor Drive
1500 S to Erie
Movie theater
+
Taylor-
Huish Hts

We , the undersigned, Business Owners, formally request the Mayor and Common Council of the City of Sheboygan to keep all 5 Fire Stations open and hire the additional Fire Fighters needed to maintain all stations.

Name/Signature	Business/Address	Date	
Chris Meyer	Firestone Complete Auto Care	5/26/10	3347 N. Taylor Dr.
Robin Hauser	518 S. Taylor Shopko	5/26/10	
[illegible]	909 S Taylor Dr. Dilker Chiropractic	5/26/10.	
[illegible]	822 S TAYLOR DRIVE HAMBESTER ARCHITECTS	5/26/10	
Rebecca Miller	725 S. TAYLOR DR. FRINGE BENEFITS	5/26/10	
Jon Wadsley	733 S. Taylor Dr. National Cash Advance	5/26/10	
[illegible]	649 S TAYLOR DR Regan's	5/26/10	
[illegible]	3347 Kohler Memorial Dr. Suite 26 Memorial Mall Mgmt	5/26/10	
John	Wonder Nail's 525 S Taylor Dr.	5/26/10	
[illegible]	New China Buffet 571 S Taylor Dr.	5/26.10.	
[illegible]	OfficeMax, 3424 Kohler memorial	5-26-10	
[illegible]	Big O Tires	5-26-10	
Allison	Dunhams 3520 Kohler Memorial Dr.	5/26/10	

We , the undersigned, Business Owners, formally request the Mayor and Common Council of the City of Sheboygan to keep all 5 Fire Stations open and hire the additional Fire Fighters needed to maintain all stations.

Name/Signature	Business/Address	Date
Dennis O. Doyle	CROSSROADS	5/24/10
Jake's Liquor	Roop Gall 2019 S. Business dr	05/24/10
Salon Somer	604 Erie Av.	5/25/10
Peggy Brennan	1101 Michigan Ave	5.28.10
Thomas A Brennan	1101 MICHIGAN AV	53081
[illegible]	1109 Michigan Ave	5-28-10
[illegible]	Ella S Ave 1133 No 8th	5/27/10
Janet Tetschlag	731 Penn Ave, Sheb	5/27/10
[illegible]	3740 S. 10th	6/1/10

May 24, 2010

Sheboygan City Council

To the Council

I am concerned with the current plan to close city fire stations on a rotating basis. I feel our fire protection and response time has had an excellent history. A plan that includes less protection and less favorable response time is not in the city's or my business's best interest.

Please re consider your plan and keep our fire protection at its historical levels.

Thank you

Steve Weinreich
General Manager
Verifine Dairy
Sheboygan, Wi.
920-457-7733

5a

We , the undersigned, Business Owners, formally request the Mayor and Common Council of the City of Sheboygan to keep all 5 Fire Stations open and hire the additional Fire Fighters needed to maintain all stations.

	Name/Signature	Business/Address	Date
1.	Joel Neribacka	Visionary Eye Care	5-25 10
2.	Lisa Radtke	Nau+Zen Hair Industry	5/25/10
3.	Doug Gilman	Penn Avenue Pub	5/26/10
4.	Peggy Jauscheh	Victorian Chocolate Shoppe	5-25-10
5.	M. Willis	Legend Lanes	5-25-10
6.	Jan Parson	GMS	5-25-10
7.	Rose Kessel	Realty Executives Integrity 617 N 8th St.	5-25-10
8.	N. McGuire	Split Ends	5-25-10
9.	S Walker	Sonlight Books	5-25-10
10.	LAURIE HOLZ	BOSTON STORE 727 N 8 ST.	5-25-10
11.	[illegible]	ENRMAN'S FOR JEWELRY	5-25-10
12.	K. Hurrin	MARGAUX / 821 N 8th St	5-25-10
*13.	Pamela Butler Channel	Nest / 823 N 8th St	5-25-10
14.	Scott Vreeke	Rupps	5.25.10
15.	Cheri Newman	JSM Beard Coop	5-25-10
16.	Sayad Othman	JSM Downtown	5-25-10
17.	[illegible]	Wills Nau 2 New	5-25-10
18	Thomas W Wendt		5-25-10

We , the undersigned, Business Owners, formally request the Mayor and Common Council of the City of Sheboygan to keep all 5 Fire Stations open and hire the additional Fire Fighters needed to maintain all stations.

	Name/Signature	Business/Address		Date
19	Guoyuo Li	Chinatown Kitchen	1107 N 8th St	5/25/10
20	Matthew Miller	Music Box	1119 N 8th St	05/25/10
21	Jeff Albrecht	Peabody's Pizza	1103 N. 8TH	5-25-10
22	Dawn Eberhardt	Peabody's Pizza	1123 N. 8th	5-25-10
23	Steve Kuehnmich	Goodell Bldg	1102 ERIE	5-25-10
24	Kate Krause	Paradigm Coffee & Music	1202 N. 8th	5.25.10
25	[illegible]	WI Auto Title Loans	1108 N 8th St	5.25.10
26	[illegible]	Fountain Park Stake and Family		5-25-10
27	[illegible]	Sheboygan Bicycle Company	804 N. 8th.	5-25-10
28	Hoang Ngan	Supreme Nails		5/25/10
29	Caitlin Brotz	511 N. 8th St.		5/25/10
30	[illegible]	508 N 8 St		5/27/10
31	[illegible]	Top Trophies	5-28-10	514 N 8th
32	H. Rose	Wild Rose Tattoo	510 N. 8th	5-28-10
33	Kris Swanson	Essell	512 N 8th	5/28/10
34	[illegible]	Milwaukee PC	516 N 8th St.	5/28/10
35	[illegible]	Bay Title -	532 N. 8th St.	5/28/10
36	[illegible]	Scrooges Jewelers	621 N 8th	5/28/10

WESTBROOK MANAGEMENT, LLC
622 North Water Street, Suite 200
Milwaukee, Wisconsin 53202
(414) 270-0300 FAX (414) 336-0097

JUN 3 '10 PM 4:54

June 3, 2010

Sheboygan City Council

I am not in favor of the proposed plan to close city fire stations on a rotating basis. The resulting increase in response time to an emergency is an uncomfortable thought. Westbrook manages 433 units in Sheboygan and in the interest of all of our residents we hope you reconsider this plan of restriction.

Thank you,

John Burke III

Vice President

VII

10-60

R. C. No. 147- 11 - 12. By WHOLE. August 15, 2011.

Your Committee to whom was referred Res. No. 42-11-12 by Alderpersons Bohren, Carlson, Sampson and Versey requesting that the Fire Chief draft a long range plan for the City of Sheboygan Fire Department by the second Common Council meeting of August 2011; recommends that the document and plan be referred to the Strategic Fiscal Planning Committee.

Strategic
Fiscal
Ave file

James A. Bohren

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

SHEBOYGAN FIRE DEPARTMENT

LONG RANGE PLAN OPTIONS

Presented by Fire Chief Jeff Hermann
August 2011

Fire Chief's Overview of the Fire Department Re-organization

I would like to thank the authors of this resolution, Council Document 7-16, for bringing the issue of the fire department reorganization to the forefront for a final resolution and enabling all of us to move forward in the interests of public safety. It seems the reorganization/downsizing of the fire department has been the hot topic for quite some time now, and this will allow us to finally plan for the future with some level of certainty. My goal as I prepare this presentation is to present different levels/models of fire protection, with the corresponding levels of funding required.

The reorganization/downsizing of the fire department has been an ongoing process for the past 35 years, (see enclosure) and has been accomplished to this point while providing an equal or greater level of protection to the citizens during the transformation. The present request for reorganization of the department will offer varying levels of protection, some relatively similar and some with reductions in protection. I will attempt to outline each level clearly, answering a lot of your question in the process.

Rest assured that my staff and I are very capable of setting up, managing, and dedicating ourselves to the success of all of the scenarios presented. The Council's direction is required in determining exactly what level of protection you would like your fire department to provide the citizens of Sheboygan.

Much of what will be presented will be based on response times and the resources available. Surviving a fire, saving property, surviving a medical emergency, all the while keeping our fire fighters safe is all predicated on a timely response by the fire department with an adequate amount of resources. One of the main differences between fire/EMS services and law enforcement is, for the most part law enforcement is called after a crime has been committed and the fire department is called at the beginning of or while the emergency is in progress. Therefore, outcome of the fire/EMS emergency is largely dependent on the fire department response time. We also place a great emphasis on fire prevention through effective public education and building inspection programs. Preventing a fire from occurring is still the best method of providing public and fire fighter safety.

The current system of fire protection that we have set up in the City of Sheboygan differs from nearly every other city we would consider a comparable. That is a system with 5 fire stations, staffed with a 2 person fire apparatus, and a 2 person med unit. The national standard is one of fewer fire stations with greater staffing per station. The 5 station system we currently have in place is the driving force behind our response time averages, and a great contributor to our fire extinguishment and sudden cardiac arrest success rates. In our current system we are both National Fire Protection Association (NFPA) and Wisconsin COMM 30 compliant. Our success is built on an aggressive interior offensive method of fire attack that enables us to keep fires contained to the room or object of origin, and extinguishing fires while they are still small in nearly every instance. When we are unable to contain an incident to a room and contents fire and it becomes a large scale incident we enlist help through mutual aid. We are an active participant in the Mutual Aid Box Alarm System (MABAS) Division 113 for these and other types of emergencies. Through the use of mutual aid, we have been successful in stopping large scale incidents from becoming catastrophes. While I would consider the Landmark fire to be a major incident, it was very close to being much, much more.

It is not only human life that we protect, it is also property. Fire remains the number one cause of property damage in the United States. History has shown when a home or business is destroyed it is rarely rebuilt. Tax base and jobs are essentially lost forever. Conversely, history has shown when we are able to save the building, businesses rebuild, houses are remodeled, and jobs and tax base are preserved.

It should be understood that the current locations of the 5 stations were laid out systematically as the city grew to provide equal coverage to all areas of the city. To close any one of the 5 stations without repositioning the other 4 will inevitably leave a hole in emergency services coverage.

I have prepared the scenarios requested by the resolution, and have compared them to the current structure and resulting outcomes. The presented scenarios should be considered fluid, especially station locations.

Fire Chief's Overview:

In the current 5 station system, the stations are very well placed, staffing is adequate, and the resulting outcomes are excellent. I do not believe there is a less expensive model available to deliver the same level of protection and services to the citizens.

If the Council chooses a 4 station model, for optimum coverage stations 1 and 3 should be replaced with a new central station. This system comes as close to the current model in providing public protection. The savings are derived from having one less station to maintain, three less employees, and one less piece of fire apparatus to replace and maintain. Operational efficiencies are gained, however, at the expense of some longer response times and response depth. One area of concern would be the longer response times to the lakefront and fire boat – water rescues are extremely time dependent. If a location for a new station is chosen on the river near N. 14th and Niagara, a combination fire station/community center/ice rink could be envisioned. The quality of the public education and building inspection programs could be maintained in this system.

If the Council chooses a 3 station model, for optimum coverage station 4 can remain as is and two new stations should be built central and south. To maintain quality public education and building inspection programs in the three station/ 54.5 FTE model would require a different approach utilizing some full time educators and inspectors. In the 3 station scenario, mutual aid will need to be initiated immediately to backfill stations approximately 450 times a year to maintain adequate response times to all incidents. It would be anticipated that a large number of those incidents will have 15 -20 minute response times in this system. The transformation to this scenario would begin in 2012 with the closing of station 1. In 2014 station 5 would close, and the transformation would continue until 2016 when the department would be projected to have reached the 54.5 FTE level. The building of the new stations would be planned for in 2012 and implemented by 2016.

If the Council chooses a POC option, station locations are not as critical as the response to the station by POC employees. Therefore, the benefit of relocating stations does not outweigh the expense. In this scenario fires can be expected to grow larger before extinguishment is initiated, and a switch to a more defensive exterior method of fire containment will occur, concentrating mainly on protecting exposures. Most or all public education and building inspection programs will need to be completed in an entirely different manner. Most POC departments accomplish this with dedicated Fire Inspectors. It is very common in the fire industry to see the smaller the number of fire fighters on a department the larger the number of employees assigned to the Fire Prevention Bureau. In the POC scenario, POC personnel will need to be utilized approximately 1400 times a year to ensure adequate response times to all incidents. Response times will be largely dependent on the promptness of the POC response. The Council will have to be resigned to the fact that approximately 33% of all incidents will have response times of 15 - 20 minutes. Mutual aid could also be utilized on an almost daily basis to augment response resources and maintain the 15 - 20 minute response time. The transformation to a Paid on Call department would need to begin in 2012 with the beginning of the POC recruitment process (in the last two hiring processes 2 city residents applied, 1 did not qualify). All future retirees would be replaced by POC personnel until the department reaches a full time staffing level of 44.5, and a POC level of approximately 40. The national average for POC turnover is 38% in the first year and an additional 25% in the first 5 years. Fire station 1 would be closed 1/1/12, and fire station 5 would be closed 1/1/14. A complete transformation by attrition would be targeted to take place by 2021. Some station remodeling would need to occur, mainly consisting of an expanded training room and personal locker facilities, with an estimated cost of $200,000.

To reduce capital outlay, existing stations can be utilized in any of the options presented; however, that would result in unequal response times throughout the city.

When taking into consideration public safety only in determining which system provides the best protection to our citizens, the current system in place is the clear choice. Taking into consideration the current financial difficulties facing the city and realizing we still have an obligation to provide adequate public protection, the 4 station model with 72.5 FTE is the second best choice. This provides budgetary savings beginning in 2012 and beyond, while not sacrificing a great deal of fire protection. Current station locations, while not ideal, could suffice until a new station becomes a financial reality. This immediate savings, along with a move to a more regional plan for fire protection in the long term, will lay the ground work for a successful fire department for decades to come. The two 3 station models, while still providing an initial line of defense, are a significant downgrade in public protection and safety. The biggest areas for concern lie in the inability to respond to multiple calls at one time, and the inability to place necessary resources on scene in a timely manner.

Regardless of which long range plan is chosen for the fire department, the move towards a more regional approach to fire protection in Sheboygan County needs to be explored and implemented. Regional fire protection holds the key to stabilizing fire protection costs for all communities while also providing a better, more consistent level of service for all. Automatic aid agreements between area fire

departments/communities are a key component to ensuring adequate resources are on scene in a timely manner for all emergencies, providing a much higher and cost effective level of protection for all. This effort will require the cooperation of local government entities and Fire Chiefs to become a reality. I would be happy to take the lead in this effort.

In the interest of public safety,

Jeff Hermann

Jeff Hermann
Fire Chief

Current Fire Department Structure, 5 stations (75.5FTE)

Chief

Deputy Chief Fire Inspector Deputy Chief

Mechanic Shift Commanders-3 Clerical 1.5

Station #1 833 New York Ave	Station #2 2413 S. 18th Street	Station #3 1326 N 25th Street	Station #4 2622 N 15th St	Station #5 2622 N 15th St
Engine	Engine Med Unit	Rescue Pumper Med Unit	Ladder Med Unit	Ladder

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Fire Department Structure As is with 4 stations (75.5 FTE)

Chief

Deputy Chief Mechanic 1.5 Clerical Deputy Chief

Shift Commanders-3 Fire Prevention/Training Commander

Station #2 2413 S 18th Street	Station #3 1326 N 25th Street	Station #4 2622 N 15th Street	Station #5 4504 S 18th Street
Engine Med Unit	Rescue Pumper Med Unit	Ladder Med Unit	Engine

Estimated $70,000 budget savings

Implementation can occur at any time.

Fire Department Structure, 4 stations (72.5 FTE)

Chief

Deputy Chief Fire Inspector Deputy Chief

Mechanic Shift Commanders-3 Clerical 1.5

Station #2 2413 S 18th Street	Station #3 N 14th St/Niagara Avenue	Station #4 2622 N 15th Street	Station #5 4504 S 18th Street
Engine Med Unit	Rescue Pumper Med Unit	Ladder Med Unit	Engine

Estimated $340,000 budget savings

The transformation to this scenario would begin in 2012 with the closing of station #1. The planning process to subsequently replace station #3 would begin immediately. There would not be a targeted completion date; however, the sooner the project is complete the sooner equal levels of fire protection would be restored to the center of the city.

Sheboygan Fire Department Structure 3 stations (54.5 FTE)

Chief

Deputy Chief Deputy Chief

Fire prevention/ Training Shift Comanders-3 Mechanic Clerical 1.5

Station #2 S Business & Washington	Station #3 New Jersey Ave (DPW)	Station #4 2622 N 15th Street
Engine Med Unit	Rescue Pumper Med Unit	Ladder Med Unit

The transformation to this scenario would begin in 2012 with the closing of station #1, followed by the closing of station #5 in 2014, and continue until 2016 when the department would be projected to have reached the 54.5 FTE level. The building of new stations would be planned for in 2012 and implemented by 2016.

Estimated $1,890,000 budget savings

Sheboygan Fire Department Paid on Call Structure (44.5 FTE, 3 Stations)

Fire Chief

Assistant Chief

Training Commander Fire Prevention-3 Mechanic Clerical 1.5

Shift Commander-3

Station #3 1326 N 25th Street	Station #2 2413 S 18th Street	Station #4 2622 N 15th Street
Rescue Pumper Med Unit POC Ladder	Engine Med Unit	Ladder (Cross Staffed) Med Unit (Cross Staffed) POC Engine

The transformation to this scenario would begin in 2012 with the closing of station #1, followed by the closing of station #5 in 2014, with a complete transformation by attrition by 2021.

*There is no provision in this scenario to cover for vacations/sick leave/etc, other than the use of POC personnel

Estimated $2,400,000 budget savings

Paid on Call Requirements/expenses

*Turnout gear $2274.40 (must be replaced every 10 years)

*Duty uniform $413.05 (approximately $100 per year thereafter thru a commissary)

*Dress Uniform $210.00

*Pager $454.00

* Initial physical and Psych exam $1000.00

**Hourly wage $12.50 (anytime conducting department business)

** Pension $56.00 (per month of service, must serve 10 years to be vested)

* Annual physical /spirometry/refresher classes $600

**Fire Fighter I & II and State certification

**Residency within 7 minutes of fire station (3 minutes is preferred)

**Weekly training, must attend 75% (approximately 200 hours per year)

** Workers comp coverage of $52,000 or amount equal to regular salary whichever is highest

**Long term disability insurance

Approximately $4500 initial start-up cost per POC employee

Approximately $4100 plus hourly wages (an additional $5000)per year for each POC employee

Estimated POC fire department budget reduction in 2011 numbers, $2,400,000. (reduction of 31 FTE, minus additional POC expenses)

Estimated one time POC start up costs $125,000 per year for 4 years. (Turnout gear, duty uniform, dress uniform, pagers, station remodeling amortorized over 4 years)

Estimated yearly POC costs, $350,000. (hourly wages, commissary, insurance, equipment, etc., no retirement or reimbursement of lost primary occupation wages figured)

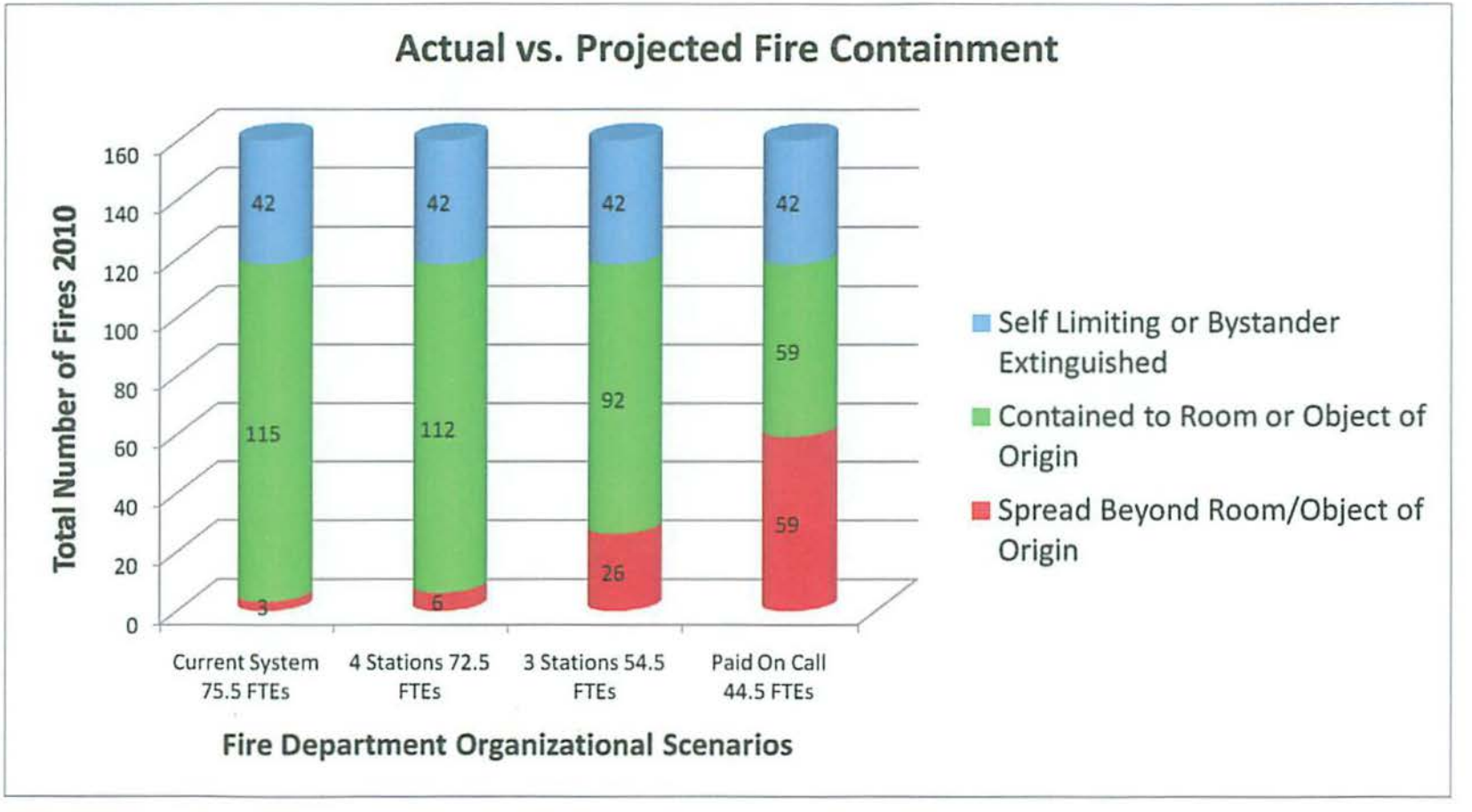
*Information obtained from Sheboygan Fire Department vendors

**Information obtained from Maple Grove Minnesota P.O.C. Fire Department

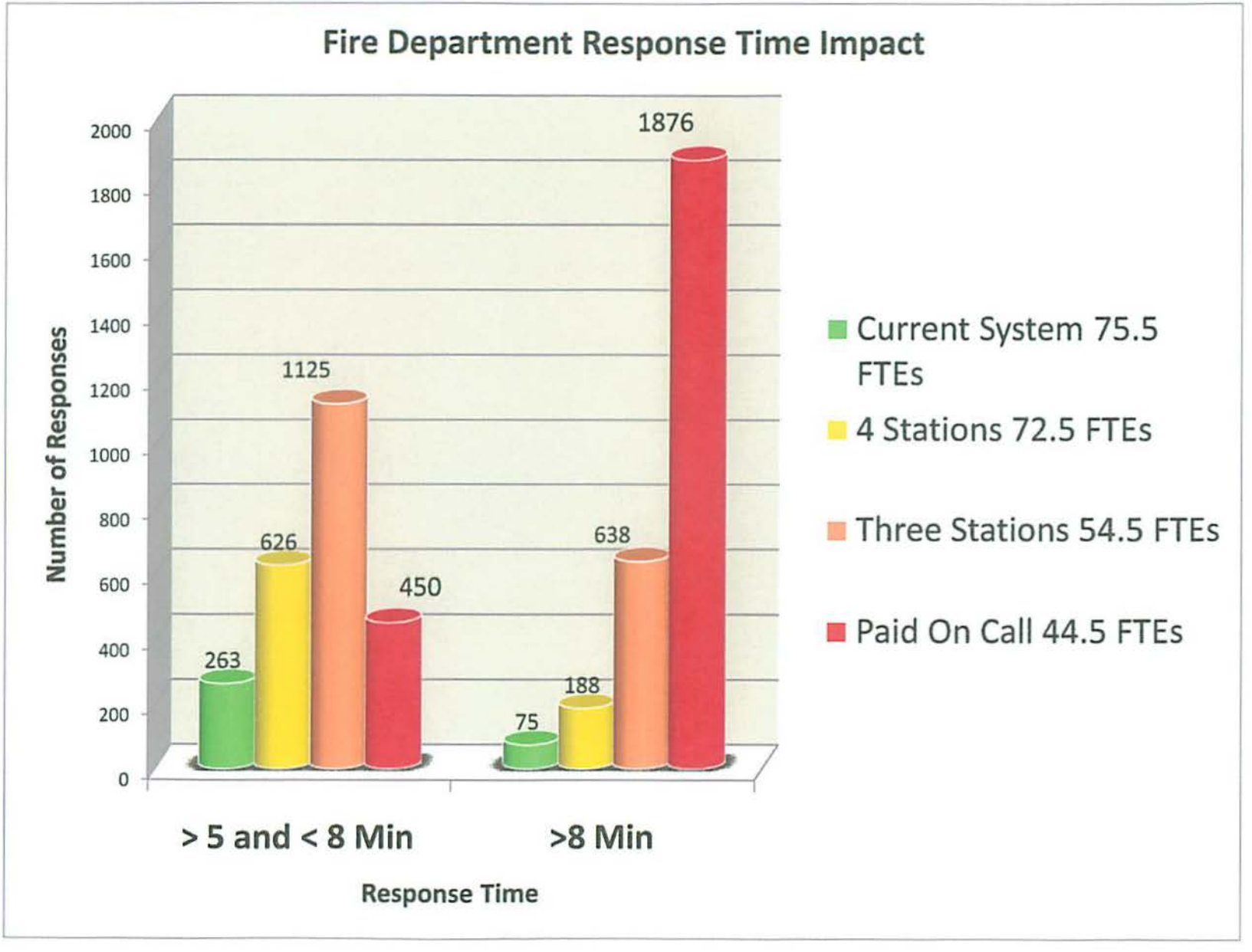
FIRE DEPARTMENT RESPONSES

01/01/2010-12/31/2010

Ada Fire Department:	**9**
Adell Fire Department:	**12**
Batavia Fire Department:	**28**
Cascade Fire Department:	**29**
Cedar Grove Fire Department:	**43**
Elkhart Lake Fire Department:	**75**
Franklin Fire Department:	**10**
Glenbeulah Fire Department:	**14**
Greenbush Fire Department:	**43**
Haven Fire Department:	**16**
Howards Grove Fire Department:	**30**
Johnsonville Fire Department:	**18**
Kohler Fire Department:	**40**
Oostburg Fire Department:	**53**
City of Sheboygan Falls Fire Department:	**58**
Plymouth Fire Department:	**164**
Random Lake Fire Department:	**39**
Silver Creek Fire Department:	**30**
Town of Sheboygan Fire Department:	**72**
Town of Sheboygan Falls Fire Department:	**28**
Waldo Fire Department:	**38**
Black River Fire Department:	**39**
Beechwood Fire Department:	**32**
St. Anna Fire Department:	**7**
St. Cloud Fire Department:	**2**
TOTAL	**929**
City Of Sheboygan Fire Department:	**3,751**


Actual vs. Projected Fire Containment
Total Number of Fires 2010
160
140
120
100
80
60
40
20
0
42
115
3
42
112
6
42
92
26
42
59
59
Current System 75.5 FTEs
4 Stations 72.5 FTEs
3 Stations 54.5 FTEs
Paid On Call 44.5 FTEs
Fire Department Organizational Scenarios
Self Limiting or Bystander Extinguished
Contained to Room or Object of Origin
Spread Beyond Room/Object of Origin

Actual vs. Projected Site Containment
Site Department Organizational Scenarios
Total Number of Fires 2010
Ohio
Grand Rapids Department of Public
Ohio
Contained to Room of Origin
Extinguished
Self Limiting or Sprinkler


Fire Department Response Time Impact
Number of Responses
2000
1800
1600
1400
1200
1000
800
600
400
200
0
263
626
1125
450
75
188
638
1876
> 5 and < 8 Min
>8 Min
Response Time
Current System 75.5 FTEs
4 Stations 72.5 FTEs
Three Stations 54.5 FTEs
Paid On Call 44.5 FTEs

	Current Status 75.5 FTEs	4 Stations 72.5 FTEs	3 Stations 54.5 FTEs	Paid On Call 44.5 FTEs/40 POC
Average Response Time	3:07	3:54	5:12	?
Projected Response Time < 5 Minutes	93%	83%	70%	38%
Projected Response Time < 8 Minutes	98%	95%	83%	50%
Projected fires contained to room/object of origin	97.50%	95%	78%	50%
Projected number of times all resources assigned	57*	82*	335*	1032*
Projected Mutual Aid Requested in 2012	4	13	125	372

Station 1	833 New York Avenue	Vacant/Sold	Vacant/Sold	Vacant/Sold
Station 2	2413 South 18th Street	2413 South 18th Street	South Business and Washington	2413 South 18th Street
Station 3	1326 North 25th Street	14th and Niagara	DPW	1326 North 25th Street
Station 4	2622 North 15th Street	2622 North 15th Street	2622 North 15th Street	2622 North 15th Street
Station 5	4504 South 18th Street	4505 South 18th Street	Vacant/Sold	Vacant/Sold

*Immediate backfill of stations through call in or mutual aid to assure coverage for simultaneous requests for seervice or have 20 minute assumption of response time.

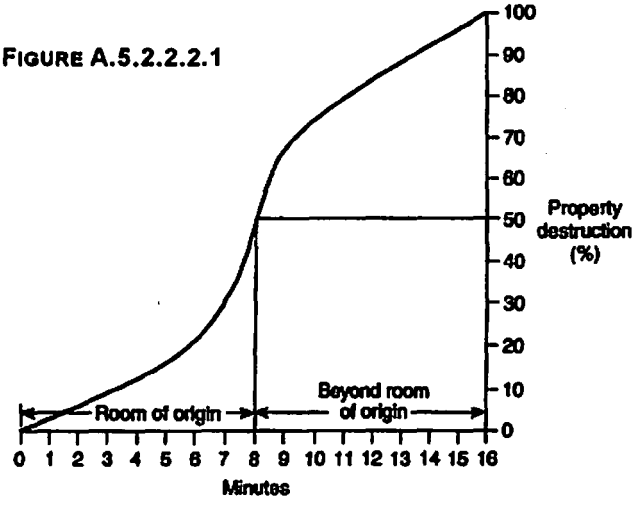
Pros	Pros	Pros	Pros
Best Response to all areas of city	Good Response to all areas of City	Less Overall Direct Cost	Least Expensive Scenario
Total Coverage of Response Requests	Acceptable Coverage of Response Requests		
Positive Outcomes	Acceptable outcome results		
Depth of Service	Better Operational Efficiencies		
Quality Pub Ed and Inspection Programs	Continued Pub Ed Programs and Inspections		
NFPA Compliant	Budgetary Savings		
	NFPA Comliant		

Cons	Cons	Cons	Cons
Most Expensive Scenario	Decreased Response Depth	Non NFPA Compliant	Non NFPA Compliant
2 Person Fire Apparatus Crews	Increased Overall Response Time Av	Heavy Reliance on Mutual Aid	Large number of extended response times
	Decreased Protection to Lakefront D	Increased Poor Outcomes	Recruitment and Reention of Paid On Call Personnel
		Potential for 10% 20 minute response times	Continued Heavy Reliance on Mutual Aid
		Large Capital Outlay for Station Relocation	Complete Overhaul of Pub Ed Delivery and Inspection Programs
		Changes to Pub Ed and Inspection Programs	Move to Defensive Firefighting Tactics
		ISO Rating Changes	ISO Rating Changes

According to NFPA 1710 section 5.2.2.2.1 the fire department shall identify minimum company staffing levels as necessary to meet the deployment criteria required in 5.2.4 to ensure that a sufficient number of members are assigned, on duty, and available to safely and effectively respond with each company.

Further, explanatory material in section A.5.2.2.2.1 reads, "An early, aggressive, and offensive primary interior attack on a working fire, where feasible, is usually the most effective strategy to reduce loss of lives and property damage. In Figure A.5.2.2.2.1, the line represents a rate of fire propagation in an unsprinklered room, which combines temperature rise and time. It roughly corresponds to the percentage of property destruction. At approximately 10 minutes into the fire sequence, the hypothetical room of origin flashes over. Extension outside the room begins at this point.

FIGURE A.5.2.2.2.1



Consequently, given that the progression of a structure fire to the point of flashover (i.e., the very rapid spreading of the fire due to superheating of room contents and other combustibles) generally occurs in less than 10 minutes, two of the most important elements in limiting fire spread are the quick arrival of sufficient numbers of personnel and equipment to attack and extinguish the fire as close to the point of its origin as possible. For more information, refer to *Fire Service Today*, "Reduced Staffing: At What Cost," and NIST, "Hazard I Fire Hazard Assessment Method." Also, refer to National Fire Academy, "Fire Risk Analysis: A Systems Approach," and Office of the Ontario Fire Marshal, *Shaping the Future of Fire Ground Staffing and Delivery Systems within a Comprehensive Fire Safety Effectiveness Model.*

The ability of adequate fire suppression forces to greatly influence the outcome of a structure fire is undeniable and predictable. Data generated by NFPA and used by the committee in developing this standard provide empirical data that rapid and aggressive interior attack can substantially reduce the human and property losses associated with structure fires *[see Table A.5.2.2.2.1(a) and Table A.5.2.2.2.1(b)]*.

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Table A.5.2.2.2.1(a) Fire Extension in Residential Structures, 1994–1998

Extension	Rate per 1000 Fires: Civilian Deaths	Rate per 1000 Fires: Civilian Injuries	Average Dollar Loss per Fire
Confined to room of origin	2.32	35.19	3,185
Beyond the room, but confined to floor of origin	19.68	96.86	22,720
Beyond floor of origin	26.54	63.48	31,912

Note: Residential structures include dwellings, duplexes, manufactured homes (also called mobile homes), apartments, row houses, townhouses, hotels and motels, dormitories, and barracks.

Source: NFPA Annual Fire Experience Survey and National Fire Incident Reporting System (NFIRS).

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Table A.5.2.2.2.1(b) Fire Extension in Residential Structures, 2002–2005

Extension	Rate per 1000 Fires: Civilian Deaths	Rate per 1000 Fires: Civilian Injuries	Average Dollar Loss per Fire
Confined fires (identified by incident type)	0.08	9.25	313
Confined to room of origin	4.99	47.00	8,948
Confined to room of origin, including confined fires by incident type*	2.15	25.18	3,958
Beyond the room, but confined to floor of origin	17.62	80.45	34,011
Beyond floor of origin	27.48	59.38	58,820

Note: Residential occupancies include homes, hotels and motels, dormitories, and residential board and care facilities. These are national estimates of fires reported to U.S. municipal fire departments and so exclude fires reported only to federal or state agencies or industrial fire brigades. National estimates are projections. Casualty and loss projections can be heavily influenced by the inclusion or exclusion of one unusually serious fire. Property damage has not been adjusted for inflation.

*NFIRS 5.0 has six categories of confined structure fires, including cooking fires confined to the cooking vessel, confined chimney or flue fire, confined incinerator fire, confined fuel burner or boiler fire or delayed ignition, confined commercial compactor fire, and trash or rubbish fire in a structure with no flame damage to the structure or its contents. Although causal information is not required for these incidents, it is provided in some cases. In this analysis, all confined fires were assumed to be confined to the room of origin.

Source: NFIRS 5.0 and NFPA survey.

Sheboygan Fire Department Re-Organization 2005-2011

1981	**90 FTE**
2005 Fire Chief 3 Deputy Chiefs 3 Shift Commanders 1 Training Commander 3 Fire Inspector/Public Education Positions 2 Secretaries 1 Mechanic 66 Firefighters	**80 FTE** **13.0 Staff Positions**
2006 Eliminate 1 Deputy Chief Eliminate Fire Inspector Public Education Position	**78 FTE** **11.0 Staff Positions**
2007 Eliminate Deputy Fire Inspector Reduce pay grade for 1 Secretarial Position and reduce to part time	**76.5 FTE** **9.5 Staff Positions** **1 Vacancy**
2008 Added Ambulance Service	**79.5 FTE**
2010 Eliminate Training Commander Reduce 3 Lieutenant and 3 Fire Equipment Operator Positions to Firefighter Eliminate 3 Firefighter Positions 67 Firefighters	**75.5 FTE** **8.5 Staff Positions**
2011 – 2012 (Proposed) Recreate Chief Fire Inspector Position (1) Recreate Shift Commander Positions (3) 1 Fire Chief 2 Deputy Chiefs 1.5 Clerical Positions 1 Mechanic 63 Firefighters	**72.5 FTE** (Proposed) **8.5 Staff Positions** (Proposed)
11.3 Staff Average/35% Decrease of Staff in 6 Years	

Comparable Fire Department Staff/FTE Positions

Appleton **(Population 72,297)**	
Fire Chief 1 Deputy Chief 6 Shift Commanders 1 Fire Protection Engineer 2 Fire Inspectors 3 Secretaries	**98 FTE** **14 Staff Positions** **6 Stations**
Beloit **(Population 37,110)**	
Fire Chief 1 Assistant Chief 2 Deputy Chiefs 1 Fire Prevention Position 3 Shift Commanders 2 Secretaries 1 Business Services Coordinator	**66 FTE** **11 Staff Positions** **3 Stations**
Eau Claire **(Population 65,362)**	
Fire Chief 2 Deputy Chiefs 1 Division Chief EMS 3 Battalion Chiefs 2 Fire Inspectors 2 Secretaries	**94 FTE** **11 Staff Positions** **6 Stations**
Fond du Lac **(Population 43,460)**	
Fire Chief 3 Assistant Chiefs 3 Shift Commanders 3 Fire Inspectors/Prevention 2 Secretaries	**67 FTE** **12 Staff Positions** **4 Stations**
Greenfield **(Population 36,270)**	
Fire Chief 1 Assistant Chief 1 Deputy Chief 3 Shift Commanders 2 Secretaries	**56 FTE** **8 Staff Positions** **2 Stations**

Janesville (Population 63,540)	
Chief 2 Deputy Chiefs 3 Shift Commanders 1 Fire Marshall 1 Fire Inspector 2 Secretaries	**87 FTE** **10 Staff Positions** **5 Stations**
La Crosse (Population 51,840)	
Fire Chief 1 Assistant Chief 1 Division Chief Prevention 3 Shift Commanders 1 Captain Inspection Bureau 1 Lieutenant Inspection Bureau 2 Secretaries	**93 FTE** **10 Staff Positions** **4 Stations**
Manitowoc (Population 34,670)	
Fire Chief 2 Deputy Chiefs 3 Battalion Chiefs 2 Fire Inspectors 2.5 Secretaries	**65.5 FTE** **10.5 Staff Positions** **4 Stations**
Neenah Menasha	
Fire Chief 2 Assistant Chiefs 1 Deputy Chief 3 Shift Commanders 2 Secretaries	**68 FTE** **9 Staff Positions**
Oshkosh (Population 65,920)	
Fire Chief 1 Assistant Chief 2 Battalion Chiefs 1 Battalion Chief EMS 1 Battalion Chief Special Operations 1 Battalion Chief Training 1 Battalion Chief Fire Prevention 1 Lieutenant Fire Prevention 1 Public Educator 2 Clerical Positions	**108 FTE** **12 Staff Positions** **6 Stations**

Waukesha **(Population 68,030)**	
Fire Chief 2 Assistant Chiefs 1 Deputy Chief 3 Battalion Chiefs 1 Fire Marshal 2 Secretaries	**99 FTE** **10 Staff Positions** **5 Stations**
Wauwatosa **(Population 45,880)**	
Fire Chief 2 Assistant Chiefs 4 Deputy Chiefs 2 Fire Code Specialists 1 Fire Education Coordinator 2 Secretaries	**118 FTE** **12 Staff Positions** **3 Stations**
For Comparable Departments Averages are 10.8 Staff Positions and 85 FTE	

presented to Mayor April 2011

DRAFT

2011/12 Fire Department Re-organization

At present time the department is short one Shift Commander due to a retirement, and one Chief Fire Inspector due to a resignation. The designation of a Chief Fire Investigator is required by City Ordinance, 50-562. The open Shift Commander position is temporarily being filled by moving up a Captain at additional cost to the city.

The deletion of the Training Commander position in 2010 and the two open positions listed above have resulted in the department falling behind in its required annual training and NFPA (National Fire Protection Association) record keeping compliance. Critical fire prevention and public education programs have also been lagging, in addition to plan reviews, occupancy inspections, and the updating of critical employee manuals. The Sheboygan Fire Department ranks at the bottom of comparable cities in the number of support/staff positions in the fire department significantly lower in the public education/fire prevention area. Many of these departments serve cities smaller than the City of Sheboygan. (See enclosed study)

I offer the following plan for restructuring the fire department, which offers efficiency, continued emphasis on fire prevention, public and fire fighter safety, while producing cost savings.

Fill vacant Shift Commander Position from within the department:

$77,380 Budgeted

$77,736 current expense for filling in with a Captain (plus overtime)

$76,095 Proposed salary (exempt from overtime)

Fill and re-classify the vacant Chief Fire Inspector position (Commander of Training/Fire Prevention and Investigation) from within the department

$72,305 Budgeted (plus overtime) represented position

$76,095 Recommended non- represented position (exempt from overtime)

This position will be responsible for overseeing and conducting department wide training, organizing and delivering fire prevention programs, supervising and possibly becoming part of the newly created fire investigation team, and filling in for Shift Commanders on vacation.

Create three Lead Paramedic positions (currently in the wage scale but at a higher level)

This position, one on each of the three shifts, will be responsible for ordering and maintaining the medical supply inventory, reviewing all EMS reports, assist in coordinating and delivering the training and refresher classes, and assisting the Shift Officer in the supervision of the paramedics. These positions will remain in effect until said time there are Paramedic Officers on the department. These would be line positions with a 1.75% premium pay adjustment.

1.75% pay increase ($3000, $1000 each) while not specifically budgeted, is available in the salaries account.

Hire one Fire Fighter Paramedic

$60,000 Budgeted

$35,000 if hired 6/1/11

The budget impact of this proposal is an approximate ($46,000) reduction of the approved 2011Fire Department budget.

Long range plan (5 Years)

3 projected retirees (December of 2011) will not be replaced (Approximate $300,000 2012 budget reduction)

Close Fire Station #1 (9th & New York) 1/1/12 ($75,000 budget reduction) Budget reduction based on the deletion of 1 Captain, 2 Lieutenant, 3 FEO positions, and utility savings.

While the closing of a Fire Station, and the corresponding longer response times and reductions in service are of grave concern to any Fire Chief, my emphasis as Chief of this Department has, and will continue to be, the prevention of fires while providing adequate protection when they do occur. This re-organization accomplishes both while saving approximately $ 375,000.00 tax dollars per year.

If Fire Station #1 is closed in 2012 we will monitor the resulting increased response times to the downtown area, and the resulting effect on life safety and property conservation. In general terms we can expect to see response times in the immediate downtown area, currently 1 minute, increased to approximately 4 minutes. Response times to the north point area currently 4 minutes increased to 6.5 minutes, Blue Harbor area currently 2.5 minutes increased to 5 minutes, and the King Park area currently 3 minutes increased to 4 minutes. If there is a dramatic decrease in the protection to those areas of the city a study will need to be done on the benefits of also closing fire station #3 at 1326 N 25th street and constructing a new facility in the area between 17th and Erie avenue and 14th and Niagara Avenue. The current station 3 property may be of interest to Aurora Medical Center.

Longer range plan (5 Year and beyond)

A move to a more regional based public protection and safety model for Fire Departments in the Sheboygan area could provide benefits to all communities. There have been many comparisons made between Sheboygan and cities of similar size that operate with paid/paid on call (POC) fire departments. The most common variable has been the cities that have POC fire departments all benefit from being surrounded by fully paid departments with immediate response capabilities and agreements in place. For Sheboygan to be able to move towards a POC fire department, and retain similar fire protection to what is currently in place, there would need to be a movement towards partial paid departments in the Town of Wilson, Town of Sheboygan, and City of Sheboygan Falls. Three stations staffed 24/7 (Current stations 4 and 5 and a new station built near 14th and Broadway)in the City of Sheboygan, augmented by one station staffed 24/7 in each of those three communities would provide adequate protection, with response times at or near the NFPA requirements for interior fire suppression and rescue for all four communities. (Station 5 could serve the Town of Wilson and the City of Sheboygan)

Combined dispatch would be a great asset to this scenario.

This is the system that is in place in the Oak Creek, Cudahy, and South Milwaukee area of the State.

Advantages:

Improved response times in the Town of Wilson, Town of Sheboygan, and City of Sheboygan Falls.

Improved regional and consistent training opportunities.

Improved communication between fire departments.

Ability of all four communities to meet NFPA standards in a cost effective manner.

Stabilize, If not reduced per capita cost for fire protection in the City of Sheboygan.

Improved ISO ratings in the three surrounding communities.

Administrative costs savings.

Initial shared service successes will open the door for future opportunities.

Vehicle/equipment purchase savings for all communities (No need for all communities to purchase and maintain Ladder Trucks, Jaws of Life equipment, etc.

Consistent, compatible, shared equipment purchases.

Eliminates City/Town border issues for Fire Protection.

All required fire stations are in place except the City of Sheboygan central station.

Negatives:

Longer response times to areas of the City of Sheboygan.

Increased costs for fire protection in the Town of Wilson, Town of Sheboygan, and Sheboygan Falls.

Possible lower ISO rating for the City of Sheboygan.

chief

DRAFT

May 7, 2010 submitted to the Mayor

Long Range Plan for the Sheboygan Fire Department

The reason for this report is to give City Officials an idea of the long range plans of the Sheboygan Fire Department. This report is being submitted despite the uncertainty surrounding the staffing level of the Fire Department and may be used as a tool in determining said staffing level. It is being submitted assuming five stations are open with a department staffing level of 73.

The Sheboygan Fire Department has provided the citizens, visitors, and people working in the City Of Sheboygan with a high quality service for many years. This is derived from the dedication and training of the men and women that comprise the department and the commitment the City has shown in funding the department. Response time averages of approximately four minutes are a key ingredient in the success of the department. The response times are possible mainly because of the strategic placement of the city's 5 fire stations and a fully staffed Fire Department. The reduction of department staffing and the closing of a fire station will adversely effect response times and service levels.

One aspect of the Fire Department Long Range Plan would explore the possibility of closing stations one and three and building a new station in the area of 14th and Niagara. Cost of building a new station would be estimated to be in the $2,000,000.000 range. Savings from combining the stations would be in the energy efficiencies found in new construction, only paying utilities for one station, and decreased maintenance for a new building. That savings in today's dollars would be approximately $45,000 per year. Stations one and three would appear to have the greatest value for resale. Combining the two stations would result in a slight increase in response times to the far northwest and east central areas of the city. A reduction of manpower associated with combining the two stations would result in reduced fire protection for the entire city and should only be considered as a financial necessity.

It is the goal of the Fire Department to have paramedic first responder fire apparatus in place by the year 2015. This would be accomplished by replacing all retirees with paramedic new hires. This would be an upgrade to the current system and have a direct effect on saving lives. It will also give the department more paramedic depth thus reducing overtime and allowing for expansion of the medical transport service with little or no increase in overhead.

It is the goal of the Fire Department to return to the process of yearly budgeting for the replacement of fire and ambulance apparatus. A long range vehicle replacement plan has been in place since the early 90's and has been updated in 2010. It would be my recommendation to budget for this fund from increases in ambulance revenues due to inter-facility transports not currently being done.

It should always be the goal of a business to control expenses while maximizing revenues. The Fire Department is no different. We will continue to look for ways to control our expenses through purchasing and operating efficiencies, controlling employee costs, and shared services. Increasing revenue will be pursued through additional user fees for service and expanded services. Many departments charge for inspections, fire pits, false alarms, ambulance stand-bys, extrications, water pumping, fire apparatus stand-bys and many other services the Sheboygan Fire Department currently provides at no charge. While not recommending such fees it is an area the Council may want to research in the future.

It is also the goal of the Fire department to become more involved with the surrounding communities, their Fire departments, and their government bodies. It is my belief that the future of the Fire Service lies in regional Fire Services. The expense of fire apparatus and the dwindling pool of both career and volunteer Fire Fighters will necessitate the combing of fire resources among communities. M.A.B.A.S. on a larger scale is beginning to address this.

Chief

SFD Fire Chief

Memo

To: Mayor Ryan

From: Chief Jeff Hermann

Date: 7/15/2010

Re: Fire Department Comparisons

The continuing effort to find ways to deliver the same level of public Fire/EMS safety to the community for less money has led me to the City of Oak Creek Wisconsin. I visited Oak Creek on July 13, 2010 and collected the following data:

Oak Creek has a population of 32,106 and covers an area of 28.4 square miles. The city's Fire/EMS protection is provided from 3 stations with 52 sworn personnel. They respond in 6 minutes or less 85% of the time. Response times include turnout and travel time. They provide EMS with 3 paramedic units (ALS) and 3 BLS units. Their fire department budget is $6,175,000, not including revenues from ambulance fees. They had an overtime budget of $396,000. They have increased staffing in the last couple of years and will be adding 6 additional personnel in the next two years. They are in the process of a station location study to determine the feasibility and need for a fourth station. They have a sparsely populated outlying area that has a 9 minute response time. They respond to about 3500 calls a year, 80% of which are medical responses. The ambulance revenue is approximately $1,200,000. During the end of 2009 and the beginning of 2010 the run and revenue numbers were down, but they are picking up again.

There are two cities on their border - St. Francis and Cudahy. These cities both have full time paid departments with stations as close as 1 mile from the border. They utilize an auto-aid dispatching system on calls that appear to be actual structure fires. This brings an immediate mutual aid response (usually within 8 minutes.) There is one power plant with another under construction within their city limits. They receive a rather large payment ($2,000,000) from these power plants for fire/rescue protection. The payment will be reduced once the construction has been completed. The city experienced 1.6% growth in 2009.

The cost for fire protection is identical to Sheboygan, approximately $242 for a $200,000 house.

The Oak Creek Fire Department does cross-staff (on a fire call they take the fire apparatus, on an EMS call they take the ambulance.) This does contribute to a slight increase (30 seconds) in response time. The Sheboygan Fire Department cross-staffs in times of manpower shortages to save overtime expense, and this may be an option in the future as more paramedics are brought on staff as a means to keep all 5 stations open. The biggest difference is the Oak Creek Fire Department benefits from the neighboring fire departments availability to immediately bolster manpower and cover additional calls – something we do not have available. If the Town of Wilson and Town of Sheboygan were full time staffed departments this would be a comparable city. Similar to Eden Prairie and Garden Grove Minnesota, Oak Creek is a newer more sparsely populated city than Sheboygan, and does not experience the same fire issues common to our city.

Jeff Hermann

SFD Fire Chief

Memo

To: Mayor Ryan

From: Chief Jeff Hermann

Date: 6/30/2010

Re: Report on Research Visit to Minnesota

Report on research visit to Eden Prairie and Maple Grove Minnesota, comparing their Paid on Call (POC) Fire Departments to the Sheboygan Fire Department (SFD)

Overview of the Cities:

Eden Prairie and Maple Grove are both cities that are about 30 years old. They are very modern communities with very few visible infrastructure problems. (I did not see one single road construction project taking place in either city) There did not appear to be any heavy manufacturing located in either city. There was no recognizable downtown area, strip mall type developments consisted of more satellite type buildings. All public utilities are located underground. It was reported by the Fire Chiefs that all commercial buildings were required to have sprinkler systems and be monitored by an alarm company. All residential units have hard wired smoke alarm systems, some have sprinkler systems, and a number are monitored by alarm companies. The homes are built in newer subdivisions on good sized lots with very few rear exposure problems. Eden Prairie has 260 full time city employees, 50 in the DPW, 20 in the Parks Department, 10 in the Fire Department, 70 Patrol Officers, hundreds of young people cut grass and staff the Recreation Department in summer. The Recreation Department is a City Department. Each city has only 4 council members, a mayor, and a city administrator. Eden Prairie has a city budget close to the City of Sheboygan. The average home value is $306,000, average household income is $110,000, and the average age of a city resident is between 35-40. The taxes on a $290,000 home were about $3200. The City's portion of the budget is about 25% - the school system takes the largest share. Neither city provides garbage pick up; however they do mandate which day your garbage must be picked up. The sales tax appears to be about 7.9%. (Based on a restaurant bill.)

Fire Departments Overview:

The full time daily staff all respond to fire calls. Both departments have aggressive fire inspection programs, including rental units. Most rental units appeared to be in large multi-family structures. Both departments are moving towards more full time employees and/or more duty shifts with POC's actually in the stations. Neither city has ever experienced a fire fatality in their history. The police departments act as first responders on all emergency medical calls. There are few crimes against humanity in either city. Neither department has to contend with overhead wire issues during storms or in fire situations. The departments charge a fee for calls on the interstate, assuming a lot of these calls involve transient non-taxpayer motorists. Eden Prairie averages 4 structure fires a year, Maple Grove about a handful according to their Chiefs. Each department averages about a 7 minute response time, with about an 11 minute response time to have adequate resources on scene (15 - 25 Fire Fighters) to safely fight a small commercial or residential fire. The response times are slightly longer at night. Both departments rely on auto-aid

dispatching for mutual aid, which can bring a 5 minute response from a nearby full time paid department, which is 3.2 miles away. Due to the 7 - 11 minute response time and the prevalence of light weight construction, very little interior fire fighting is performed. Because of this, when they do have a structure fire it usually involves a substantial monetary loss. Maple Grove Fire Chief Scott Anderson indicated that their tactics on a structure fire were to place a deck gun (large volume of water) on one neighboring residence, and a blitz line on the other neighboring residence. Once these were protected, they concentrated on the involved structure - with little or no interior fire fighting. Chief Anderson also indicated if they had the property density of Sheboygan with his department's response, there was a good possibility they would have multiple structures involved before they could extinguish the fire. Eden Prairie Fire Chief George Esbensen indicated they could not successfully respond to the call volume and city density of Sheboygan with his organizational structure. Neither department responds to medical calls unless it is an auto accident or one of their full time staff is nearby at the time of the call. They both indicated it is not uncommon to wait a long time for an ambulance to arrive. The Eden Prairie Fire Department budget is $5,415,700. The Maple Grove Fire Department budget is $2,843,150.

Overview of Paid On Call:

The average age of a POC employee is 43. They are all sworn personnel that are required to have Fire Fighter 1, Fire Fighter 2, and State Certification. They train every Thursday and are required to attend a minimum of 75% of the training exercises. They must live within 7 minutes of the fire station; however they would like them at the station within 3 minutes of the call. They are required to obey all traffic laws while responding to the station for a call. They all carry pagers and a minimum number are required to be available at all times. They are allowed to list themselves as unavailable during their work and commuting hours. The departments provide them with their turnout gear, dress uniforms, duty uniforms, workers comp equal to the pay at their regular job or $52,000 (whichever is highest,) and long term disability insurance. Eden Prairie pays $7.50 each time they train, respond, etc. Maple Grove pays $12.50 an hour any time they are conducting department business. They receive pensions when they retire in a lump sum payment of $56 for every month of service. They must serve at least 10 years to receive a pension. The cost to the city is between $210,000 and $300,000 annually for the pensions.

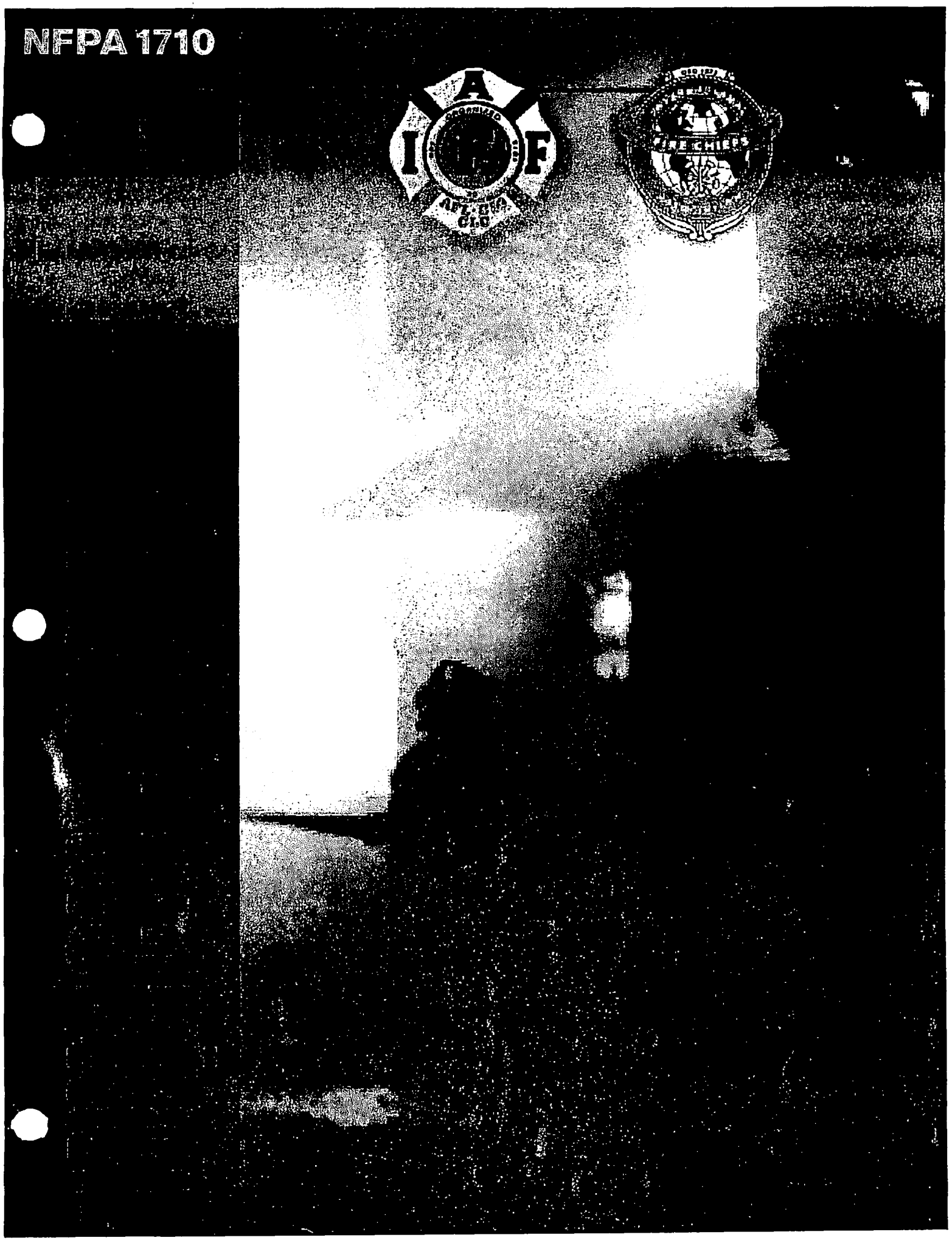
My overview of these two POC Fire Departments and Cities as they relate to the Sheboygan Fire Department and the City of Sheboygan:

As Chief Esbensen stated this is like comparing apples to potatoes – our cities have very little, if anything, in common. The POC system works for these two cities because they are modern, newer cities with very few structure fires. Any change in operations or development of new procedures should be result driven. The Citizens of Sheboygan and its elected officials need to decide what results they are comfortable with from its Fire Department. That, in combination with what is affordable, should dictate what level of fire protection is provided. I am in total agreement with what both Chiefs mentioned, that 15 - 25 Fire Fighters on scene in a timely fashion, (Nation Fire Protection Agency has put this at 8 minutes) is paramount to providing effective, safe interior fire fighting and rescue operations. Beyond this time frame the fire fighting tactics switch to exterior, protecting exposures tactics. The one glaring difference between Eden Prairie, Maple Grove, and Sheboygan was in attitude. Both cities exude a very positive upbeat atmosphere, while Sheboygan seems to dwell on everything negative. In business it is often said you need to spend money to make money, I believe if you want to move Sheboygan forward it can only be done with a positive attitude and progressive instead of regressive thinking.
I will continue to explore different options for the SFD, including downsizing, cross staffing, and other forms of POC. All of the options should begin with what is the desirable acceptable end result.

Fire Chief Jeff Hermann

Jeff Hermann

NFPA 1710



- Ventilation teams
- Rapid intervention crews

These benchmark requirements are based on a fire involving a 2,000-square-foot detached single-family occupancy. Fire departments should deploy additional resources according to the occupancies and hazards in their jurisdiction.

The Fire Protection Services Task Analysis

The total number of on-duty personnel is established by means of a task analysis that evaluates expected fire fighting deployment, using the following factors:

- Life hazards in the jurisdiction
- Safety and efficiency of fire fighters
- Potential property loss
- Nature, configuration, hazards and internal protection of properties in the response area
- The department's standard tactics and evolutions, apparatus deployed and expected results

For example, a jurisdiction would need to evaluate all locations within its response area to determine those that have tactical hazards such as concentrated fire potential; high frequency incidents; high hazard occupancies such as schools, hospitals, nursing homes, manufacturing complexes, refineries or high-rise buildings; geographical restrictions that could result in a delayed response affecting the severity and spread of fire occurrence; or other factors that would necessitate additional staffing per company and additional companies for the initial alarm assignment, additional alarm assignments and simultaneous emergencies. By collecting, analyzing and evaluating this information and data, a department can then establish total on-duty staffing.

Defining Fire Suppression Company Units

Companies are defined as either engine or truck (ladder) companies or specialized apparatus—such as rescue or squad companies—depending on the type of apparatus and the fire suppression functions performed staffed with four personnel. Quints must be deployed as either an engine or a truck company or be staffed with additional personnel to perform multiple engine/truck company tasks.

Regardless of the type of company, each must consist of a group of trained and equipped fire fighters under the supervision of an officer who operates and arrives on the emergency scene with one piece of fire apparatus. The standard allows for an exception in those instances when multiple apparatus are used to make up a company. However, such exceptions require that these multi-piece companies always be dispatched and arrive together, be continuously operated together and are managed by a single company officer. The standard recognizes and clarifies the limited use of such multi-piece companies (see Section 3).

Examples include the following:

- The use of a fire department personnel vehicle if the apparatus lacks adequate seating.
- An engine and a water tanker, such as those used in some suburban and rural response where a water supply (hydrant or natural water body) is not available.
- An engine and an EMS unit (ambulance or rescue).
- Multiple-piece company assignment, specified in a fire department's response SOPs, such as an engine company response with a pumper and a hose wagon.

The Basis for a Four-Person Minimum

The NFPA Technical Committee reviewed numerous studies, evaluations and stakeholder reports containing empirical data on departmental response and mitigation of fire. These studies clearly demonstrate that for safe, effective and efficient fire suppression, each responding company needs a minimum of four fire fighters.

Numerous studies support the four-person minimum. See Section 5 for a detailed bibliography.

Turnout Time

NFPA 1710 Standard says, "The turnout time begins when units acknowledge notification of the emergency to the beginning point of response time." It further states that, "The fire department shall establish a time objective of one minute (60 seconds) for turnout time."

Response Times

The NFPA 1710 standard says, "the fire department shall establish a time objective of four minutes (240 seconds) or less for the arrival of the first arriving engine company at a fire suppression incident and/or eight minutes (480 seconds) or less for the deployment of the full first alarm assignment at a fire suppression incident."

Can the first unit arrive later than four minutes if the entire assignment is on the scene within eight minutes? Technically, the answer is yes; however, the standard's intent for fire suppression is to have the first-due engine capable of arriving within its response area consistently within four minutes, 90 percent of the time. The "and/or" criterion is intended to recognize the effects of simultaneous emergencies, training or other occurrences that take one or more companies out of service, and not to relieve a department of its responsibility to plan for overall deployment of resources by location to satisfy the four-minute criteria.

Initial Full Alarm Minimum Requirements

The standard indicates that a fire department shall have the capability to deploy an initial full-alarm assignment within the eight-minute (480 seconds) response time. The number of people required falls between 15 and 17, depending on if an aerial is used, and/or if two pumpers are being used to provide for a continuous water supply.

The following is a list of required functions for the benchmark fire defined in the standard and the number of personnel required to be deployed to perform these functions:

- Incident command shall be established outside of the hazard area for the overall coordination and direction of the initial full-alarm assignment. A minimum of one individual shall be dedicated to this task.
- The supervisory chief officer shall have a staff aide deployed to them for purposes of incident management and accountability at emergency incidents.
- A safety officer shall be dispatched to an initial full-alarm assignment when significant risks to fire fighters are present and shall be deployed to all emergencies that go beyond an initial full-alarm assignment to ensure that the health and safety system is established at the emergency incident. A minimum of one individual shall be dedicated to this task.
- An uninterrupted water supply of a minimum 400 gpm for 30 minutes shall be established. Supply line(s) shall be maintained by an operator who shall remain with each fire apparatus supplying the water flow to ensure uninterrupted water flow application.
- An effective water flow application rate shall be established: 300 gpm from two handlines, one of which shall be an attack line with a minimum of 100 gpm and one of which shall be a back-up line with a minimum of 100 gpm. Attack and backup lines shall be operated by a minimum of two personnel each to effectively and safely maintain the line.
- One support person shall be provided for each attack and backup line deployed to accomplish hydrant hookup and assist in line lays, utility control and forcible entry.
- A minimum of one search-and-rescue team shall be part of an initial full-alarm assignment. Each search-and-rescue team shall consist of a minimum of two personnel.
- A minimum of one ventilation team shall be part of an initial full-alarm assignment. Each ventilation team shall consist of a minimum of two personnel.
- If an aerial device is used in operations, one person shall function as an aerial operator who shall remain at the primary control of the aerial device at all times.
- An IRIC (Initial Rapid Intervention Crew) shall be established that shall consist of a minimum of two properly-equipped and trained personnel. When an incident escalates beyond the initial full-alarm assignment, or when there is significant risk to fire fighters due to the magnitude of the incident, the Incident Commander shall upgrade the IRIC to a full Rapid Intervention Crew (RIC) that consists of four dedicated, fully equipped and trained fire fighters.
- The fire department shall have the capability for additional alarm assignments that can provide for more personnel and services including the application of water to the fire; engagement in search and rescue; forcible entry, ventilation and preservation of property; accountability for personnel; and provision of support activities for those situations that are beyond the capability of the initial full-alarm assignment.

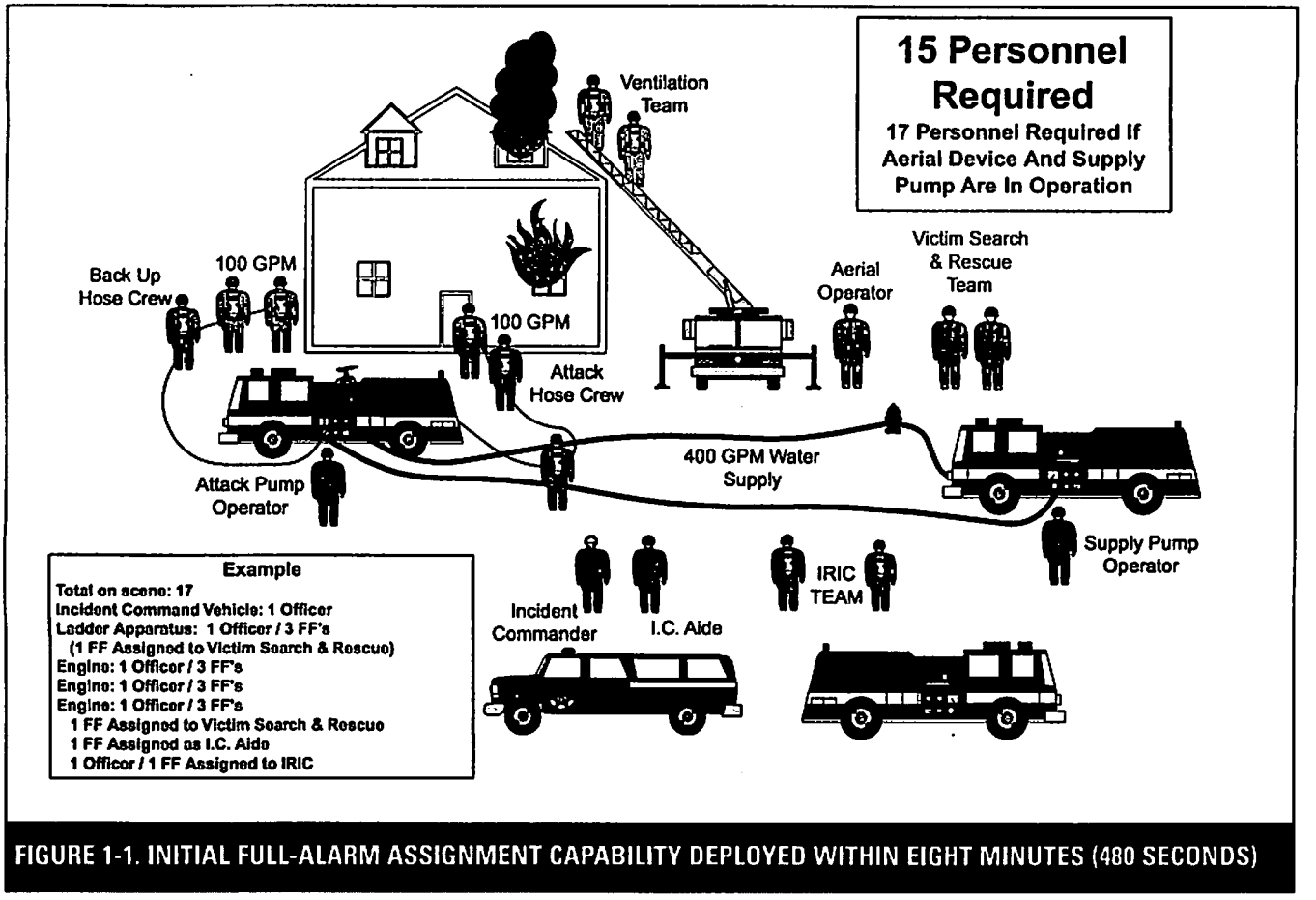


FIGURE 1-1. INITIAL FULL-ALARM ASSIGNMENT CAPABILITY DEPLOYED WITHIN EIGHT MINUTES (480 SECONDS)

Figure 1-1 illustrates an example of the above requirements for the response to a fire in which a single room and its furnishings and other contents are involved, located in a 2,000-square-foot single-family occupancy, without a basement and without exposures (adjacent buildings). In an urban environment, with high population density dwellings in close proximity, multifamily occupancies, industrial areas and high occupancy institutions—including hospitals and schools—the fire department's response capability must be enhanced with additional apparatus, personnel and resources for the initial alarm assignment.

EMS Operations

The NFPA 1710 Standard requires all fire departments to have a basic level of EMS. The standard calls for the department to be capable of responding to emergency medical incidents at the First Responder Level with Automatic External Defibrillator (AED). If the department chooses to provide EMS at a higher level, the standard sets operational requirements for that service as well.

Fire departments that provide EMS at any level must establish in their organizational statements the criteria for the types of incidents to which they will respond. The established level of EMS provision must be recognized, and the department must allocate the necessary resources to adequately provide the services required by the local jurisdiction and expected by the citizens. Necessary resources include trained personnel, equipment and other supporting elements.

When EMS beyond the first responder level is provided by an entity other than the fire department, the provider must adhere to minimum staffing, deployment and response criteria recommended by the fire department according to the requirements in the NFPA 1710 Standard. These operational requirements must be described in both the fire department's organizational statement and any contract or other agreement between the jurisdictional authority and the EMS agency or private company. The EMS agency or private ambulance company must adhere to the same performance objectives for staffing, deployment, and response time that a fire department

would if providing the service directly. This standard criterion is part of the overall emergency response system concept. Regardless of the provider, the performance objectives are the same and must be met.

Fire departments are permitted to establish automatic and mutual aid agreements to comply with emergency medical response requirements.

The standard does not establish patient care or EMS protocol requirements. Specific patient care capabilities associated with each EMS service level are to be determined by the authority having jurisdiction to approve and license EMS providers. This is typically the state, provincial or local EMS agency in conjunction with physician medical direction/oversight.

There are three levels of EMS provision recognized in the NFPA 1710 Standard:

- First Responder with AED
- Basic Life Support (BLS)
- Advanced Life Support (ALS)

The standard also recognizes EMS transport as a service that the fire department may provide.

It is not a requirement that a fire department provide all levels of EMS service beyond First Responder (AED). However, the standard establishes operational requirements for each level that is provided by a department. For each level, operational requirements are specified as follows:

a) First Responder (AED)—A fire department must appropriately train all response personnel at the First Responder Level with AED capability and personnel must arrive within a four-minute (240-second) response time to 90 percent of all emergency medical incidents. The number of personnel must be sufficient to ensure adequate care capability and member safety.

b) BLS—A fire department that provides BLS beyond the first responder level must adhere to staffing and training requirements as specified by the state or provincial licensing agency. The department must also deploy sufficient resources to arrive within a four-minute (240 second) response time to 90 percent of all emergency medical incidents.

c) ALS—A fire department that provides ALS beyond the first responder and BLS level must adhere to staffing and training requirements as specified by the state or provincial licensing agency. The department must also deploy sufficient resources to arrive within an eight-minute (480-second) response time to 90 percent of all emergency medical incidents.

Minimum Staffing for BLS and ALS Emergency Transport Units

The NFPA 1710 standard states that staffing and training requirements for both BLS and ALS transport units are to be determined by the state or provincial agency responsible for providing EMS licensing.

Minimum Staffing for ALS Emergency Responses

The NFPA 1710 standard designates a staffing level for ALS response that is different from the requirement for ALS transport. The standard requires that staffing for ALS emergency medical responses include a minimum of two members trained at the ALS level (EMT-Paramedic). Additionally, the standard requires that ALS responses include a minimum of two BLS trained providers. All response personnel must arrive within the response time established for ALS delivery.

The different staffing requirement for ALS responses is based on scientific research, experience and expert consensus that time-critical ALS calls require more personnel resources on scene for assessment and initiation of care than those required for BLS level incidents and for all transport. Additionally, the American Heart Association (AHA) has long-established guidelines for response to the most time-critical incident—cardiac arrest. The AHA recommendations, which were reviewed by the NFPA 1710 Technical Committee, are contained in several AHA publications. See Section 5 for a complete bibliography.

Following scientific research conducted by cardiologists and universities throughout the United States, AHA guidelines note that, "in systems that have attained survival rates higher than 20 percent for patients with ventricular fibrillation (cardiac arrest), the response teams have a minimum of two Advanced Cardiac Life Support (ACLS) providers plus a minimum of two BLS personnel at the scene." Experts agree that four responders (at least two ALS and two BLS) are the minimum required to provide ACLS to cardiac arrest victims.

The requirement that first responder/AED units arrive within four minutes (240 seconds) to 90 percent of emergency medical incidents, and the requirement that

an ALS company arrive within eight minutes (480 seconds) to 90 percent of the incidents to which they are dispatched, are based on experience, expert consensus and science. Many studies note the role of time and the delivery of early defibrillation in patient survival due to heart attacks and cardiac arrest, which are the most time-critical, resource-intensive medical emergency events to which fire departments respond.

Various study findings and national EMS stakeholder organization guidelines exist concerning these minimum requirements. See Section 5 for a complete bibliography.

Quality Management for EMS System Evaluations

The NFPA 1710 standard requires the fire department to establish a quality management program as a basic function of EMS provision. The purpose of the quality management program is to ensure adequate response capability and quality patient care. All quality review of both BLS and ALS services must be documented. Additionally, the department must create a mechanism for immediate communication with the EMS system supervisor and the person responsible for physician oversight (medical director).

Special Operations

The fire department must formally define the types of special operations that it is required or expected to perform in an emergency or other incident. These types of special operations include, but are not limited to, hazardous materials response, confined space response, technical rescue, high-angle rescue and water rescue. Regardless of the fire department's defined special operation capability, all fire fighters who provide emergency response must be trained to the first responder operations level for both hazardous materials response and confined space response. Likewise, all fire departments must define their response capability to natural disasters, terrorism incidents, and other mass casualty and large-scale emergency events.

When fire departments have established that they will provide response beyond first responder level for hazardous materials or confined space emergencies, they must ensure that all members involved in this level of response be trained to the levels specified in the standard.

The fire department must also determine the availability of exterior resources—through federal, state, provincial, or local assistance or private contractors—that are deployed to emergencies and other incidents and the procedures for initiating such outside response.

The fire department must also limit the level of response to special operation emergencies to the level for which they have staffed, trained and equipped their personnel. Additionally, they must have the capacity to initiate a rapid intervention crew during all special operations responses.

Wildland Operations

The NFPA 1710 standard recognizes that many, if not most, fire departments must respond to either wildland or wildland/urban interface fires. Accordingly, the fire department must address the service delivery for such occurrences. The standard specifies the minimum wildland staffing for defined wildland companies, as well as engine and truck companies that respond to wildland or urban interface/wildland emergencies. Likewise, the standard specifies deployment requirements for a wildland Initial Direct Attack.

Much of the basis for such requirements was validated through a scientific and medical study conducted by the Los Angeles County California Fire Department. The study's purpose was to establish benchmarks for necessary staffing requirements, wildland tasks and deployment times for wildland response.

Task: Analyzing Times

Emergency responders must respond to a wide variety of situations, including fire, hazardous materials spills, water rescues, confined space rescues, acts of terrorism, violent acts causing trauma, burns, poisonings and cardiac arrests. These incidents are both unscheduled and urgent. The common factor in all these situations is the critical need for a rapid response. A community's emergency response system must be adequately staffed and flexible to meet accepted standards of performance for response time. Only by consistently meeting such industry standards can an emergency response system maximize the chance of a positive outcome. Response time is a key to judging system performance under NFPA 1710.

Defining Response Time

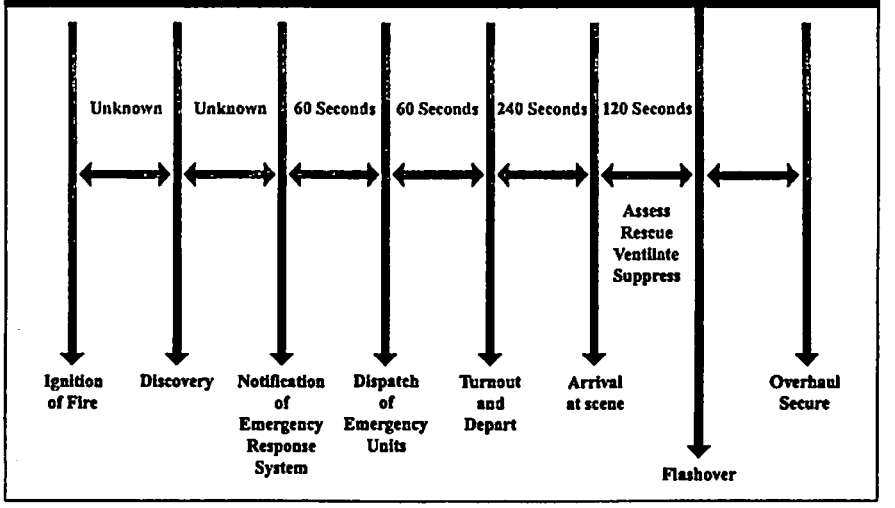
Emergency responders can use response time data to position resources for maximum effect. This data also allows emergency planners to develop the best systems for efficient and effective response to emergencies. Finally, response time data can be used to report system efficiency to residents and decision-makers in a community. System comparisons are difficult without uniform definition of response time.

NFPA 1710 identifies three segments of time that have traditionally been measured cumulatively as response time. These three components must be measured and documented by departments in their quadrennial report:

- Call Receipt and Processing Time—The interval between receipt of the emergency alarm at the public safety answering point, and the moment when sufficient information is known to the dispatcher and applicable units are notified of the emergency. The maximum time for this component is specified in NFPA 1221, *Standard for the Installation, Maintenance, and Use of Emergency Services Communications.*
- Turnout Time—The time beginning when units acknowledge notification of the emergency to the beginning point of response time.
- Response Time—The time that begins when responding units are en route to the emergency incident (wheels rolling), and ends when responding units arrive on scene (wheels stopped at the address).

To improve the validity and reliability of response time research and to facilitate system comparisons, measure and report response times in minutes and seconds. You could report response times at the next higher or lower minute, but precision is preferred. Consider the difference in the impression that results from saying "fewer than seven minutes," compared with "06:40." Figures 3-9 and 3-10 illustrate response time intervals for both fire suppression and emergency medical response.

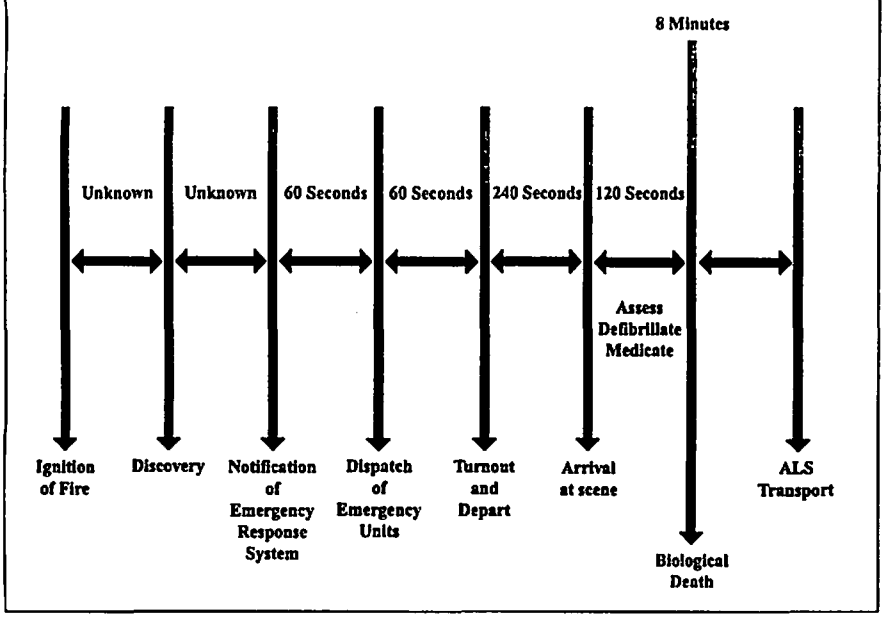
FIGURE 3-9. EMERGENCY RESPONSE TIME INTERVALS: FIRE SUPPRESSION



For emergency responders and the public they serve, time is the critical factor. To compare response times before and after implementing changes to meet the response time performance criteria for 1710, we must use consistent sensible measures. Masking long response times by varying the events that start and stop the clock, rounding down to the next whole minute or averaging response time provides minimal measurable data.

The fire department that operates according to the criteria set forth in the 1710 standard, and that uses cross-trained/dual-role fire fighters, can deliver the response times and the interventions that result in optimal outcomes. The same personnel and resources that train and operate as a unit to extinguish fires can improve greatly the odds of community members surviving trauma or illness including cardiac

FIGURE 3-10. EMERGENCY RESPONSE TIME INTERVALS: EMERGENCY MEDICAL



arrest, stroke, traumatic injury and other emergencies. Response time is the key.

Expanded Information

Cardiac Arrest Survival Model

Previously in this section we explain how you can assess a blend of actual CAD data in conjunction with computer-modeled projected response capabilities to develop a better assessment of appropriate deployment. One example of this approach is the Cardiac Arrest Survival Calculator. Using a formula developed by Dr. M.S. Eisenberg, et al (1993), it is possible to calculate the percentage predicted survival for patients in cardiac arrest, based on time to critical intervention. The formula is as follows:

67% - (2.3 x time to CPR) – (1.1 x time to Defib) – (2.1 x time to ACLS) = Predicted Patient Survival Rate

The number 67% represents the assumption that only two-thirds of the population can be saved if an out-of-hospital cardiac arrest occurs. To use the formula to calculate the predicted survival of patients in cardiac arrest, add one minute to the observed system average response times to allow for dispatch and turn-out and one minute for gaining access to the patient, then perform the function.

For example, an emergency response system with an average BLS response time of four minutes, and an average ALS response time of seven minutes, has a predicted survival rate of 28.7%, as shown below:

67% - (2.3 x 6.0) – (1.1 x 7.0) – (2.1 x 8.0) = 28.7%
Predicted Patient Survival Rate

The CD that accompanies this guidebook includes an Excel spreadsheet calculator you can use to determine survival rates for your system. Figure 3-11 shows an example of a completed Eisenberg Cardiac Arrest Survival Calculator, where the BLS Travel Time and ALS Travel Time are four minutes.

FIGURE 3-11. CARDIAC ARREST SURVIVAL CALCULATOR (note 1)

	Time (min.)
Call Processing Time (CPT, Time from call received to apparatus dispatched)	1
Turnout Time (TOT, Time from apparatus notification to station departure)	1
Patient Access Time (PAT, Time from apparatus arrival to the arrival or providers at the patient's side)	1
BLS Travel Time (BLSTT, Time from BLS apparatus en route to a location to arrival at that location with CPR trained personnel)	4
ALS Travel Time (ALSTT, Time from ALS apparatus en route to a location to arrival at that location with ACLS trained personnel)	4
AED or ACLS (APT, Time required to assemble equipment and initiate AED or ACLS care)	1
Maximal Survival Rate (MSR) represents the maximum percentage survival rate of patients who can survive an out of hospital cardiac arrest if CPR, AED, and ACLS were to be provided immediately upon collapse.	67%

Predicted Survival Rate (PSR) = 67% less (2.3% per minute to CPR)
less (1.1% per minute to defibrillation)
less (2.1% per minute to ACLS)

PSR = MSR - [2.3%*(CPT + TOT + BLSTT+PAT)]-[1.1%*(CPT+TOT+BLSTT+PAT+APT)]-[2.1%*(CPT+TOT+ALSTT+PAT+APT)]

PSR = 25.3%

[1]Based on information found in Eisenberg, M.S., et.al., (1993), "Predicting Survival From Out-of-Hospital Cardiac Arrest: A Graphic Model," Annals of Emergency Medicine; November 1993.

Print Close

National Fire Protection Association
The authority on fire, electrical, and building safety

ONLINE EXCLUSIVES

Codes and Standards Spotlight: NFPA Journal Interviews Carl Peterson about NFPA 1710

NFPA Journal® online exclusive, *May 2008*

By Lisa Nadile

NFPA regularly receives media calls about NFPA 1710, Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments, and Carl Peterson, NFPA's assistant director of the Public Fire Protection Division, is often on the phone with journalists clarifying the standard's requirements and helping them understand how the fire service works.

Celebrating his fortieth year at NFPA, Peterson has been a fire investigator, software developer, and staff liaison, to name just some of the posts he's held. But to a man whose uncle, father, and grandfather were all volunteer firefighters-which meant Peterson's been chasing fires as long as he was old enough to walk-he has kept the safety of the fire service his first priority. Currently, Peterson is serving as staff liaison to the technical committee responsible for NFPA 1710. He stresses the use of this document as a tool for promoting effective communications between fire departments and the communities they serve. This standard directly affects the wellbeing of the fire service by addressing issues of staffing and deployment of resources.

LN: What are the most frequently asked questions for this standard?

CP: The majority of questions focus on two issues. One is staffing. How many firefighters should there be on a piece of fire apparatus? That question is easy to answer: For an engine company or ladder company, a minimum of four firefighters. For special service vehicles, the standard states the apparatus must be staffed with the appropriate personnel to accomplish the tasks that the company will be expected to perform in a safe manner.

The second issue is response time. How quickly should the apparatus and firefighters get to the incident? NFPA 1710 says that the first company apparatus with appropriate staffing needs to arrive within a travel time of four minutes and that all companies assigned on the first alarm must arrive within an eight-minute travel time. The standard gives companies another minute for turnout time, which is the time to receive the alarm at the station, identify where they are going, get their protective clothing on, get on the apparatus, and start moving.

However, as I talk to reporters, I explain there is another minute in the whole equation, and that is the alarm handling or dispatch time. That time comes from NFPA 1221, Installation, Maintenance, and Use of Emergency Services Communications Systems. It says the dispatch center has to be able to process the call and notify the appropriate companies in one minute 95 percent of the time.

From the public's perspective, there is a potential of six minutes from the time they dial 911 until they have a fire truck in front of their house.

LN: Why was the number of firefighters required for the minimum staffing for engine and truck companies set at four?

CP: That question comes up a lot when I talk to reporters. The reporter will say, "The community has only three firefighters for an apparatus." I explain that if they only have three firefighters, they aren't going to be able to do certain things safely. I discuss the two in/two out rule, which requires that firefighters work in teams of at least

two persons when in a hazardous atmosphere and that there be two properly equipped firefighters outside the hazardous area who are monitoring the activities of the two in the hazardous area and who can rescue them if they get in trouble. This is a federal government requirement, as well as a requirement in NFPA 1500, Fire Department Occupational Safety and Health Program. If the first-arriving company has only three firefighters on the apparatus, it means that the company can't do interior firefighting until a fourth person arrives.

With a four-person engine company, the pump operator and one other member, typically the company officer, remain outside the hazardous area, and there is a team of two firefighters available for interior search and rescue or firefighting. As the operation escalates and additional companies arrive, the company officer should be in a position to move into the structure and provide closer supervision of his or her crew.

The same thing applies to truck company operations. With one firefighter remaining with the apparatus to operate the aerial device, it leaves three persons to raise ground ladders, perform search-and-rescue operations, perform ventilation operations, and many other tasks. With a three-person truck company, the officer has to become more of a working member of the team and can loose focus on supervising and overseeing the safety of the team.

LN: Does the standard take into account population distribution and the intangibles of travel-traffic, weather, etc.-when requiring the four-minute and eight-minute travel times?

CP: Yes, the standard says the fire department needs to meet the time objectives 90 percent of the time. This recognizes that, depending on the geography of the community, as well as weather, traffic, and simultaneous alarms, there are going to be certain circumstances or areas where the fire department cannot reach the incident within the time objective. A fire department is not going to put a fire station out on a rural peninsula that has only a few houses and very little demand for service.

LN: What is the most important challenge facing those people who work with NFPA 1710?

CP: Communication between the fire department and the community it serves. The committee responsible for the standard is trying to get the local government officials working with the fire department to establish response time objectives and to make sure the citizens of the community know what these objectives are. If a fire department's average response time for the first piece of apparatus is five minutes 80 percent of the time, the community should know that, so there is not an expectation of a two-minute or three-minute average response time. I feel strongly about this.

The community also needs to understand why the fire department is not achieving a higher percentage of compliance with the time objectives. Is it simultaneous alarms during peak times, traffic delays at certain times of the day, or an oddly shaped community that has a number of narrow peninsulas with very few structures but longer travel distances? The residents in those remote areas should consider installing residential sprinklers, because it's not economically feasible to build and staff a fire station for a small number of incidents a year.

The important point is that the fire department should be proactive in letting the community leaders and citizens know before and not after the fact, what the fire department capabilities are. The time to explain this is not when the citizens are asking why the fire department took 10 minutes to reach an incident.

LN: How does the standard require this communication between the fire service and the local government?

CP: The standard says that every four years the fire department has to report how they are meeting these objectives. This is an area of the standard that is still maturing. NFPA 1710 is currently based on a fire in a typical single-family, two-story, 2000-square-foot (186-square-meter) house without basement or exposures.

In setting objectives and evaluating response data, the question becomes what data should fire departments include for this analysis? If one looks at the overall response numbers just as raw data, they have grass fires, car fires, trash fires, and other types of incidents all mixed together. The fire department should look at the different types of fires it responds to, and the quadrennial reports should separate these for reporting how it meets its time objectives. These are issues that the committee may provide more guidance on in the future.

LN: How can NFPA members learn more about this area of the standard and how it may change?

CP: The Report on Proposals for the next edition of this standard, which is in the annual 2009 code cycle, will be

available for public review and comment this summer, with a comment closing date of August 29, 2008.

LN: How are fire departments using NFPA 1710 to help them manage resources?

CP: NFPA 1710 is a good planning document. It's not just for firefighting, but emergency medical services (EMS), as well. With strokes and heart attacks, the first 10 minutes are generally pretty critical. Some fire departments have justified response times and staffing needs based on the level of EMS they deliver, in addition to the firefighting services they provide.

LN: What else does this standard help manage?

CP: The standard focuses mostly on staffing and deployment. Currently, it deals with response time, but the committee realizes that simply arriving in front of the building isn't enough. With a typical house fire, once you are in front of the property, you are generally at the location of the fire. With a large apartment complex, a hotel, or a large shopping mall, the fire or medical emergency may be deep in the building or on the 19th story. By the time the firefighters reach the fire or the patient, another three or four minutes or longer may have passed. The committee has started to discuss that time, which it is calling "initiating action/intervention time." The draft of the 2010 edition currently calls for documenting that time. I expect as the standard matures, more attention will be paid to that timeframe.

FEEDBACK:
Send us your comments and questions

NFPA (National Fire Protection Association)
1 Batterymarch Park, Quincy, MA 02169-7471 USA
Telephone: +1 617 770-3000 Fax: +1 617 770-0700

INSURANCE JOURNAL MAGAZINE:

*Fire is the leading cause of property loss in the US.

*Homeowners fire losses account for 58% of total insured fire losses.

*57% of volunteer fire departments are losing members to a search for paid positions – compounding an existing crunch for personnel. A recent ISO survey indicated that 93% of volunteer and combination departments are having difficulties attracting and training a sufficient number of responders due to the time commitment for volunteers, a small volunteer pool and requisite education and training requirements

NIST (National Institute of Standards and Technology) Survey, 4/28/10:

*Fire risks grow exponentially. Each minute of delay is critical to the safety of the occupants and firefighters, and is directly related to property damage. Simulations demonstrated that two-person, late arriving crews can face a fire that is TWICE the intensity of the fire that is faced by five-person, early arriving crews.

*The results from this rigorous scientific study on the most common and deadly fires in the country-those in single family residences –provide quantitative data to fire chiefs and public officials responsible for determining safe staffing levels, station locations and appropriate funding for community and firefighter safety.

USA TODAY:

*Over 1,000 "savable" lives are lost needlessly each year in the nation's biggest cities because of the inefficiencies in the cities.

NFPA (National Fire Protection Association) Fire Analysis and Research Division Survey:

*In 2009, the rate of sworn firefighters per 1,000 people was 1.72. (1.72 x 50 = 86). The City of Sheboygan is below this national average by 13 firefighters. The figure of 1.72 firefighters per 1,000 people has been constant since 1986.

*80.3% of U.S. Fire Departments with populations ranging from 50,000 to 99,000 have 4 or more stations.

ICMA Leaders at the Core of Better Communities

777 North Capitol Street, NE ▪ Suite 500 ▪ Washington, DC 20002-4201

Police and Fire Personnel, Salaries, and Expenditures, 2010

Survey Methodology

The survey was mailed to all 3,286 city-type local governments with a population of 10,000 and above. The response rate is 38%. Not all respondents answered every question, so for each question the percentages are based on those who answered the question.

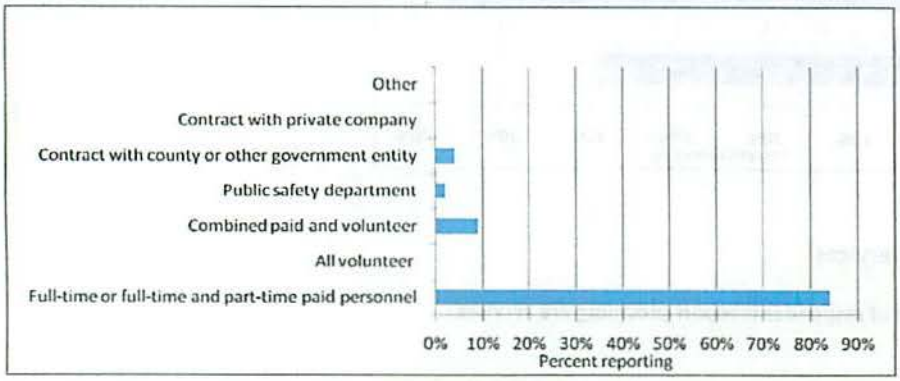
For more information on ICMA's *Police and Fire Personnel, Salaries, and Expenditures* survey, please contact Survey Research

Click here to buy the complete dataset from bookstore.icma.org.

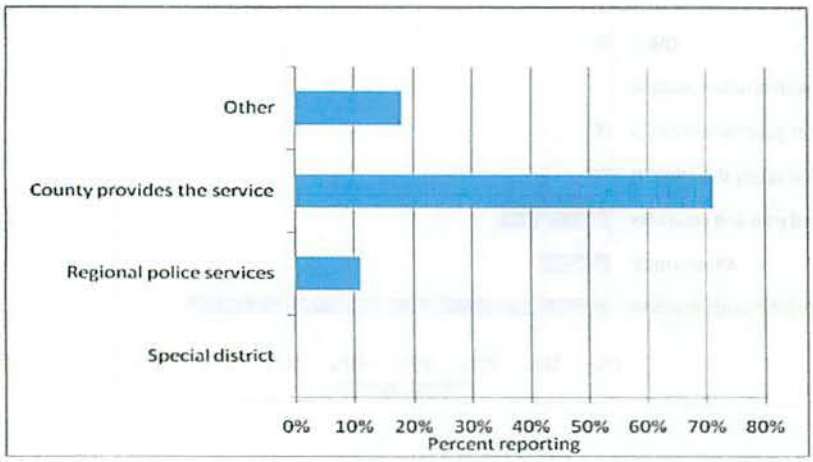
Police Services

Ninety-six percent of survey respondents indicate that the local government provides police services.

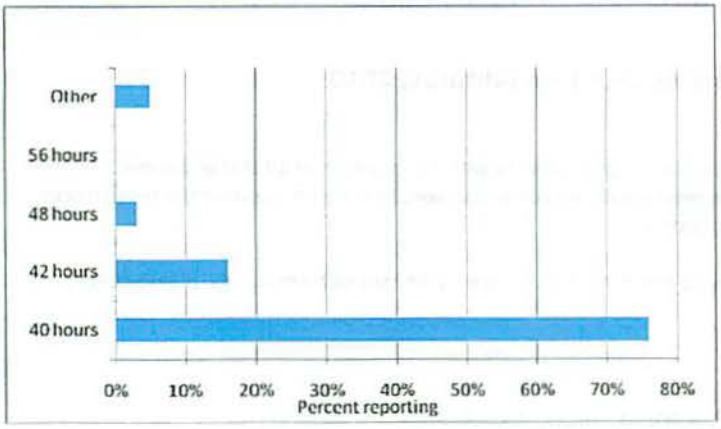
How police services are provided by municipalities that provide them:



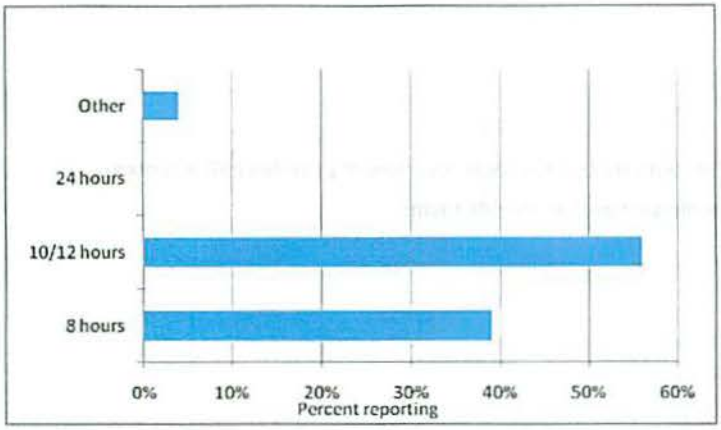
How police services are provided by the few municipalities that do not provide them:



Average hours worked per week for police officers, excluding overtime:



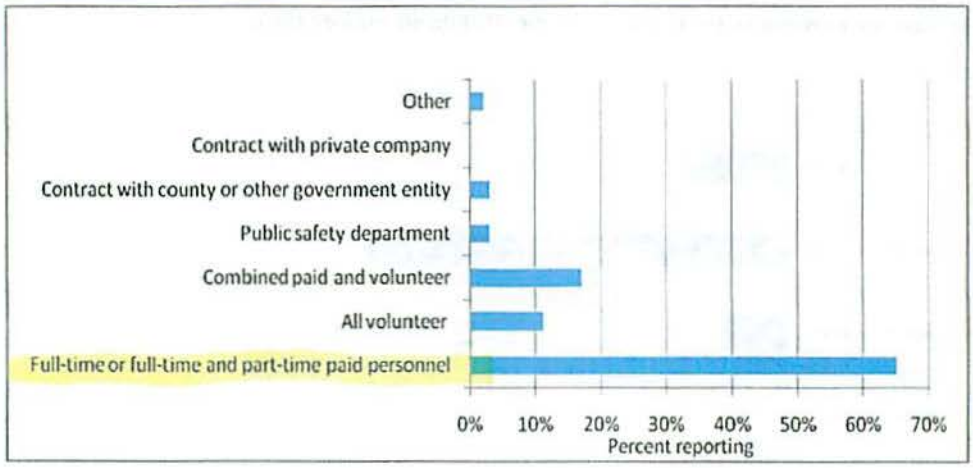
Hours worked per shift on an average day for police officers.



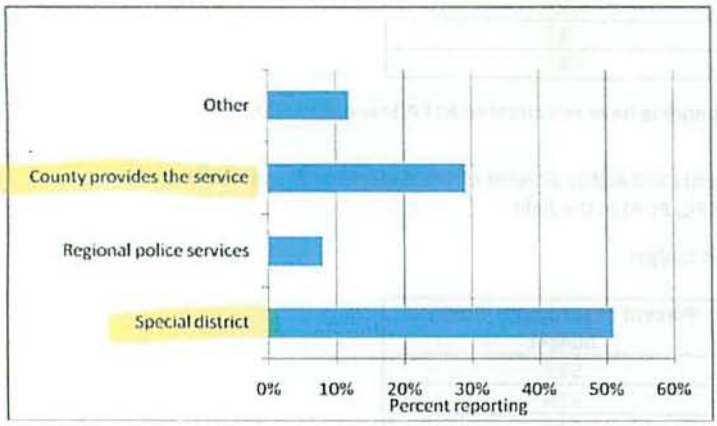
Fire Protection Services

Eighty-five percent of respondents report providing fire services.

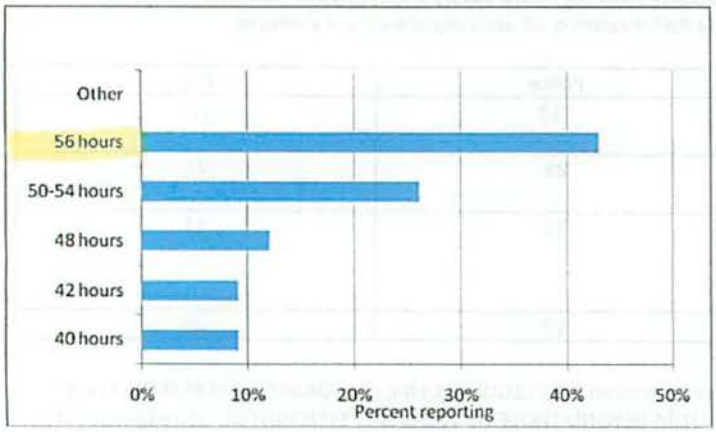
How fire services are provided by municipalities that provide them:



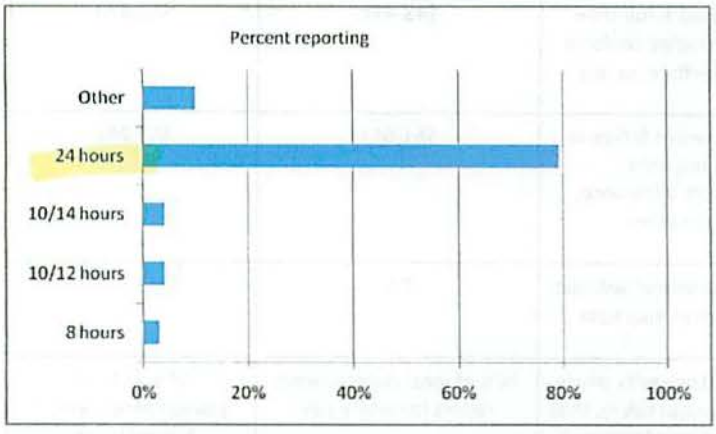
How fire services are provided by the small number of municipalities that do not provide them:



Average hours worked <u>per week</u> for firefighters excluding overtime.



Average hours worked <u>per shift</u> for firefighters.



Eighty-one percent of fire departments have minimum staffing requirements or a policy advising minimum staffing per shift.

Sixty-six percent of fire departments require or state in a policy a minimum number of crew members per apparatus.

Those that require a minimum crew report:

Apparatus	Average minimum crew
Pumpers	3
Ladders	3
Rescue units	2

Sixty percent of local governments responding have not adopted NFPA Standard 1500.

Eighty-eight percent of police departments and eighty percent of fire departments use wireless communications devices (i.e. handheld PC, PDA) in the field.

Services included in the fire department budget:

Service	Percent reporting service in budget
Ambulance personnel	53%
EMT personnel	91%
Ambulance equipment	54%
EMT equipment	92%

All amounts reported below are as of January 2010. All **Public Safety Department** (PSD) data should be entered as a consolidated amount **in the Police column**. All amounts shown are averages.

	Police	Fire
Actual number of full-time paid employees	159	119
Actual number of full-time sworn officers and firefighters	88	74
Actual number of part-time paid employees (officers, firefighters, and civilian)	12	11
Actual number of volunteers	27	49

For the section below, respondents were instructed to EXCLUDE ALL FIRE PERSONNEL WHO PERFORM AND RECEIVE EXTRA COMPENSATION FOR DUTIES BEYOND THOSE OF THE BASIC "FIREFIGHTER." (Firefighter/EMTs, drivers, engineers, and mechanics should be excluded.) **All amounts are averages.**

	Police	Fire
Minimum annual base salary paid to sworn full-time police officers and firefighters. (Not including uniform allowance, holiday pay, hazard pay, overtime, or any other additional compensation.)	$43,432	$40,470
Maximum annual base salary paid to sworn full-time police officers and firefighters who do not hold promotional rank. (Not including uniform allowance, holiday pay, hazard pay, overtime, or any other additional compensation.)	$61,648	$55,244
Years of service are required before personnel without promotional rank receive the maximum annual base salary	7.5	7.5
Can personnel receive longevity pay? (Longevity pay is compensation, above the maximum annual salary, that is received after a certain number of years of service.)	76% of local governments report longevity pay	56% of local governments report longevity pay
Maximum annual salary with longevity pay included that sworn full-time police officers and firefighters can receive	$65,553	$54,644
Years of service required before personnel receive longevity pay	6.2	5.6

Below are average expenditure amounts (not budget) for the department's most **recently completed fiscal year.**

	Police	Fire
Department's expenditures in salaries and wages of all department personnel: regular, temporary, full-time, part-time, and stipends for volunteers? (It is the gross amount, including longevity pay, hazard pay, holiday pay, overtime, etc., without deduction of withholding for income tax or employee contributions to social security or retirement coverage.)	$7,790,826	$5,378,251
Department's total overtime expenditures	$540,442	$485,639
Department's contributions to federal social security	$359,725	$195,085
Department's contributions to employee retirement system	$1,334,947	$983,204
Department's contributions to health, hospital, disability, workers' compensation, and life insurance programs	$1,476,774	$876,072
Department's expenditures in capital outlay? Purchase and replacement of equipment, purchase of land and existing structures, and construction	$467,372	$455,611
All other department expenditures	$1,657,698	$1,073,743
Department's total expenditures	$9,653,590	$6,421,850
Do any of these expenditures come out of a budget other than the police or fire department budget?	27% report "yes."	24% report "yes."

Annual salary ranges for these benchmark positions as of January 1, 2010.

Police	Minimum average salary	Maximum average salary without longevity
Police Corporal	$49,378	$63,764
Police Sergeant	$60,493	$72,928
Police Lieutenant	$68,115	$83,253
Police Captain	$73,821	$92,563
Dep. Chief	$77,810	$99,906
Police Chief	$88,598	$113,892

Fire	Minimum average salary	Maximum average salary without longevity
Engineer	$49,192	$62,187
Fire Prevention/Code Ins	$51,252	$65,327
Fire Lieutenant	$53,542	$63,532
Fire Captain	$58,383	$70,615
Battalion Chief	$69,641	$88,663
Asst. chief (2nd below Fire chief)	$68,612	$87,845
Deputy Chief (1st below Fire chief)	$72,537	$93,812
Fire chief	$83,075	$108,525

State fire chiefs: Tough to maintain all-volunteer staff

- Story

State fire chiefs: Tough to maintain all-volunteer staff

By BETSY BLOOM bbloom@lacrossetribune.com lacrossetribune.com | Posted: Saturday, June 25, 2011 12:15 am

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No one disputes the crucial role volunteer firefighters play in Wisconsin.

Even Gov. Scott Walker gave them a nod in his keynote speech Friday morning at the Wisconsin State Fire Chiefs' Association convention, saying they provide 85 percent of the state's fire protection.

But the concept of La Crosse switching to a partial or even full volunteer staff — as Mayor Matt Harter suggested in late 2009, though he later said he never considered it a realistic option — drew responses of "tough," "difficult" and "a challenge" from about a half-dozen fire officials surveyed at the La Crosse Center, where the conference continues today.

"And challenge is putting it mildly," added Chief Terry Kohl, who oversees 55 volunteers for the village of Richfield, about 20 miles north of Milwaukee.

He and others whose departments are mostly or all volunteer seemed the most adamant it wouldn't work for a city of La Crosse's size.

"I don't know how they would find the numbers. ... We can't hardly find numbers," said Fire Chief Daniel Birenbaum of the village of Belgium in Ozaukee County.

Some cities have managed, Kohl said. He pointing to Middleton, a fast-growing Dane County community of about 17,000 that has a pool of more than 100 volunteers.

But overall, volunteer staffing levels have become enough of a concern that a conference session today is devoted to recruitment and retention strategies.

It's becoming more difficult to find individuals willing to make the time commitment fire service demands, said Beloit Fire Chief Bradley Liggett, whose has 61 full-time firefighters covering a city of 35,775.

Liggett was quick to stress that volunteers aren't less professional or dedicated to the work. But families now have other priorities, often juggling multiple jobs along with home and family.

"There's just not enough people out there to do volunteerism," Liggett said.

Add to that a rising number of calls and increased training needed to handle such threats as explosives or hazardous materials and a volunteer force likely isn't a good fit for La Crosse, Liggett said.

Whitewater, like La Crosse, has a University of Wisconsin campus. It is the state's only community with a four-year UW site and a volunteer staff, Whitewater Fire Chief Don Gregoire Jr. said.

His department has handled 1,400 medical calls and 250 to 300 fire calls already this year, numbers that annually multiply, he said. They manage with 45 firefighters and 60 EMTs, but "it's getting to a level it can't continue," Gregoire said.

"There's no way a volunteer staff could do a community of this size," said Fire Chief Steven Anderson of Peshtigo in northeastern Wisconsin, "and do it justice."

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Other Stories

III

Other Matters

22-48

Res. No. 220 - 10 - 11. By Alderpersons Kittelson, and Hammond
February 21, 2011.

A RESOLUTION authorizing the appropriate City Officials to enter into a agreement for consultative services from the Center for Political Science and Public Policy Research from the University of Wisconsin - Whitewater to perform a 2 Phase analysis for the City of Sheboygan.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into an agreement with the Center for Political Science and Public Policy Research from the University of Wisconsin - Whitewater to perform a 2 Phase analysis for the City of Sheboygan in accordance with the attached schedule for an estimated amount of $18,500.

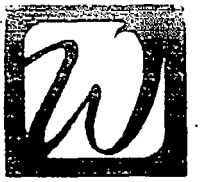
Finance & Strategic Fiscal Plan

Jean Kittelson

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



WHITEWATER

February 17, 2011

Dear Mr. Amodeo, Alderperson Hammond, Alderperson Kittelson, and Mr. Rice:

We very much enjoyed meeting you Tuesday afternoon and look forward to working with you as we move forward on this project evaluating the organizational structure of the City of Sheboygan as well as conducting a citizen satisfaction survey. This letter serves as our formal proposal and cost estimate.

As we discussed, the project will involve two phases. Phase 1 will include an evaluation of the organizational structure of the City as well as our recommendations for improvements to the structure to allow Sheboygan to run more efficiently while still providing quality services to its residents and visitors. This evaluation will include an assessment of the current organizational structure, the solicitation of feedback from key stakeholders in the City, interviews with department heads and others in leadership roles and a focus group with a representative group of City employees. Once this is complete, we will provide a detailed written evaluation of the current organizational structure based our interviews and focus group data. We will also conduct a comparison of these findings to best practices and models in use in other municipalities and we will offer recommendations for reorganization. We will provide you with an electronic copy and five bound copies of the final report. We will also be available to provide a public presentation of the findings from our Phase 1 analysis. Provided that we are able to begin work on Phase 1 by mid-March, the target date for completing Phase 1 of the project is June 1, 2011. The cost for Phase 1 of this project is $9500.

Phase 2 will involve a citizen satisfaction survey aimed at gaining feedback on city services as well as measuring residents' opinions of potential changes to service delivery and city operations. Given our preliminary conversations, we are anticipating that approximately 1,500 surveys would be distributed via a sampling method that would seek appropriate representation from throughout the City. The price quote for the citizen survey anticipates that the City would be responsible for printing, assembling, and mailing the survey instruments. The first step in this part of the project will be the development of the questionnaire. We will do this in close consultation with you to ensure that it includes the measures that you believe best meet your needs. We will provide the sample list and questionnaire to you so that you may proceed with the mailing of the survey. Once the surveys are returned, we will complete the data entry and analysis and prepare a written report. All completed questionnaires are understood to be the property of the City. Additionally, the data collected will be provided to the City if requested at the completion of the project. We will provide you with an electronic copy and five bound copies of the final report. We will also be available to provide a public presentation of the findings from our Phase 2 analysis. The target date for completing Phase 2 of the project is September 1, 2011. The cost for Phase 2 of this project is $9000.

CENTER FOR POLITICAL SCIENCE & PUBLIC POLICY RESEARCH
402 White Hall • 800 West Main Street, Whitewater, WI 53190-1790

The total cost for both phases of the project is $18,500. This fee includes all expenses incurred in travelling to and from Sheboygan for meetings and interviews as well as for purchasing any necessary materials and hiring student research assistants. Fees for any additional services are negotiable.

Please let us know if you require additional information. We are eager to get started on this project and look forward to working with you and your colleagues.

Thank you for your consideration,

Dr. Susan Johnson
Dr. Jolly Emrey
Directors, Center for Political Science and Public Policy Research
UW-Whitewater
Whitewater, WI 53190
262-472-4766

II

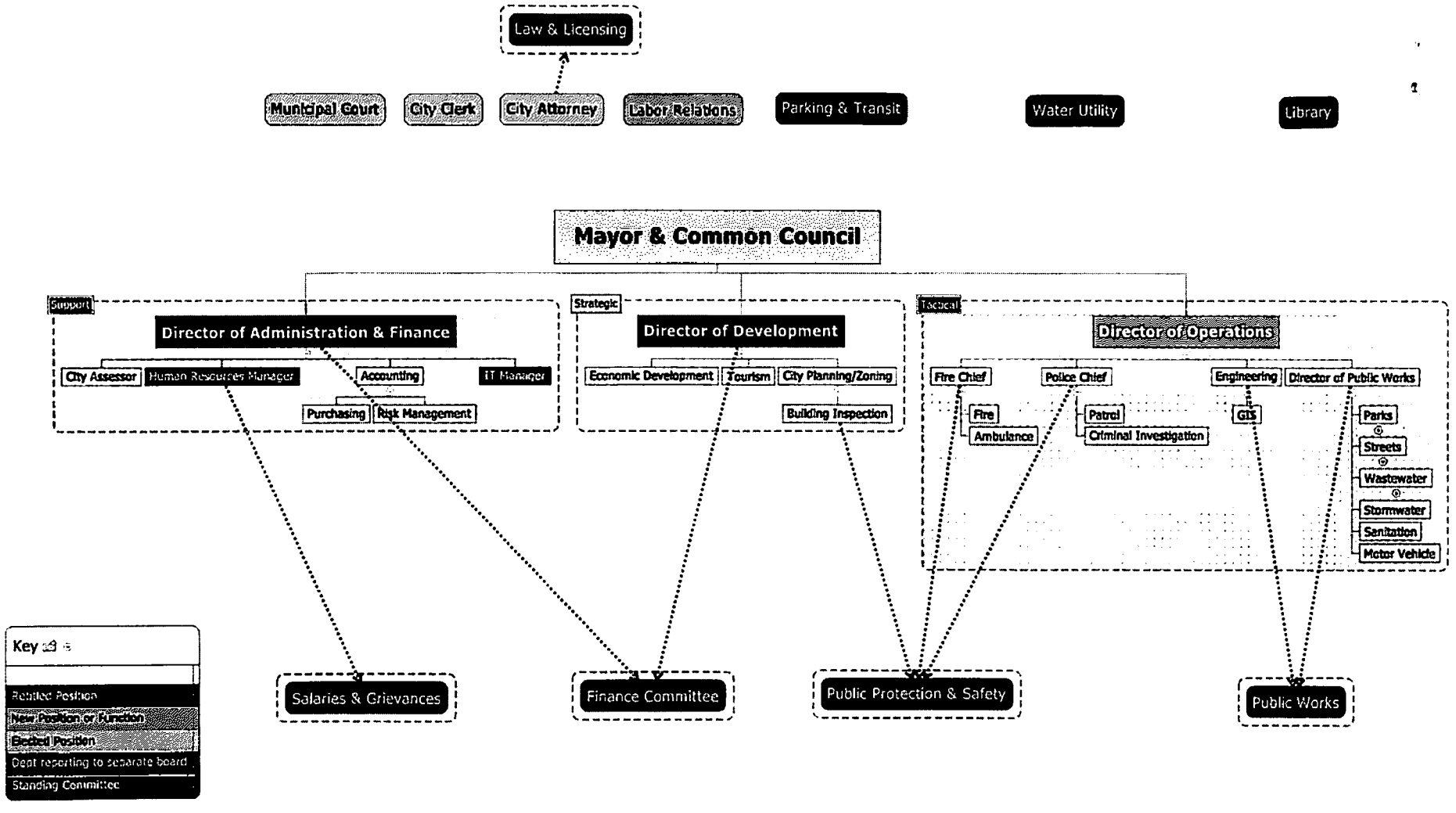
16-23

R. O. No. 320 09 - 10. By CITY CLERK. November 16, 2009.

Submitting the Mayor's proposed new Table of Organization for the City of Sheboygan.

Strategic Fiscal
Acc Fill

Susan Richards
City Clerk


Law & Licensing
Municipal Court
City Clerk
City Attorney
Labor Relations
Parking & Transit
Water Utility
Library
Mayor & Common Council
Support
Director of Administration & Finance
City Assessor
Human Resources Manager
Accounting
IT Manager
Purchasing
Risk Management
Strategic
Director of Development
Economic Development
Tourism
City Planning/Zoning
Building Inspection
Tactical
Director of Operations
Fire Chief
Police Chief
Engineering
Director of Public Works
Fire
Ambulance
Patrol
Criminal Investigation
GIS
Parks
Streets
Wastewater
Stormwater
Sanitation
Motor Vehicle
Key
Related Position
New Position or Function
Elected Position
Dept reporting to separate board
Standing Committee
Salaries & Grievances
Finance Committee
Public Protection & Safety
Public Works

I. Other Matters 4-44

Com. No. 3 - 10 - 11. May 17, 2010.

Submitting a communication from Richard Thieme asking Alderperson Bohren to support the fire department having five stations and no ambulance service.

Presented to the Common Council by Alderperson James A. Bohren.
Bohren

PP+S, Strategic & Whole. Cer File

Richards, Sue

From: James Bohren [aldermanjimb@charter.net]
Sent: Friday, May 14, 2010 8:56 AM
To: Richards, Sue
Cc: Alderman Mark Hanna; Alderman Eric Rindfleisch ; Alderperson Jean Kittelson; rthieme@excel.net
Subject: FW: Fire Department

Sheboygan City Clerk Sue Richards – Sue

Please include Mr. Thieme's attached e-mail as a document for the Monday May 17th 2010 Council meeting under other matters authorized by law. Please refer it to the Committee of the Whole, Strategic Fiscal Planning and Public Protection and Safety.

Thanks.

Alderman Jim Bohren
4th District - City of Sheboygan, WI
920.452.1777/aldermanjimb@charter.net
2010 - 2011 Committee Assignments
Chairman, Public Works Committee
Finance Committee
Strategic Fiscal Planning Committee
Capital Improvements Commission
Sheboygan Transit Commission
Board of Park & Forestry Commissioners

From: Richard Thieme [mailto:rthieme@excel.net]
Sent: Thursday, May 13, 2010 12:05 PM
To: Alderman Jim Bohren; Alderman Joseph Heidemann
Subject: Fire Department

Gentlemen:
Please support the fire department having five stations and no ambulance service. Thank you for considering my opinion.
Blue skies,
Richard "Dick" Thieme
2732 South 7th Street
Sheboygan

II

Other Matters

10-68

R. O. No. 157 - 11 - 12. By CITY CLERK. August 15, 2011.

Submitting a communication from Joe Stahl, Fire Chief of the Town of Sheboygan Fire Department, stating his concerns if the Sheboygan Fire Department gets cut too deeply.

Strategic
Fiscal
Ass File

Susan Richards
City Clerk

Dear City Of Sheboygan Common Council members.

As you may know the Town Of Sheboygan Fire Department has a very good working relationship with the City Of Sheboygan Fire Department. We know we can count on them for any mutual aid that we may need and they can rely on us for any mutual aid that they may need. We have needed and used each other's services in the past and hopefully can continue this in the future. The issue we may run into if the City cuts too deeply into the City Fire Department personnel is that when the Town Of Sheboygan Fire Department gets paged out on a call we are a "Volunteer" department and a lot of our members during certain times of the day leave their jobs to provide the manpower that is needed. At this time the amount of times we are called into the City for mutual aid are minimal and we can handle that. If the number of calls to us increases drastically I am not sure that the members would be willing to lose wages to that large of an extent. As it stands now, the Town Of Sheboygan budgets a small amount of money to help cover "some" of the lost wages in the event of a fire call. We know that the Town Of Sheboygan in these times of cutbacks along with most other townships could not afford to pay lost wages possibly several times a week if we are relied on that often for assistance, in the event you cut too deeply into the City Fire Departments budget.

Sincerely,

Joe Stahl

Fire Chief

Town Of Sheboygan Fire Department

I

5-19

Com. No. 14 - 10 - 11. June 7, 2010.

Submitting a communication from Jean and Bryon Dickmann stating that the City should give the ambulance service back to Orange Cross and then they should have enough firemen for all the stations and if not, then they should close the southside station.

Presented to the Common Council by Alderperson James A. Bohren.
Bohren

Pub Prot & Safety & Strategic Fiscal

Acc File

Ald. Bohren

Our opinion on the fire department is that they could give the ambulance service back to Orange Cross. They were doing a good job. Then they should have enough firemen for all the stations, If that is not enough, they should close the far south side station. We would feel just as safe without it.

Jean Dickmann

Bryan Dickmann
3433 S. 12TH ST.

6/1/10

I. Other Matters 17-49

Com. No. 47 - 10 - 11. December 6, 2010.

Submitting an email from Alderperson Bohren with an article from the League of Municipalities titled, "Inflation Factor Set at 3% for Expenditure Restraint Program."

Presented to the Common Council by Alderperson James A. Bohren.
Bohren

Finance & Strategic

Ald + File

Richards, Sue

From: James Bohren [jbohren@charter.net]
Sent: Thursday, December 02, 2010 10:13 AM
To: Richards, Sue
Subject: Emailing: scan0001
Attachments: scan0001.pdf

Sheboygan City Clerk Sue Richards - Sue

Please include the attached document "Inflation Factor Set at 3% for Expenditure Restraint Program" as a document for the December 6th 2010 Council meeting under other matter authorized by law. Please refer it to the Strategic Fiscal Planning Committee and the Finance Committee. Thank you.

Alderman Jim Bohren
4th District

Having trouble viewing or printing this email? Click here

League of Wisconsin Municipalities

Capitol Buzz

October 21, 2010

Witynski@lwm-info.org

www.lwm-info.org

Inflation Factor Set at 3% for Expenditure Restraint Program

The Department of Revenue must annually certify to the Joint Committee on Finance the percentage change in the Consumer Price Index to be used in determining the inflation factor under the expenditure restraint program. This week, the Department certified that the CPI percentage change is 1.7%. This certification pertains to the 2012 payments under the program.

Since CPI is below the 3 percent minimum established for the inflation factor under the last state budget, 2009 Wisconsin Act 28, the inflation factor for 2012 payments under ERP is set at 3 percent.

This effectively means that municipalities, with various adjustments, will be allowed a 3% to 5% increase in their general operations spending and still remain eligible for the program. More than 300 municipalities are eligible to qualify for payments under the program, which is currently funded at $58.1 million.

Link to DOR's memo to the Joint Finance Committee:
http://thewheelerreport.com/releases/October10/Oct21/1021jfcdor.pdf

Forward email

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This email was sent to aldermanjimb@charter.net by witynski@lwm-info.org.
Update Profile/Email Address | Instant removal with SafeUnsubscribe™ | Privacy Policy.
League of Wisconsin Municipalities | 122 W. Washington Ave., Suite 300 | Madison | WI | 53703

II

21-28

R. O. No. 386 10 - 11. By CITY CLERK. February 7, 2011.

Submitting a communication from Menhard Sonnemann requesting that a reorganization process be started for the Sheboygan Fire Department.

PPs 5, Sal & Greil and Strategic Fiscal

Acc File

Susan Richards
City Clerk

Richards, Sue

From: Menhard Sonnemann [menhardsandy@charter.net]
Sent: Friday, January 28, 2011 7:38 PM
To: Alderperson Cory Bouck; Alderperson Cory Roeseler; Alderperson Don Hammond; Alderperson Eric Rindfleisch; Alderperson Jean Kittelson; Alderperson Jeremy Dekker; Alderperson Jim Bohren; Alderperson Jodi Vander Weele; Alderperson Joseph Heidemann; Alderperson Julie Kath; Alderperson Kevin Sampson; Alderperson Marilyn Montemayor; Alderperson Mark Hanna; Alderperson Scott Versey; Alderperson Tom Bowers; Alderperson William Wangemann; Richards, Sue; Mayor Ryan
Subject: Time to reorganize the Sheboygan Firw Department

Dear Mayor, Alderpersons and Sue Richards,

I am asking that this e-mail be presented to the appropiate committee to start the reorganization process fot the Sheboygan Fire Department. Please feel free to correct me if the information in this e-mail is incorrect and send me the corrected information. Thanks.

Isn't it time to reorganize the Sheboygan Fire Department not only to save money on salaries, but also benefits.

When the Sheboygan Police Department was reorganized all the Deputy Chiefs and anyone eligible for retirement health benefits were eliminated. That left only the Chief of Police that is entitled for that benefit.

If you're not aware of the benefit it allows the retiree either 60% of a family plan until the age of 65, which amount to about $1020.00 a month or $12,240.00 a year until age 65 ($124.400.00 over a ten year period). Or a paid up single plan, which is $737.00 a month or $8,844.00 a year until the age of 65 ($88,440.00 over a ten year period). WHICH IS THE FIGURES AT THIS TIME. And this doesn't included the retirees already receiving this benefit. Most firefights eligible for this benefit retire by or before the age of 55. So by reorganizing and eliminating all but the Fire Chief from this benefit, you probably save at least $734,400.00 in the next 10 years and into the future.

Now getting back to the Fire Department. Rather than only having one entitled to that benefit like the Police Department has, the Fire Department has at least 6 position that are entitled to the health
insurance benefit upon retirement. The Police Depatment also reduced it's command staff with either civilian personel or by reducing the position to a lesser salaried position. For example, a deputy chief position was reduced to a captain and a captain to a lieutenant And positions were not filled and responsibilities were added onto people that were already on the Table of Organization.

So, you can see that reducing benefits and salaries, from the Fire Dept., like you did to the Police Dept., you can save a substantial amount of money.

One other issue that I wish would be looked into. This is the staffing at the S. 18th Street Station. It was brought to my attention by a retired firefighter, that the station was being manned by one firefighter and one lieutenant. He stated to me, " in his opinion it was a very costly taxi for two people who were usually the last two on scene at any event." Talk about being top heavy, one staff officer for one firefighter.

I'd look forward to your comments,

Menhard Sonnemann
2909 Ashby Court
Sheboygan
(920) 458-7256
menhardsandy@charter.net

II

4.4

R. O. No. 426 11 - 12. By CITY CLERK. April 16, 2012.

Submitting a Summons and Complaint in the matter of U.S. Bank vs. Christopher D. Weber et al.

Risk
new C.C
Jill

Susan Richards
City Clerk

STATE OF WISCONSIN | CIRCUIT COURT CIVIL DIVISION | SHEBOYGAN COUNTY

U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND
5401 N. BEACH STREET
FT. WORTH, TX 76137

Plaintiff

Vs.

CHRISTOPHER D. WEBER
1713 N. 5TH ST.
SHEBOYGAN, WI 53081

GINA M. WEBER
1713 N. 5TH ST.
SHEBOYGAN, WI 53081

HOUSEHOLD FINANCE CORPORATION III
C/O CT CORPORATION SYSTEM
8040 EXCELSIOR DR., SUITE 200
MADISON, WI 53717

CITY OF SHEBOYGAN DEPARTMENT OF CITY DEVELOPMENT
828 CENTER AVE., SUITE 104
SHEBOYGAN, WI 53081

Defendants

CIRCUIT COURT BRANCH 1
L EDWARD STENGEL
615 N SIXTH STREET
SHEBOYGAN WI 53081

SUMMONS
Case No. 12CV0281

Case Code No. 30404

12 APR -2 P2:37

CLERK CIRCUIT COURT
FILED

SUMMONS

THE STATE OF WISCONSIN

To each person named above as Defendant:

YOU ARE HEREBY NOTIFIED that the plaintiff named above has filed a lawsuit or other legal action against you. The Complaint, which is attached, states the nature and basis of the legal action.

4-9-12 1:26P

CC: ATTY'S OFFICE, JIM AMODEO, BARB OLM, LAURIE SUHRKE

Within twenty (20) days, or forty-five (45) days for the State of Wisconsin, an officer or agency of the State, or sixty (60) days for the United States of America, an officer or agency of, of receiving this Summons, you must respond with a written Answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the Complaint. The Court may reject or disregard an Answer that does not follow the requirements of the Statutes. The Answer must be sent or delivered to the Court, whose address is:

Nan Todd
Clerk of Courts
Sheboygan County Courthouse
615 N. 6th Street
Sheboygan, WI 53081

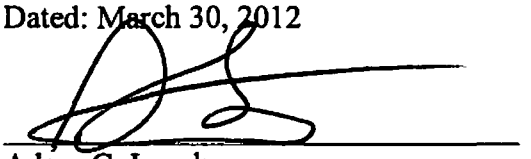
And to plaintiff's attorneys, whose address is:

Adam C. Lueck
Johnson, Blumberg & Associates, LLC
230 W. Monroe St.,
Chicago, IL 60606

You may have an attorney help or represent you.

If you do not provide an Answer within twenty (20) days, the Court may grant judgment against you for the award of money or other legal action requested in the Complaint, and you may lose your right to object anything that is or may be incorrect in the Complaint. A judgment may be enforced as provided by the law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated: March 30, 2012



Adam C. Lueck
State Bar No. 1081386
Johnson, Blumberg, & Associates, LLC
230 W. Monroe Street, Suite 1125
Chicago, Illinois 60606
Ph. 312-541-9710
Fax 312-541-9711
JB&A #WI 12 7092

STATE OF WISCONSIN | CIRCUIT COURT CIVIL DIVISION | SHEBOYGAN COUNTY

U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND
5401 N. BEACH STREET
FT. WORTH, TX 76137

Plaintiff

COMPLAINT
Case No. 12CV0281

Case Code No. 30404

Vs.

CHRISTOPHER D. WEBER
1713 N. 5TH ST.
SHEBOYGAN, WI 53081

GINA M. WEBER
1713 N. 5TH ST.
SHEBOYGAN, WI 53081

HOUSEHOLD FINANCE CORPORATION III
C/O CT CORPORATION SYSTEM
8040 EXCELSIOR DR., SUITE 200
MADISON, WI 53717

CITY OF SHEBOYGAN DEPARTMENT OF CITY DEVELOPMENT
828 CENTER AVE., SUITE 104
SHEBOYGAN, WI 53081

Defendants

CLERK CIRCUIT COURT
FILED
12 APR -2 P12:37
SHEBOYGAN COUNTY
WISCONSIN

Now Comes U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND, Plaintiff, by its attorney, Adam C. Lueck of Johnson, Blumberg & Associates, LLC, as and for a complaint against the defendants, alleges and shows to the Court as follows:

1. That Plaintiff is the current holder of a certain note and mortgage on real estate located in Sheboygan County, Wisconsin, true copies of which are attached hereto as Exhibits A and B and incorporated by reference.
2. That Christopher D. Weber and Gina M. Weber are adults who executed a mortgage that is the subject of this foreclosure action against the property located at 1713 N. 5th St., Sheboygan, Wisconsin 53081 and shall hereinafter be referred to as mortgagor defendants.
3. That the mortgaged real estate is presently owned by Christopher D. Weber and Gina M. Weber.
4. On or about November 29, 2004, for value received Christopher D. Weber and Gina M. Weber executed and delivered to Full Spectrum Lending, Inc., a note in writing dated that date and thereby promised to pay the principal balance of NINETY-TWO THOUSAND FIVE HUNDRED FIFTY AND 00/100 DOLLARS ($92,550.00) plus interest payable in accordance with the terms and provisions of said Note. Plaintiff is the current holder of said note.
5. That to secure the indebtedness referred to in the preceding paragraph, the mortgagor defendants duly executed a mortgage to Mortgage Electronic Registration Systems, Inc., acting solely as nominee for Full Spectrum Lending, Inc., which mortgage was dated on November 29, 2004 and recorded in the office of the Register of Deeds for Sheboygan County, Wisconsin on December 7, 2004 as Document Number 1752367.
6. Subsequently, Mortgage Electronic Registration Systems, Inc., acting solely as nominee for Full Spectrum Lending, Inc. assigned said mortgage to U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND and a true copy of said assignment is attached as Exhibit C. Plaintiff is the current holder of said mortgage.
7. The mortgagor defendants failed to comply with the terms of the note and mortgage by failing to pay past due monthly installments payments for July 1, 2011 to the present, and there is now due and owing to Plaintiff the principal sum of $89,116.18, plus interest, late charges and other charges that may vary from day to day, and therefore, the total amount due to the Plaintiff is not calculated herein.

8. The Plaintiff has declared the note and mortgage immediately due and payable by reason of the default of the mortgagor defendants in the payments required by the note and has directed foreclosure proceedings be instituted against these defendants.

9. The property consists of a one to four unit family residence commonly known as 1713 N. 5th St., Sheboygan, Wisconsin 53081. Upon information and belief, the premises is owner occupied and has not been abandoned by the mortgagor defendants. The legal description of the property is stated on the recorded mortgage and is as follows:

LOT SEVEN (7) BLOCK TWO (2) IN ASSESSMENT SUBDIVISION NO.4, CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN.

TAX KEY NO: 59281000980

10. That the mortgagor defendants expressly agreed to the reduced redemption period provisions of Chapter 846 of the Wisconsin Statutes and the Plaintiff hereby elects to proceed with foreclosure pursuant to Section 846.101 of the Wisconsin Statutes with a six (6) month period of redemption, that the premises covered by the mortgage are twenty acres or less in area, and that Plaintiff hereby elects to waive judgment for any deficiency which may remain due the Plaintiff after the sale of the mortgaged premises against any of the defendants and consents that the owner, unless he or she abandons the property, may remain in possession and be entitled to all rents and profits therefrom to the date of confirmation of the sale by the court.

11. Household Finance Corporation III is a defendant in this action by virtue of an interest in the subject real estate by reason of a junior mortgage from Christopher D. Weber and Gina M. Weber to Full Spectrum Lending, Inc. in the amount of $30,850.00 by instrument dated November 29, 2004 and filed on December 7, 2004 as Document No. 1752368 of Sheboygan County Records. Subsequently assigned from Full Spectrum Lending, Inc. to Countrywide Home Loans, Inc. dated February 15, 2007 filed on February 27, 2007 as Document No. 1820333 of Sheboygan County Records. Subsequently assigned from Countrywide Home Loans, Inc. to Household Finance Corporation III dated December 10, 2004 filed on May 21, 2007 as Document No. 1827077 of Sheboygan County Records and said interest is subject to and subordinate to the lien of plaintiff's real estate mortgage and said interest is sought to be terminated in this foreclosure action.

12. City of Sheboygan Department of City Development is a defendant in this action by virtue of an interest in the subject real estate by reason of a junior mortgage from Christopher D. Weber and Gina M. Weber to City of Sheboygan, Department of City Development in the amount of $9,791.00 by instrument dated May 16, 2008 and filed on May 21, 2008 as Document No. 1853336 of Sheboygan County Records and said interest is subject to and subordinate to the lien of plaintiff's real estate mortgage and said interest is sought to be terminated in this foreclosure action.

13. That the other defendants, if any, may have an interest in the premises set forth in this complaint, but that all such interests are subordinate to Plaintiff's mortgage and Plaintiff's claim made herein.

WHEREFORE, Plaintiff demands judgment:

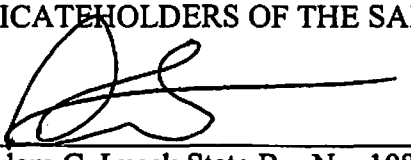
1. For the foreclosure and sale of the mortgaged premises in accordance with Section 846.101 of the Wisconsin Statutes which calls for a six (6) month period of redemption, or in the event there is a finding of abandonment, Plaintiff demands a two (2) month redemption period. In the event the subject property is determined to be not owner-occupied pursuant to section 846.103 of the Wisconsin Statutes, Plaintiff demands a three (3) month redemption period.
2. For amounts due the Plaintiff for principal, interest, late charges, taxes, insurance, costs, disbursements and attorney fees be adjudged and determined;
3. That the defendants and all persons claiming under them be barred and foreclosed from all right, claim, lien, title and equity of redemption in or to said premises, except by the right to redeem the same before sale as provided by law;
4. That the interests of other defendants be adjudged subordinate to Plaintiff's mortgage.
5. That the mortgagor defendants or persons occupying the premises be enjoined and restrained from committing waste during the pendency of the action; and

6. That the Plaintiff have such other and further relief as may be just and equitable.

DATE: March 30, 2012

Respectfully submitted,

U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND

By: 

Adam C. Lueck State Bar No. 1081386
Johnson, Blumberg & Associates, LLC
Its Attorney

Adam C. Lueck
Attorney for Plaintiff
Johnson, Blumberg, & Associates, LLC
230 W. Monroe Street, Suite 1125
Chicago, Illinois 60606
Ph. 312-541-9710
Fax 312-541-9711
JB&A #WI 12 7092

Prepared by: MARIA PEREZ-ARELLANO

ORIGINAL

LOAN #: [redacted]

ADJUSTABLE RATE NOTE
(LIBOR Index - Rate Caps)

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

NOVEMBER 29, 2004	SHEBOYGAN	WISCONSIN
[Date]	[City]	[State]

1713 N 5TH ST, SHEBOYGAN, WI 53081-2839
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $ 92,550.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is
FULL SPECTRUM LENDING, INC.
I will make all payments under this Note in the form of cash, check or money order.

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.500 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

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

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payment on the first day of each month beginning on JANUARY 01, 2005 . I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 01, 2034 , I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at
P.O. Box 660694, Dallas, TX 75266-0694
or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. $ 647.12 . This amount may change.

(C) Monthly Payment Changes

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

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of DECEMBER, 2007 , and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the date 45 days before the Change Date is called the "Current Index."

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

EXHIBIT A

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding SEVEN & THREE-QUARTERS percentage point(s) (7.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9.000 % or less than 7.750 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than ONE & ONE-HALF percentage point(s) (1.500 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 14.500 % or less than 7.500 %.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. The Note Holder will use all of my Prepayments to reduce the amount of Principal that I owe under this Note.

If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial prepayment.

[X] I may prepay this Note in full at any time without penalty. This always applies if the original loan amount is less than $25,000 or if I do not occupy the home.

[ ] If the original Principal amount of this loan exceeds $25,000 and is secured by a mortgage on a home which I occupy in whole or in part and if within the first months after the execution of the Note, I make any prepayment(s) within any 12-month period, the total of which exceeds 20 percent (20%) of the original Principal amount of this loan, I will pay a prepayment penalty in an amount equal to the payment of six (6) months' advance interest on the amount by which the total of my prepayment(s) within that 12-month period exceeds 20 percent (20%) of the original principal amount of the loan.

6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

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

(B) Default

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

(C) Notice of Default

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

(D) No Waiver by Note Holder

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

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

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

LOAN #: [redacted]

8. GIVING OF NOTICES

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

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

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

10. WAIVERS

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

11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

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

_____ (Seal)
CHRISTOPHER D. WEBER -Borrower

_____ (Seal)
GINA M. WEBER -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

PAY TO THE ORDER OF
COUNTRYWIDE HOME LOANS
WITHOUT RECOURSE
FULL SPECTRUM LENDING, INC.

BY _____
David A. Spector
Managing Director
Countrywide Home Loans, Inc.
as Attorney-In-Fact for Full Spectrum Lending, Inc.

PAY TO THE ORDER OF *[Sign Original Only]*
WITHOUT RECOURSE
COUNTRYWIDE HOME LOANS, INC.

BY _____
David A. Spector
Managing Director

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1752367

SHEBOYGAN COUNTY, WI
RECORDED ON
12/07/2004 01:02PM
DARLENE J. NAVIS
REGISTER OF DEEDS
RECORDING FEE: 30.00
TRANSFER FEE:
STAFF ID 8
TRANS # 53769
OF PAGES: 15

MORTGAGE

DOCUMENT NUMBER

NAME & RETURN ADDRESS
COUNTRYWIDE HOME LOANS, INC.
MS SV-79 DOCUMENT PROCESSING
P.O.Box 10423
Van Nuys, CA 91410-0423

PARCEL IDENTIFIER NUMBER
59281000980

[Space Above This Line For Recording Data]

[redacted]
[Doc ID #]

MIN 1000157-0004415488-4

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated NOVEMBER 29, 2004 , together with all Riders to this document.
(B) "Borrower" is
CHRISTOPHER D WEBER, AND GINA M WEBER, HUSBAND AND WIFE, AS SURVIVORSHIP MARITAL PROPERTY

Borrower is the mortgagor under this Security Instrument.
(C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
(D) "Lender" is
FULL SPECTRUM LENDING, INC.
Lender is a CORPORATION
organized and existing under the laws of CALIFORNIA
Lender's address is
4500 Park Granada, Calabasas, CA 91302
(E) "Note" means the promissory note signed by Borrower and dated NOVEMBER 29, 2004 . The Note states that Borrower owes Lender
NINETY TWO THOUSAND FIVE HUNDRED FIFTY and 00/100

Dollars (U.S. $ 92,550.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than DECEMBER 01, 2034 .
(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

25991

EXHIBIT B

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DOC ID #: [redacted]

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

[X] Adjustable Rate Rider	[ ] Condominium Rider	[ ] Second Home Rider
[ ] Balloon Rider	[ ] Planned Unit Development Rider	[ ] 1-4 Family Rider
[ ] VA Rider	[ ] Biweekly Payment Rider	[X] Other(s) [specify] ADJUSTABLE RATE RIDER

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(L) "Escrow Items" means those items that are described in Section 3.
(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.
(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY
This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, with power of sale, the following described property located in the

COUNTY of SHEBOYGAN :
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

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

which currently has the address of
1713 N 5TH ST, SHEBOYGAN
[Street/City]
Wisconsin 53081-2839 ("Property Address"):
[Zip Code]

Initials: CDW GMW

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

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

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

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

Initials: CMW SMW

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

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

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

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

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9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying Reasonable Attorneys' Fees (as defined in Section 25) to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

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

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

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

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

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

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

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

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

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

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

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

Witnesses:

_____ _____ (Seal)
CHRISTOPHER D. WEBER -Borrower

_____ _____ (Seal)
GINA M. WEBER -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

UNOFFICIAL COPY

DOC ID #: [redacted]

STATE OF WISCONSIN, Sheboygan County ss:

The foregoing instrument was acknowledged before me this 11.29.04

by Christopher D & Gina M Weber

My Commission Expires: 6-26-05

Donna L Piragis

Notary Public, State of Wisconsin

This instrument was prepared by
MARIA PEREZ-ARELLANO
FULL SPECTRUM LENDING, INC.
1600 GOLF ROAD, THIRD FLOOR, ROLLING MEADOWS, IL 60008

DONNA L. PIRAGIS NOTARY PUBLIC STATE OF WISCONSIN

Initials: CDW GMW

UNOFFICIAL COPY

EXHIBIT A

Lot Seven (7), Block Two (2), Assessment Subdivision No. 4, City of Sheboygan, Sheboygan County, Wisconsin.

Tax Key #59281000980

UNOFFICIAL COPY

[Space Above This Line For Recording Data]

ADJUSTABLE RATE RIDER

(LIBOR Index - Rate Caps)

After Recording Return To:
COUNTRYWIDE HOME LOANS, INC.
MS SV-79 DOCUMENT PROCESSING
P.O.Box 10423
Van Nuys, CA 91410-0423

PARCEL ID #:
59281000980

Prepared By:
MARIA PEREZ-ARELLANO
FULL SPECTRUM LENDING, INC.

1600 GOLF ROAD, THIRD FLOOR
ROLLING MEADOWS
IL 60008

[redacted]
[Doc ID #]

THIS ADJUSTABLE RATE RIDER is made this TWENTY-NINTH day of NOVEMBER, 2004, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to
FULL SPECTRUM LENDING, INC.

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:
1713 N 5TH ST
SHEBOYGAN, WI 53081-2839
[Property Address]

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

UNOFFICIAL COPY

DOC ID #: [redacted]

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 7.500 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of DECEMBER, 2007, and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding SEVEN & THREE-QUARTERS percentage point(s) (7.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9.000 % or less than 7.750 %. Thereafter, my interest rate will never be increased or decreased on any Change Date by more than single ONE & ONE-HALF percentage point(s) (1.500 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 14.500 % or less than 7.500 %.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

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

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

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

Initials: [signature]

UNOFFICIAL COPY

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

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

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

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

Christopher D Weber (Seal)
CHRISTOPHER D. WEBER - Borrower

Gina M Weber (Seal)
GINA M. WEBER - Borrower

(Seal)
- Borrower

(Seal)
- Borrower

UNOFFICIAL COPY

ASSIGNMENT OF MORTGAGE

1935748
SHEBOYGAN COUNTY, WI
RECORDED ON
12/15/2011 2:17 PM
ELLEN R. SCHLEICHER
REGISTER OF DEEDS
RECORDING FEE: 30.00
EXEMPTION #
Cashier ID: 9
PAGES: 1

Recording Requested By:
Bank of America
Prepared By: Mary Ann Hierman
888-603-9011
When recorded mail to:
CoreLogic
450 E. Boundary St.
Attn: Release Dept.
Chapin, SC 29036

DocID# [redacted]
Tax ID: 59281008980
Property Address:
1713 N 5th St
Sheboygan, WI 53081-2839
WD-AM 1593467 12/7/2011

This space for Recorder's use

MIN #: 100015700044154884 MERS Phone #: 888-679-6377

For Value Received, the undersigned holder of a Mortgage (herein "Assignor") whose address is 3300 S.W. 34th Avenue, Suite 101 Ocala, FL 34474 does hereby grant, sell, assign, transfer and convey unto U.S. BANK, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO BANK OF AMERICA, N.A., AS SUCCESSOR TO LASALLE BANK, N.A., AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE SAIL 2005-1 TRUST FUND whose address is 18350 PARK MEADOWS DR, LITTLETON, CO 80124 all beneficial interest under that certain Mortgage described below together with the note(s) and obligations therein described and the money due and to become due thereon with interest and all rights accrued or to accrue under said Mortgage.

Original Lender:	FULL SPECTRUM LENDING, INC.
Mortgagor(s):	CHRISTOPHER D WEBER, AND GINA M WEBER, HUSBAND AND WIFE, AS SURVIVORSHIP MARITAL PROPERTY
Date of Mortgage:	11/29/2004
Original Loan Amount:	$92,550.00

Recorded in Sheboygan County, WI on: 12/7/2004, book N/A, page N/A and instrument number 1732367

Property Legal Description:
LOT SEVEN (7), BLOCK TWO (2), ASSESSMENT SUBDIVISION NO. 4, CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN. TAX KEY #59281008980

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Mortgage to be executed on
DEC 13 2011

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

Witness: Richard Paz

By: Kathy Orlard Assistant Secretary

State of California
County of Ventura

On DEC 13 2011 before me, Wendy L. Lau, Notary Public, personally appeared Kathy Orlard, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

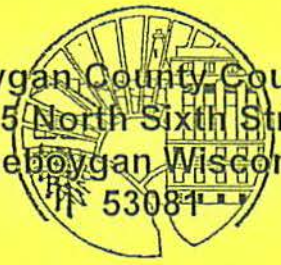
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public: Wendy L. Lau (Seal)
My Commission Expires: 10/2/2012

WENDY L. LAU
COMM. # 1794800
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My Comm. Expires May 2, 2012

EXHIBIT C



Sheboygan County
Foreclosure Mediation Program
Request for Mediation

Finding Solutions

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

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

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

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

Sheboygan County Case Number (located on your Summons): 20___CV_____

Name of Homeowner(s):_____

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

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

Best telephone number to reach you during the day: _____

Alternate telephone number: _____

Name of Lender/Plaintiff in your case: _____

1. Is the property being foreclosed your primary residence? _____Yes _____No

2. Does the property consist of four or fewer dwelling units? _____Yes _____No

Sheboygan County Courthouse
615 North Sixth Street
Sheboygan Wisconsin
53081

Sheboygan County
Foreclosure Mediation Program
Finding Solutions

Notice of Availability of Mediation

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

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

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

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

A Mediation Request is not a response to the Summons.

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

What happens after you apply for Mediation?

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

3. Have you started a Bankruptcy action that is still ongoing? _____Yes _____No

4. Have you met with a housing counselor? _____Yes _____No

   If yes, with whom have you met? _____

5. What is your monthly income from all sources? _____

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

   _____

   _____

   _____

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

   _____ Injury or illness _____Adjustable interest Rate / Balloon

   _____Loss of Employment _____Expenses exceed income

   Other: _____

   _____

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

   _____

   _____

   _____

9. If English is not your primary language, do you need an interpreter? ___Yes ___No

   What language? _____

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

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

_____ _____

Property Owner's Signature Date

II

5.9

R. O. No. 17 - 12 - 13. By CITY CLERK. May 7, 2012.

Submitting a communication from John Elmendorf, Progressive Beginnings, LLC, requesting that the City repurchase the 2 acre parcel located at the northwest corner of Concord and Gateway Dr. within the City of Sheboygan Business Park property back from Progressive Beginnings, LLC, as they are no longer in a position to move forward with the construction project as they originally intended.

Finance
Acc & file
& approve purchase

Susan Richards
City Clerk

January 30, 2012

Department of City Development

828 Center Avenue, Ste. #104

Sheboygan, WI 53081-4442

Re: City Purchase of John Elmendorf/Progressive Beginnings Project in the Sheboygan Business Park at the Northwest Corner of Concord and Gateway

Dear Industrial Development Commission:

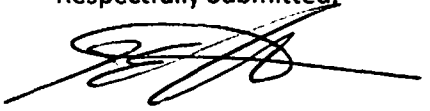
I am writing you to notify you that it is no longer my intention to move forward with the building project for Progressive Beginnings, LLC as I originally intended. There were limitations with the property that were not stated to me at the time of purchase which necessitated multiple surveys and hole digs to determine soil type and stability. Also, due to unanticipated changes in the healthcare market, it is no longer financially feasible for Progressive Beginnings, LLC to pursue this project. Progressive Beginnings, LLC is currently leasing space within the city of Sheboygan, with a 10 year lease obligation.

On behalf of Progressive Beginnings, LLC I have submitted multiple emails to the City of Sheboygan throughout 2011 that I would like to list the property or resell the property to the City of Sheboygan. I at one time even looked at switching lots that we owned to enable us to downsize our project to fit within the confines of the Industrial Park.

I would like to request that the city repurchase the 2 acre parcel located at the northwest corner of Concord and Gateway Drive within the City of Sheboygan Business Park property back from Progressive Beginnings, LLC. Progressive Beginnings, LLC is no longer in a position to move forward with the construction project as we originally intended.

Please feel to free to contact me at (920) 226-9139 if you have any additional questions or concerns.

Respectfully Submitted,



John Elmendorf

Progressive Beginnings, LLC

2131 South Business Drive

Sheboygan, WI 53081

II

4.1

R. O. No. 26 - 12 - 13. By BOARD OF WATER COMMISSIONERS. May 21, 2012.

We, hereby, submit the Board of Water Commissioners' Report on the Water Utility for the first quarter of 2012.

The water pumpage was down 5.92% from the same period in 2011. 953,936,000 gallons were pumped in the first quarter, compared to 1,013,952,000 in 2011.

Year to date Operating Revenue at the end of the 1st quarter increased by $4,301 compared to year to date 2011. The net income for the Utility, as of the end of March 31, 2012 is $35,199. Details are shown on the attached Income Statement and Balance Sheet.

Construction-Maintenance:

Construction-maintenance work by the Water Utility during the first quarter of 2012:

Number of feet of 4 inch water main installed	0.0
Number of feet of 6 inch hydrant lead installed	0.0
Number of feet of 6 inch water main installed	0.0
Number of feet of 8 inch water main installed	0.0
Number of feet of 10 inch water main installed	0.0
Number of feet of 12 inch water main installed	0.0
Number of feet of 16 inch water main installed	0.0
Number of feet of 20 inch water main installed	0.0
Number of feet of 24 inch water main installed	0.0
Number of feet of water main abandoned or removed.....	0
Number of water main breaks repaired	0
Number of fire hydrants installed, replaced, relocated, removed, flushed, or major repairs made.....	0
Number of water main valves installed, repaired, removed, or replaced	0
Number of water service connections installed	0

Details are shown on the attached spreadsheets.

Project Acct File

Other Utility Business:

During the first quarter of 2012, the Water Utility implemented the billing and collection of garbage fees for the City of Sheboygan.

Due to a mild winter, the Utility suffered no intake pipeline icing events during late 2011 or the first quarter of 2012.

A water rate increase was implemented during the first quarter as approved by the Wisconsin Public Service Commission.

Audited financial reports on 2011 were submitted to Council.

BOARD OF WATER COMMISSIONERS

Gerald R. Van De Kreeke, President

Raymond W. Haen, Secretary

Art Stewart, Member

Attachments - Balance Sheet
Income Statement
Distribution System Quarterly Report
High Lift Delivery Quarterly Report

Distribution System -- March 2012

Street Valves and Hydrant Valves Installed (including water main projects and others)

Location	Date Installed	Size ("), Jt	Installed By	Type

Total Valves Installed = 0

Street Valves and Hydrant Valves Removed

Location	Installed	Abandoned	Type

Total Valves Removed = 0

Street Valves and Hydrant Valves Abandoned

Location	Installed	Abandoned

Total Valves Abandoned = 0

Street Valves and Hydrant Valves Maintained

Location	Maintained	Size

Total Valves Maintained = 0

Hydrants Installed (including water main projects and others)

Location	Installed	Tr Size	Valve	By

Total Hydrants Installed = 0

Hydrants Removed (including water main projects and others)

Location	Installed	Removed	Hyd Valve?

Total Hydrants Removed = 0

Hydrants Abandoned (including water main projects and others)

Location	Installed	Abandoned	Tr Size	Hyd Valve?

Total Hydrants Abandoned = 0

Hydrants Maintained/Moved (including water main projects and others)

Location	Installed	Maintained

Total Hydrants Maintained/Moved = 0

Water Main Breaks

Location	Date	Size

Total Water Main Breaks = 0

SUMMARY

Number of feet of 4 inch water main installed	0	water main
Number of feet of 6 inch hydrant lead installed	0.00	
Number of feet of 6 inch water main installed	0	
Number of feet of 8 inch water main installed	0	
Number of feet of 12 inch water main installed	0	
Number of feet of 16 inch water main installed	0.0	
Number of feet of 20 inch water main installed	0.0	
Number of feet of 24 inch water main installed	0	
Number of feet of water main abandoned or removed	0	
Number of water main breaks repaired	0	
Number of hydrants installed	0	hydrants
Number of hydrants removed or abandoned	0	
Number of hydrants maintained or moved	0	
Number of street valves installed	0	valves
Number of hydrant valves installed	0	
Number of street valves removed or abandoned	0	
Number of hydrant valves removed or abandoned	0	
Number of valves maintained	0	
Number of water connections installed	1	

HIGH LIFT DELIVERY QUARTERLY REPORT 2012

I. FIRST QUARTER — Jan - Feb - Mar

	GALLONS	COST $	$/MG
2011	1,013,952,000	$208,281.37	$205.42
2012	953,936,000	$184,335.55	$193.24
Percent Difference	-5.92%	-11.50%	-5.93%

II. SECOND QUARTER — Apr - May - Jun

	GALLONS	COST $	$/MG
2011	1,106,909,000	$203,210.98	$183.58
2012	0	$0.00	#DIV/0!
Percent Difference	-100.00%	-100.00%	#DIV/0!

III. THIRD QUARTER — Jul - AUG - Sep

	GALLONS	COST $	$/MG
2011	1,333,406,000	$220,359.05	$165.26
2012	0	$0.00	#DIV/0!
Percent Difference	-100.00%	-100.00%	#DIV/0!

IV. FOURTH QUARTER — Oct - Nov- Dec

	GALLONS	COST $	$/MG
2011	1,044,958,000	$191,047.99	$182.83
2012	0	$0.00	#DIV/0!
Percent Difference	-100.00%	-100.00%	#DIV/0!

YEAR TO DATE: 2012

ELECTRICITY
CHEMICALS
NATURAL GAS

	GALLONS	COST $	$/MG
2011	4,499,225,000	$822,899.37	$182.90
2012	953,936,000	$184,335.55	$193.24
Percent Difference	-78.80%	-77.60%	5.65%

YEAR TO DATE: 2012

SLUDGE DISPOSAL

	GALLONS	COST $
2011	6,988,050	$47,799.02
2012	1,207,070	$42,481.01
Percent Difference	-82.73%	-11.13%

STORM WATER CHARGES — 2012 | NA | $0.00

HIGH LIFT SYSTEM DELIVERY:

Maximum Pumpage Day	14,766,000	March 14.2012
Minimum Pumpage Day	6,694,000	January 8, 2012

	MG	$	$/MG
2011	4,499,225,000	$822,899.37	$182.90
2012	953,936,000	$184,335.55	$193.24

Sheboygan Water Utility
Sheboygan, Wisconsin
Income Statement - March 31, 2012

Account #	Utility Operating Income	1-Jan-12 to 31-Mar-12	1-Jan-11 to 31-Mar-11	Increase or (Decrease)
400	Operating Revenue	1,630,417	1,626,116	4,301
401	Operating Expenses	842,426	615,817	226,609
402	Maintenance Expenses	155,746	130,594	25,152
403	Depreciation Expenses	278,402	260,083	18,319
403	Taxes	233,174	228,325	4,849
	Total Operating Expenses	1,509,749	1,234,819	274,930
	Utility Operating Income	120,668	391,297	(270,629)
	Other Income			
419	Interest Earned on Investments	2,040	5,055	(3,015)
421	Contributions	0	0	0
	Other Expense			
407	Bond Interest Expense	87,510	96,571	(9,061)
Net Income as of March 31, 2012		35,199	299,781	(264,582)

Note: 2012 Net Income reduced primarily due to lump sum meter purchase and delay in billing expense allocations.

Sheboygan Water Utility
Financial Statement of March 31, 2012
Balance Sheet Including Net Income

Account #		Debit Balance	Credit Balance
	Utility Plant in Service	46,972,417	
107	Construction Work in Progress	1,775,287	
111	Accumulated Provision for Depreciation of Utility Plant		13,726,880
125	Bond Redemption Fund	664,819	
125	Appropriated Funds Invested for Plant Expansion and Payables	0	
126	Depreciation Fund	0	
128	Other Special Funds Employee Pensions (ICMA, Wisc Def Comp)	1,354,776	
128	Other Special Funds Health Ins	0	
135	Working Funds	550	
136	Temporary Cash Investments	3,579,200	
142	Customer Accounts Recievable	977,189	
145	Receivables from Municipality	435,730	
154	Materials and Supplies	246,485	
163	Stores Expense	0	
157	Health Care FSA	0	
165	Prepayments	38,352	
171	Interest and Dividends Receivable	0	
181	Misc Deferred Debits		
184	Transportation Expense	0	
200	Capital Paid in by Municipality		1,640,701
216	Unappropriated Earned Surplus		28,191,003
221	Long Term Debt Bonds		9,126,398
223	Advances from Municipality		275,410
232	Accounts Payable		608
236	Taxes Accrued		715,590
272	Interest Payable on Bonds		151,109
251	Bond Premium		2,804
242	Misc. Current & Accrued Liab		5,002
253	Misc Deferred Credits		295,273
285	Medical Insurance Fund		0
263	Other Special Funds Employee Pensions		1,354,776
265	Accrued Employee Benefits		524,052
425	Amoritization of Pre 2003 Depreciation		0
	Utility Net Income		35,199
		56,044,805	56,044,805

II

4.5

R. O. No. 30 - 12 - 13. By CITY CLERK. May 21, 2012.

Submitting an Amended Summons and Complaint in the matter of HSBC Bank USA vs. Rita A. Smith et al.

Ignore
File

Susan Richards
City Clerk

STATE OF WISCONSIN | CIRCUIT COURT | SHEBOYGAN COUNTY

HSBC Bank USA, National Association,
as Trustee for Wells Fargo Home Equity
Trust 2004-2
c/o Wells Fargo Bank, N.A.
3476 Stateview Boulevard
Fort Mill, SC 29715

Plaintiff,

vs.

Rita A. Smith
a/k/a Rita Alicia Camano
1222 Huron Ave
Sheboygan, WI 53081-3348

John Doe Smith
1222 Huron Ave
Sheboygan, WI 53081-3348

Defendants,

City of Sheboygan
807 Center Ave
Sheboygan, WI 53081-4414

Sheboygan County
Clerk of Circuit Court
615 N 6th St
Sheboygan, WI 53081-4612

Discover Bank
502 E Market St
Greenwood, DE 19950-9700

Fifth Third Bank
601 Abbot Rd
East Lansing, MI 48823-3366

Added Defendants.

AMENDED SUMMONS

Case No. 11-CV-0342

The Honorable
Terence T. Bourke

Case Code 30404
(Foreclosure of Mortgage)
The amount claimed exceeds $5000.00

MW
1 May 12

CLERK CIRCUIT COURT
FILED
2012 MAY -1 A 10:52

THE STATE OF WISCONSIN

To each person named above as a defendant:

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

CC: ATTY'S OFFICE, JIM AMODEO, BARB OLM, LAURIE SUHRKE

Within 20 days of receiving this amended summons (60 days if you are the United States of America, 45 days if you are the State of Wisconsin or an insurance company), you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the amended complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is set forth below, and to the plaintiff's attorney, at the address set forth below. You may have an attorney help or represent you.

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

Dated this 30th day of April, 2012

Gray & Associates, L.L.P.
Attorneys for Plaintiff

By: _____

Robert M. Piette
State Bar No. 1018058
16345 West Glendale Drive
New Berlin, WI 53151-2841
(414) 224-1987
033256F01

Address of Court:
Sheboygan County Courthouse
615 N. Sixth Street
Sheboygan, WI 53081-4612

Gray & Associates, L.L.P. is attempting to collect a debt and any information obtained will be used for that purpose. If you have previously received a discharge in a chapter 7 bankruptcy case, this communication should not be construed as an attempt to hold you personally liable for the debt.

STATE OF WISCONSIN | CIRCUIT COURT | SHEBOYGAN COUNTY

HSBC Bank USA, National Association,
as Trustee for Wells Fargo Home Equity
Trust 2004-2
c/o Wells Fargo Bank, N.A.
3476 Stateview Boulevard
Fort Mill, SC 29715

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vs.

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Added Defendants.

AMENDED COMPLAINT

Case No. 11-CV-0342

The Honorable
Terence T. Bourke

Case Code 30404
(Foreclosure of Mortgage)
The amount claimed exceeds $5000.00

CLERK CIRCUIT COURT
FILED
2012 MAY -1 A 10: 52
SHEBOYGAN COUNTY
WISCONSIN

Plaintiff, by its attorneys, Gray & Associates, L.L.P., pleads as follows:

1. The plaintiff is the current holder of a certain note and recorded mortgage on real estate located in this county, a true copy of the note is attached hereto as Exhibit A and is incorporated by reference. A true copy of the mortgage is attached hereto as Exhibit B and is incorporated by reference.

2. The mortgaged real estate is owned of record by Rita A. Smith a/k/a Rita Alicia Camano.

3. There has been a failure to make contractual payments as required, and there is now due and owing to plaintiff the principal sum of $84,366.49 together with interest from the 1st day of April, 2011.

4. The plaintiff has declared the indebtedness immediately due and payable by reason of the default in the payments and has directed that foreclosure proceedings be instituted.

5. The mortgaged premises is a parcel of land which is 20 acres or less; with a one to four family residence thereon which is not occupied as the homestead of the defendants; said premises cannot be sold in parcels without injury to the interests of the parties.

6. The mortgagors expressly agreed to the reduced redemption period provisions contained in Chapter 846 of the Wisconsin Statutes; the plaintiff hereby elects to proceed under section 846.103(2) with a three month period of redemption; thereby waiving judgment for any deficiency against every party who is personally liable for the debt, and to consent that the owner, unless he or she abandons the property, may remain in possession and be entitled to all rents and profits therefrom to the date of confirmation of the sale by the court.

7. No proceedings have been had at law or otherwise for the recovery of the sums secured by said note and mortgage except for the present action, and all conditions precedent to the commencement of this action are satisfied.

8. That the names of all added defendants herein are set forth in the Lien Report annexed hereto and incorporated by reference; that the added defendants have or claim to have an interest in the mortgaged premises, as more particularly set forth in the said Lien Report, but that said interests are subject and subordinate to the plaintiff's mortgage.

9. That John Doe Smith has or may claim to have an interest in the subject encumbered property by virtue of being the present spouse of Rita A. Smith a/k/a Rita Alicia Camano.

WHEREFORE, the plaintiff demands.

1. Judgment of foreclosure and sale of the mortgaged premises in accordance with the provisions of section 846.103(2) of the Wisconsin Statutes, with plaintiff expressly waiving its right to obtain a deficiency judgment against any defendant in this action.

2. That the amounts due the plaintiff from the mortgagor defendants for principal, interest, taxes, insurance, costs of suit and attorney fees be determined.

3. That the defendants, and all persons claiming under them be barred from all rights in said premises, except that right to redeem.

4. That the premises be sold for payment of the amount due to the plaintiff, together with interest, reasonable attorney fees and costs, costs of sale and any advances made for the benefit and preservation of the premises until confirmation of sale.

5. That the defendants and all persons claiming under them be enjoined from committing waste or doing any act that may impair the value of the mortgaged premises; and

That the plaintiff have such other and further judgment order or relief as may be just and equitable.

Dated this 30th day of April, 2012.

Gray & Associates, L.L.P.
Attorneys for Plaintiff

By:

Robert M. Piette
State Bar No. 1018058
16345 West Glendale Drive
New Berlin, WI 53151-2841
(414) 224-1987

Gray & Associates, L.L.P. is attempting to collect a debt and any information obtained will be used for that purpose. If you have previously received a discharge in a chapter 7 bankruptcy case, this communication should not be construed as an attempt to hold you personally liable for the debt.

NOTE

Loan Number: RITASMITH

APRIL 30, 2004 [Date] | WAUKESHA [City] | WISCONSIN [State]

1222 HURON AVE, SHEBOYGAN, WISCONSIN 53081
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $ 92,800.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is FIRST CHOICE MORTGAGE, A WISCONSIN CORPORATION (CFL # 596) . I will make all payments under this Note in the form of cash, check or money order.

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.750 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payment on the 1st day of each month beginning on JUNE 1 2004 . I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied to interest before Principal. If, on MAY 1 2034 , I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at W229 N1433 WESTWOOD DRIVE, SUITE 103, WAUKESHA, WISCONSIN 53186 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. $ 601.90 .

4. BORROWER'S RIGHT TO PREPAY

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

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits.

EXHIBIT A

then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

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

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

7. GIVING OF NOTICES

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

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

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

9. WAIVERS

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

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep

Borrower Initials: _____

the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

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

Rita A. Smith (Seal)
RITA A. SMITH -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

Pay to the order of
WELLS FARGO BANK, N.A.
without recourse
this 4 day of 5/04

_____ (Seal)
-Borrower

Thomas J. Ender V.P. Mtg. Banking
First Choice Mortgage
W229 N1433 Westwood Dr. Suite 103
Waukesha, WI 53186

_____ (Seal)
-Borrower

[Sign Original Only]

WF

1732964

SHEBOYGAN COUNTY, WI
RECORDED ON

05/11/2004 12:22PM

DARLENE J. NAVIS
REGISTER OF DEEDS

RECORDING FEE: 30.00
TRANSFER FEE:

STAFF ID 8
TRANS 0 42828

0 OF PAGES: 15

MORTGAGE

Document Number: Loan Number: RITASMITH

Return Address: FIRST CHOICE MORTGAGE
W229 N1433 WESTWOOD DRIVE, SUITE 103
WAUKESHA, WISCONSIN 53186

Parcel I.D. Number: 59281700470

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated APRIL 30, 2004 , together with all Riders to this document.
(B) "Borrower" is RITA A. SMITH, AN UNMARRIED WOMAN

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is FIRST CHOICE MORTGAGE

Lender is a CORPORATION organized and existing under the laws of WISCONSIN
Lender's address is W229 N1433 WESTWOOD DRIVE, SUITE 103, WAUKESHA, WISCONSIN 53186
Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated APRIL 30, 2004 .
The Note states that Borrower owes Lender NINETY TWO THOUSAND EIGHT HUNDRED AND 00/100 Dollars (U.S. $ 92,800.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than MAY 1, 2034 .
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☐ Planned Unit Development Rider	☐ Other(s) [specify]
☒ 1-4 Family Rider	☐ Biweekly Payment Rider	

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

Borrower Initials: Rita A S

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.
(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

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

COUNTY of SHEBOYGAN :
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

THE EAST 42 FEET OF THE SOUTH 50 FEET OF LOT 8 AND THE WEST 48 FEET OF THE SOUTH 50 FEET OF LOT 9, BLOCK 24, ACCORDING TO THE RECORDED ORIGINAL PLAT OF THE CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN.
A.P.N. #: 59281700470

which currently has the address of 1222 HURON AVE
[Street]
SHEBOYGAN , Wisconsin 53081 ("Property Address"):
[City] [Zip Code]

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

Borrower Initials: _____ _____

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

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

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

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require

Borrower Initials: _____ _____

EXHIBIT B

that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

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

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying Reasonable Attorneys' Fees (as defined in Section 25) to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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

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

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed

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as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

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

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

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

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

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

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

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

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment

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

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

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

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

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

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance

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

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

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

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

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

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

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

Borrower Initials: _____

EXHIBIT B

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

RITA A. SMITH (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

Witness:

Witness:

(Space Below This Line For Acknowledgment)

State of Wisconsin
County of SHEBOYGAN

This instrument was acknowledged before me on APRIL 30, 2004
by RITA A. SMITH

DEBORAH E. MIKUSH NOTARY PUBLIC STATE OF WISCONSIN

(Seal)

DEBORAH E. MIKUSH Notary Public

My commission expires: 08/05/06

This instrument was drafted by:
HOLLY KRECKLE

EXHIBIT B

WI3050 12.mg

Loan Number: RITASMITH

1-4 FAMILY RIDER
(Assignment of Rents)

THIS 1-4 FAMILY RIDER is made this 30th day of APRIL, 2004 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to FIRST CHOICE MORTGAGE, A WISCONSIN CORPORATION (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

1222 HURON AVE, SHEBOYGAN, WISCONSIN 53081
[Property Address]

1-4 FAMILY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT. In addition to the Property described in Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling and attached floor coverings, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

B. USE OF PROPERTY; COMPLIANCE WITH LAW. Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

C. SUBORDINATE LIENS. Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

Borrower Initials: _____ _____

EXHIBIT B

D. RENT LOSS INSURANCE. Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Section 5.

E. "BORROWER'S RIGHT TO REINSTATE" DELETED. Section 19 is deleted.

F. BORROWER'S OCCUPANCY. Unless Lender and Borrower otherwise agree in writing, Section 6 concerning Borrower's occupancy of the Property is deleted.

G. ASSIGNMENT OF LEASES. Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

H. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to Section 22 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of default to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 9.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not performed, and will not perform, any act that would prevent Lender from exercising its rights under this paragraph.

Borrower Initials: _____ _____

EXHIBIT B

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

I. CROSS-DEFAULT PROVISION. Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 1-4 Family Rider.

RITA A. SMITH (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

EV... TB

i. Rights of the spouse of Rita A. Smith a/k/a Rita Alicia Camano, if married, and if the property is homestead or marital property.

j. Federal Tax Liens, if any, against the spouse of Rita A. Smith a/k/a Rita Alicia Camano, if married, and if the property is homestead or marital property.

k. Minerals, Mineral rights, drainage rights, easements, restrictions, covenants, party wall agreements, and conditions of record, any assessments arising from membership in and/or use of area subject to assessment by homeowner's association or similar body, including but not limited to any of the foregoing cited in this commitment/policy.

l. Public or private rights, if any, in such portion of the insured premises as may be used, laid out, platted, dedicated or reserved in any manner for street and/or alley and/or highway purposes and/or lying below the ordinary high water mark of any adjacent body of water or stream.

m. A Mortgage from Rita A. Smith, an unmarried woman to First Choice Mortgage in the original amount of $92,800.00.
Dated: April 30, 2004 Recorded: May 11, 2004
Document No: 1732964

The foregoing mortgage has been assigned to Wells Fargo Bank, N.A., by assignment.
Dated: June 16, 2004 Recorded: June 18, 2004
Document No: 1737175

n. A Mortgage from Rita A. Smith to City of Sheboygan, Department of City Development, 807 Center Avenue, Sheboygan, WI 53081 in the original amount of $4,838.00.
Dated: November 9, 2004 Recorded: February 2, 2005
Document No: 1756879

o. Judgment Case: 09CM1473
Docketed: May 20, 2010
Debtor: Rita A. Smith
Creditor: Sheboygan County Clerk of Circuit Court, 615 N. Sixth Street, Sheboygan, WI 53081-4692
Amount: $248.00

p. Order for Change of Name, Rita Alicia Smith a/k/a Rita Alicia Camano.
Dated: September 13, 2004 Recorded: September 13, 2004
Document No: 1744851 (Copy attached)

r. Judgment Case: 11CV242
Docketed: April 13, 2011
Debtor: Rita A. Smith
Creditor: Discover Bank, PO Box 3025, New Albany, OH 43054
Amount: $5,677.42
Attorney: Jonathan J. Cattey

s. Judgment Case: 11CV352
Docketed: August 29, 2011
Debtor: Rita A. Smith
Creditor: Fifth Third Bank, 1830 East Paris Avenue SE, Grand Rapids, MI 49546
Amount: $43,403.57
Attorney: Melissa A. Fitzgerald

LIEN REPORT

II

Other Matters

8.1

R. O. No. 36 - 12 - 13. By CITY CLERK. May 21, 2012.

Submitting a claim from Cindy Boeldt for alleged damages to her glasses when she was placed in the back seat of a squad car.

Invoice
pay claim #371.20

Susan Richards
City Clerk

DATE RECEIVED 5-17-12 RECEIVED BY 2-12

CLAIM NO. Long

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

MAY 17'12 PM 3:15

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.
4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

TO CITY OF SHEBOYGAN

1. Name of Claimant: Cindy Boeldt
2. Home address of Claimant: 4215 North Field Dr.
3. Home phone number: 207-5327.
4. Business address and phone number of Claimant: -
5. When did damage or injury occur? (date, time of day) 5-11-12 Approx 12:
6. Where did damage or injury occur? (give full description) My glasses Fell When I was shoved into the back seat of the squad car
7. How did damage or injury occur? (give full description) When I was shoved in to the back of the squad car I my glass Fell on the graund. I asked the officer to pick up my glasses and he just Shut the door then I asked again for my glassed I was ignored I asked Several times
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
   (a) Name of such officer or employee, if known: McCarthy
   (b) Claimant's statement of the basis of such liability: Officer was negligent by put my glass on top of the Squad car
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
   (a) Public property alleged to be dangerous: no
   (b) Claimant's statement of basis for such liability: no

CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE, CHIEF DOMOGALSKI,

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

No injury prescription glasses were ~~Dale~~ broke beyond repair

11. Name and address of any other person injured: no

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: $_____

Property: $ ~~371.20~~

Personal injury: $_____

Other: (Specify below $ 371.20

Perscription glasses

Damaged vehicle (if applicable) No

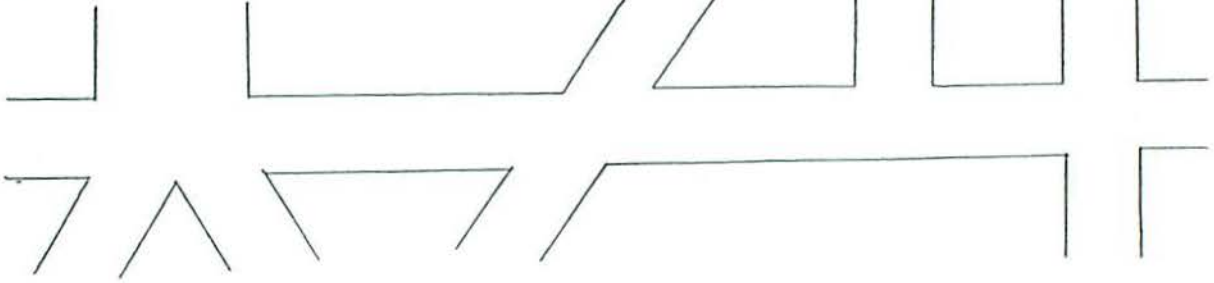
Make: _____ Model: _____ Year: _____ Mileage: _____

Names and addresses of witnesses, doctors and hospitals: _____

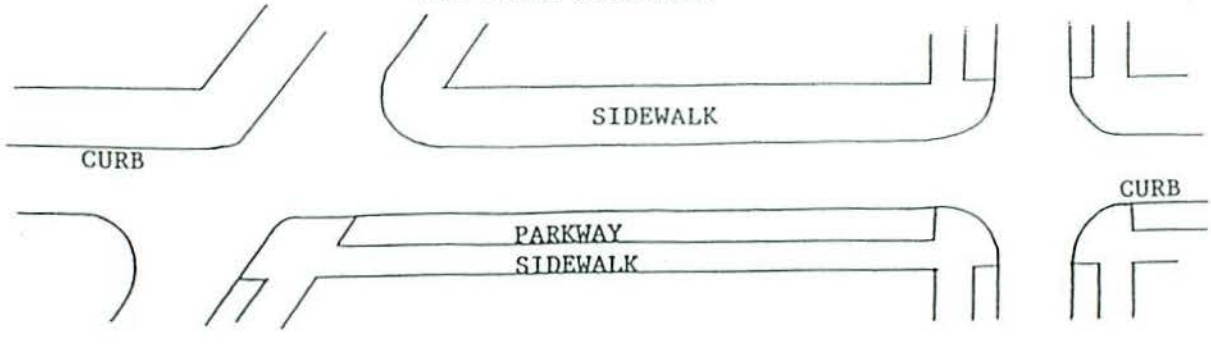
FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT'S VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by the Claimant.

FOR AUTOMOBILE ACCIDENTS



FOR OTHER ACCIDENTS



SIGNATURE OF CLAIMANT: Cindy Boelcke Date: 5-17-12

DATE RECEIVED 5-17-12

RECEIVED BY 5-12-17

CLAIM NO. Llory

CLAIM

Claimant's Name: Cindy Boeldt

Claimant's Address: 4215 North Field Dr. Sheboygan 53083

Claimant's Phone No. 920-207-5327

Auto $

Property $ 371.20

Personal Injury $

Other (Specify below) $ 371.20

Perscription glasses

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of $ 371.20.

SIGNED: Cindy Boeldt DATE: 5-17-12

ADDRESS: 4215 North Field Dr.

Wisconsin Vision, Inc. (WVI) STORE: 330-1 05/11/12
SALES DATA ENTRY RECORDS: 12 12:04 PM

Invoice No.: 188633 Optician: 330-016162 Drewieske, Maureen
Trans. Type: Invoice Patient: 330-018217 Cindy Boeldt
Market Code: RWI Doctor: 330-020000 Garlich, Jaclyn E
Retail - Walk In Ins. Plan:

Disc. Plan: LST List Price

Invoice Subtotal: 371.20

Ln	Job	Item No.	Description	Tax	Qty	Price	Ext
1)	-E1-	147841514818	LC 415 1Z9(WINEROSE)48	P	1	135.20	135.20
2)	-E1-	21411065	ZEISS GT-2 3DV PLASTIC	P	2	118.00	236.00
3)	-E1-	no coats					
4)							
5)							
6)							
7)							
8)							
9)							
10)							

Is the Above Correct?
(Yes, No, Job, Contact, Tax, <1-4>):[Yes]

WISCONSIN VISION
2229 S. Memorial Place
Sheboygan, WI 53081
(920) 458-9301

II

4.6

R. O. No. 31 - 12 - 13. By CITY CLERK. May 21, 2012.

Submitting an Amended Summons and Complaint in regards to Bank Mutual vs. David A. Neese et al.

Finance

File -

Susan Richards

City Clerk

STATE OF WISCONSIN | CIRCUIT COURT | SHEBOYGAN COUNTY

Bank Mutual
4949 West Brown Deer Road
Milwaukee, WI 53223-0988

Plaintiff,

vs.

David A. Neese
906 Forest Ave
Sheboygan, WI 53081-7829

Defendant,

Bank Mutual
4949 W Brown Deer Rd
Milwaukee, WI 53223-2421

City of Sheboygan
828 Center Ave
Sheboygan, WI 53081-4442

Added Defendants.

AMENDED SUMMONS

Case No. 11-CV-1282

The Honorable
Timothy M. Van Akkeren

Case Code 30404
(Foreclosure of Mortgage)
The amount claimed exceeds $5000.00

MW
10 May 12

CLERK CIRCUIT COURT
FILED
2012 MAY 11 A 11:41
SHEBOYGAN COUNTY
WISCONSIN

THE STATE OF WISCONSIN

To each person named above as a defendant:

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

Within 20 days of receiving this amended summons (60 days if you are the United States of America, 45 days if you are the State of Wisconsin or an insurance company), you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the amended complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is set forth below, and to the plaintiff's attorney, at the address set forth below. You may have an attorney help or represent you.

If you do not provide a proper answer within 20 days (60 days if you are the United States of America, 45 days if you are the State of Wisconsin or an insurance company), the court may grant judgment against you for the award of money or other legal action requested in the amended complaint,

CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE, BARB OLM

and you may lose your right to object to anything that is or may be incorrect in the amended complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated this 9th day of May, 2012

Gray & Associates, L.L.P.
Attorneys for Plaintiff

By: _____

Robert M. Piette
State Bar No. 1018058
16345 West Glendale Drive
New Berlin, WI 53151-2841
(414) 224-1987
038693F01

Address of Court:
Sheboygan County Courthouse
615 N. Sixth Street
Sheboygan, WI 53081-4612

Gray & Associates, L.L.P. is attempting to collect a debt and any information obtained will be used for that purpose. If you have previously received a discharge in a chapter 7 bankruptcy case, this communication should not be construed as an attempt to hold you personally liable for the debt.

STATE OF WISCONSIN | CIRCUIT COURT | SHEBOYGAN COUNTY

Bank Mutual
4949 West Brown Deer Road
Milwaukee, WI 53223-0988

Plaintiff,

vs.

David A. Neese
906 Forest Ave
Sheboygan, WI 53081-7829

Defendant,

Bank Mutual
4949 W Brown Deer Rd
Milwaukee, WI 53223-2421

City of Sheboygan
828 Center Ave
Sheboygan, WI 53081-4442

Added Defendants.

AMENDED COMPLAINT

Case No. 11-CV-1282

The Honorable
Timothy M. Van Akkeren

Case Code 30404
(Foreclosure of Mortgage)
The amount claimed exceeds $5000.00

CLERK CIRCUIT COURT
FILED
2012 MAY 11 A 11:41
SHEBOYGAN COUNTY
WISCONSIN

Plaintiff, by its attorneys, Gray & Associates, L.L.P., pleads as follows:

1. The plaintiff is the current holder of a certain note and recorded mortgage on real estate located in this county, a true copy of the note is attached hereto as Exhibit A and is incorporated by reference. A true copy of the mortgage is attached hereto as Exhibit B and is incorporated by reference.

2. The mortgaged real estate is owned of record by David A. Neese.

3. There has been a failure to make contractual payments as required, and there is now due and owing to plaintiff the principal sum of $93,740.15 together with interest from the 14th day of May, 2011.

4. The plaintiff has declared the indebtedness immediately due and payable by reason of the default in the payments and has directed that foreclosure proceedings be instituted.

5. The mortgaged premises is a parcel of land which is 20 acres or less; with a one to four family residence thereon which is not occupied as the homestead of the defendants; said premises cannot be sold in parcels without injury to the interests of the parties.

6. The mortgagors expressly agreed to the reduced redemption period provisions contained in Chapter 846 of the Wisconsin Statutes; the plaintiff hereby elects to proceed under section 846.103(2) with a three month period of redemption; thereby waiving judgment for any deficiency against every party who is personally liable for the debt, and to consent that the owner, unless he or she abandons the property, may remain in possession and be entitled to all rents and profits therefrom to the date of confirmation of the sale by the court.

7. No proceedings have been had at law or otherwise for the recovery of the sums secured by said note and mortgage except for the present action, and all conditions precedent to the commencement of this action are satisfied.

8. That the names of all added defendants herein are set forth in the Lien Report annexed hereto and incorporated by reference; that the added defendants have or claim to have an interest in the mortgaged premises, as more particularly set forth in the said Lien Report, but that said interests are subject and subordinate to the plaintiff's mortgage.

WHEREFORE, the plaintiff demands.

1. Judgment of foreclosure and sale of the mortgaged premises in accordance with the provisions of section 846.103(2) of the Wisconsin Statutes, with plaintiff expressly waiving its right to obtain a deficiency judgment against any defendant in this action.

2. That the amounts due the plaintiff from the mortgagor defendants for principal, interest, taxes, insurance, costs of suit and attorney fees be determined.

3. That the defendants, and all persons claiming under them be barred from all rights in said premises, except that right to redeem.

4. That the premises be sold for payment of the amount due to the plaintiff, together with interest, reasonable attorney fees and costs, costs of sale and any advances made for the benefit and preservation of the premises until confirmation of sale.

5. That the defendants and all persons claiming under them be enjoined from committing waste or doing any act that may impair the value of the mortgaged premises; and

That the plaintiff have such other and further judgment order or relief as may be just and equitable.

Dated this 9th day of May, 2012.

Gray & Associates, L.L.P.
Attorneys for Plaintiff

By:

Robert M. Piette
State Bar No. 1018058
16345 West Glendale Drive
New Berlin, WI 53151-2841
(414) 224-1987

Gray & Associates, L.L.P. is attempting to collect a debt and any information obtained will be used for that purpose. If you have previously received a discharge in a chapter 7 bankruptcy case, this communication should not be construed as an attempt to hold you personally liable for the debt.

NOTE

April 14th, 2006 [Date] | Sheboygan [City] | Wisconsin [State]

3020 N 13th Street
Sheboygan, WI 53083
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $ 100,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is Bank Mutual

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

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.550%.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payment on the 1st day of each month beginning on June 01, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied to interest before Principal. If, on May 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 4949 West Brown Deer Milwaukee, WI 53224-9533 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. $ 635.36

4. BORROWER'S RIGHT TO PREPAY

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

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

ORIGINAL DOCUMENT
SENT TO INVESTOR

EXHIBIT A

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

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

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

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

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

7. GIVING OF NOTICES

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

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

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

9. WAIVERS

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

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this

Initials: DN

EXHIBIT A

Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

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

David A Neese (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

PAY TO THE ORDER OF

[Sign Original Only]

WITHOUT RECOURSE
BANK MUTUAL

BY Kathryn E. Krausert

Kathryn E. Krausert - Vice President

EXHIBIT A

1798126

MORTGAGE

SHEBOYGAN COUNTY, WI
RECORDED ON
05/12/2006 09:40AM

ELLEN R. SCHLEICHER
REGISTER OF DEEDS

RECORDING FEE: 39.00
TRANSFER FEE:
EXEMPTION #

STAFF ID 6
TRANS # 80305
OF PAGES: 15

DOCUMENT NUMBER

NAME & RETURN ADDRESS

Bank Mutual
4949 West Brown Deer
Milwaukee, WI 53224-9533

PARCEL IDENTIFIER NUMBER
59281711900

GTI-5248 [Space Above This Line For Recording Data]

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated April 14th, 2006, together with all Riders to this document.
(B) "Borrower" is David A Neese, An unmarried person

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is Bank Mutual

Lender is a Savings Bank
organized and existing under the laws of The United States of America

EXHIBIT B

Lender's address is 4949 West Brown Deer, Milwaukee, WI 53224-9533

Lender is the mortgagee under this Security Instrument.
(D) "Note" means the promissory note signed by Borrower and dated April 14th, 2006 .
The Note states that Borrower owes Lender ONE HUNDRED THOUSAND AND 00/100
Dollars
(U.S. $100,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than May 1, 2036 .
(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☐ Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.
(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.
(K) "Escrow Items" means those items that are described in Section 3.
(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.
(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.
(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.
(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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EXHIBIT B

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

County of Sheboygan :
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

Lots Two (2) and Three (3), Block Six (6), according to the recorded Plat of Lake Shore Division, in the City of Sheboygan, Sheboygan County, Wisconsin.

This is homestead property.

which currently has the address of 3020 N 13th Street
[Street]

Sheboygan [City], Wisconsin 53083 [Zip Code]
("Property Address"):

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

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

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

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

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

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EXHIBIT B

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

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

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

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

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

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

Initials: DN

EXHIBIT B

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

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

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

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

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

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

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

EXHIBIT B

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

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

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

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

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

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

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EXHIBIT B

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

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

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

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

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

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

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

EXHIBIT B

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

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

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

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

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

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

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

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

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EXHIBIT B

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

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

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

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

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

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

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

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

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

Initials: DN

EXHIBIT B

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

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

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

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

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

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

Initials DN

EXHIBIT B

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

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

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

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

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

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

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

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

Initials: DN

EXHIBIT B

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

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

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

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

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

EXHIBIT B

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

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

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

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

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

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

Initials: RN

EXHIBIT B

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

Witnesses:

David A Neese (Seal) -Borrower

_____

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

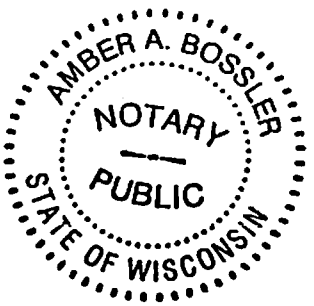
EXHIBIT B

STATE OF WISCONSIN, Sheboygan County ss:

The foregoing instrument was acknowledged before me this April 14, 2006
by David A Neese

My Commission Expires:
5-24-09

Amber A Bossler
Notary Public, State of Wisconsin



This instrument was prepared by

Eric Hickey
4949 West Brown Deer
Milwaukee, WI 53224-9533

EXHIBIT B

The following are the requirements to be complied with:

a. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

b. Payment to the Company of the premiums, fees and charges for the policy:

c. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

1. An action to foreclose the Mortgage from David A. Neese, an unmarried person to Bank Mutual in the amount of $100,000.00 dated April 14, 2006 and recorded May 12, 2006 as Document No. 1798126 should be duly prosecuted to judgment, sale and confirmation of sale.

2. Deed from the Sheriff of Sheboygan County to the Plaintiff named or to be named in the foreclosure action called for in Schedule B-Section I.

3. The amount of insurance shown on Schedule A must be increased to an amount equivalent to the full value of the subject premises before the policy will be issued. At such time, an additional charge will be made in conformity with established rates.

4. An action to foreclose the above-described mortgage was commenced in Case No. 2011CV001282 filed on December 22, 2011 , with Lis Pendens recorded December 28, 2011 as Document No. 1936460 .

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Special assessments, special taxes or special charges, if any, payable with the taxes levied or to be levied for the current and subsequent years.
3. Liens, hook-up charges or fees, deferred charges, reserve capacity assessments, impact fees, or other charges or fees due payable on the development or improvement of the Land, whether assessed or charged before or after the date of the policy.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Rights or claims of parties in possession not shown by the public records.
6. Any encroachments, encumbrance, violation, variation, or adverse circumstance affecting Title that would be disclosed by an accurate and complete land survey of the Land.
7. Easements or claims of easements not shown by the public records.
8. Any claim of adverse possession or prescriptive easement.
9. General Taxes for the year 2012 , not yet due or payable.
10. Covenants, conditions, restrictions, easements, servitudes, reservations of minerals or mineral rights, if any, affecting title to the Land, which: (i) appear in or are referenced in the public land records, or (ii). appear in, are shown on, or are referenced in any recorded plat or certified survey map.
11. Possible homestead and marital property rights of the spouse of the insured if the proposed deed is to run to a married individual.
12. Judgments and/or liens, if any, docketed or filed against the prospective owner of the subject premises. Further report will be made as to such judgments and liens when we are advised as to the name of the prospective owner.
13. Rights of spouse, if any.
14. Storm, sewer, drainage and sanitary district assessments, if any
15. Certificate of Compliance Rental Unit Energy Efficiency Standards recorded August 20, 2001, in Volume 1866 of Records, at Page 802, as Document No. 1608133.
16. Mortgage from David A. Neese, as an individual to Bank Mutual in the amount of $39,463.00 dated July 31, 2006 and recorded August 3, 2006 as Document No. 1805022 .
17. Mortgage from David A. & Carmen J. Neese to City of Sheboygan, Wisconsin, Department of City Development in the amount of $1,927.00 dated May 25, 2010 and recorded June 2, 2010 as Document No. 1902247 .

LIEN REPORT

II

3.2

R. O. No. 44 - 12 - 13. By CITY CLERK. June 4, 2012.

Submitting a Notice of Application for Confirmation of Sale, Order Adding to Judgment and Writ of Assistance in the matter of Wisconsin Housing and Economic Development Authority vs. Peter J. Zabel et al.

Finance

file

Susan Richards

City Clerk

3.5

44

Alma Holland

STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY;

Plaintiff,

vs.

PETER J. ZABEL and JANE DOE, unknown spouse of Peter J. Zabel; and TANYA D. ZABEL and JOHN DOE, unknown spouse of Tanya D. Zabel; and CITY OF SHEBOYGAN; and COLUMBIA ST. MARYS, INC., d/b/a MARSHO FAMILY MEDICAL GROUP; and SHEBOYGAN COUNTY;

Defendants.

Case No. 11-CV-1018
Code No. 30404
Foreclosure of Mortgage
Dollar Amount Greater Than $5,000.00

NOTICE OF APPLICATION FOR CONFIRMATION OF SALE, ORDER ADDING TO JUDGMENT AND WRIT OF ASSISTANCE

TO: PETER J. ZABEL and JANE DOE,
unknown spouse of Peter J. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

TANYA D. ZABEL and JOHN DOE,
unknown spouse of Tanya D. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

CITY OF SHEBOYGAN,
c/o City Clerk,
828 Center Avenue
Sheboygan, Wisconsin 53081

Lori A. Henley, Esq.
c/o Columbia St. Mary's Milwaukee Campus
2323 North Lake Drive
Milwaukee, WI 53211

SHEBOYGAN COUNTY,
c/o County Clerk,
615 North Sixth Street
Sheboygan, Wisconsin 53081

Tenants / Occupants
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

PLEASE TAKE NOTICE that the premises above described in the judgment of foreclosure

CC: ATTY's OFFICE, JIM AMODEO, LAURIE SUHRKE, BARB OLM

entered in the above-entitled action on the 8th day of November, 2011, said judgment being in the amount of $44,516.32, were sold at public auction pursuant to said judgment, and upon due notice as required by law, under the direction of the Sheriff of Sheboygan County Wisconsin, on the 16th day of May, 2012, at the Sheboygan County Courthouse, in the City of Sheboygan, Sheboygan County, State of Wisconsin. That the successful bidder at the sale was the plaintiff, which bid the sum of $48,726.02.

That the amount due on said judgment at the time of said sale was $44,516.32, plus $1,760.83 additional interest since judgment; $150.00 additional sheriff's fees; $100.00 broker's price opinion; $156.00 property inspection;$1,776.28 escrow advance; $266.59 publication costs, for a total sum of $48,726.02, that the successful bidder at said sale was the plaintiff, which bid $48,726.02.

PLEASE TAKE FURTHER NOTICE that the plaintiff will apply to the Court, and before the Honorable L. Edward Stengel, at the Sheboygan County Courthouse in the City of Sheboygan, Sheboygan County, State of Wisconsin, on the 5th day of June, 2012, at 8:15 o'clock in the forenoon, or as soon thereafter as counsel can be heard, for an order adding to judgment, and for an order confirming sale and approving the sheriff's report of sale on file herein.

PLEASE TAKE FURTHER NOTICE that at said time and place on June 5, 2012, before said Judge, the plaintiff will apply to the above Court for a Writ of Assistance ordering that the present occupants of the premises which is the subject matter of this action be removed from said premises and that the occupancy and possession of said premises be delivered to the plaintiff.

YOUR ATTENDANCE AT THIS HEARING IS OPTIONAL. You are not required to appear at this hearing, though you may do so if you choose.

Dated this 18 day of May, 2012.

O'DESS AND ASSOCIATES, S.C.
Attorneys for Plaintiff

By: M. ABIGAIL O'DESS
Bar Code No. 1017869

Drafted by:

M. Abigail O'Dess
O'Dess and Associates, S.C.
1414 Underwood Avenue #403
Wauwatosa, WI 53213
(414) 727-1591
(414) 727-1590 (Fax)

O'Dess and Associates, S.C., is attempting to collect a debt and any information obtained will be used for that purpose.

If you have previously received a Chapter 7 Discharge in Bankruptcy, this correspondence should not be construed as an attempt to collect a debt.

STATE OF WISCONSIN)
) SS
MILWAUKEE COUNTY)

Terri A. Graham, Paralegal, at O'Dess and Associates, S.C., being first duly sworn on oath, says that on the 18th day of May, 2012, she mailed, properly enclosed in a postpaid envelope the NOTICE OF APPLICATION FOR CONFIRMATION OF SALE, ORDER ADDING TO JUDGMENT AND WRIT OF ASSISTANCE in the above entitled action, addressed to the following named person at the proper post office address set forth:

PETER J. ZABEL and JANE DOE,
unknown spouse of Peter J. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

TANYA D. ZABEL and JOHN DOE,
unknown spouse of Tanya D. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

CITY OF SHEBOYGAN,
c/o City Clerk,
828 Center Avenue
Sheboygan, Wisconsin 53081

Lori A. Henley, Esq.
c/o Columbia St. Mary's Milwaukee Campus
2323 North Lake Drive
Milwaukee, WI 53211

SHEBOYGAN COUNTY,
c/o County Clerk,
615 North Sixth Street
Sheboygan, Wisconsin 53081

Tenants / Occupants
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

Terri A. Graham

Subscribed and sworn to before me
this 18th day of May, 2012.

M. Abigail O'Dess
Notary Public, State of Wisconsin
My Commission is Permanent.

II

3.3

R. O. No. 45 - 12 - 13. By CITY CLERK. June 4, 2012.

Submitting a claim from Sheboygan Trades & Labor Hall Association for alleged damages to their basement at 1104 Wisconsin Ave. because of sewer back up.

Susan Richards
City Clerk

3.3

45

DATE RECEIVED 6-11-12 (5-30-12) RECEIVED BY Library

CORRECTED Amounts CLAIM NO. 4-179

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.
4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

TO CITY OF SHEBOYGAN (BRIAN L. BILLMAN - FINANCIAL SECRETARY)

1. Name of Claimant: SHEBOYGAN TRADES & LABOR HALL ASSOCIATION
2. Home address of Claimant: 1104 WISCONSIN AVE. SHEBOYGAN WI. 53081
3. Home phone number: 920-452-8491 C/920-904-7574
4. Business address and phone number of Claimant: 1104 WISCONSIN AVE. SHEBOYGAN. WI 53081 920-452-8491
5. When did damage or injury occur? (date, time of day) APRIL 3, 2012 APPROX 7am
6. Where did damage or injury occur? (give full description) THE ENTIRE BASEMENT LEVEL OF 1104 WISCONSIN AVE WAS FLOODED 2-3 INCHES OF SEWER BACKUP WATER.
7. How did damage or injury occur? (give full description) WE WERE INFORMED BY A CITY WORKER THAT A SEWER LATERAL PIPE NEAR THE RIVER BY WATER STREET HAD PLUGGED CAUSING SEWER BACKUP IN OUR BUILDING BEING IT WAS THE LOWEST LEVEL (ELEVATION) IN THE ARE
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:

   (a) Name of such officer or employee, if known: UNKNOWN

   (b) Claimant's statement of the basis of such liability: THE CITY WORKER (MALE) ADMITTED THE BACKUP WAS THE CITIES FAULT DUE TO THE LATERAL PIPE PLUGGING UP. SUGGESTED FILING A CLAIM
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:

   (a) Public property alleged to be dangerous: THE (2) LOWER HALLS IN OUR BUILDING ARE OPEN FOR PUBLIC RENTING (MEETINGS/PARTIES)

   (b) Claimant's statement of basis for such liability: SANITARY BACK UP CAN CAUSE HEALTH ISSUES (POLUTED WATER - MOLD ETC.) IF NOT CLEANED PROPERLY

CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE, DAVID BIEBEL

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

FLOODING OF LOWER LEVEL OF UNSANITARY WATER WHIC NEEDED PROFESSIONAL CLEANING & FLOOR PAINT DAMAGE ("NO INJURIES")

11. Name and address of any other person injured: NO INJURIES

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: $ _____ CLEANING

Property: $ 1795.50 (SEE ATTACHED)

Personal injury: $ _____

Other: (Specify below $ 3810.00 PAINT & LABOR TO REPAIR 5605.50 FLOOR) THIS IS AN ESTIMATE

Damaged vehicle (if applicable)

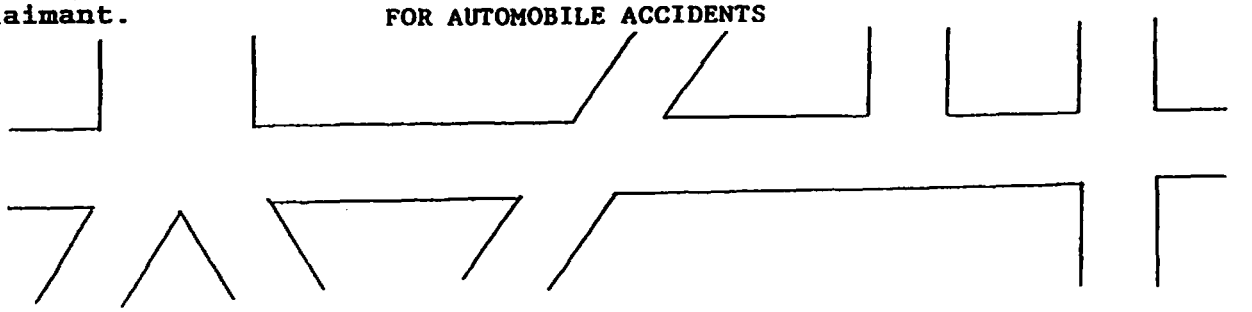
Make: _____ Model: _____ Year: _____ Mileage: _____

Names and addresses of witnesses, doctors and hospitals: — N.A. —

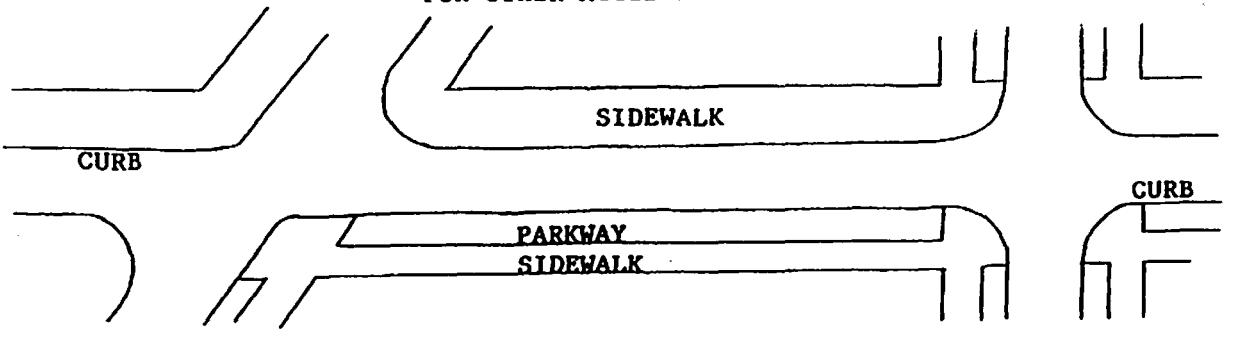
FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT'S VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by the Claimant.

FOR AUTOMOBILE ACCIDENTS



FOR OTHER ACCIDENTS



SIGNATURE OF CLAIMANT: Brian L. Billman Date: 5-29-2012

DATE RECEIVED 6-11-12 (5-30-12) RECEIVED BY Llong

CLAIM NO. 4-12

CLAIM

BRIAN L. BILLMAN-FINANCIAL SEC.

Claimant's Name: SHEB. TRADES & LABOR HALL ASSOCIATION Auto $_____

Claimant's Address: 1104 WISCONSIN AVE Property $ 1795.50

SHEBOYGAN WI 53081 Personal Injury $_____

Claimant's Phone No. 920-452-8491 / 920-904-7574 Other (Specify below) $ 3810.00 ? AINT.
$ 5605.50 LABOR

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM. (WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of $ 5605.50

SIGNED: Brian L. Billman (Financial Sec.) DATE: 5-29-2012

ADDRESS: 1104 Wisconsin Ave Sheboygan WI. 53081

SERVICEMASTER BY SCHROEDERS
115 EASTMAN STREET
PLYMOUTH, WI 53073
(920) 893-5518

Invoice

TO:

CUSTOMER	DATE	TERMS	CONTACT

DESCRIPTION	CHARGES

#2166
4/5/12

A service charge of $5.00 per month will be added after 30 days.

ServiceMASTER Clean

Ed Schroeder
owner

ServiceMaster by Schroeders
115 E. Eastman Street
Plymouth, WI 53073
Office: 920/893-5518

6/4/12
Council
Meeting
By 31st

HOHMANN
Painting & Decorating, Inc.
4618 Evergreen Dr.
Sheboygan, WI 53081

Phone: 920-452-1261 or 920-208-9502
Fax: 920-452-1904
Email: tom@hohmannpainting.com
Website: hohmannpainting.com

TO:

MIKE ZIMMERMANN
6438 SUNSET ROAD
KOHLER,WI.53044

FROM

MESSAGE WORK TO INCLUDE THE FOLLOWING.

PREP FLOOR FOR PAINTING,SAND FLOOR,DRUM FLOOR SANDER,PRIME BARE SPOTS,PAINT FLOOR (2) COATS (S.W) ARMORSEAL 1000 HS HIGH SOLIDS EPOXY.

SAND & PREP FLOOR PRIOR TO PAINTING.

LABOR & MAT:$840.00

PRIME & PAINT FLOOR (2) COATS EPOXY FINISH.

LABOR:$1,680.00

MATERIAL COST (S.W) ARMOURSEAL EPOXY PRIMER & 1000 HS EPOXY FINISH.

MAT.COST:$1,290.00

RETURN TO ⟶ SIGNED Thomas E Hohmann

REPLY THOMAS E. HOHMANN

TOTAL LABOR & MAT:$3,810.00

WORK CAN BE DONE IN PHASE'S,INDIVIDUAL MEETING ROOMS DONE SEPERATLY ,CORRIDOR & REST ROOMS DONE LAST.

Thomas E. Hohmann
President
Fully Insured

HOHMANN
Painting & Decorating, Inc.

4618 Evergreen Drive
Sheboygan, WI 53081

Residential & Commercial • Interior And Exterior Painting
Drywall Finishing • Paper Hanging • Woodgraining/Antiquing
Wood Floor Refinishing • Faux Painting

DATE / /

Phone: 920-452-1261 • Fax: 920-452-1904
Email: tom@hohmannpainting.com • Website: hohmannpainting.com

DATE RECEIVED 5-30-12 RECEIVED BY Klong

CLAIM NO. 4-12

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

MAY 30 '12 AM 11:16

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.
4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

TO CITY OF SHEBOYGAN (BRIAN L. BILLMAN - FINANCIAL SECRETARY)

1. Name of Claimant: SHEBOYGAN TRADES & LABOR HALL ASSOCIATION
2. Home address of Claimant: 1104 WISCONSIN AVE. SHEBOYGAN WI. 53081
3. Home phone number: 920-452-8491 C/920-904-7574
4. Business address and phone number of Claimant: 1104 WISCONSIN AVE. SHEBOYGAN. WI 53081 920-452-8491
5. When did damage or injury occur? (date, time of day) APRIL 3, 2012 APPROX 7am
6. Where did damage or injury occur? (give full description) THE ENTIRE BASEMENT LEVEL OF 1104 WISCONSIN AVE. WAS FLOODED 2-3 INCHES OF SEWER BACKUP WATER.
7. How did damage or injury occur? (give full description) WE WERE INFORMED BY A CITY WORKER THAT A SEWER LATERAL PIPE NEAR THE RIVER BY WATER STREET HAD PLUGGED CAUSING SEWER BACKUP IN OUR BUILDING BEING IT WAS THE LOWEST LEVEL (ELEVATION) IN THE AREA.
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:

   (a) Name of such officer or employee, if known: UNKNOWN

   (b) Claimant's statement of the basis of such liability: THE CITY WORKER (HALE) ADMITTED THE BACKUP WAS THE CITIES FAULT DUE TO THE LATERAL PIPE PLUGGING UP. SUGGESTED FILING A CLAIM
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:

   (a) Public property alleged to be dangerous: THE (2) LOWER HALLS IN OUR BUILDING ARE OPEN FOR PUBLIC RENTING (MEETINGS/PARTIES)

   (b) Claimant's statement of basis for such liability: SANITARY BACK UP CAN CAUSE HEALTH ISSUES (POLUTED WATER - MOLD ETC.) IF NOT CLEANED PROPERLY

CC: Atty's Office, Jim Amodeo, Laurie Schicker, Dave Biebel

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

FLOODING OF LOWER LEVEL OF UNSANITARY WATER WHICH NEEDED PROFESSIONAL CLEANING & FLOOR PAINT DAMAGE ("NO INJURIES")

11. Name and address of any other person injured: NO INJURIES

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: $ _____ CLEANING

Property: $ 1795.50 (SEE ATTACHED)

Personal injury: $ _____

Other: (Specify below "SEE ATTACHED" $ 2796.50 $ 1000.00 (PAINT & LABOR TO REPAIR FLOOR) THIS IS AN ESTIMATE -MODEST-

Damaged vehicle (if applicable)

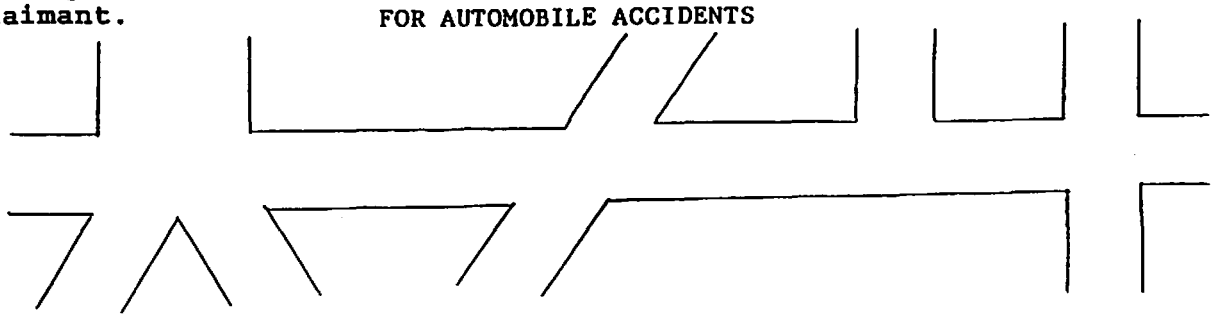
Make: _____ Model: _____ Year: _____ Mileage: _____

Names and addresses of witnesses, doctors and hospitals: — N.A. —

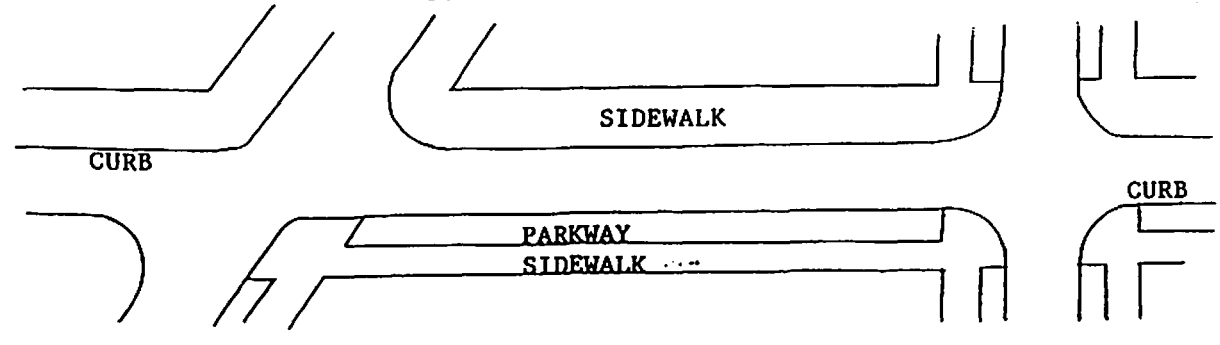
FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT'S VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by the Claimant.

FOR AUTOMOBILE ACCIDENTS



FOR OTHER ACCIDENTS



SIGNATURE OF CLAIMANT: Brian L. Billman Date: 5-29-2012

DATE RECEIVED 5-30-12 RECEIVED BY LLong

CLAIM NO. 4-12

MAY 30 '12 AM 11:17

CLAIM

BRIAN L. BILLMAN-FINANCIAL SEC.

Claimant's Name: SHEB. TRADES & LABOR HALL ASSOCIATION

Claimant's Address: 1104 WISCONSIN AVE

SHEBOYGAN WI 53081

Claimant's Phone No. 920-452-8491 C/920-904-7574

Auto $

Property $ 1795.50

Personal Injury $

Other (Specify below) $ 1000.00 PAINTS
795.50 LABOR

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

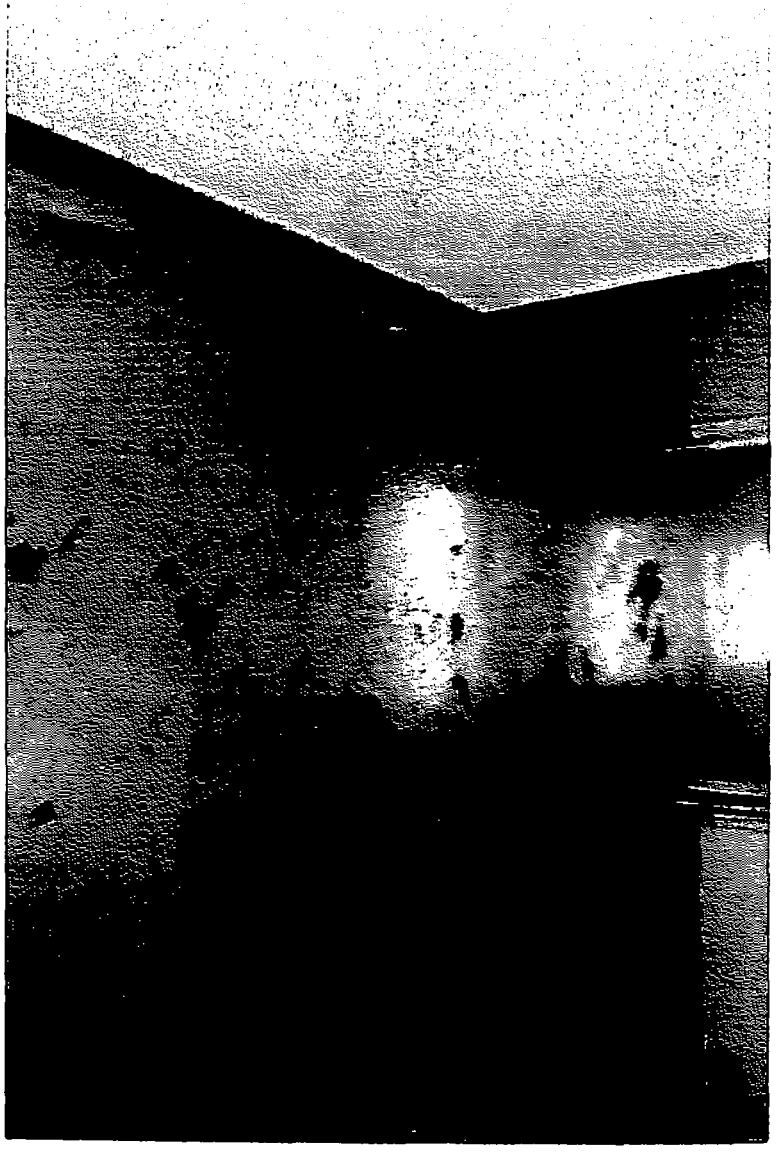
WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)

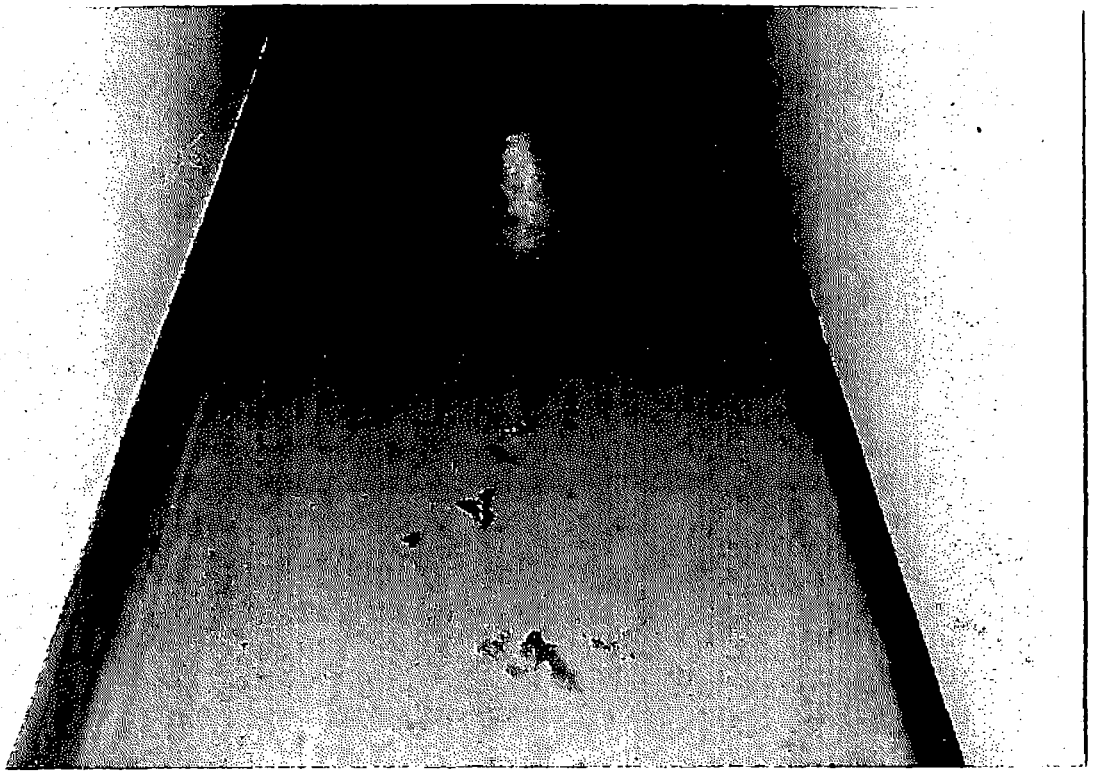
The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of $ 2795.50.

SIGNED: Brian L. Billman (Financial Sec) DATE: 5-29-2012

ADDRESS: 1104 Wisconsin Ave Sheboygan WI 53081

NOTE!- THERE ARE (2) HALL ROOMS, (2) BATH ROOMS & ALL CONNECTING HALLWAY THAT NEED TO BE SCRAPED & PAINTED WITH EPOXY PAINT. OUR ESTIMATE IS USING PERSONEL THAT ARE CURRENTLY PERFORMING BUILDING MAINTAINANCE. B.K.B (Financial Secretary)





II

3.4

R. O. No. 46 - 12 - 13. By CITY CLERK. June 4, 2012.

Submitting a Notice of Injury from Atty. William K. Sonnenburg on behalf of his client Karen Wilhelm.

Susan Richards
City Clerk

3.4

Hero Riders

Claim # 3-12
LLong

NOTICE OF INJURY

TO: SHEBOYGAN CITY CLERK
CITY HALL
828 CENTER AVENUE
SHEBOYGAN, WISCONSIN 53081

PLEASE TAKE NOTICE that Karen Wilhelm, 1513 Michigan Avenue, Sheboygan, WI 53081, sustained injuries to her body, including a puncture to a right breast implant, as the result of the negligence of one Paul Meyer driving a City of Sheboygan truck, combined with the negligence of another vehicle at the intersection of Superior Avenue and north 14th Street a/k/a Calumet Drive on June 16, 2009.

The basis for the claim is that, as the result of the negligence of Paul Meyer, a city employee, the vehicle being driven by said Paul Meyer struck the 1992 GMC Cargo Van in which Karen Wilhelm was a passenger.

They City of Sheboygan had actual notice of the accident and injury to Karen Wilhelm by virtue of the fact Paul Meyer, a city employee, was involved in the above described auto accident with a City of Sheboygan Vehicle.

CLAIM FOR DAMAGES

Karen Wilhelm sustained bruises about her upper body as well as severe trauma to her right breast as the result of the impact to the Wilhelm 1992 GMC Cargo Van; that unknown to Karen Wilhelm, the force of the trauma crushed her right breast implant resulting in severe pain and leaking of the implant, which leaking, resulted in continuous daily pain and suffering, that she will incur medical expenses therefore in the sum in excess of $5,000.00 to correct the damage to her body as well as a period of recovery all to her damages in the sum of $25,000.00.

Dated this 31st day of May, 2012.

Respectfully Submitted,

SONNENBURG & ZELPE

By: Wm K. Sonnenburg
William K. Sonnenburg
State Bar No. 1006902

CC: CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE, DAVE BIEBEL

Certification of Hand Delivery:

I, William K. Sonnenburg hereby certify that I did personally deliver to the Sheboygan City Clerk, the above-described document this 23 day of May, 2012.

By: _____
William K. Sonnenburg

II

3.1

R. O. No. 43 - 12 - 13. By CITY CLERK. June 4, 2012.

Submitting a communication from Asher Heimermann requesting a street light be placed in the east-west alley between S. 8th St. and S. 9th St. and Georgia Ave. and Clara Ave.

PP&S

file

Susan Richards
City Clerk

٣.١

Richards, Sue

From: Asher Heimermann [asher@asherheimermann.com]
Sent: Thursday, May 31, 2012 11:28 AM
To: Richards, Sue
Subject: Council Communication

Please refer my request to the correct committee.

I'm requesting that a street light be placed in the east-west alley between South 8th Street and South 9th Street and Georgia Avenue and Clara Avenue. There was a street light located in this alley for years until is was shut off six months ago by Alliant Energy for no reason given. Since there are three bars located on the block, graffiti issues and property damage and safety/protection issues -- I'd like to request that the City place a light in the alley.

Thank you,

Asher Heimermann
823A Georgia Avenue
Sheboygan, WI 53081
920-547-4761

II

R. O. No. 48 - 12 - 13. By Purchasing Agent. June 4, 2012.

3.6

Submitting a tabulation of Bid #1725-12-2 for a Three Year Contract for towing **and** vehicle storage services for the Sheboygan Police Department. All pricing was frozen for a three year period at the sole discretion of the vendors.

	Depot	**Bret's**	**Arrow**	**Riteway**
Private Party Tow-Business Hours	$ 34.00	$50.00	$30.00	$35.00
Private Party Tow-Non Business Hours **(No cost to City)**	$ 54.00	$65.00	$50.00	$50.00
Law Enforcement Evidence Tow-Business Hours	$ 24.00	**$0.00**	$20.00	$25.00
Law Enforcement Evidence Tow-Non-Business Hours **(Charged to City)**	$ 34.00	**$0.00**	$30.00	$35.00
Police Owned Vehicles, 24/7/365 **(Charged to City**	$ 25.00	$ No Charge	$20.00	$ no charge
Snow Tows M-F 7:00am to 7:00 PM **(No cost to City)**	$ 34.00	**$50.00**	$30.00	$35.00
Snow Tows nights and weekends	$ 34.00	**$65.00**	$30.00	$35.00
Additional Labor-Per Hour, authorization required **(Charged to City)**	$ 20.00	**$ 0.00**	$ 15.00	$15.00
Storage of Snow tow vehicles-Per Day **(No cost to City)**	$ 15.00	$ 20.00	$15.00	$15.00
Out of City Tows, per mile-Round Trip	$ 1.00	*$ 1.00*	$1.00	$1.00

The Low Bidder, Arrow Towing, currently contracts with Sheboygan County. The Police Dept. feels that Arrow Towing has provided excellent service to Sheboygan County over the past several years and this, combined with a strong commitment to service and the lowest overall pricing, earn Arrow Towing Inc the contract.

Respectfully submitted,

Bernard R. Rammer

Bernard R. Rammer

Other Matters

II

6.2

R. O. No. 50 - 12 - 13. By CITY CLERK. June 4, 2012.

Submitting a communication from Pamela Schneekloth stating her concerns regarding Wildwood cemetery and the activities of the families of the deceased (leaving trash all over grave sites in Section 18).

Pub Wks.
file

Susan Richards
City Clerk

50

Thomas Jefferson

Richards, Sue

From: Rajer, Mary on behalf of Mayor Van Akkeren
Sent: Friday, June 01, 2012 11:13 AM
To: Richards, Sue
Subject: FW: Concerns at Wildwood Cemetery, section 18

Sue,

Please refer to Public Works Committee. Thanks.

Mary

From: Pam Schneekloth [mailto:psboden202@yahoo.com]
Sent: Tuesday, May 29, 2012 12:17 PM
To: Mayor Van Akkeren
Subject: Concerns at Wildwood Cemetery, section 18

Dear Mayor Terry Van Akkeren,

I have a concern regarding Wildwood cemetery and the activities of the families of the deceased. I went to the cemetery this morning and was appalled by the amount of trash that was all over the grave sites in section 18. Items that I found from one end of the section to the other included styrofoam plates and bowls, tv dinner trays, plastic spoons & forks, pieces of tin foil everywhere, empty soda cans, water bottles, etc.

While I understand that it is the tradition of some cultures, I find it quite disgusting and extremely disrespectful towards the deceased. This isn't the first time this has happened. It has been going on since my husband was put to rest over 5 years ago. It seems to have become much worse these last few years.

This morning I called and voiced my complaint to a woman at the municipal building. I was told that they are well aware of the growing problem and knew exactly which section of the cemetery I was referring to due to the number of complaints. I was told that the city doesn't know what to do about this and how to address this problem.

I too paid for my husband's grave. I would like to be able to take my son to the cemetery without being grossed and seriously offended by the amount of trash. I have been unable to find any sort of rules or regulations regarding the cemetery on the city's website. I assume none exist.

Being a city owned cemetery, I hope that something is done about this ongoing problem. I would like to hear what the city plans on doing to fix this issue.

Thank you for your time,

Pamela Schneekloth
1310 Greenfield Ave
Sheboygan, WI 53081
(920) 980-1788
psboden202@yahoo.com

III

5.3

Res. No. 13 - 12 - 13. By Alderperson Hammond. May 21, 2012.

A Resolution authorizing the execution of a First Amendment to Bond Financing Agreement for the RCS Empowers, Inc. Project.

WHEREAS, pursuant to Section 66.1103 of the Wisconsin Statutes (the "**Act**") and to a Bond Financing Agreement, dated as of December 23, 2010 (the "**Bond Financing Agreement**"), by and among the City of Sheboygan, Wisconsin (the "**City**") RCS Empowers, Inc., a Wisconsin nonstock, nonprofit corporation (the "**Borrower**"), and Bank First National, a national banking association (the "**Purchaser**"), the City has authorized the issuance of up to $5,000,000 of its Development Revenue Bond, Series 2010 (RCS Empowers, Inc. Project), dated December 23, 2010 (the "**Bonds**"); and

WHEREAS, the issuance, terms of the Bonds, and approval of the Bond Financing Agreement were authorized by a resolution of the City adopted on November 15, 2010 (the "**Bond Resolution**"); and

WHEREAS, under the Bond Financing Agreement, the City sold the Bonds to the Purchaser and will lend the proceeds from the sale of the Bonds to the Borrower in installments to assist in financing the Project (the "**Loan**") which Loan will be repaid by the Borrower in accordance with the terms of the Bond Financing Agreement and evidenced by the promissory note of the Borrower; and

WHEREAS, under the terms of Section 4.01 of the Bond Financing Agreement, the Purchaser shall purchase the Bond in installments from time to time on or prior to March 31, 2012 (the "**Final Installment Date**") at a purchase price of 100% of the principal amount thereof; and

WHEREAS, subsequent to the issuance of the Bonds and the delivery of the Bond Financing Agreement, the Borrower has determined that the estimated completion date of the Project, as described in the Bond Financing Agreement, has been extended and therefore desires to amend the Bond Financing Agreement to extend the Final Installment Date for the purchase of the Bonds to September 30, 2012; and

WHEREAS, the Bond Financing Agreement may be amended with the written agreement of the City, the Borrower, and the owner of the Bonds; and

WHEREAS, the Borrower has presented the City with documentation for such amendment as evidenced by a First Amendment to Bond Financing Agreement, to be dated as of the date of its execution, by and among the City, the Borrower, and the Purchaser (the "**First Amendment**").

Finance approve

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Amendment to Bond Financing Agreement.

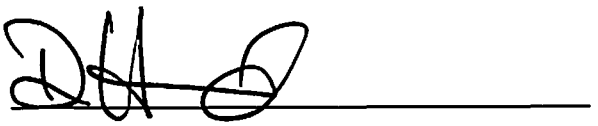
The extension of the Final Installment Date to September 30, 2012 is hereby approved.

Section 2. Execution and Delivery of First Amendment.

The terms and provisions of the First Amendment are hereby approved. The Mayor and the Clerk are hereby authorized for and in the name of the City to execute and deliver the First Amendment, in the form thereof presented herewith, or with such revisions, additions, or deletions as shall be approved by them consistent with this resolution and the terms of the Act, which approval shall be conclusively evidenced by their execution and delivery. Except as amended by the First Amendment, all other terms and conditions of the Bond Financing Agreement shall remain in full force and effect.

Section 3. Effective Date; Conformity.

This resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of this body are inconsistent with the provisions hereof, this resolution shall control and such prior resolutions shall be deemed amended to such extent as may be necessary to bring them in conformity with this resolution.



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

FIRST AMENDMENT TO
BOND FINANCING AGREEMENT

Dated as of June ___, 2012

Amending the Bond Financing Agreement
Dated as of December 23, 2010

By and Among

CITY OF SHEBOYGAN, WISCONSIN

and

RCS EMPOWERS, INC.

and

BANK FIRST NATIONAL

Relating to:

$5,000,000
City of Sheboygan, Wisconsin
Development Revenue Bond, Series 2010
(RCS Empowers, Inc. Project)

FIRST AMENDMENT TO BOND FINANCING AGREEMENT

THIS FIRST AMENDMENT TO BOND FINANCING AGREEMENT, dated as of June ____, 2012 (this "**First Amendment**"), made by and among RCS EMPOWERS, INC., a nonstock, nonprofit corporation organized and existing by virtue of the laws of the State of Wisconsin (the "**Borrower**"), the CITY OF SHEBOYGAN, WISCONSIN, a municipal corporation and political subdivision of the State of Wisconsin (the "**City**"), and BANK FIRST NATIONAL, a national banking association (the "**Purchaser**"), is an amendment to the Bond Financing Agreement, dated as of December 23, 2010, by and among the Borrower, the City, and the Purchaser (the "**Bond Financing Agreement**").

WITNESSETH:

WHEREAS, Section 66.1103 of the Wisconsin Statutes (the "**Act**") authorizes the City to issue revenue bonds to finance all or any part of the construction, equipping, reequipping, acquisition, purchase, installation, reconstruction, rebuilding, rehabilitation, improving, supplementing, replacing, maintaining, repairing, enlarging, extending, or remodeling of qualified projects and the improvement of sites therefor; and

WHEREAS, the Act authorizes the City to enter into a revenue agreement with an eligible participant wherein the eligible participant agrees (i) to provide the City with revenues sufficient for the prompt payment of the principal of and interest on the revenue bonds; and (ii) to cause such qualified project to be completed; and

WHEREAS, on November 15, 2010 the City's governing body adopted a final bond resolution authorizing, among other things, the issuance of its up to $5,000,000 Development Revenue Bond, Series 2010 (RCS Empowers, Inc. Project), dated December 23, 2010 (the "**Bond**"), the execution and delivery of the Bond Financing Agreement, and any other documents or certificates relating to the Bond;

WHEREAS, the City induced the Borrower to proceed with the construction and equipping of an office and social services delivery facility in City (the "**Project**") by issuing the Bond; and

WHEREAS, under the Bond Financing Agreement, the City sold the Bond to the Purchaser and will lend the proceeds from the sale of the Bond to the Borrower in installments to assist in financing the Project (the "**Loan**") which Loan will be repaid by the Borrower in accordance with the terms of the Bond Financing Agreement and evidenced by the promissory note of the Borrower; and

WHEREAS, under the terms of Section 4.01 of the Bond Financing Agreement, the Purchaser shall purchase the Bond in installments from time to time on or prior to March 31, 2012 (the "**Final Installment Date**") at a purchase price of 100% of the principal amount thereof; and

WHEREAS, subsequent to the delivery of the Bond Financing Agreement, the Borrower has determined that the estimated completion date of the Project has been extended

and therefore desires to amend the Bond Financing Agreement to extend the Final Installment Date for the purchase of the Bond to September 30, 2012; and

WHEREAS, the Bond Financing Agreement may be amended with the written agreement of the City, the Borrower, and the owner of the Bond; and

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING, the City, the Borrower, and the Purchaser, it its capacity as owner of the Bond, hereby agree as follows:

Section 1. Definitions.

As used in this First Amendment and the recitals hereto, the terms defined in the Bond Financing Agreement shall have the meanings assigned to them therein. *Capitalized terms not otherwise defined herein shall have the meaning set forth in the Bond Financing Agreement.*

Section 2. Amendment to Bond Financing Agreement.

The first paragraph of Section 4.01 of the Bond Financing Agreement shall be amended in its entirety to read as follows:

> In order to provide funds for the payment of the costs of financing all or a portion of the Project, the City agrees to issue the Bond, concurrently with the execution and delivery hereof, and to sell the Bond to the Purchaser. The Purchaser shall, subject to the terms and conditions hereof and of the Credit Agreement and the Disbursing Agreement, purchase the Bond in installments from time to time on or prior to September 30, 2012, at a purchase price of 100% of the principal amount thereof (the "**Purchase Price**").

Section 3. Severability.

If any provision of this First Amendment shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein or in the Bond Financing Agreement contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, or Sections in this First Amendment contained shall not affect the remaining portions of this First Amendment or the Bond Financing Agreement, or any part thereof. Except as amended by this First Amendment, all other terms and conditions set forth in the Bond Financing Agreement shall remain in full force and effect.

Section 4. Captions.

The captions or headings in this First Amendment are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this First Amendment.

Section 5. Counterparts.

This First Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Governing Law.

The laws of the State of Wisconsin shall govern this First Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized all as of the date first above written.

CITY OF SHEBOYGAN, WISCONSIN

By:_____
Title: Mayor

Attest:_____
Title: Clerk

RCS EMPOWERS, INC.

By:_____
Name: Ronald L. Van Rooyen
Title: President

BANK FIRST NATIONAL,

By:_____
Name: Michael E. Strege
Title: Vice President

III

4.6

Res. No. 21 - 12 - 13. By Alderperson Hammond. June 4, 2012.

A RESOLUTION terminating Tax Incremental Financing District No. E2 and authorizing the City Deputy Finance Director/Treasurer to distribute excess increment to overlying taxing districts.

WHEREAS: The City of Sheboygan passed Res. No. 255-05-06 creating Tax Incremental District No. E2 on February 20, 2006 and adopted a project plan that year; and

WHEREAS: sufficient increment has been collected as of the 2011 tax roll, payable 2012, to cover TIF District No. E2 project costs:

NOW, THEREFORE, BE IT RESOLVED: That the City Common Council does hereby terminate TIF District No. E2; and

BE IT FURTHER RESOLVED: That the City Clerk shall notify the Wisconsin Department of Revenue within 60 days of this resolution that the District has been terminated;

BE IT FURTHER RESOLVED: That the City Clerk shall sign the required Wisconsin Department of Revenue final accounting form agreeing on a date by which the City shall send final audited information to the Wisconsin Department of Revenue; and

BE IT FURTHER RESOLVED: That the City Deputy Finance Director/Treasurer shall distribute any excess increment collected after providing for ongoing expenses of the District, to the affected taxing districts with proportionate shares to be determined by the final audit of the City's independent auditors.

Finance approve

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

4.7

Res. No. 22 - 12 - 13. By Alderperson Hammond. June 4, 2012.

A RESOLUTION terminating Tax Incremental Financing District No. 3 and authorizing the City Deputy Finance Director/Treasurer to distribute excess increment to overlying taxing districts.

WHEREAS: The City of Sheboygan passed Res. No. 215-88-89 creating Tax Incremental District No. 3 on August 15, 1988 and adopted a project plan that year; and

WHEREAS: sufficient increment has been collected as of the 2011 tax roll, payable 2012, to cover TIF District No. 3 project costs:

NOW, THEREFORE, BE IT RESOLVED: That the City Common Council does hereby terminate TIF District No. 3; and

BE IT FURTHER RESOLVED: That the City Clerk shall notify the Wisconsin Department of Revenue within 60 days of this resolution that the District has been terminated;

BE IT FURTHER RESOLVED: That the City Clerk shall sign the required Wisconsin Department of Revenue final accounting form agreeing on a date by which the City shall send final audited information to the Wisconsin Department of Revenue; and

BE IT FURTHER RESOLVED: That the City Deputy Finance Director/Treasurer shall distribute any excess increment collected after providing for ongoing expenses of the District, to the affected taxing districts with proportionate shares to be determined by the final audit of the City's independent auditors.

Finance approve.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

4.8

Res. No. 23 - 12 - 13. By Alderperson Heidemann. June 4, 2012.

A RESOLUTION informing the Wisconsin Department of Natural Resources (WDNR) that the 2011 Compliance Maintenance Annual Report (CMAR) has been reviewed.

RESOLVED: That the City of Sheboygan hereby informs the WDNR that the Common Council has reviewed the 2011 CMAR, which is attached to this resolution,

BE IT FURTHER RESOLVED: That the Bio-solids Quality and Management section of the 2011 CMAR having received a Grade of "C" requires the City to review and make changes to the Solids Management Practices at the Wastewater Treatment Plant to become compliant with WDNR regulations. Staff, with the help of a consultant has identified solids management issues/constraints and has developed a plan to become compliant with WDNR regulations. A facility plan amendment submitted by the City was approved by the WDNR that incorporates bio-solids drying in its solids management plan. Bio-solids drying will bring the City into compliance with the required 180 days of bio-solids storage capacity.

BE IT FURTHER RESOLVED: That the other sections of the 2011 CMAR having received a Grade of "A" require no further action by council,

BE IT FURTHER RESOLVED: That the 2011 CMAR be accepted and placed on file.

Pub Wks. approve

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Memorandum

To: Dave Biebel, Director of Public Works

CC: Sharon Thieszen, Industrial Waste Supervisor/Chemist

From: Dale L. Doerr, Wastewater Superintendent

Date: 5/30/2012

Re: 2011 Compliance Maintenance Annual Report (CMAR)

Attached is the 2011 CMAR for the wastewater plant for your review. The CMAR is required by the DNR and it must be reviewed by Common Council and requires a resolution documenting that the Common Council has reviewed the document. The CMAR is filed electronically and is due June 30, 2012.

This year we received a grade of "A" on 8 of 9 of the evaluation criteria. We received a grade of "C" on Bio-solids Quality and Management. As you are aware, The grade of "C" is a result of in-sufficient bio-solids storage, (i.e. not meeting the WDNR, 180 day storage capacity requirement). Bio-solids storage is being addressed with the Bio-solids Drying Project currently in design.

Draft wording for this resolution is attached to this memo. When the Common Council reviews the document and passes the resolution I will complete the electronic submittal process before the June 30, 2011 due date. If you have any questions, I am available upon request.

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Influent Flow and Loading

	Questions
1.	Monthly average flows and (C)BOD loadings.

InFluent No.701	Influent Monthly Average Flow, MGD	X	Influent Monthly Average (C)BOD Concentration mg.l	X	8.34	=	Influent Monthly Average(C) BOD Loading, pounds/day
January	7.985	X	228	X	8.34	=	15180
February	8.280	X	233	X	8.34	=	16095
March	13.69	X	172	X	8.34	=	19682
April	17.89	X	135	X	8.34	=	20070
May	13.58	X	149	X	8.34	=	16874
June	12.81	X	223	X	8.34	=	23850
July	10.94	X	197	X	8.34	=	17989
August	9.680	X	245	X	8.34	=	19765
September	8.505	X	240	X	8.34	=	16992
October	8.316	X	258	X	8.34	=	17893
November	9.555	X	210	X	8.34	=	16703
December	9.216	X	224	X	8.34	=	17237

2.	Maximum month design flow and design (C)BOD loading.

	Design	X	%	=	% of Design
Max Month Design Flow, MGD	25.2	x	90	=	22.68
		x	100	=	25.2
Design (C)BOD, lbs./day	27940	x	90	=	25146
		x	100	=	27940

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Influent Flow and Loading (Continued)

3. Number of times the flow and (C)BOD exceeded 90% or 100% of design, points earned, and score:

	Months of Influent Flow	Number of times flow was greater than 90% of design	Number of times flow was greater than 100% of design	Number of times (C)BOD was greater than 90% of design	Number of times (C)BOD was greater than 100% of design
January	1	0	0	0	0
February	1	0	0	0	0
March	1	0	0	0	0
April	1	0	0	0	0
May	1	0	0	0	0
June	1	0	0	0	0
July	1	0	0	0	0
August	1	0	0	0	0
September	1	0	0	0	0
October	1	0	0	0	0
November	1	0	0	0	0
December	1	0	0	0	0
Points per each exceedance		2	1	3	2
Exceedances		0	0	0	0
Points		0	0	0	0
Total Number of Points					0

4. Was the influent flow meter calibrated in the last year?

- ● Yes Enter last calibration date, MM/DD/YYYY 12/19/2011
- ○ No -explain

5. Sewer Use Ordinance

5.1 Did your community have a sewer use ordinance that limited or prohibited the discharge of excessive conventional pollutants ((C)BOD, SS, or pH) or toxic substances to the sewer from industries, commercial users, hauled waste, or residences?

- ● Yes
- ○ No

If No, please describe:

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Influent Flow and Loading (Continued)

5.2 Was it necessary to enforce?

○ Yes
● No

If Yes, please describe:

6. Septage Receiving

6.1 Did you have requests to receive septage at your facility?

Septic Tanks	Holding Tanks	Grease Traps
● Yes ○ No	● Yes ○ No	○ Yes ● No

6.2 Did you receive septage at your facility? If yes, indicate volume in gallons

Septic Tanks	Holding Tanks	Grease Traps
● Yes ○ No	● Yes ○ No	○ Yes ● No
6296650 gal	796914 gal	gal

6.2.1 If yes to any of the above, please explain if plant performance is affected when receiving any of these wastes

Plant performance was not affected

7. Pretreatment

7.1 Did your facility experience operational problems, permit violations, biosolids quality concerns or hazardous situations in the sewer system or treatment plant that were attributable to commercial or industrial discharges in the last year?

○ Yes
● No

If Yes, describe the situationand your community's response:

7.2 Did your facility accept hauled industrial wastes, landfill leachate, etc?

● Yes
○ No

If yes, describe the types of wastes received and any procedures or other restrictions that were in place to protect the plant from the discharge of hauled industrial wastes.

Wastes recieved were from food processing facilities, ethonal processing wastes, and out dated beverage wastes. Samples were collected from each truck load and samples were randomly analyzed for BOD, TSS, and Phosphorus

Influent Flow and Loading (Continued)

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Effluent Quality and Plant Performance ((C)BOD)

	Questions
1.	Monthly average effluent values, exceedances, and points for (C)BOD:

Outfall No.001	Monthly Average C(BOD) Limit (mg/L)	90% of Permit Limit >10 (mg/L)*	Effluent Monthly Average C(BOD) (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	25	22.5	5	1	0	0
February	25	22.5	5	1	0	0
March	25	22.5	6	1	0	0
April	25	22.5	3	1	0	0
May	25	22.5	2	1	0	0
June	25	22.5	3	1	0	0
July	25	22.5	3	1	0	0
August	25	22.5	2	1	0	0
September	25	22.5	2	1	0	0
October	25	22.5	2	1	0	0
November	25	22.5	2	1	0	0
December	25	22.5	3	1	0	0
* Equals limit if limit is <=10						
Months of Discharge/yr				12		
Points per each exceedance with 12 months of discharge:					7	3
Exceedances					0	0
Points					0	0
Total Number of Points						0

NOTE: For systems that discharge intermittently to waters of the state, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge.
Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is 12/6 = 2.0

2.	If any violations occurred, what action was taken to regain compliance?
	No violations
3.	Was the effluent flow meter calibrated in the last year?
	○ Yes - enter last calibration date, MM/DD/YYYY: ____
	● No - explain:

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Effluent Quality and Plant Performance ((C)BOD) (Continued)

	No Effluent Flow Meter
4.	What problems, if any, were experienced over the last year that threatened treatment?
	None
5.	Other Monitoring and Limits
	5.1 At any time in the past year was there an exceedance of a permit limit for any other pollutants suchas metals, pH, residual chlorine, or fecal coliform? ○ Yes ● No If Yes, please describe:
	5.2 At any time in the past year was there an effluent acute or chronic whole effluent toxicity (WET) test? ● Yes ○ No If Yes, please describe: Wet Testing was completed in February 2011
	5.3 If the biomonitoring (WET) test did not pass, were steps taken to identify and/or reduce source(s) of toxicity? ○ Yes ○ No ● NA Please explain unless not applicable:

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Effluent Quality and Plant Performance (Total Suspended Solids)

	Questions
1.	Monthly average effluent values, exceedances, and points for TSS:

Outfall No.001	Monthly Average TSS Limit (mg/L)	90% of Permit Limit >10 (mg/L)*	Effluent Monthly Average TSS (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	30	27	6	1	0	0
February	30	27	7	1	0	0
March	30	27	8	1	0	0
April	30	27	5	1	0	0
May	30	27	4	1	0	0
June	30	27	5	1	0	0
July	30	27	5	1	0	0
August	30	27	3	1	0	0
September	30	27	4	1	0	0
October	30	27	4	1	0	0
November	30	27	5	1	0	0
December	30	27	5	1	0	0
* Equals limit if limit is <=10						
Months of Discharge/yr				12		
Points per each exceedance with 12 months of discharge:					7	3
Exceedances					0	0
Points					0	0
Total Number of Points						0

NOTE: For systems that discharge intermittently to waters of the state, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge.
Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is 12/6 = 2.0

2.	If any violations occurred, what action was taken to regain compliance?

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Effluent Quality and Plant Performance (Phosphorus)

	Questions
1.	Monthly average effluent values, exceedances, and points for Phosphorus:

Outfall No.001	Monthly Average phosphorus Limit (mg/L)	Effluent Monthly Average phosphorus (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance
January	1	0.5	1	0
February	1	0.6	1	0
March	1	0.6	1	0
April	1	0.6	1	0
May	1	0.5	1	0
June	1	0.4	1	0
July	1	0.6	1	0
August	1	0.4	1	0
September	1	0.7	1	0
October	1	0.4	1	0
November	1	0.3	1	0
December	1	0.5	1	0
Months of Discharge/yr			12	
Points per each exceedance with 12 months of discharge:				10
Exceedances				0
Total Number of Points				0

NOTE: For systems that discharge intermittently to waters of the state, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge.
Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is 12/6 = 2.0

2.	If any violations occurred, what action was taken to regain compliance?

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management

	Questions	Points
1.	Biosolids Use/Disposal:	
	1.1 How did you use or dispose of your biosolids?(Check all that apply) ☒ Land Applied Under Your Permit ☐ Publicly Distributed Exceptional Quality Biosolids ☐ Hauled to Another Permitted Facility ☐ Landfilled ☐ Incinerated ☐ Other NOTE:If you do not remove biosolids from your system annually, please describe your system type such as lagoons, reed beds, recirculating sand filters, etc, and if biosolids were land applied last year, please also check top box above. **1.1.1** If you checked Other, Please describe:	
2.	Land Application Site:	

Last Year's Approved and Active Land Application Sites	
2.1.1 How many acres did you have?	2.1.2 How many acres did you use?
9129.60 acres	1743 acres

2.2 If you did not have enough acres for your land application needs, what action was taken?

	2.3 Did you overapply nitrogen on any of your approved land application sites you used last year?	0
	○ Yes(30 points) ● No	
	2.4 Have all the sites you used last year for land application been soil tested in the previous 4 years?	0
	● Yes ○ No (10 points) ○ N/A	
3.	Biosolids Metals	
	Number of biosolids outfalls in your WPDES permit = **1**	
	3.1 For each outfall tested, verify the biosolids metal quality values for your facility during the last calendar year	

BIOSOLIDS METALS CHARACTERISTICS

Outfall:002 - LIQUID ANAEROBIC SLUDGE

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management (Continued)

Parameter	80% of Limit	H.Q. Limit	Ceiling Limit	mg/kg on a dry weight basis												Times Exceeded		
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	80% Value	High Quality	Ceiling
arsenic		41	75	<9.9		<10.7		<9.4		4.1		<10.6		<9.6			0	0
cadmium		39	85	<2.2		<5.7		<5		.81		<5.7		<5.7			0	0
copper		1500	4300	308		296		307		336		474		268			0	0
lead		300	840	137		<7.4		<6.5		33.9		<7.3		<7.6			0	0
mercury		17	57	<2.6		<2.8		<.32		.37		4.56		<2.9			0	0
molybdenum	60		75	<.034		<.037		<.032		8.8		<3.6		<3.8		0		0
nickel	336		420	<13.4		<14.3		<13		27.4		<14.1		<14.7		0		0
selenium	80		100	<33.8		<36.7		<32		<1.6		<36.1		<29		0		0
zinc		2800	7500	393		481		453		494		620		402			0	0

3.1.1 Number of times any of the metals exceeded the high quality limits OR 80% of the limit for molybdenum, nickel or selenium = 0 — 0

Exceedance Points		
●	0	0 Points
○	1-2	10 Points
○	> 2	15 Points

3.1.2 If you exceeded the high quality limits, did you cumulatively track the metals loadings at each land application site? (check applicable box) — 0

- ○ Yes
- ○ No (10 points)
- ● NA. Did not exceed limits or no HQ limit applies (0 points)
- ○ NA. Did not land apply biosolids until limit was met(0 points)

3.1.3 Number of times any of the metals exceeded the ceiling limits = 0 — 0

Exceedance Points		
●	0	0 Points
○	1	10 Points
○	> 1	15 Points

3.1.4 Were biosolids land applied which exceeded the ceiling limit? — 0

- ○ Yes(20 points)
- ● No (0 points)

3.1.5 If any metal limit (high quality or ceiling) was exceeded at any time, what action was taken? Has the source of the metals been identifed?

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management (Continued)

4. Pathogen Control(per outfall):

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	01/01/2011 12:00:00 AM - 02/28/2011 12:00:00 AM
Density:	3010
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	03/01/2011 12:00:00 AM - 04/30/2011 12:00:00 AM
Density:	570
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	05/01/2011 12:00:00 AM - 06/30/2011 12:00:00 AM
Density:	18640
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Biosolids Quality and Management (Continued)

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	07/01/2011 12:00:00 AM - 08/31/2011 12:00:00 AM
Density:	13700
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	09/01/2011 12:00:00 AM - 10/31/2011 12:00:00 AM
Density:	37200
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit	F
Sample Dates:	11/01/2011 12:00:00 AM - 12/31/2011 12:00:00 AM
Density:	38434
Sample Concentratinor Amount:	CFU/G TS
Process:	
Process Description:	

4.1 If exceeded Class B limit or did not meet the process criteria at the time of land application(40 Points)

4.1.1 Was the limit exceeded or the process criteria not met at any time?

○ Yes
● No

If yes, what action was taken?

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management (Continued)

5. Vector Attraction Reduction(per outfall):0

Outfall Number:	002
Method Date:	02/28/2011 12:00:00 AM
Option Used To Satisfy Requirement:	INJ
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	04/30/2011 12:00:00 AM
Option Used To Satisfy Requirement:	INJ
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	06/30/2011 12:00:00 AM
Option Used To Satisfy Requirement:	INJ
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	08/31/2011 12:00:00 AM
Option Used To Satisfy Requirement:	INJ
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	10/31/2011 12:00:00 AM
Option Used To Satisfy Requirement:	INJ
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	12/31/2011 12:00:00 AM

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management (Continued)

	Option Used To Satisfy Requirement: INJ Limit (if applicable): Results (if applicable):	
	5.1 If the limit or criteria was exceeded at the time of land application, 40 point **5.1.1** Was the limit exceeded or the process criteria not met at any time?	0
	○ Yes ● No If yes, what action was taken?	
6.	Biosolids Storage:20	
	6.1 How many days of actual,current biosolids storage capacity did your wastewater treatment facility have either on-site or off-site?	20
	○ >+ 180 days (0 points) ○ 150 - 179 days (10 points) ● 120 - 149 days (20 points) ○ 90 - 119 days (30 points) ○ < 90 days (40 points) ○ Not Applicable (0 points)	
	6.2 If you check Not Applicable above, explain why.	
7.	Issues:	
	7.1 Describe any outstanding biosolids issues with treatment, use or overall mgt? The City has submitted a facility plan ammendment that will add biosolids drying to adrdress the biosolids storage issue (less than 180 days of storage)The City is working with a cinsulkting engineer on design of the biosolids drying facility which should be operational by mid 2014	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Biosolids Quality and Management (Continued)

Total Points Generated	20
Score (100 - Total Points Generated)	80
Section Grade	C

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Staffing and Preventative Maintenance (All Treatment Plants)

	Questions	Points
1.	Was your wastewater treatment plant adequately staffed last year?	
	● Yes ○ No If No, please describe: Could use more help/staff for:	
2.	Did your wastewater staff have adequate time to properly operate and maintain the plant and fulfill all wastewater management tasks including recordkeeping?	
	● Yes ○ No. Explain	
3.	Did your plant have a documented AND implemented plan for preventative maintenance on major equipment items?	0
	● Yes (Continue with questions below) ○ No (40 points and go to question 6) If No, explain:	
4.	Did this preventative maintenance program depict frequency of intervals, types of lubrication, and other tasks necessary for each piece of equipment?	0
	● Yes ○ No (10 points)	
5.	Were these preventative maintenance tasks, as well as major equipment repairs, recorded and filed so future maintenance problems can be assessed properly?	0
	● Yes ○ (Paper file system) ○ (Computer program) ● (Both Paper and Computer) ○ No (10 points)	
6.	Did your plant have a detailed O&M Manual that was used as a reference when needed?	
	● Yes ○ No	
7.	Rate the overall maintenance of your wastewater plant.	
	● Excellent	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Staffing and Preventative Maintenance (All Treatment Plants) (Continued)

- O Very Good
- O Good
- O Fair
- O Poor

Describe your rating:

We have a very successful and complete maintenance program that includes both a paper based and computor based filing sysrtem. The maintenance department is extremely qualified and very diligent about completing predictive, preventive and corrective maintenance in a efficient and timely manner. Our main priority is keeping every piece of equipment in tip top working order.

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Operator Certification and Education

	Questions	Points
1.	Did you have a designated operator-in-charge during the report year?	0
	● Yes (0 point) ○ No (20 points) Name: DALE L DOERR Certification No: 32409	
2.	In accordance with Chapter NR 114.08 and 114.09, Wisconsin Administrative Code, what grade and subclass(es) were required for the operator-in-charge to operate the wastewater treatment plant and what grade and subclass(es) were held by the operator-in-charge?	
	Required: 4 - ACEFGIJ; A - PRIMARY SETTLING; C - ACTIVATED SLUDGE; E - DISINFECTION; F - ANAEROBIC DIGESTION; G - MECHANICAL SLUDGE; I - PHOSPHORUS REMOVAL; J - LABORATORY Held: 4 - ACEFGHIJ; 2 - BD; 4 - A=PRIMARY SETTLING GRADE 4; C=ACTIVATED SLUDGE GRADE 4; E=DISINFECTION GRADE 4; F=ANAEROBIC DIGESTION GRADE 4; G=MECHANICAL SLUDGE GRADE 4; H=FILTRATION GRADE 4; I=PHOSPHORUS REMOVAL GRADE 4; J=LABORATORY GRADE 4; 2 - B=TRICKLING FILTER/RBC GRADE 2; D=PONDS/AEREATED LAGOONS GRADE 2	
3.	Was the operator-in-charge certified at the appropriate level to operate this plant?	0
	● Yes (0 point) ○ No (20 points)	
4.	In the event of the loss of your designated operator-in-charge, did you have a contingency plan to ensure the continued proper operation & maintenance of the plant that includes one or more of the following options (check all that apply):	0
	4.1 ☒ one or more additional certified operators on staff 4.2 ☐ an arrangement with another certified operator 4.3 ☐ an arrangement with another community with a certified operator 4.4 ☐ an operator on staff who has an operator-in-training certificate for your plant and is expected be certified within one year 4.5 ☐ a consultant to serve as your certified operator 4.6 ☐ None of the above (20 points) Explain:	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Operator Certification and Education (Continued)

5.	If you had a designated operator-in-charge, was the operator-in-charge earning continuing education credits at the following rates?	
	Grades T, 1, and 2: ○ Averaging 6 or more CEUs per year ○ Averaging less than 6 CEUs per year Grades 3 and 4: ● Averaging 8 or more CEUs per year ○ Averaging less than 8 CEUs per year Not applicable: ○ See Question 1.	

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Financial Management

	Questions	Points
1.	Person Providing This Financial Information	
	Name: Nancy Buss Telephone: (920) 459-3304 E-Mail Address(optional): nbuss@ci.sheboygan.wi.us	
2.	Are User Charge or other Revenues sufficient to cover O&M Expenses for your wastewater treatment plant AND/OR collection system ?	0
	● Yes (0 points) ○ No (40 points) If No, please explain:	
3.	When was the User Charge System or other revenue source(s) last reviewed and/or revised? Year: 2011	0
	● 0-2 years ago (0 points) ○ 3 or more years ago (20 points) ○ Not Applicable (Private Facility)	
4.	Did you have a special account (e.g., CWFP required segregated Replacement Fund, etc.) or financial resources available for repairing or replacing equipment for your wastewater treatment plant and/or collection system?	0
	● Yes ○ No (40 points)	
	REPLACEMENT FUNDS(PUBLIC MUNICIPAL FACILITIES SHALL COMPLETE QUESTION 5)	
5.	Equipment Replacement Funds	
	5.1 When was the Equipment Replacement Fund last reviewed and/or revised? Year: 2011	0
	● 1-2 years ago (0 points) ○ 3 or more years ago (20 points) ○ Not Applicable Explain:	
	5.2 What amount is in your Replacement Fund?	
	Equipment Replacement Fund Activity	
	5.2.1 Ending Balance Reported on Last Year's CMAR: $6,250,805.46 **5.2.2** *Adjustments* + $0.00 if necessary (e.g., earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.) **5.2.3 Adjusted January 1st Beginning Balance** $6,250,805.46	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Financial Management (Continued)

5.2.4	*Additions* to Fund (e.g., portion of User Fee, earned interest, etc.)	+	$0.00
5.2.5	*Subtractions* from Fund (e.g., equipment replacement, major repairs - use description box 5.2.5.1 below*.)	-	$1,194,836.85
5.2.6	**Ending Balance as of December 31st for CMAR Reporting Year**		$5,055,968.61

(All Sources: This ending balance should include all Equipment Replacement Funds whether held in a bank account(s), certificate(s) of deposit, etc.)

*5.2.5.1. Indicate adjustments, equipment purchases and/or major repairs from 5.2.5 above

Digester cover rehab (sand blast and paint digester covers) and the addition of Liner Motion Mixers on the primary digesters and the installation of 400 kW of generating capacity.

5.3 What amount <u>should</u> be in your replacement fund? $1,919,124.00

(If you had a CWFP loan, this amount was originally based on the Financial Assistance Agreement (FAA) and should be regularly updated as needed. Further calculation instructions and an example can be found by clicking the HELP option button.)

5.3.1 Is the Dec. 31 Ending Balance in your Replacement Fund above (#5.2.6) equal to or greater than the amount that should be in it(#5.3)?

- ● Yes
- ○ No Explain:

6. Future Planning

6.1 During the next ten years, will you be involved in formal planning for upgrading, rehabilitating or new construction of your treatment facility or collection system?

- ● Yes (If yes, please provide major project information, if not already listed below)
- ○ No

Project Description	Estimated Cost	Approximate Construction Year
Bio-solids Drying that will creat a Class A Biosolids product. construction starts 2013 wiuth completion in 2014	$10,000,000.00	2013

7. Financial Management General Comments:

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/18/2012	Reporting Year: 2011

Financial Management (Continued)

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems

	Questions	Points
1.	Do you have a Capacity, Management, Operation & Maintenance(CMOM) requirement in your WPDES permit?	
	○ Yes ● No	
2.	Did you have a documented (written records/files, computer files, video tapes, etc.) sanitary sewer collection system operation & maintenance or CMOM program last calendar year?	0
	● Yes (go to question 3) ○ No (30 points) (go to question 4)	
3.	Check the elements listed below that are included in your Operation and Maintenance (O&M) or CMOM program.:	
	☒ **Goals:** Describe the specific goals you have for your collection system: The Department of Public Works' mission is to improve the quality of life within the City of Sheboygan, by effectively developing, maintaining, and improving infrastructure, natural resources, and community services. The Department's Capacity Management, Operation, and Maintenance (CMOM) program is designed to contribute to this overall mission though the following Goals: Provide adequate sanitary sewer drainage without disruption of service. Provide proper resources for effective system management, operations, and maintenance. Provide adequate capacity to convey average and peak weather flows. Provide available resources to eliminate and mitigate all sanitary sewer overflows (SSOs). Provide proper notification to all parties with a reasonable potential for exposure. Provide proper training and education for personnel.	
	☒ **Organization:** Do you have the following written organizational elements (check only those that you have): ☒ Ownership and governing body description ☒ Organizational chart ☒ Personnel and position descriptions ☐ Internal communication procedures ☐ Public information and education program	
	☒ **Legal Authority:** Do you have the legal authority for the following (check only those that apply): ☒ Sewer use ordinance Last Revised MM/DD/YYYY 12/01/2011 ☒ Pretreatment/Industrial control Programs ☒ Fat, Oil and Grease control ☒ Illicit discharges (commercial, industrial) ☒ Private property clear water (sump pumps, roof or foundation drains, etc) ☐ Private lateral inspections/repairs ☒ Service and management agreements	
	☒ **Maintenance Activities: details in Question 4**	
	☒ **Design and Performance Provisions:** How do you ensure that your sewer system is designed and constructed properly? ☒ State plumbing code ☒ DNR NR 110 standards ☒ Local municipal code requirements ☒	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

	Construction, inspection and testing ☐ Others:	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

☒ **Overflow Emergency Response Plan:** Does your emergency response capability include (check only those that you have):

- ☐ Alarm system and routine testing
- ☒ Emergency equipment
- ☒ Emergency procedures
- ☒ Communications/Notifications (DNR, Internal, Public, Media etc)

☒ **Capacity Assurance:** How well do you know your sewer system? Do you have the following?

- ☒ Current and up-to-date sewer map
- ☒ Sewer system plans and specifications
- ☒ Manhole location map
- ☒ Lift station pump and wet well capacity information
- ☒ Lift station O&M manuals

Within your sewer system have you identified the following?

- ☒ Areas with flat sewers
- ☒ Areas with surcharging
- ☒ Areas with bottlenecks or constrictions
- ☒ Areas with chronic basement backups or SSO's
- ☒ Areas with excess debris, solids or grease accumulation
- ☒ Areas with heavy root growth
- ☒ Areas with excessive infiltration/inflow (I/I)
- ☒ Sewers with severe defects that affect flow capacity
- ☒ Adequacy of capacity for new connections
- ☐ Lift station capacity and/or pumping problems

☐ **Annual Self-Auditing of your O&M/CMOM Program** to ensure above components are being implemented, evaluated, and re-prioritized as needed.

☐ **Special Studies Last Year(check only if applicable):**

- ☐ Infiltration/Inflow (I/I) Analysis
- ☐ Sewer System Evaluation Survey (SSES)
- ☐ Sewer Evaluation and Capacity Managment Plan (SECAP)
- ☐ Lift Station Evaluation Report
- ☐ Others:

4. Did your sanitary sewer collection system maintenance program include the following maintenance activities? Complete all that apply and indicate the amount maintained:

Cleaning	39	% of system/year
Root Removal	1	% of system/year
Flow Monitoring	1	% of system/year
Smoke Testing	0	% of system/year
Sewer Line Televising	20	% of system/year

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

	Manhole Inspections	8	% of system/year
	Lift Station O&M	50	# per L.S/year
	Manhole Rehabilitation	1	% of manholes rehabed
	Mainline Rehabilitation	0.5	% of sewer lines rehabed
	Private Sewer Inspections	4.3	% of system/year
	Private Sewer I/I Removal	0.03	% of private services

Please include additional comments about your sanitary sewer collection system below:

5. Provide the following collection system and flow information for the past year:

33.76	Total Actual Amount of Precipitation Last Year
36	Annual Average Precipitation (for your location)
170	Miles of Sanitary Sewer
5	Number of Lift Stations
0	Number of Lift Station Failure
0	Number of Sewer Pipe Failures
11	Number of Basement Backup Occurrences
55	Number of Complaints
10.877	Average Daily Flow in MGD
17.710	Peak Monthly Flow in MGD(if available)

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

	33.487	Peak Hourly Flow in MGD(if available)	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

NUMBER OF SANITARY SEWER OVERFLOWS (SSO) REPORTED (10 POINTS PER OCCURRENCE) — 0

	Date	Location	Cause	Estimated Volume (MG)
NONE REPORTED				

Were there SSOs that occurred last year that are not listed above?

○ Yes
● No

If Yes, list the SSOs that occurred:

PERFORMANCE INDICATORS

0.00	Lift Station Failures(failures/ps/year)
0.00	Sewer Pipe Failures(pipe failures/sewer mile/yr)
0.00	Sanitary Sewer Overflows (number/sewer mile/yr)
0.06	Basement Backups(number/sewer mile)
0.32	Complaints (number/sewer mile)
1.6	Peaking Factor Ratio (Peak Monthly:Annual Daily Average)
3.1	Peaking Factor Ratio(Peak Hourly:Annual daily Average)

6. Was infiltration/inflow(I/I) significant in your community last year?

○ Yes
● No

If Yes, please describe:

7. Has infiltration/inflow and resultant high flows affected performance or created problems in your collection system, lift stations, or treatment plant at any time in the past year?

○ Yes
● No

If Yes, please describe:

8. Explain any infiltration/inflow(I/I) changes this year from previous years?

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated: 5/24/2012	Reporting Year: 2011

Sanitary Sewer Collection Systems (Continued)

	2011 had lower than normal rainfall so I/I was not a problem	
9.	What is being done to address infiltration/inflow in your collection system?	
	Ongoing Sanitary sewer rehabilitation and manhole repairs. We continue to inspect private properties for illagel clear water connections.	

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant | Last Updated: | Reporting Year: 2011

WPDES No.0025411

GRADING SUMMARY				
SECTION	LETTER GRADE	GRADE POINTS	WEIGHTING FACTORS	SECTION POINTS
Influent Loadings	A	4.0	3	12
Effluent Quality BOD	A	4.0	10	40
Effluent Quality TSS	A	4.0	5	20
Effluent Quality P	A	4.0	3	12
Biosolids Mgt	C	2.0	5	10
Prev Maintenance Staffing	A	4.0	1	4
Operator Certification	A	4.0	1	4
Financial Management	A	4.0	1	4
Collection Systems	A	4.0	3	12
TOTALS			32	118
GRADE POINT AVERAGE(GPA)=3.69		3.69		

Notes:

A = Voluntary Range
B = Voluntary Range
C = Recommendation Range (Response Required)
D = Action Range (Response Required)
F = Action Range (Response Required)

COMPLIANCE MAINTENANCE ANNUAL REPORT

Facility Name: Sheboygan Wastewater Treatment Plant	Last Updated:	Reporting Year: 2011

Resolution or Owner's Statement

NAME OF GOVERNING BODY OR OWNER	DATE OF RESOLUTION OR ACTION TAKEN
City of Sheboygan Wisconsin	6/18/2012
RESOLUTION NUMBER	
xx-11-12	
ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO SPECIFIC CMAR SECTIONS (Optional for grade A or B, required for grade C, D, or F):	
Influent Flow and Loadings: Grade=A	
Effluent Quality: BOD: Grade=A	
Effluent Quality: TSS: Grade=A	
Effluent Quality: Phosphorus: Grade=A	
Biosolids Quality and Management: Grade=C	
The Bio-solids Quality and Management section of the 2011 CMAR having received a Grade of "C" requires the City to review and make changes to the Solids Management Practices at the Wastewater Treatment Plant to become compliant with WDNR regulations. Staff, with the help of a consultant has identified solids management issues/constraints and has developed a plan to become compliant with WDNR regulations. A facility plan amendment submitted by the City was approved by the WDNR that incorporates bio-solids drying in its solids management plan. Bio-solids drying will bring the City into compliance with the required 180 days of bio-solids storage capacity.	
Staffing: Grade=A	
Operator Certification: Grade=A	
Financial Management: Grade=A	
Collection Systems: Grade=A	
ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO THE OVERALL GRADE POINT AVERAGE AND ANY GENERAL COMMENTS (Optional for G.P.A. greater than or equal to 3.00, required for G.P.A. less than 3.00) **G.P.A. = 3.69**	

COMPLIANCE MAINTENANCE ANNUAL REPORT

Resolution or Owner's Statement (Continued)

A RESOLUTION informing the Wisconsin Department of Natural Resources (WDNR) of that the 2011 Compliance Maintenance Annual Report (CMAR) has been reviewed: RESOLVED: that the City of Sheboygan hereby informs the WDNR that the Common Council has reviewed the 2011 CMAR, which is attached to this resolution, BE IT FURTHER RESOLVED: that the Bio-solids Quality and Management section of the 2011 CMAR having received a Grade of "C" requires the City to review and make changes to the Solids Management Practices at the Wastewater Treatment Plant to become compliant with WDNR regulations. Staff, with the help of a consultant has identified solids management issues/constraints and has developed a plan to become compliant with WDNR regulations. A facility plan amendment submitted by the City was approved by the WDNR that incorporates bio-solids drying in its solids management plan. Bio-solids drying will bring the City into compliance with the required 180 days of bio-solids storage capacity. BE IT FURTHER RESOLVED: that the other sections of the 2011 CMAR having received a Grade of "A" require no further action by council, Be it further resolved that the 2011 CMAR be accepted and placed on file.

III

4.9

Res. No. 24 12 - 13. By Alderperson Heidemann. June 4, 2012.

A RESOLUTION authorizing advertising for bids for the relaying & sewer lining of the sanitary sewer for certain areas of Eisner Ave.

RESOLVED: That the Engineering Division is hereby authorized and directed to advertise for bids under the five percent (5%) alternative of Section 62.13 (3), Wisconsin Stats, for the 2012 Concrete Sidewalk Program aforementioned, according to the plans and specifications prepared by the City Engineer, and submit a resume of bids received and accepted to the Common Council for further consideration.

Pub Works approve.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

X

5.1

Gen. Ord. No. 12A - 12 - 13. By Alderperson Heidemann. June 4, 2012.

AN ORDINANCE relating to bus stops so as to add a bus stop at the location in the 1500 block of Geele Ave.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to §118-126, Sheboygan Municipal Code, a bus stop is hereby created on Geele Avenue from 495 feet west of the west curb line of N. 15th Street to 556 feet west of the west curb line of N. 15th Street. No parking shall be permitted within the bus stop.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to add the sign(s) to give notification of the aforementioned change.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

PP+S approve

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

X

5.2

Gen. Ord. No. 13 - 12 - 13. By Alderperson Heidemann. June 4, 2012.

AN ORDINANCE relating to mid-block crosswalks so as to add a mid-block crosswalk in the 1500 block of Geele Avenue:

WHEREAS, pursuant to §118-50, Sheboygan Municipal Code: The Sheboygan Police Department determination that there is particular danger to pedestrians crossing Geele Avenue.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. A mid-block crosswalk shall be created on Geele Avenue 442 feet west of the west curb line of N. 15th Street, to 448 feet west of the west curb line of N. 15th Street.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to add the sign(s) to give notification of the aforementioned change.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

DPS approve.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

CITY OF SHEBOYGAN, WISCONSIN

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2011

CITY OF SHEBOYGAN, WISCONSIN
December 31, 2011

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CITY OF SHEBOYGAN, WISCONSIN
December 31, 2011

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Schenck SC
CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND SCHEDULE OF STATE FINANCIAL ASSISTANCE

To Mayor Terry Van Akkeren and Common Council
City of Sheboygan
Sheboygan, 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 Sheboygan, Wisconsin ("the City") as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Sheboygan, Wisconsin's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Water Utility enterprise fund, which represents 55 percent and 45 percent, respectively, of the assets and revenues of the City's business-type activities. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Water Utility enterprise fund, is based on the report of the other auditors. We did not audit the financial statements of the Housing Authority of the City of Sheboygan. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Housing Authority of the City of Sheboygan, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A.3, the City has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended December 31, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the schedules of funding progress and employer contributions on pages 50 and 51 be presented to supplement the basic financial statements. Such 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. 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 the 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sheboygan, Wisconsin's financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining fund financial statements and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
April 27, 2012

BASIC FINANCIAL STATEMENTS

CITY OF SHEBOYGAN, WISCONSIN
Statement of Net Assets
December 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Totals	Housing Authority of the City of Sheboygan	Harbor Centre Business Improvement District
ASSETS					
Cash and investments	$ 41,207,042	$ 11,722,770	$ 52,929,812	$ 4,617,797	$ 126,554
Receivables					
Taxes	25,020,564	599,029	25,619,593	-	-
Accounts	652,378	1,927,471	2,579,849	-	-
Special assessments	235,454	568,384	803,838	-	-
Loans	10,714,482	-	10,714,482	-	-
Other	132,306	20,237	152,543	4,167	-
Internal balances	988,778	(988,778)	-	-	-
Due from other governments	1,427,565	170,038	1,597,603	-	-
Inventories and prepaid items	303,997	283,889	587,886	38,451	570
Deferred charges	337,335	-	337,335	-	-
Deposit with CVMIC	2,205,665	-	2,205,665	-	-
Restricted assets					
Cash and investments	-	979,291	979,291	127,027	-
Capital assets, nondepreciable					
Land	15,047,262	852,683	15,899,945	266,510	-
Construction in progress	-	6,074,151	6,074,151	-	-
Capital assets, depreciable					
Buildings and improvements	32,273,687	18,282,400	50,556,087	7,529,331	-
Improvements other than buildings	13,756,740	21,898,648	35,655,388	-	-
Machinery and equipment	22,775,530	30,299,785	53,075,315	667,475	2,791
Infrastructure	115,538,177	55,433,514	170,971,691	-	-
Less: Accumulated depreciation	(89,117,754)	(73,658,021)	(162,775,775)	(6,263,015)	(504)
TOTAL ASSETS	193,499,208	74,465,491	267,964,699	6,987,743	129,411
LIABILITIES					
Accounts payable	1,092,067	776,656	1,868,723	1,719	8,975
Accrued and other current liabilities	7,962,661	1,426,559	9,389,220	173,863	1,591
Accrued interest payable	655,874	86,160	742,034	-	-
Due to other governments	1,569,143	341,229	1,910,372	-	-
Unearned revenues	24,923,813	566,760	25,490,573	-	-
Long-term Obligations					
Due within one year	6,593,009	1,385,187	7,978,196	-	-
Due in more than one year	46,793,391	13,685,863	60,479,254	-	-
TOTAL LIABILITIES	89,589,958	18,268,414	107,858,372	175,582	10,566
NET ASSETS					
Invested in capital assets, net of related debt	62,034,386	44,776,929	106,811,315	2,200,301	-
Restricted for					
Debt service	1,013,959	250,873	1,264,832	-	-
Tax incremental financing districts	1,458,651	-	1,458,651	-	-
Community development	9,149,792	-	9,149,792	-	-
Cemetery perpetual care	802,088	-	802,088	-	-
Library trust	1,006,335	-	1,006,335	-	-
Housing assistance	-	-	-	53,213	-
Unrestricted	28,444,039	11,169,275	39,613,314	4,558,647	118,845
TOTAL NET ASSETS	$ 103,909,250	$ 56,197,077	$ 160,106,327	$ 6,812,161	$ 118,845

The notes to the basic financial statements are an integral part of this statement.

CITY OF SHEBOYGAN, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 5,326,674	$ 1,295,511	$ 180	$ -
Public safety	20,581,232	2,150,552	630,449	-
Public works	12,584,958	870,968	2,653,645	1,340,542
Health and human services	385,895	125,782	-	-
Culture and recreation	5,707,005	830,279	753,897	-
Conservation and development	6,296,295	20,147	1,703,862	-
Interest on debt	2,525,082	19,600	-	-
Total Governmental Activities	53,407,141	5,312,839	5,742,033	1,340,542
Business-type Activities				
Sewerage system	6,376,121	7,346,232	-	-
Water utility	4,701,580	6,997,904	-	7,125
Transit commission	4,647,465	802,003	2,807,072	-
Parking facility	406,036	428,909	-	-
Boat facility	185,309	99,637	5,000	-
Total Business-type Activities	16,316,511	15,674,685	2,812,072	7,125
Total Primary Government	$ 69,723,652	$ 20,987,524	$ 8,554,105	$ 1,347,667
Component Units				
Housing Authority of the City of Sheboygan	$ 1,731,595	$ 824,866	$ 653,549	$ 147,642
Harbor Centre Business Improvement District	192,847	185,881	-	-
	$ 1,924,442	$ 1,010,747	$ 653,549	$ 147,642
General revenues				
Taxes				
General property taxes				
Tax increments				
Other taxes				
Federal and state grants and other contributions not restricted to specific functions				
Interest and investment earnings				
Miscellaneous				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - January 1				
Net assets - December 31				

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Totals	Housing Authority of the City of Sheboygan	Harbor Centre Business Improvement District
$ (4,030,983)	$ -	$ (4,030,983)	$ -	$ -
(17,800,231)	-	(17,800,231)	-	-
(7,719,803)	-	(7,719,803)	-	-
(260,113)	-	(260,113)	-	-
(4,122,829)	-	(4,122,829)	-	-
(4,572,286)	-	(4,572,286)	-	-
(2,505,482)	-	(2,505,482)	-	-
(41,011,727)	-	(41,011,727)	-	-
-	970,111	970,111	-	-
-	2,303,449	2,303,449	-	-
-	(1,038,390)	(1,038,390)	-	-
-	22,873	22,873	-	-
-	(80,672)	(80,672)	-	-
-	2,177,371	2,177,371	-	-
(41,011,727)	2,177,371	(38,834,356)	-	-
-	-	-	(105,538)	-
-	-	-	-	(6,966)
-	-	-	(105,538)	(6,966)
20,545,650	638,595	21,184,245	-	-
5,139,867	-	5,139,867	-	-
1,284,136	-	1,284,136	-	-
12,620,057	-	12,620,057	-	-
824,677	157,950	982,627	13,920	501
109,605	99,605	209,210	81,939	-
164,471	4,236	168,707	-	-
1,167,783	(1,167,783)	-	-	-
41,856,246	(267,397)	41,588,849	95,859	501
844,519	1,909,974	2,754,493	(9,679)	(6,465)
103,064,731	54,287,103	157,351,834	6,821,840	125,310
$ 103,909,250	$ 56,197,077	$ 160,106,327	$ 6,812,161	$ 118,845

CITY OF SHEBOYGAN, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2011

	General	Debt Service GO Debt	Debt Service TIF Districts	Capital Projects TIF Districts
ASSETS				
Cash and investments	$ 12,642,734	$ 3,933,216	$ 4,832,432	$ 552,997
Receivables				
Taxes	15,480,795	2,910,747	4,249,816	-
Accounts	140,228	-	34,788	-
Special assessments	87,486	-	-	-
Loans	10,000	-	-	-
Other	50,919	12,028	18,481	1,628
Due from other funds	1,694,815	2,007,242	-	-
Advance to other funds	1,236,203	1,723,809	-	-
Due from other governments	36,225	-	-	-
Inventories and prepaid items	249,264	-	-	-
TOTAL ASSETS	$ 31,628,669	$ 10,587,042	$ 9,135,517	$ 554,625
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 488,352	$ -	$ 100	$ -
Accrued and other current liabilities	2,291,644	2,000,000	-	-
Due to other funds	-	-	90,726	-
Due to other governments	22,279	-	-	-
Deferred revenues	15,475,084	3,186,158	4,249,816	-
Advance from other funds	179,785	-	3,337,852	-
Total Liabilities	18,457,144	5,186,158	7,678,494	-
Fund Balances				
Nonspendable				
Inventories and prepaid items	249,264	-	-	-
Long-term accounts and interfund receivables	1,376,431	3,731,051	-	-
Cemetery perpetual care	-	-	-	-
Library trust	-	-	-	-
Restricted				
Debt service	-	1,669,833	-	-
Tax incremental financing districts	-	-	1,457,023	554,625
Capital improvements	-	-	-	-
Community development	-	-	-	-
Library trust	-	-	-	-
Assigned	-	-	-	-
Unassigned	11,545,830	-	-	-
Total Fund Balances	13,171,525	5,400,884	1,457,023	554,625
TOTAL LIABILITIES AND FUND BALANCES	$ 31,628,669	$ 10,587,042	$ 9,135,517	$ 554,625

(Continued)

Capital Projects Bonded	Other Governmental Funds	Total Governmental Funds
$ 473,564	$ 8,791,655	$ 31,226,598
-	2,379,206	25,020,564
-	477,006	652,022
-	147,968	235,454
-	10,704,482	10,714,482
-	19,584	102,640
-	-	3,702,057
-	833,036	3,793,048
-	1,391,340	1,427,565
-	17,672	266,936
$ 473,564	$ 24,761,949	$ 77,141,366
$ 61,688	$ 411,898	$ 962,038
-	242,795	4,534,439
-	2,657,211	2,747,937
-	1,546,864	1,569,143
-	11,722,292	34,633,350
-	330,911	3,848,548
61,688	16,911,971	48,295,455
-	17,672	266,936
-	-	5,107,482
-	802,088	802,088
-	600,000	600,000
-	-	1,669,833
-	-	2,011,648
411,876	-	411,876
-	1,328,005	1,328,005
-	406,335	406,335
-	7,180,948	7,180,948
-	(2,485,070)	9,060,760
411,876	7,849,978	28,845,911
$ 473,564	$ 24,761,949	$ 77,141,366

CITY OF SHEBOYGAN, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2011

Reconciliation to the Statement of Net Assets

Total Fund Balances as shown on previous page		$ 28,845,911
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		105,807,115
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special assessments		220,095
Accounts receivable		52,240
Loans receivable		9,161,791
Advance from other funds		275,411
Internal service funds reported in the statement of net assets as governmental activities (see page 15)		13,251,626
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	$ (48,466,852)	
Capital leases payable	(737,277)	
Unfunded post employment benefits	(1,213,653)	
Compensated absences	(2,968,618)	
Deferred charges - bond issues	337,335	
Accrued interest on long-term obligations	(655,874)	(53,704,939)
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 3)		$ 103,909,250

The notes to the basic financial statements are an integral part of this statement.

CITY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2011

	General	Debt Service GO Debt	Debt Service TIF Districts	Capital Projects TIF Districts
Revenues				
Taxes	$ 15,385,793	$ 2,877,659	$ 5,205,794	$ -
Special assessments	-	-	-	-
Intergovernmental	15,234,416	-	40,640	-
Licenses and permits	853,501	-	-	-
Fines and forfeits	282,815	-	-	-
Public charges for services	344,236	-	-	-
Intergovernmental charges for services	243,003	-	-	-
Miscellaneous	480,798	655,440	104,464	8,469
Total Revenues	32,824,562	3,533,099	5,350,898	8,469
Expenditures				
Current				
General government	4,180,712	299	-	-
Public safety	19,859,515	-	-	-
Public works	7,323,546	-	-	-
Health and human services	370,949	-	-	-
Culture and recreation	2,381,412	-	-	-
Conservation and development	283,258	-	309,367	-
Debt service				
Principal	-	3,394,093	2,783,570	-
Interest and fiscal charges	368	1,422,658	1,041,598	-
Capital outlay	-	-	-	-
Total Expenditures	34,399,760	4,817,050	4,134,535	-
Excess of Revenues Over (Under) Expenditures	(1,575,198)	(1,283,951)	1,216,363	8,469
Other Financing Sources (Uses)				
Long-term debt issued	-	-	-	-
Sale of capital assets	214,900	-	-	-
Transfers in	2,427,097	989,023	-	-
Transfers out	(6,399)	-	(146,172)	-
Total Other Financing Sources (Uses)	2,635,598	989,023	(146,172)	-
Net Change in Fund Balances	1,060,400	(294,928)	1,070,191	8,469
Fund Balances - January 1	11,692,957	5,695,812	386,832	546,156
Prior Period Adjustment	418,168	-	-	-
Fund Balances - January 1, restated	12,111,125	5,695,812	386,832	546,156
Fund Balances - December 31	$ 13,171,525	$ 5,400,884	$ 1,457,023	$ 554,625

(Continued)

Capital Projects Bonded	Other Governmental Funds	Total Governmental Funds
$ -	$ 3,500,407	$ 26,969,653
-	185,639	185,639
5,858	3,646,382	18,927,296
-	555,445	1,408,946
-	926,161	1,208,976
-	1,938,750	2,282,986
-	-	243,003
-	850,040	2,099,211
5,858	11,602,824	53,325,710
-	566,542	4,747,553
-	532,871	20,392,386
-	787,512	8,111,058
-	-	370,949
-	3,542,802	5,924,214
-	3,262,140	3,854,765
-	72,467	6,250,130
-	15,026	2,479,650
2,902,414	2,640,573	5,542,987
2,902,414	11,419,933	57,673,692
(2,896,556)	182,891	(4,347,982)
670,000	-	670,000
-	-	214,900
-	46,850	3,462,970
(425)	(1,974,938)	(2,127,934)
669,575	(1,928,088)	2,219,936
(2,226,981)	(1,745,197)	(2,128,046)
2,638,857	9,595,175	30,555,789
-	-	418,168
2,638,857	9,595,175	30,973,957
$ 411,876	$ 7,849,978	$ 28,845,911

CITY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds (Continued)
For the Year Ended December 31, 2011

Reconciliation to the Statement of Activities		
Net Change in Fund Balances as shown on previous page		$ (2,128,046)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	$ 5,620,331	
Depreciation expense reported in the statement of activities	(5,209,687)	
Amount by which capital outlay is greater than depreciation in current period		410,644
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.		
Proceeds from the disposition of capital assets as reported on the governmental funds operating statement	$ (199,000)	
Gain on disposition reported on the statement of activities	164,471	
Cost of assets disposed of		(34,529)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits decreased by:		390,846
Special assessments are recorded as revenues when collected in the governmental funds; however, in the government-wide financial statements, special assessments are recognized as revenue when levied		
Special assessments levied	$ 99,742	
Special assessment collections	(185,639)	(85,897)
Accounts receivable deferred and collected after the period of availability		(30,060)
Water utility's portion of unfunded pension liability payoff established in 2009		(10,129)
Loans issued by the City are recorded as an expenditure in the governmental funds when paid and loan repayments are recognized as a revenue when received. The issuance of loans or the receipt of repayments does not have an effect on net assets.		
Loans issued	$ 1,666,697	
Loan repayments received	(4,857,596)	(3,190,899)
Some capital assets acquired during the year were financed with debt. In addition, debt was issued to refinance existing debt obligations. The amount of the debt is reported in the the governmental funds as a source of financing. In the statement of net assets; however, debt constitutes a long-term liability. Debt issued in the current year is:		(670,000)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:		6,250,130
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.		(4,375)
Bond issue costs are reported in the governmental funds as an expenditure. In the statement of activities, these costs are capitalized and amortized over the life of the bonds.		(21,158)
Internal service funds are used by the City to charge the costs of motor vehicle, data processing, health, workers compensation and general liability to individual funds.		(32,008)
Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 4 - 5)		$ 844,519

The notes to the basic financial statements are an integral part of this statement.

CITY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 15,392,078	$ 15,392,078	$ 15,385,793	$ (6,285)
Intergovernmental	15,273,389	15,287,325	15,234,416	(52,909)
Licenses and permits	567,770	567,770	853,501	285,731
Fines and forfeits	459,020	459,020	282,815	(176,205)
Public charges for services	288,450	288,450	344,236	55,786
Intergovernmental charges for services	217,570	217,570	243,003	25,433
Miscellaneous	375,682	385,612	480,798	95,186
Total Revenues	32,573,959	32,597,825	32,824,562	226,737
Expenditures				
General Government				
Council	112,839	134,892	120,226	14,666
Mayor	311,857	311,857	300,452	11,405
City clerk	375,721	414,221	360,272	53,949
Elections	44,981	45,266	52,357	(7,091)
Finance	1,038,202	1,134,767	995,679	139,088
Assessor	440,723	442,178	404,714	37,464
Personnel	237,642	262,723	241,674	21,049
City attorney	781,143	484,243	434,711	49,532
City insurance	179,115	179,115	200,617	(21,502)
City buildings	1,230,458	1,292,543	1,068,626	223,917
Board of review	2,150	2,150	1,384	766
Total General Government	4,754,831	4,703,955	4,180,712	523,243
Public Safety				
Police	11,842,396	12,030,587	11,866,404	164,183
Fire	7,550,879	7,592,569	7,504,391	88,178
Building inspection	467,659	487,659	469,019	18,640
Emergency operations	1,826	1,826	1,648	178
Civil defense	5,700	5,700	18,053	(12,353)
Total Public Safety	19,868,460	20,118,341	19,859,515	258,826
Public Works				
Department of public works	426,525	463,985	476,887	(12,902)
Engineering	444,325	444,325	497,031	(52,706)
Streets department	4,070,213	4,154,373	3,933,563	220,810
Sanitation department	2,204,309	2,264,682	2,403,036	(138,354)
Incinerator	17,500	17,500	13,029	4,471
Total Public Works	7,162,872	7,344,865	7,323,546	21,319

(Continued)

CITY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (Continued)
General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance Final Budget - Positive
	Original	Final	Amounts	(Negative)
Health and Human Services				
Health	22,600	22,600	22,600	-
Cemetery	337,953	337,953	348,349	(10,396)
Total Health and Human Services	360,553	360,553	370,949	(10,396)
Culture and Recreation				
Park department	2,096,328	2,119,059	2,153,112	(34,053)
Celebrations	29,872	29,872	37,751	(7,879)
Senior citizen center	186,908	189,205	190,549	(1,344)
Total Culture and Recreation	2,313,108	2,338,136	2,381,412	(43,276)
Conservation and Development				
City development	217,139	239,101	283,258	(44,157)
Debt Service				
Debt issuance costs	-	-	368	(368)
Total Expenditures	34,676,963	35,104,951	34,399,760	705,191
Excess of Revenues Over (Under) Expenditures	(2,103,004)	(2,507,126)	(1,575,198)	931,928
Other Financing Sources (Uses)				
Sale of capital assets	-	18,500	214,900	196,400
Transfers in	2,162,295	2,162,295	2,427,097	264,802
Transfers out	(59,291)	(59,291)	(6,399)	52,892
Total Other Financing Sources (Uses)	2,103,004	2,121,504	2,635,598	514,094
Net Change in Fund Balance	-	(385,622)	1,060,400	1,446,022
Fund Balance - January 1	11,692,957	11,692,957	11,692,957	-
Prior Period Adjustment	-	-	418,168	418,168
Fund Balance - January 1, restated	11,692,957	11,692,957	12,111,125	418,168
Fund Balance - December 31	$ 11,692,957	$ 11,307,335	$ 13,171,525	$ 1,864,190

The notes to the basic financial statements are an integral part of this statement.

CITY OF SHEBOYGAN, WISCONSIN
Statement of Net Assets
Proprietary Funds
December 31, 2011

	Enterprise Funds	
	Sewerage System	Water Utility
ASSETS		
Cash and investments	$ 5,049,984	$ 3,376,908
Receivables		
Taxes	55,563	-
Accounts	735,586	1,148,019
Special assessments	380	431,695
Other	12,044	-
Due from other governments	-	-
Inventories and prepaid items	-	273,036
Restricted assets		
Cash and investments	-	979,291
Advance to other funds	-	-
Deposit with CVMIC	-	-
Capital assets, nondepreciable		
Land	2,000	98,671
Construction in progress	4,396,079	1,678,072
Capital assets, depreciable		
Buildings and improvements	12,371,095	5,158,891
Improvements other than buildings	19,144,071	-
Machinery and equipment	14,217,242	9,897,682
Infrastructure	23,692,447	31,741,067
Less: Accumulated depreciation	(54,119,086)	(13,431,978)
TOTAL ASSETS	25,557,405	41,351,354
LIABILITIES		
Accounts payable	523,010	180,528
Accrued and other current liabilities	485,436	616,171
Accrued interest payable	22,561	63,599
Due to other funds	-	954,120
Due to other governments	-	-
Unearned revenues	8,959	-
Advance from other funds	-	275,411
Long-term obligations		
Due within one year	829,643	555,544
Due in more than one year	5,112,155	8,573,708
TOTAL LIABILITIES	6,981,764	11,219,081
NET ASSETS		
Invested in capital assets, net of related debt	13,762,050	26,677,972
Restricted for		
Debt service	-	250,873
Unrestricted	4,813,591	3,203,428
TOTAL NET ASSETS	$ 18,575,641	$ 30,132,273

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds

Net Assets, as reported in the Statement of Net Assets in the government-wide financial statements

The notes to the basic financial statements are an integral part of this statement.

Transit Commission	Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
$ 2,035,996	$ 1,259,882	$ 11,722,770	$ 9,980,444
511,559	31,907	599,029	-
12,996	30,870	1,927,471	356
-	136,309	568,384	-
4,499	3,694	20,237	29,666
170,038	-	170,038	-
10,853	-	283,889	37,061
-	-	979,291	-
-	330,911	330,911	-
-	-	-	2,205,665
35,754	716,258	852,683	-
-	-	6,074,151	-
738,173	14,241	18,282,400	-
872,007	1,882,570	21,898,648	-
5,902,647	282,214	30,299,785	12,612,700
-	-	55,433,514	-
(4,232,792)	(1,874,165)	(73,658,021)	(8,146,173)
6,061,730	2,814,691	75,785,180	16,719,719
67,590	5,528	776,656	130,029
291,296	33,656	1,426,559	3,428,222
-	-	86,160	-
-	-	954,120	-
339,701	1,528	341,229	-
522,828	34,973	566,760	-
-	-	275,411	-
-	-	1,385,187	-
-	-	13,685,863	-
1,221,415	75,685	19,497,945	3,558,251
3,315,789	1,021,118	44,776,929	4,466,527
-	-	250,873	-
1,524,526	1,717,888	11,259,433	8,694,941
$ 4,840,315	$ 2,739,006	56,287,235	13,161,468
		(90,158)	90,158
		$ 56,197,077	$ 13,251,626

CITY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds	
	Sewerage System	Water Utility
Operating Revenues		
Charges for services	$ 7,082,828	$ 6,877,911
Other	263,404	119,993
Total Operating Revenues	7,346,232	6,997,904
Operating Expenses		
Personal services	2,095,299	1,571,676
Contractual services	2,127,175	1,117,721
Supplies and materials	790,434	341,074
Insurance	18,351	83,476
Other	306,562	203,176
Depreciation	890,238	1,025,712
Total Operating Expenses	6,228,059	4,342,835
Operating Income (Loss)	1,118,173	2,655,069
Nonoperating Revenues (Expenses)		
Property taxes	-	-
Intergovernmental	-	-
Investment income	101,038	12,459
Miscellaneous revenues	-	-
Interest expense	(126,299)	(358,745)
Amortization of premium	-	197
Sale of capital assets	-	4,236
Total Nonoperating Revenues (Expenses)	(25,261)	(341,853)
Income (Loss) Before Contributions and Transfers	1,092,912	2,313,216
Capital contributions	-	7,125
Transfers in	-	-
Transfers out	(245,631)	(933,489)
Change in Net Assets	847,281	1,386,852
Net Assets - January 1	17,728,360	28,745,421
Net Assets - December 31	$ 18,575,641	$ 30,132,273

Change in net assets, as reported above

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds

Change in Net Assets, as reported in the Statement of Activities in the government-wide financial statements

The notes to the basic financial statements are an integral part of this statement.

Transit Commission	Total Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
$ 707,947	$ 522,869	$ 15,191,555	$ 11,229,927
94,056	5,677	483,130	80,395
802,003	528,546	15,674,685	11,310,322
3,077,358	164,519	6,908,852	1,331,273
235,466	317,499	3,797,861	1,309,947
645,076	24,713	1,801,297	431,701
160,652	757	263,236	7,408,972
454	34,952	545,144	35,697
577,837	48,745	2,542,532	822,912
4,696,843	591,185	15,858,922	11,340,502
(3,894,840)	(62,639)	(184,237)	(30,180)
638,595	-	638,595	-
2,798,872	-	2,798,872	-
22,755	21,698	157,950	155,413
107,574	34	107,608	-
-	-	(485,044)	-
-	-	197	-
-	-	4,236	37,467
3,567,796	21,732	3,222,414	192,880
(327,044)	(40,907)	3,038,177	162,700
-	5,000	12,125	-
-	11,337	11,337	500,000
-	-	(1,179,120)	(667,253)
(327,044)	(24,570)	1,882,519	(4,553)
5,167,359	2,763,576	54,404,716	13,166,021
$ 4,840,315	$ 2,739,006	$ 56,287,235	$ 13,161,468
		$ 1,882,519	$ (4,553)
		27,455	(27,455)
		$ 1,909,974	$ (32,008)

CITY OF SHEBOYGAN, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds	
	Sewerage System	Water Utility
Cash Flows from Operating Activities		
Receipts from customers	$ 7,274,487	$ 6,975,164
Payments to suppliers	(3,944,160)	(1,925,352)
Payments to employees	(2,095,299)	(1,328,559)
Net Cash Provided (Used) by Operating Activities	1,235,028	3,721,253
Cash Flows from Noncapital and Related Financing Activities		
Property taxes	-	-
Intergovernmental grants	-	-
Transfer in (out)	(245,631)	(901,281)
Advances to (from) other funds	-	(10,129)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(245,631)	(911,410)
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	(2,103,742)	(1,990,301)
Proceeds from sale of capital assets	-	4,236
Proceeds of capital debt	735,168	-
Principal payments on capital debt	(796,383)	(526,381)
Interest payments on capital debt	(126,299)	(371,352)
Salvage on retirement of plant	-	36,722
Special assessment collections	-	71,248
Capital Contributions from municipality	-	7,125
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,291,256)	(2,768,703)
Cash Flows from Investing Activities		
Interest received	101,038	12,459
Change in Cash and Cash Equivalents	(1,200,821)	53,599
Cash and Cash Equivalents - January 1	6,250,805	4,302,600
Cash and Cash Equivalents - December 31	$ 5,049,984	$ 4,356,199
Reconciliation to Statement of Net Assets		
Unrestricted cash and investments	$ 5,049,984	$ 3,376,908
Restricted cash and investments	-	979,291
	$ 5,049,984	$ 4,356,199
Reconciliation of Operating Income (Loss) to Net		
Cash Provided (Used) by Operating Activities:		
Operating income (loss)	$ 1,118,173	$ 2,655,069
Adjustments to reconcile operating income (loss)		
to net cash provided (used) by operating activities:		
Depreciation	890,238	1,025,712
Depreciation charged to clearing and other funds	-	141,243
Miscellaneous income	-	-
Changes in assets and liabilities		
Receivables	(72,006)	(85,770)
Due from other governments	-	-
Inventories and prepaid items	-	16,343
Accounts payable	(750,929)	(30,809)
Accrued and other liabilities	49,291	(535)
Due to other governments	-	-
Unearned revenues	261	-
Net Cash Provided (Used) by Operating Activities	$ 1,235,028	$ 3,721,253
Noncash Investing, Capital and Financing Activities		
Special assessments levied	$ -	$ 127,513

The notes to the basic financial statements are an integral part of this statement.

Transit Commission	Total Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
$ 933,879	$ 546,336	$ 15,729,866	$ 11,307,799
(939,644)	(403,973)	(7,213,129)	(8,882,283)
(3,100,090)	(165,164)	(6,689,112)	(1,348,078)
(3,105,855)	(22,801)	1,827,625	1,077,438
638,595	-	638,595	-
2,798,872	-	2,798,872	-
	11,337	(1,135,575)	(167,253)
-	(462)	(10,591)	(140,546)
3,437,467	10,875	2,291,301	(307,799)
-	-	(4,094,043)	(554,225)
-	-	4,236	37,467
-	-	735,168	-
-	-	(1,322,764)	-
-	-	(497,651)	-
-	-	36,722	-
-	-	71,248	-
-	5,000	12,125	-
-	5,000	(5,054,959)	(516,758)
22,755	21,698	157,950	155,413
354,367	14,772	(778,083)	408,294
1,681,629	1,245,110	13,480,144	9,572,150
$ 2,035,996	$ 1,259,882	$ 12,702,061	$ 9,980,444
$ 2,035,996	$ 1,259,882	$ 11,722,770	$ 9,980,444
-	-	979,291	-
$ 2,035,996	$ 1,259,882	$ 12,702,061	$ 9,980,444
$ (3,894,840)	$ (62,639)	$ (184,237)	$ (30,180)
577,837	48,745	2,542,532	822,912
-	-	141,243	-
107,574	34	107,608	-
140,045	(16,772)	(34,503)	(2,523)
24	-	24	-
13,793	-	30,136	121,326
13,999	(26,338)	(794,077)	(70,492)
(22,732)	(645)	25,379	236,395
74,212	286	74,498	-
(115,767)	34,528	(80,978)	-
$ (3,105,855)	$ (22,801)	$ 1,827,625	$ 1,077,438
$ -	$ -	$ 127,513	$ -

CITY OF SHEBOYGAN, WISCONSIN
Statement of Fiduciary Net Assets
Agency Funds
December 31, 2011

	Property Tax Collection	Business Improvement District	Totals
ASSETS			
Cash and investments	$ 23,874,953	$ 10,212	$ 23,885,165
Receivables			
Taxes	21,256,550	127,008	21,383,558
Special assessments	-	23,352	23,352
TOTAL ASSETS	$ 45,131,503	$ 160,572	$ 45,292,075
LIABILITIES			
Liabilities			
Accounts payable	$ 35,745	$ -	$ 35,745
Due to other governments	45,095,758	160,572	45,256,330
Total Liabilities	$ 45,131,503	$ 160,572	$ 45,292,075

The notes to the basic financial statements are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Financial Reporting Entity

   The City of Sheboygan, Wisconsin is a municipal corporation governed by an elected mayor and sixteen-member council. Included in the City's operations (the primary government) is the City's water utility managed by the Board of Waterworks Commissioners appointed by the Common Council. As required by GAAP, the basic financial statements present the City (the primary government) and any component units. A legal separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financial accountable if it appoints a 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. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a primary government if all of the following criteria are met:

   a. the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents;

   b. the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization;

   c. the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

   The component units discussed below are included in the City's reporting entity because of the significance of their operational and/or financial relationship with the City.

2. Individual Component Unit Disclosures

   Discretely Presented Component Units

   The component unit columns in the government-wide financial statements represent the financial data of the Housing Authority of the City of Sheboygan ("Housing Authority") and the Harbor Centre Business Improvement District ("the District"). They are reported in separate columns to emphasize that they are legally separate from the City. The governing bodies of both organizations are appointed by the City's Common Council. Wisconsin Statutes also provide for circumstances where the City can impose their will on both organizations and also create a potential burden on the City. The financial information presented is for the fiscal year ended March 31, 2011 for the Housing Authority and December 31, 2011 for the District. Complete financial statements for the Housing Authority can be obtained from their office at 611 North Water Street, P.O. Box 1052, Sheboygan, WI 53082-1052. Complete financial statements for the District can be obtained from their office at P.O. Box 791, Sheboygan, WI 53082-0791.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service, capital projects and permanent funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011.

The City reports the following major governmental funds:

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

DEBT SERVICE GENERAL OBLIGATION DEBT FUND
This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds, except debt issued to finance project plan expenditures of the City's tax incremental financing districts.

DEBT SERVICE TAX INCREMENTAL FINANCING DISTRICTS FUND
This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued to finance project plan expenditures of the City's tax incremental financing districts.

CAPITAL PROJECTS TAX INCREMENTAL FINANCING DISTRICT FUND
This fund is used to account for financial resources to be used for project plan expenditures for the City's tax incremental financing districts.

CAPITAL PROJECTS BONDED FUND
This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities financed by the issuance of long-term debt.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

SEWERAGE SYSTEM
This fund is used to account for the operations of the City's sanitary sewer system.

WATER UTILITY
This fund is used to account for the operations of the City's water treatment and distribution system.

TRANSIT COMMISSION
This fund is used to account for the operations of the City's transit system.

The City reports the following special revenue funds, including the purpose and significant revenue source:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes. Non-major special revenue funds including the purpose and significant revenue sources consist of the following:

Fund	Purpose	Significant Revenues
Community Development Block Grant	Account for grant program	Intergovernmental revenues and loan repayments
Revolving Loan Funds	Provide loans to area businesses	Intergovernmental revenues and loan repayments
Lead Based Abatement Program	Account for grant program	Intergovernmental revenues and loan repayments
Mead Library	Account for City library operations	City and County contribution
Cable TV	Account for the cable tv program	Fees
Tourism Promotion	Account for tourism promotion activities	Room taxes
Harbor Center Marina	Account for the Harbor Center Marina activities	Charges for services
Police Meg Unit	Account for police meg unit activities	Intergovernmental revenues
Special Assessment	Account for special assessment activities	Special assessments and interest
Redevelopment Authority	Account for the Redevelopment Authority	Payment in lieu of tax payment
E.H. May Environmental Park	Account for E. H. May Park activities	Public charges
Municipal Court	Account for City municipal court operations	Fines and forfeitures
Ambulance	Account for City ambulance operations	Ambulance billings
Storm Water	Account for the City storm water operations	Public charges

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital project funds are used to account for financial resources to be used for the acquisition of equipment or construction of major capital facilities. The capital projects tax levy fund is reported as a non-major capital project fund.

Permanent funds are used to report resources that are legally restricted to the extent that only earning, and not principal, may be used for purposes that support the reporting government's programs. The City's cemetery perpetual care and library trust are reported as non-major permanent funds.

Enterprise funds are used to report any activity for which a fee is charged to external users for goods and services, and must be used for activities which meet certain debt or cost recovery criteria. Non-major enterprise funds consist of the following:

Parking Facility
Boat Facility

Additionally, the government reports the following fund types:

Internal service funds account for services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The City reports the following internal service funds:

Motor Vehicle
Data Processing
Health Self Insurance
Workers Compensation Self Insurance
General Liability Self Insurance

The City accounts for assets held for individuals by various departments and funds held for other governmental agencies in an *agency fund*. The Property Tax Collection and Business Improvement District are accounted for as agency funds.

4. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund (other than agency funds) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

5. Assets, Liabilities and Net Assets or Equity

   a. Cash and Investments
   Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with an original maturity of three months or less from the date of acquisition are considered to be cash equivalents.

   b. Receivables
   Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes are assumed by Sheboygan County as of July 31; therefore, no allowance is considered necessary. Delinquent personal property taxes remain the collection responsibility of the City; accordingly, an allowance for uncollectible accounts has been established. The City is able to recover a portion of these delinquent personally property taxes from other taxing jurisdictions.

   The City has received federal and state grants for economic development and housing rehabilitation loan programs to area businesses and homeowners. A loan receivable and deferred revenue is recorded when loan funds are disbursed. Loans made to eligible businesses and homeowners are recorded as expenditures while loan repayments are recognized as revenue in the City's fund financial statements. In the government-wide financial statements, loan repayments and disbursements are not recognized as revenue or expenditures but recorded as loans receivable.

   c. Interfund Receivables and Payables
   During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables are considered "Advance to other funds" and "Advance from other funds" in the fund financial statements. Advances to other funds are offset by a nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

d. Inventories

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

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

e. Prepaid Items

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

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

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $500 (non-infrastructure) or $5,000 (infrastructure) or higher and an estimated useful life in excess of one (1) year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

	Governmental Activities	Business-type Activities
	Years	
Assets		
Buildings and improvements	25 - 45	25 - 45
Machinery and equipment	3 - 25	3 - 25
Infrastructure	20 - 50	20 - 100

g. Compensated Absences

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

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities are determined on the basis of current salary rates and include salary related payments.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Deferred Revenue
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 or for resources that have been received, but not yet recognizable.

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

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

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

k. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

For the year ended December 31, 2011, the City implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement provides more clearly defined fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which fund balance amounts can be spent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

- Committed fund balance - Amounts that are constrained for specific purposes by action of the Common Council. These constraints can only be removed or changed by the Common Council using the same action that was used to create them.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The Common Council has not authorized an employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Invested in capital assets, net of related debt - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted net assets - Amount of net assets that are subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- Unrestricted net assets - Net assets that are neither classified as restricted nor as invested in capital assets, net of related debt.

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

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting
The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

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

   b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, special revenue and debt service funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

c. During the year, formal budgetary integration is employed as a management control device for the general fund, special revenue funds and debt service funds. Management control for the capital projects funds is achieved through project authorizations included in debt issue resolutions.

d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Common Council. The City's finance committee or the City's director of finance can approve transfers within departments while transfers between departments and changes in the overall budget require approval by two-thirds of the Common Council.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2011.

2. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2011:

Funds	Deficit Fund Balance
Other Governmental Funds	
Harbor Center Marina	$ 2,465,204
Police Meg Unit	2,194
Internal Service Fund	
Workers Compensation Self Insurance	30,948

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

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

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

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

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

In addition, investment of most trust funds including cemetery perpetual care funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. These sections give broad authority to use such funds to acquire various kinds of investments, including common stock.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The carrying amount of the City's cash and investments totaled $77,794,268 on December 31, 2011 as summarized below:

Petty cash funds	$ 4,991
Deposits with financial institutions	12,659,700
Investments	
Cash held by brokerage firm	354,098
Repurchase agreements	2,229,463
Federal agency securities	45,480,389
Wisconsin local government investment pool	17,065,627
	$ 77,794,268

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	$ 52,929,812
Restricted cash and investments	979,291
Fiduciary funds	
Agency funds	23,885,165
	$ 77,794,268

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

Custodial Credit Risk

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

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for time and savings deposits and $250,000 for interest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. In addition, the City's non-interest bearing transaction accounts are fully insured through December 31, 2012. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2011, none of the City's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

On December 31, 2011, the City held repurchase agreement investments of $2,229,463 of which the underlying securities are held by the investment's counterparty, not in the name of the City.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	AAA	AA	Not Rated
Federal National MTG Assn	$ 2,033,667	$ -	$ 2,033,667	$ -	$ -
Federal Home Loan MTG Corp	15,784,358	-	15,784,358	-	-
Federal Home Loan Bank	15,710,019	-	15,710,019	-	-
Freddie Mac Step Up Call	6,939,018	-	6,939,018	-	-
Fannie Mae Step Up Call	5,013,327	-	5,013,327	-	-
Cash held by brokerage firm	354,098	-	-	-	354,098
Wisconsin local government investment pool	17,065,627	-	-	-	17,065,627
Totals	$ 62,900,114	$ -	$ 45,480,389	$ -	$ 17,419,725

Concentration of Credit Risk

The investment policy of the City states that the funds of the City will be invested in accordance with Wisconsin State Statutes. The City's investment policy shall limit the investments to the following investment instruments and shall diversify the portfolio by instruments, financial institutions and maturities:

Instruments	Maximum % of Portfolio
U.S. Treasury Obligations (bills, notes and bonds)	100%
U.S. Government Agency Securities and Instruments of Government Sponsored Operations	75%
Certificates of Deposit in Commercial Banks	50%
State Investment Pool	100%

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total
Federal Home Loan MTG Corp	Federal Agency Securities	$ 15,784,358	24%
Federal Home Loan Bank	Federal Agency Securities	15,710,019	24%
Freddie Mac Step Up Call	Federal Agency Securities	6,939,018	11%
Fannie Mae Step Up Call	Federal Agency Securities	5,013,327	8%

Interest Rate Risk

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months) 12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Cash held by brokerage firm	$ 354,098	$ 354,098	$ -	$ -	$ -
Federal National MTG Assn	2,033,667	-	-	2,033,667	-
Federal Home Loan MTG Corp	15,784,358	-	-	-	15,784,358
Federal Home Loan Bank	15,710,019	-	-	5,500,275	10,209,744
Freddie Mac Step Up Call	6,939,018	-	-	6,939,018	-
Fannie Mae Step Up Call	5,013,327	-	-	5,013,327	-
Wisconsin local government investment pool	17,065,627	17,065,627	-	-	-
Totals	$ 62,900,114	$ 17,419,725	$ -	$ 19,486,287	$ 25,994,102

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	$45,480,389

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of $17,065,627 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2011, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

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

The City bills and collects its own property taxes and also levies and collects taxes for the Sheboygan Area School District, Kohler School District, Sheboygan County, Lakeshore Technical College and the State of Wisconsin. Collections and remittances of taxes for other entities are accounted for in the property tax agency fund.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Restricted Assets

The following represents the balances of the restricted assets:

Enterprise Fund	
Water Utility	
Special Redemption Funds	
Interest and principal account	$ 314,472
Reserve account	664,819
Total Restricted Assets	$ 979,291

4. Capital Assets

Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 13,081,791	$ 2,000,000	$ 34,529	$ 15,047,262
Capital assets, being depreciated:				
Buildings and improvements	31,747,925	625,762	100,000	32,273,687
Improvements other than buildings	13,714,487	42,253	-	13,756,740
Machinery and equipment	22,400,741	828,794	454,005	22,775,530
Infrastructure	112,893,449	2,677,746	33,018	115,538,177
Subtotals	180,756,602	4,174,555	587,023	184,344,134
Less accumulated depreciation for:				
Buildings and improvements	12,395,469	653,870	100,000	12,949,339
Improvements other than buildings	8,828,669	508,901	-	9,337,570
Machinery and equipment	15,364,613	1,407,187	454,005	16,317,795
Infrastructure	47,083,427	3,462,641	33,018	50,513,050
Subtotals	83,672,178	6,032,599	587,023	89,117,754
Total capital assets, being depreciated, net	97,084,424	(1,858,044)	-	95,226,380
Governmental activities capital assets, net	$ 110,166,215	$ 141,956	$ 34,529	110,273,642
Less: General obligation debt				47,241,852
Less: Mortgage notes				225,000
Less: Capital lease				737,277
Less: Sheboygan County				1,000,000
Plus: Unspent capital related debt proceeds				(964,873)
Invested in capital assets, net of related debt				$ 62,034,386

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 852,683	$ -	$ -	$ 852,683
Construction in progress	5,610,148	3,100,558	2,636,555	6,074,151
Total capital assets, not being depreciated	6,462,831	3,100,558	2,636,555	6,926,834
Capital assets, being depreciated:				
Buildings and improvements	18,251,231	71,777	40,608	18,282,400
Improvements other than buildings	19,190,863	2,707,785	-	21,898,648
Machinery and equipment	31,103,261	210,084	1,013,560	30,299,785
Infrastructure	55,133,555	407,301	107,342	55,433,514
Subtotals	123,678,910	3,396,947	1,161,510	125,914,347
Less accumulated depreciation for:				
Buildings and improvements	11,640,148	470,607	31,723	12,079,032
Improvements other than buildings	18,711,277	186,019	-	18,897,296
Machinery and equipment	21,370,357	995,250	1,013,560	21,352,047
Infrastructure	20,377,256	1,031,899	79,509	21,329,646
Subtotals	72,099,038	2,683,775	1,124,792	73,658,021
Total capital assets, being depreciated, net	51,579,872	713,172	36,718	52,256,326
Business-type activities capital assets net	$ 58,042,703	$ 3,813,730	$ 2,673,273	59,183,160
Less: Revenue bonds				14,080,502
Less: Alliant Energy notes				987,694
Less: Bond premium				2,854
Plus: Unspent capital related debt proceeds				(664,819)
Invested in capital assets, net of related debt				$ 44,776,929

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

Governmental activities	
General government	$ 87,635
Public safety	684,017
Public works	3,475,507
Health and human services	621
Culture and recreation	532,229
Conservation and development	429,678
Internal service funds allocated to other activities	822,912
Total depreciation expense - governmental activities	$ 6,032,599
Business-type activities	
Sewerage system	$ 890,238
Water utility	
Depreciation expense	1,025,712
Depreciation expense allocated to clearing accounts	141,243
Transit commission	577,837
Parking facility	27,266
Boat facility	21,479
Total depreciation expense - business-type activities	$ 2,683,775

5. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2011 are detailed below:

Receivable Fund	Payable Fund	Amount	Amount not Due Within One Year
General fund	Special revenue fund - Community development block grant	$ 537,156	$ -
	Special revenue fund - Lead based abatement program	53,713	-
	Special revenue fund - Harbor Center Marina	59,100	-
	Debt service fund - TIF districts	90,726	-
	Enterprise fund - Water utility	954,120	-
Debt service fund - GO debt	Special revenue fund - Harbor Center Marina	2,007,242	2,007,242
Subtotal - Fund Financial Statements		3,702,057	2,007,242
Less: Fund eliminations		(2,747,937)	(2,007,242)
Total Internal Balances - Government-wide Statement of Net Assets		$ 954,120	$ -

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The principal purpose of these interfunds is to account for the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

For the statement of net assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount not Due Within One Year
General fund	Debt service fund - TIF districts	$ 1,236,203	$ 1,236,203
Special revenue fund - Special assessment fund	General fund	179,785	-
Debt service fund - GO debt	Debt service fund - TIF districts	1,448,398	1,448,398
	Enterprise fund - Water utility	275,411	275,411
Capital projects fund - Tax levy	Debt service fund - TIF districts	653,251	-
		3,793,048	2,960,012
Enterprise fund - Boat facility	Special revenue fund - Harbor Center Marina	330,911	330,911
Subtotal - Fund Financial Statements		4,123,959	3,290,923
Less: Fund eliminations		(3,517,637)	(2,684,601)
Less: Enterprise portion of advance		(661,822)	(661,822)
Total Internal Balances - Government-wide Statement of Net Assets		$ (55,500)	$ (55,500)

The principal purpose of these interfund advances was financing debt service maturities of the City's tax incremental financing districts and capital acquisitions.

For the statement of net assets, interfund advance balances which are owed within the governmental activities or business-type activities are netted and eliminated. A reconciliation to the statement of net assets follows:

Due from other funds	$ 954,120
Interfund advances	(55,500)
Internal service fund allocation to business-type activities	90,158
Total Internal Balances - Government-wide Statement of Net Assets	$ 988,778

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2011 were as follows:

Fund Transferred To	Fund Transferred From	Amount
General fund	Enterprise fund - Water utility	$ 933,489
	Enterprise fund - Sewerage system	245,631
	Debt service fund - TIF districts	2,506
	Permanent fund - Cemetery perpetual care	1,706
	Special revenue fund - Cable TV	275,000
	Special revenue fund - Tourism promotion	52,409
	Special revenue fund - Municipal court	365,421
	Special revenue fund - Ambulance	425,935
	Internal service fund - Motor vehicle fund	125,000
Special revenue fund - Meg unit	General fund	4,597
Debt service fund - GO debt	Special revenue fund - Tourism promotion	480,562
	Special revenue fund - Harbor Center marina	188,370
	Special revenue fund - Special assessment	176,000
	Debt service fund - TIF districts	143,666
	Capital projects fund - Bonded	425
Capital projects fund - Tax levy	Internal service fund - Motor vehicle fund	42,253
		3,462,970
Enterprise fund - Parking facility	General fund	1,802
	Capital projects tax levy fund	9,535
		11,337
Internal service fund - Workers comp self insurance	Internal service fund - Health self insurance	500,000
Subtotal - Fund Financial Statements		$ 3,974,307
Government fund transfers in		$ 3,962,970
Less: Fund eliminations		(2,795,187)
Total Transfers - Government-wide Statement of Activities		$ 1,167,783

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Deferred Revenues

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

	Unavailable	Unearned	Total
Governmental Funds			
Subsequent year tax levy receivable			
Major governmental funds			
General fund	$ -	$ 15,384,886	$ 15,384,886
Debt service general obligation debt	-	2,910,747	2,910,747
Debt service tax increment financing districts	-	4,249,816	4,249,816
Nonmajor governmental funds			
Mead library	-	2,377,053	2,377,053
Special assessments			
Major governmental funds			
General fund	88,887	-	88,887
Nonmajor governmental funds			
Special assessments	131,208	-	131,208
Accounts receivable			
Ambulance	52,240	-	52,240
Loans receivable			
Nonmajor governmental funds			
Community development block grant	3,673,858	-	3,673,858
Revolving loan funds	4,147,929	-	4,147,929
Redevelopment authority	1,340,004	-	1,340,004
Advance to water utility			
Debt service general obligation debt	275,411	-	275,411
Revenue received prior to meeting all eligibility requirements			
Major governmental funds			
General fund	-	1,311	1,311
Total Governmental Funds	9,709,537	24,923,813	34,633,350
Proprietary Funds			
Subsequent year tax levy receivable			
Nonmajor proprietary fund			
Transit commission	-	511,559	511,559
Revenue received prior to meeting all eligibility requirements			
Major proprietary fund			
Sewerage system	-	8,959	8,959
Nonmajor proprietary funds			
Transit commission	-	11,269	11,269
Parking facility	-	34,876	34,876
Boat facility		97	97
Total Proprietary Funds	-	566,760	566,760
Totals	$ 9,709,537	$ 25,490,573	$ 35,200,110

Special assessments are generally collectible on annual installments from one to five years.

The loans receivable balance represents the outstanding balances on mortgage loans to eligible City businesses or residents. Repayment of principal and interest on the loans is recorded as revenue as received and is used to finance additional loans.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

7. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2011:

	Outstanding 1/1/11	Issued	Retired	Outstanding 12/31/11	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	$ 36,665,000	$ -	$ 2,810,000	$ 33,855,000	$ 2,980,000
Notes	16,048,129	670,000	3,331,277	13,386,852	3,499,667
Total General Obligation Debt	52,713,129	670,000	6,141,277	47,241,852	6,479,667
Mortgage notes	225,000	-	-	225,000	-
Capital lease	846,130	-	108,853	737,277	113,342
Sheboygan County	1,000,000	-	-	1,000,000	-
Unfunded post employment benefits	1,014,864	637,325	438,536	1,213,653	-
Compensated absences	3,140,085	-	171,467	2,968,618	-
Governmental activities Long-term obligations	$ 58,939,208	$ 1,307,325	$ 6,860,133	$ 53,386,400	$ 6,593,009
Business-type activities:					
Revenue bonds	$ 14,430,308	$ 735,168	$ 1,084,974	$ 14,080,502	$ 1,143,846
Unamortized bond premium	3,050	-	196	2,854	197
Alliant Energy note	1,225,484	-	237,790	987,694	241,144
Business-type activities Long-term obligations	$ 15,658,842	$ 735,168	$ 1,322,960	$ 15,071,050	$ 1,385,187

Total interest paid during the year on long-term debt totaled $2,830,955.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt is backed by the full faith and credit of the City. The City finances general obligation debt of its governmental funds with general property taxes or tax increments. The City finances debt of proprietary funds with user fees of the respective fund and, if sufficient user fees are not available, from future general property taxes. General obligation debt currently outstanding on December 31, 2011 is detailed as follows:

	Date of Issue	Interest Rate	Final Maturity	Issue Amount	Balance Outstanding 12/31/11
General Obligation Debt					
General Obligation Bonds					
Refunding Bonds	07/01/06	4.00-4.25%	10/01/22	5,155,000	$ 4,050,000
Refunding Bonds	07/01/06	5.60-6.00%	10/01/22	8,575,000	7,225,000
Refunding Bonds	07/01/06	5.60-5.80%	11/01/18	7,150,000	4,915,000
General Obligation Bonds	09/01/07	4.5-5%	10/01/26	8,000,000	7,700,000
Taxable Refunding Bonds	05/15/08	4.00-4.20%	04/01/13	850,000	365,000
Taxable Refunding Bonds	6/23/2010	2.00-5.25%	04/01/27	8,325,000	7,825,000
Refunding Bonds	11/9/2010	0.80-2.40%	10/01/19	2,530,000	1,775,000
Total General Obligation Bonds					33,855,000
General Obligation Notes					
State Trust Fund Notes	06/19/02	4.50%	06/19/02	300,000	35,941
State Trust Fund Notes	07/03/02	4.50%	03/15/12	2,700,000	35,831
Promissory Notes	10/15/02	3.35%	10/01/12	1,685,000	175,000
Promissory Notes	10/15/02	4.50%	10/01/12	3,940,000	1,110,000
Land Recycling Loan	12/23/02	0%	05/01/22	2,700,000	881,420
Promissory Notes	03/15/04	2.90-3.10%	12/01/13	1,500,000	475,000
Promissory Notes	03/15/04	2.90-3.10%	12/01/13	1,065,000	300,000
Land Recycling Loan	04/14/04	0%	05/01/23	756,625	477,869
State Trust Fund Notes	11/21/05	4.00%	03/15/15	500,000	247,038
Promissory Notes	04/15/06	3.75-4.00%	10/01/15	3,000,000	1,900,000
Promissory Notes	04/15/06	3.75-4.13%	10/01/15	1,400,000	850,000
State Trust Fund Notes	07/05/06	4.00%	03/15/16	220,000	119,329
Promissory Notes	04/15/07	3.85-4%	10/01/16	3,000,000	1,350,000
Promissory Notes	05/15/08	3.25-3.5%	10/01/17	3,000,000	2,275,000
State Trust Fund Notes	12/30/09	3.50%	03/15/14	800,000	614,424
Promissory Notes (Build America Bonds)	6/23/2010	1.50-4.20%	04/01/20	2,045,000	1,870,000
Promissory Notes	9/29/2011	0.75-1.75%	10/01/16	670,000	670,000
Total General Obligation Notes					13,386,852
Total					$ 47,241,852

Build America Bond

The general obligation debt issued on June 23, 2010 qualifies as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The City is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the City to file a claim form annually.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $47,241,852 on December 31, 2011 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2012	$ 6,479,667	$ 1,963,187	$ 8,442,854
2013	4,918,120	1,741,070	6,659,190
2014	4,688,626	1,560,939	6,249,565
2015	4,510,182	1,380,458	5,890,640
2016	4,075,726	1,201,919	5,277,645
2017-2021	14,729,757	3,700,403	18,430,160
2022-2026	7,349,774	1,039,585	8,389,359
2027	490,000	12,863	502,863
	$ 47,241,852	$ 12,600,424	$ 59,842,276

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2011 was $88,929,270 as follows:

Equalized valuation of the City		$ 2,586,264,300
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		129,313,215
Total outstanding general obligation debt applicable to debt limitation	$ 47,241,852	
Less: Amounts available for financing general obligation debt Debt service funds	6,857,907	
Net outstanding general obligation debt applicable to debt limitation		40,383,945
Legal Margin for New Debt		$ 88,929,270

Mortgage Notes

Mortgage notes currently outstanding consist of a note with the Sheboygan Development Corporation. A repayment schedule does not exist as of December 31, 2011.

Capital Leases

The City has entered into multiple capital lease agreements to finance the acquisition of machinery and equipment. Annual principal and interest maturities are as follows:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2012	$ 113,342	$ 32,450	$ 145,792
2013	118,020	27,771	145,791
2014	122,895	22,896	145,791
2015	127,975	17,816	145,791
2016	46,240	12,523	58,763
2017 - 2020	208,805	26,244	235,049
	$ 737,277	$ 139,700	$ 876,977

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Amount due to Sheboygan County, Wisconsin

Sheboygan County, Wisconsin, provided funding to assist in the development and construction of the infrastructure of the Marina Boatworks facility. To the extent the City does not recover its initial taxpayer funding contribution through tax incremental revenues, the City will share any surplus cash with Sheboygan County in proportion to the initial taxpayer funding contributions excluding tax incremental revenue effects until the $1,000,000 has been returned.

Revenue Bonds

Revenue bond debt service requirements are financed by income derived from the acquired or constructed assets of the enterprise funds. Enterprise fund revenue bonds currently outstanding on December 31, 2011 are detailed as follows:

	Date of Issue	Interest Rate	Final Maturity	Issue Amount	Balance Outstanding 12/31/11
Sewerage System					
Clean Water Fund Loan	11/30/95	3.124%	05/01/15	$ 4,375,561	$ 1,147,520
Clean Water Fund Loan	11/25/96	3.195%	05/01/16	3,250,000	1,058,962
Clean Water Fund Loan	05/26/10	2.400%	05/01/30	2,113,026	2,747,622
Total Sewerage System					4,954,104
Water Utility					
Revenue Bonds	03/10/04	2.75%	05/15/23	3,152,000	2,176,398
Refunding Revenue Bonds	09/01/05	3.75 -4.25%	06/01/25	4,900,000	3,225,000
Revenue Bonds	04/01/07	4.00-5.00%	05/01/27	4,000,000	3,725,000
Total Water Utility					9,126,398
Total Revenue Bonds					$ 14,080,502

Annual principal and interest maturities of the above outstanding enterprise fund debt of $14,080,502 on December 31, 2011 are shown below:

Year Ended December 31	Business-type Activities		
	Principal	Interest	Total
2012	$ 1,143,846	$ 471,198	$ 1,615,044
2013	1,180,805	430,992	1,611,797
2014	1,213,418	389,243	1,602,661
2015	1,236,705	346,609	1,583,314
2016	951,056	308,857	1,259,913
2017-2021	3,835,222	1,139,063	4,974,285
2022-2026	3,533,950	448,970	3,982,920
2027-2030	985,500	40,142	1,025,642
	$ 14,080,502	$ 3,575,074	$ 17,655,576

Utility Revenues Pledged

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water and sewer customer net revenues and are payable through 2030. The total principal and interest remaining to be paid on the bonds is $17,655,576. Principal and interest paid for the current year and net customer revenues for the water utility were $892,020 and $3,697,476, respectively. Principal and interest paid for the current year and net customer revenues for the sewer utility were $694,058 and $2,008,411, respectively.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Alliant Energy Note

Debt service requirements of the Alliant Energy Notes are financed by the City's sewerage system. Alliant Energy Notes currently outstanding on December 31, 2011 are detailed as follows:

	Date of Issue	Interest Rate	Final Maturity	Issue Amount	Balance Outstanding 12/31/11
Sewerage System					
Alliant Energy Note	8/2009	2.00%	7/2014	$ 36,725	$ 18,199
Alliant Energy Note	12/2010	2.00%	12/2015	1,200,000	969,495
					$ 987,694

Annual principal and interest maturities of the above outstanding Alliant Energy Notes of $987,694 on December 31, 2011 are shown below:

Year Ended December 31	Business-type Activities		
	Principal	Interest	Total
2012	$ 241,144	$ 17,499	$ 258,643
2013	247,461	12,667	260,128
2014	249,206	7,701	256,907
2015	249,883	2,713	252,596
	$ 987,694	$ 40,580	$ 1,028,274

Other Debt Information

There are a number of limitations and restrictions contained in the various bond and note obligations. The City believes it is substantially in compliance with all material limitations and restrictions.

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees hired before July 1, 2011 and expected to work over 600 hours a year (440 hours for teachers and educational support employees) or hired on or after July 1, 2011 and expected to work over 1200 hours a year (880 hours for teachers and educational support employees) are eligible to participate in the WRS. Covered employees in the General/Teacher/ Educational Support Personnel category are required by statute to contribute 5.8% of their salary (6.65% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 5.8% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for City employees covered by the WRS for the year ended December 31, 2011 was $25,879,233; the employer's total payroll was $28,185,510. The total required contribution for the year ended December 31, 2011 was $3,665,175, which consisted of $1,503,386, or 5.8% of payroll from the employer and $2,161,789, or 8.4% of payroll from employees. Employee's contributed $178,454 towards the employee portion during 2011. Total contributions for the years ending December 31, 2010 and 2009 were $3,158,686 and $3,144,288, respectively, equal to the required contributions for each year.

NOTE D - OTHER INFORMATION (Continued)

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. 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 or after April 24, 1998 are immediately vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

2. Other Post-employment Benefits

Plan Description - The City provides health care insurance coverage for employees who retire prior to the age of 65. Retired employees contribute varying amounts towards insurance premiums depending on employee classification. There were 475 active and 88 retired employees in the plan as of the most recent actuary valuation date.

Annual OPEB Cost and Net OPEB Obligation - The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Component	Amount
Annual required contribution	$ 653,520
Interest on net OPEB	53,792
Adjustment to annual required contribution	(69,987)
Annual OPEB cost (expense)	637,325
Contributions made	(438,536)
Change in net OPEB obligation	198,789
OPEB obligation - beginning of year	1,014,864
OPEB obligation - end of year	$ 1,213,653

The annual required contribution for the current year was determined as part of the January 1, 2010 actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 5.0% discount rate, and (b) projected salary increases at 3%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as a level dollar amount of projected payroll.

NOTE D - OTHER INFORMATION (Continued)

Trend Information - The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2011	$ 637,325	69%	$ 1,213,653

Funded Status and Funding Progress - As of January 1, 2010, the most recent actuarial valuation date, the City's unfunded actuarial accrued liability (UAAL) was $6,126,869. The annual payroll for active employees covered by the plan for the 2011 fiscal year was $24,585,818 for a ratio of the UAAL to covered payroll of 24.9%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2010 actuarial valuation, the unit credit method was used. The actuarial assumptions included a rate of 5% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 10%, reduced by decrements to an ultimate rate of 5% after six years. The UAAL is being amortized as a level dollar amount on an open basis.

3. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called Cities and Villages Mutual Insurance Company to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission. However, other risks, such as workers compensation and health care of its employees are accounted for and financed by the City in health self insurance internal service fund and the workers compensation self insurance internal service fund.

a. Self Insurance

For health insurance claims, the uninsured risk of loss is $125,000 per person and a minimum annual aggregate deductible of $7,022,074 for the 2011 policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have exceeded the commercial coverage for the individual stop-loss, but not the aggregate deductible during any of the past three years.

For workers compensation claims, the uninsured risk of loss is $350,000 per incident. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

NOTE D - OTHER INFORMATION (Continued)

All funds of the City participate in the risk management program. Amounts payable to the internal service funds are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. $5,653,333 was available for that reserve at year end, and is included in unrestricted net assets of the internal service funds.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for health insurance and workers compensation claims that have been incurred but not reported.

Year	Balance Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Balance End of Year
Health Insurance				
2011	$2,550,010	$6,887,225	$7,087,157	$2,350,078
2010	2,350,078	6,552,512	6,486,703	2,415,887
Workers Compensation				
2011	50,000	282,653	274,881	57,772
2010	57,772	346,552	345,690	58,634

b. Public Entity Risk Pool
Wisconsin Municipal Insurance Commission (WMIC)
Cities and Villages Mutual Insurance company (CVMIC)

WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 19, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of $2,000,000 of each insurance risk. They also have $8,000,000 of excess coverage. Losses paid by CVMIC, plus administrative expenses, will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 4.5 percent.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC are available from: Cities and Village Mutual Insurance Company, 9898 W Bluemound Road, Wauwatosa, Wisconsin 53226-4319.

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of $2,205,665 in the general liability self-insurance internal service fund.

NOTE D - OTHER INFORMATION (Continued)

The City pays an annual premium to the mutual for its general liability insurance, which provides coverage up to $5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to $100,000 per occurrence and an annual aggregate limit of $400,000.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for liability insurance claims that have been incurred but not reported.

Year	Balance Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Balance End of Year
2011	$185,703	$239,095	$239,095	$185,703
2010	185,703	149,504	149,504	185,703

4. Property Tax Levy Limit
Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2011 budget year, the increase in the maximum allowable tax levy is limited to the greater of the percentage change in the City's January 1 equalized value as a result of net new construction or 3.0% per year. The actual limit for the City for the 2011 budget was 3.0%. For the 2012 budget year, Wisconsin statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2012 budget was 0.25%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Contingencies
   a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under OMB Circular A-133 has been conducted but final acceptance is still pending. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

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

6. Prior Period Adjustment
The City determined that the general fund overstated accrued liabilities for vacation benefits in the fund statements by the amount of $418,168. As a result, fund balance increased and accrued liabilities decreased by $418,168 at December 31, 2010.

NOTE E - COMPONENT UNITS

This report contains the Housing Authority of the City of Sheboygan and the Harbor Centre Business Improvement District, which are included as component units. Financial information for both is presented as a separate column in the statement of net assets and statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Information related to the Housing Authority of the City of Sheboygan is as follows:

1. Significant Accounting Policies
   a. The Housing Authority follows the accrual basis of accounting.

   b. Temporary cash investments are stated at cost which approximates fair value.

   c. Capital assets are recorded at original costs. The provision for depreciation was computed under the straight-line method over the useful lives of the assets.

2. Deposits and Investments
   The carrying amount of the Authority's cash and investments totaled $4,744,824 on March 31, 2011 as summarized below:

Deposits with financial institutions	$ 4,744,824

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	$ 4,617,797
Restricted cash and investments	127,027
	$ 4,744,824

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for time and savings deposits and $250,000 for interest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. In addition, the Housing Authority's non-interest bearing transaction accounts are fully insured through December 31, 2012. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

The Housing Authority has entered into a Public Deposits Security Agreement with Wells Fargo Bank which provides that the Bank will grant the Housing Authority a security interest in certain collateral to secure payment of public deposits deposited in the Bank by the Housing Authority to the extent the amount of such deposits exceeds federal deposit insurance plus $400,000. The approximate market value of the securities held as collateral at March 31, 2011, was $4,006,304.

NOTE D - OTHER INFORMATION (Continued)

3. Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Land	$ 266,510	$ -	$ -	$ 266,510
Capital assets being depreciated				
Buildings and improvements	7,363,892	165,439	-	7,529,331
Machinery and equipment	619,244	70,517	22,286	667,475
Total Capital Assets Being Depreciated	7,983,136	235,956	22,286	8,196,806
Less: Accumulated Depreciation	5,991,784	274,022	2,791	6,263,015
Net Capital Assets being Depreciated	1,991,352	(38,066)	19,495	1,933,791
Total Capital Assets, Net of Accumulated Depreciation	$ 2,257,862	$ (38,066)	$ 19,495	$ 2,200,301

Accumulated depreciation is not available by class or function.

Information related to the Business Improvement District is as follows:

a) Significant Accounting Policies
   1) The Business Improvement District follows the modified accrual basis of accounting.

   2) Temporary cash investments are stated at cost which approximates fair value.

b. Deposits and Investments
   Deposits in banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to the statutory amount for demand deposits and time deposits. At year end, the carrying amount of the District's deposits was $126,554 and the bank balance was $127,502. The entire bank balance was covered by Federal depository insurance.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF SHEBOYGAN, WISCONSIN
Schedule of Funding Progress
Other Post-Employment Benefit Plan
December 31, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	$ -	$ 6,126,869	0.0%	$ 6,126,869	$ 25,536,076	24.0%
2008	-	5,291,565	0.0%	5,291,565	27,270,092	19.4%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

CITY OF SHEBOYGAN, WISCONSIN
Schedule of Employer Contributions
Other Post-Employment Benefit Plan
December 31, 2011

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2011	$ 438,536	$ 653,520	67.10%
2010	491,903	583,533	84.30%
2009	317,005	651,682	48.64%

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

SUPPLEMENTAL INFORMATION

CITY OF SHEBOYGAN, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Special Revenue Funds					
	Community Development Block Grant	Revolving Loan Funds	Lead Based Abatement Program	Mead Library	Cable TV	Tourism Promotion
ASSETS						
Cash and investments	$ 860,943	$ 277,755	$ -	$ 844,094	$ 278,437	$ 102,182
Receivables						
Taxes	-	-	-	2,377,053	-	-
Accounts	-	-	-	1,082	138,665	127,772
Special assessments	-	-	-	-	-	-
Loans	3,673,858	4,147,929	1,542,691	-	-	-
Other	-	3,038	-	-	1,034	328
Advance to other funds	-	-	-	-	-	-
Due from other governments	587,975	-	254,174	-	-	-
Inventories and prepaid items	-	-	-	-	-	-
TOTAL ASSETS	$ 5,122,776	$ 4,428,722	$ 1,796,865	$ 3,222,229	$ 418,136	$ 230,282
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 61,090	$ -	$ 3,921	$ 13,292	$ 4,897	$ 68,269
Accrued and other current liabilities	-	-	-	130,396	5,997	-
Due to other funds	537,156	-	53,713	-	-	-
Due to other governments	-	-	1,542,691	-	-	-
Deferred revenues	3,673,858	4,147,929	-	2,377,053	-	-
Advance from other funds	-	-	-	-	-	-
Total Liabilities	4,272,104	4,147,929	1,600,325	2,520,741	10,894	68,269
Fund Balances						
Nonspendable						
Inventories and prepaid items	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-
Library trust	-	-	-	-	-	-
Restricted						
Community development	850,672	280,793	196,540	-	-	-
Library trust	-	-	-	-	-	-
Assigned	-	-	-	701,488	407,242	162,013
Unassigned	-	-	-	-	-	-
Total Fund Balances (Deficits)	850,672	280,793	196,540	701,488	407,242	162,013
TOTAL LIABILITIES AND FUND BALANCES	$ 5,122,776	$ 4,428,722	$ 1,796,865	$ 3,222,229	$ 418,136	$ 230,282

Special Revenue Funds (Continued)								
Harbor Center Marina	Police Meg Unit	Special Assessment	Redevelopment Authority	E.H. May Environmental Park	Municipal Court	Ambulance	Storm Water	Total
$ 2,627	$ 15,248	$ 1,940,256	$ 149,710	$ 32,640	$ 44,126	$ 135,401	$ 47,588	$ 4,731,007
-	-	-	-	-	-	-	2,153	2,379,206
38,511	-	-	-	-	6,399	162,020	154	474,603
-	-	147,968	-	-	-	-	-	147,968
-	-	-	1,340,004	-	-	-	-	10,704,482
-	-	5,384	435	102	680	810	125	11,936
-	-	179,785	-	-	-	-	-	179,785
-	4,597	-	-	-	-	-	-	846,746
17,672	-	-	-	-	-	-	-	17,672
$ 58,810	$ 19,845	$ 2,273,393	$ 1,490,149	$ 32,742	$ 51,205	$ 298,231	$ 50,020	$ 19,493,405
$ 45,800	$ 11,962	$ -	$ 190	$ 6,246	$ 29,983	$ 7,304	$ -	$ 252,954
76,788	10,077	-	-	-	6,095	13,442	-	242,795
2,066,342	-	-	-	-	-	-	-	2,657,211
4,173	-	-	-	-	-	-	-	1,546,864
-	-	131,208	1,340,004	-	-	52,240	-	11,722,292
330,911	-	-	-	-	-	-	-	330,911
2,524,014	22,039	131,208	1,340,194	6,246	36,078	72,986	-	16,753,027
17,672	-	-	-	-	-	-	-	17,672
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,328,005
-	-	-	-	-	-	-	-	-
-	-	2,142,185	149,955	26,496	15,127	225,245	50,020	3,879,771
(2,482,876)	(2,194)	-	-	-	-	-	-	(2,485,070)
(2,465,204)	(2,194)	2,142,185	149,955	26,496	15,127	225,245	50,020	2,740,378
$ 58,810	$ 19,845	$ 2,273,393	$ 1,490,149	$ 32,742	$ 51,205	$ 298,231	$ 50,020	$ 19,493,405

(Continued)

CITY OF SHEBOYGAN, WISCONSIN
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
December 31, 2011

	Capital Projects	Permanent Funds			Total Governmental Funds
	Capital Projects Tax Levy	Cemetery Perpetual Care	Library Trust	Total	
ASSETS					
Cash and investments	$ 2,254,249	$ 799,960	$ 1,006,439	$ 1,806,399	$ 8,791,655
Receivables					
Taxes	-	-	-	-	2,379,206
Accounts	400	2,003	-	2,003	477,006
Special assessments	-	-	-	-	147,968
Loans	-	-	-	-	10,704,482
Other	7,447	125	76	201	19,584
Advance to other funds	653,251	-	-	-	833,036
Due from other governments	544,594	-	-	-	1,391,340
Inventories and prepaid items	-	-	-	-	17,672
TOTAL ASSETS	$ 3,459,941	$ 802,088	$ 1,006,515	$ 1,808,603	$ 24,761,949
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 158,764	$ -	$ 180	$ 180	$ 411,898
Accrued and other current liabilities liabilities	-	-	-	-	242,795
Due to other funds	-	-	-	-	2,657,211
Due to other governments	-	-	-	-	1,546,864
Deferred revenues	-	-	-	-	11,722,292
Advance from other funds	-	-	-	-	330,911
Total Liabilities	158,764	-	180	180	16,911,971
Fund Balances					
Nonspendable					
Inventories and prepaid items	-	-	-	-	17,672
Cemetery perpetual care	-	802,088	-	802,088	802,088
Library trust	-	-	600,000	600,000	600,000
Restricted					
Community development	-	-	-	-	1,328,005
Library trust	-	-	406,335	406,335	406,335
Assigned	3,301,177			-	7,180,948
Unassigned	-	-	-	-	(2,485,070)
Total Fund Balances	3,301,177	802,088	1,006,335	1,808,423	7,849,978
TOTAL LIABILITIES AND FUND BALANCES	$ 3,459,941	$ 802,088	$ 1,006,515	$ 1,808,603	$ 24,761,949

CITY OF SHEBOYGAN, WISCONSIN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2011

	Special Revenue Funds					
	Community Development Block Grant	Revolving Loan Funds	Lead Based Abatement Program	Mead Library	Cable TV	Tourism Promotion
Revenues						
Taxes	$ -	$ -	$ -	$ 2,476,488	$ -	$ 1,004,650
Special assessments	-	-	-	-	-	-
Intergovernmental	1,263,551	-	288,772	668,671	-	-
Licenses and permits	-	-	-	-	555,445	-
Fines and forfeits	-	-	-	-	-	6,660
Public charges for services	-	-	-	92,868	2,267	-
Miscellaneous	238,648	316,090	37,864	82,164	5,842	1,998
Total Revenues	1,502,199	316,090	326,636	3,320,191	563,554	1,013,308
Expenditures						
Current						
General government	-	-	-	-	-	7,921
Public safety	-	-	-	-	-	25,314
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	3,308,082	165,065	17,119
Conservation and development	1,159,311	1,475,000	289,168	-	-	324,413
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	552,398	-	-	162,224	31,376	-
Total Expenditures	1,711,709	1,475,000	289,168	3,470,306	196,441	374,767
Excess of Revenues Over (Under) Expenditures	(209,510)	(1,158,910)	37,468	(150,115)	367,113	638,541
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(275,000)	(532,971)
Total Other Financing Sources (Uses)	-	-	-	-	(275,000)	(532,971)
Net Change in Fund Balances	(209,510)	(1,158,910)	37,468	(150,115)	92,113	105,570
Fund Balances (Deficits) - January 1	1,060,182	1,439,703	159,072	851,603	315,129	56,443
Fund Balances (Deficits) - December 31	$ 850,672	$ 280,793	$ 196,540	$ 701,488	$ 407,242	$ 162,013

Special Revenue Funds (Continued)								
Harbor Center Marina	Police Meg Unit	Special Assessment	Redevelopment Authority	E.H. May Environmental Park	Municipal Court	Ambulance	Storm Water	Total
$ 132	$ -	$ -	$ 19,137	$ -	$ -	$ -	$ -	$ 3,500,407
-	-	185,639	-	-	-	-	-	185,639
-	25,827	-	-	-	-	7,522	-	2,254,343
-	-	-	-	-	-	-	-	555,445
-	-	-	-	-	919,501	-	-	926,161
802,764	-	-	-	22,012	6,399	988,540	13,089	1,927,939
-	4,597	89,706	2,261	1,843	4,021	4,562	1,466	791,062
802,896	30,424	275,345	21,398	23,855	929,921	1,000,624	14,555	10,140,996
-	-	-	-	-	558,621	-	-	566,542
-	40,055	-	-	-	-	467,502	-	532,871
787,512	-	-	-	-	-	-	-	787,512
-	-	-	-	36,860	-	-	-	3,527,126
-	-	-	14,248	-	-	-	-	3,262,140
-	-	-	-	-	-	72,467	-	72,467
463	-	-	-	-	-	14,563	-	15,026
-	-	7,125	2,800	-	1,856	-	-	757,779
787,975	40,055	7,125	17,048	36,860	560,477	554,532	-	9,521,463
14,921	(9,631)	268,220	4,350	(13,005)	369,444	446,092	14,555	619,533
-	4,597	-	-	-	-	-	-	4,597
(188,370)	-	(176,000)	-	-	(365,421)	(425,935)	-	(1,963,697)
(188,370)	4,597	(176,000)	-	-	(365,421)	(425,935)	-	(1,959,100)
(173,449)	(5,034)	92,220	4,350	(13,005)	4,023	20,157	14,555	(1,339,567)
(2,291,755)	2,840	2,049,965	145,605	39,501	11,104	205,088	35,465	4,079,945
$ (2,465,204)	$ (2,194)	$ 2,142,185	$ 149,955	$ 26,496	$ 15,127	$ 225,245	$ 50,020	$ 2,740,378

(Continued)

CITY OF SHEBOYGAN, WISCONSIN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended December 31, 2011

	Capital Projects	Permanent Funds			Total Governmental Funds
	Capital Projects Tax Levy	Cemetery Perpetual Care	Library Trust	Total	
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ 3,500,407
Special assessments	-	-	-	-	185,639
Intergovernmental	1,392,039	-	-	-	3,646,382
Licenses and permits	-	-	-	-	555,445
Fines and forfeits	-	-	-	-	926,161
Public charges for services	-	10,733	78	10,811	1,938,750
Miscellaneous	46,016	1,841	11,121	12,962	850,040
Total Revenues	1,438,055	12,574	11,199	23,773	11,602,824
Expenditures					
Current					
General government	-	-	-	-	566,542
Public safety	-	-	-	-	532,871
Public works	-	-	-	-	787,512
Culture and recreation	-	-	15,676	15,676	3,542,802
Conservation and development	-	-	-	-	3,262,140
Debt service					
Principal	-	-	-	-	72,467
Interest and fiscal charges	-	-	-	-	15,026
Capital outlay	1,882,794	-	-	-	2,640,573
Total Expenditures	1,882,794	-	15,676	15,676	11,419,933
Excess of Revenues Over (Under) Expenditures	(444,739)	12,574	(4,477)	8,097	182,891
Other Financing Sources (Uses)					
Transfers in	42,253	-	-	-	46,850
Transfers out	(9,535)	(1,706)	-	(1,706)	(1,974,938)
Total Other Financing Sources (Uses)	32,718	(1,706)	-	(1,706)	(1,928,088)
Net Change in Fund Balances	(412,021)	10,868	(4,477)	6,391	(1,745,197)
Fund Balances - January 1	3,713,198	791,220	1,010,812	1,802,032	9,595,175
Fund Balances - December 31	$ 3,301,177	$ 802,088	$ 1,006,335	$ 1,808,423	$ 7,849,978

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2011

	Parking Facility	Boat Facility	Totals
ASSETS			
Cash and investments	$ 951,646	$ 308,236	$ 1,259,882
Receivables			
Taxes	31,907	-	31,907
Accounts	18,803	12,067	30,870
Special assessments	136,309	-	136,309
Other	2,776	918	3,694
Advance to other funds	-	330,911	330,911
Capital assets, nondepreciable			
Land	716,258	-	716,258
Capital assets, depreciable			
Buildings and improvements	14,241	-	14,241
Improvements other than buildings	1,387,464	495,106	1,882,570
Machinery and equipment	282,214	-	282,214
Less: Accumulated depreciation	(1,594,374)	(279,791)	(1,874,165)
TOTAL ASSETS	1,947,244	867,447	2,814,691
LIABILITIES			
Accounts payable	1,820	3,708	5,528
Accrued and other current liabilities	33,656	-	33,656
Due to other governments	1,528	-	1,528
Unearned revenues	34,876	97	34,973
TOTAL LIABILITIES	71,880	3,805	75,685
NET ASSETS			
Invested in capital assets	805,803	215,315	1,021,118
Unrestricted	1,069,561	648,327	1,717,888
TOTAL NET ASSETS	$ 1,875,364	$ 863,642	$ 2,739,006

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2011

	Parking Facility	Boat Facility	Totals
Operating Revenues			
Charges for services	$ 423,232	$ 99,637	$ 522,869
Other	5,677	-	5,677
Total Operating Revenues	428,909	99,637	528,546
Operating Expenses			
Personal services	163,287	1,232	164,519
Contractual services	154,901	162,598	317,499
Supplies and materials	24,713	-	24,713
Insurance	757	-	757
Other	34,952	-	34,952
Depreciation	27,266	21,479	48,745
Total Operating Expenses	405,876	185,309	591,185
Operating Income (Loss)	23,033	(85,672)	(62,639)
Nonoperating Revenues			
Investment income	16,642	5,056	21,698
Miscellaneous revenues	34	-	34
Total Nonoperating Revenues	16,676	5,056	21,732
Income (Loss) Before Contributions and Transfers	39,709	(80,616)	(40,907)
Capital contributions	-	5,000	5,000
Transfers in	11,337	-	11,337
Change in Net Assets	51,046	(75,616)	(24,570)
Net Assets - January 1	1,824,318	939,258	2,763,576
Net Assets - December 31	$ 1,875,364	$ 863,642	$ 2,739,006

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2011

	Parking Facility	Boat Facility	Totals
Cash Flows from Operating Activities			
Receipts from customers	$ 446,651	$ 99,685	$ 546,336
Payments to suppliers	(229,718)	(174,255)	(403,973)
Payments to employees	(163,906)	(1,258)	(165,164)
Net Cash Provided (Used) by Operating Activities	53,027	(75,828)	(22,801)
Cash Flows from Noncapital and Related Financing Activities			
Transfers	11,337	-	11,337
Advances to (from) other funds	-	(462)	(462)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	11,337	(462)	10,875
Cash Flows from Capital and Related Financing Activities			
Capital contributions from municipality	-	5,000	5,000
Cash Flows from Investing Activities			
Interest received	16,642	5,056	21,698
Change in Cash and Cash Equivalents	81,006	(66,234)	14,772
Cash and Cash Equivalents - January 1	870,640	374,470	1,245,110
Cash and Cash Equivalents - December 31	$ 951,646	$ 308,236	$ 1,259,882
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ 23,033	$ (85,672)	$ (62,639)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	27,266	21,479	48,745
Miscellaneous nonoperating revenues	34	-	34
Changes in assets and liabilities			
Receivables	(16,820)	48	(16,772)
Accounts payable	(14,681)	(11,657)	(26,338)
Accrued and other liabilities	(619)	(26)	(645)
Due to other governments	286	-	286
Unearned revenues	34,528	-	34,528
Net Cash Provided (Used) by Operating Activities	$ 53,027	$ (75,828)	$ (22,801)

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Net Assets
Internal Service Funds
December 31, 2011

	Motor Vehicle	Data Processing	Health Self Insurance
ASSETS			
Cash and investments	$ 2,382,537	$ 906,506	$ 6,376,365
Receivables			
Accounts	160	-	196
Other	9,078	2,226	17,824
Inventories and prepaid items	-	-	-
Deposit with CVMIC	-	-	-
Capital assets, depreciable			
Machinery and equipment	11,604,900	1,007,800	-
Less: Accumulated depreciation	(7,223,039)	(923,134)	-
TOTAL ASSETS	6,773,636	993,398	6,394,385
LIABILITIES			
Accounts payable	58,449	62,776	6,900
Accrued and other current liabilities	67,765	69,909	3,046,211
TOTAL LIABILITIES	126,214	132,685	3,053,111
NET ASSETS (DEFICIT)			
Invested in capital assets	4,381,861	84,666	-
Unrestricted (deficit)	2,265,561	776,047	3,341,274
TOTAL NET ASSETS (DEFICIT)	$ 6,647,422	$ 860,713	$ 3,341,274

Workers Compensation Self Insurance	General Liability Self Insurance	Totals
$ 28,451	$ 286,585	$ 9,980,444
-	-	356
-	538	29,666
-	37,061	37,061
-	2,205,665	2,205,665
-	-	12,612,700
-	-	(8,146,173)
28,451	2,529,849	16,719,719
765	1,139	130,029
58,634	185,703	3,428,222
59,399	186,842	3,558,251
-	-	4,466,527
(30,948)	2,343,007	8,694,941
$ (30,948)	$ 2,343,007	$ 13,161,468

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Revenues, Expenses and Changes in Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	Motor Vehicle	Data Processing	Health Self Insurance
Operating Revenues			
Charges for services	$ 1,516,462	$ 890,458	$ 8,546,641
Other	1,041	2,525	13,884
Total Operating Revenues	1,517,503	892,983	8,560,525
Operating Expenses			
Personal services	584,364	585,470	74,371
Contractual services	590,467	235,738	444,618
Supplies and materials	427,090	2,259	597
Insurance	-	-	6,887,224
Other	33,226	2,471	-
Depreciation	731,531	91,381	-
Total Operating Expenses	2,366,678	917,319	7,406,810
Operating Income (Loss)	(849,175)	(24,336)	1,153,715
Nonoperating Revenues (Expenses)			
Investment income	47,285	11,831	93,735
Sale of capital assets	37,467	-	-
Total Nonoperating Revenues (Expenses)	84,752	11,831	93,735
Income (Loss) Before Transfers	(764,423)	(12,505)	1,247,450
Transfers in	-	-	-
Transfers out	(167,253)	-	(500,000)
Change in Net Assets	(931,676)	(12,505)	747,450
Net Assets (Deficit) - January 1	7,579,098	873,218	2,593,824
Net Assets (Deficit) - December 31	$ 6,647,422	$ 860,713	$ 3,341,274

Workers Compensation Self Insurance	General Liability Self Insurance	Totals
$ 76,026	$ 200,340	$ 11,229,927
4,560	58,385	80,395
80,586	258,725	11,310,322
87,068	-	1,331,273
37,937	1,187	1,309,947
1,755	-	431,701
282,653	239,095	7,408,972
-	-	35,697
-	-	822,912
409,413	240,282	11,340,502
(328,827)	18,443	(30,180)
-	2,562	155,413
-	-	37,467
-	2,562	192,880
(328,827)	21,005	162,700
500,000	-	500,000
-	-	(667,253)
171,173	21,005	(4,553)
(202,121)	2,322,002	13,166,021
$ (30,948)	$ 2,343,007	$ 13,161,468

CITY OF SHEBOYGAN, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2011

	Motor Vehicle	Data Processing	Health Self Insurance
Cash Flows from Operating Activities			
Receipts from customers	$ 1,517,708	$ 893,101	$ 8,557,497
Payments to suppliers	(1,065,548)	(110,882)	(7,137,496)
Payments to employees	(654,922)	(531,717)	(74,371)
Net Cash Provided (Used) by Operating Activities	(202,762)	250,502	1,345,630
Cash Flows from Noncapital and Related Financing Activities			
Transfer in (out)	(167,253)	-	(500,000)
Repayment of temporary cash advance	-	-	-
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(167,253)	-	(500,000)
Cash Flows from Capital and Related Financing Activities			
Acquisition of capital assets	(549,050)	(5,175)	-
Proceeds from sale of capital assets	37,467	-	-
Net Cash Used by Capital and Related Financing Activities	(511,583)	(5,175)	-
Cash Flows from Investing Activities			
Interest received	47,285	11,831	93,735
Change in Cash and Cash Equivalents	(834,313)	257,158	939,365
Cash and Cash Equivalents - January 1	3,216,850	649,348	5,437,000
Cash and Cash Equivalents - December 31	$ 2,382,537	$ 906,506	$ 6,376,365
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ (849,175)	$ (24,336)	$ 1,153,715
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	731,531	91,381	-
Changes in assets and liabilities			
Receivables	205	118	(3,028)
Inventories and prepaid items	-	75,974	45,878
Accounts payable	(14,765)	53,612	(103,273)
Accrued and other liabilities	(70,558)	53,753	252,338
Net Cash Provided (Used) by Operating Activities	$ (202,762)	$ 250,502	$ 1,345,630

Workers Compensation Self Insurance	General Liability Self Insurance	Totals
$ 80,586	$ 258,907	$ 11,307,799
(326,188)	(242,169)	(8,882,283)
(87,068)	-	(1,348,078)
(332,670)	16,738	1,077,438
500,000	-	(167,253)
(140,546)	-	(140,546)
359,454	-	(307,799)
-	-	(554,225)
-	-	37,467
-	-	(516,758)
-	2,562	155,413
26,784	19,300	408,294
1,667	267,285	9,572,150
$ 28,451	$ 286,585	$ 9,980,444
$ (328,827)	$ 18,443	$ (30,180)
-	-	822,912
-	182	(2,523)
-	(526)	121,326
(4,705)	(1,361)	(70,492)
862	-	236,395
$ (332,670)	$ 16,738	$ 1,077,438

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

Schenck sc
CPAs AND SO MUCH MORE.

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

To Mayor Terry Van Akkeren and Common Council
City of Sheboygan
Sheboygan, 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 Sheboygan, Wisconsin, as of and for the year ended December 31, 2011, which collectively comprise the City of Sheboygan's basic financial statements and have issued our report thereon dated April 27, 2012. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Water Utility enterprise fund and the Housing Authority of the City of Sheboygan as described in our report on the City of Sheboygan's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of the City of Sheboygan, Wisconsin is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Sheboygan, Wisconsin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the City of Sheboygan, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Sheboygan, Wisconsin's internal control over financial reporting.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Sheboygan, Wisconsin in a separate letter dated April 27, 2012.

This report is intended solely for the information and use of Management, the Mayor and Common Council, and is not intended to be and should not be used by anyone other than these specified parties.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
April 27, 2012

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Schenck SC
CPAs AND SO MUCH MORE.

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND STATE SINGLE AUDIT GUIDELINES

To Mayor Terry Van Akkeren and Common Council
City of Sheboygan
Sheboygan, Wisconsin

Compliance

We have audited the City of Sheboygan, Wisconsin's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit* Guidelines issued by the Wisconsin Department of Administration that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011. City of Sheboygan, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of City of Sheboygan, Wisconsin's management. Our responsibility is to express an opinion on City of Sheboygan, Wisconsin's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about City of Sheboygan, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City of Sheboygan, Wisconsin's compliance with those requirements.

In our opinion, City of Sheboygan, Wisconsin complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City of Sheboygan, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered City of Sheboygan, Wisconsin's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Common Council, management, others within the organization, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Schenck sc

Certified Public Accountants
Green Bay, Wisconsin
April 27, 2012

CITY OF SHEBOYGAN, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number
FEDERAL PROGRAMS		
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Community Development Block Grant Entitlement Grants Cluster		
Community Development Block Grant	Direct Program	14.218
Community Development Block Grant - State Administered CDBG Cluster		
Community Development Block Grant State Administered Small Cities Program	WI Department of Administration	14.228
Lead Hazard Control Grant Program	Direct Program	14.900
Total U.S. Department of Housing and Urban Development		
U.S. DEPARTMENT OF JUSTICE		
Public Safety Partnership and Community Policing Grant		
COPS Hiring Program Grant #2010UMWX0351	Direct Program	16.710
Edward Byrne Memorial Justice		
Assistance Grant Program	WI Department of Administration	16.738
Total U.S. Department of Justice		
U.S. DEPARTMENT OF TRANSPORTATION		
Federal Transit Cluster		
Federal Transit Formula Grants	WI Department of Transportation	20.507
Highway Safety Cluster		
State and Community Highway Safety		
DDACTS	WI Department of Transportation	20.600
Project #0950-40-181	WI Department of Transportation	20.600
Seat belt Grant	WI Department of Transportation	20.602
Alcohol Enforcement	WI Department of Transportation	20.601
Incentive Grant Programs	WI Department of Transportation	20.611
Total Highway Safety Cluster		
Total U.S. Department of Transportation		
NATIONAL FOUNDATION OF THE ARTS AND HUMANITIES		
State Library Programs	WI Department of Public Instruction	43.310
U.S. ENVIRONMENTAL PROTECTION AGENCY		
Conservation Development Plan	WI Department of Natural Resources	66.469
River Habitat Restoration	WI Department of Natural Resources	66.469
Total U.S. Environmental Protection Agency		
U.S. DEPARTMENT OF ENERGY		
Energy Efficiency and Conservation Block Grant Program - ARRA	Direct Program	81.128
U.S. DEPARTMENT OF HOMELAND SECURITY		
Pre-Disaster Competitive Mitigation Planning Grant	WI Department of Military Affairs	97.047
TOTAL EXPENDITURES OF FEDERAL AWARDS		

The notes to the schedule of expenditures of federal awards and the schedule of state financial assistance are an integral part of this schedule.

(Accrued) Deferred Revenue 1/1/11	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	Total Expenditures
$ (302,623)	$ 978,199	$ 842,149	$ 1,517,725	$ 1,517,725
(20,334)	752,118	398,294	1,130,078	1,130,078
(490,462)	525,060	-	34,598	34,598
(813,419)	2,255,377	1,240,443	2,682,401	2,682,401
-	208,556	-	208,556	208,556
(1,097)	26,924	-	25,827	25,827
(1,097)	235,480	-	234,383	234,383
-	1,376,334	-	1,376,334	1,376,334
-	21,908	-	21,908	21,908
(7,526)	34,217	-	26,691	26,691
-	-	6,361	6,361	6,361
(6,667)	35,626	5,558	34,517	34,517
(68,208)	69,616	-	1,408	1,408
(82,401)	161,367	11,919	90,885	90,885
(82,401)	1,537,701	11,919	1,467,219	1,467,219
-	3,603	-	3,603	3,603
-	39,955	-	39,955	39,955
-	111,284	-	111,284	111,284
-	151,239	-	151,239	151,239
(77,724)	77,724	-	-	-
-	5,858	-	5,858	5,858
$ (974,641)	$ 4,266,982	$ 1,252,362	$ 4,544,703	$ 4,544,703

CITY OF SHEBOYGAN, WISCONSIN
Schedule of State Financial Assistance
For the Year Ended December 31, 2011

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
STATE PROGRAMS		
DEPARTMENT OF TRANSPORTATION		
Transit Operating Aid - 2009	Direct Program	395.104
Transit Operating Aid - 2010	Direct Program	395.104
Transit Operating Aid - 2011	Direct Program	395.104
Total Department of Transportation		
DEPARTMENT OF JUSTICE		
Law Enforcement Training	Direct Program	455.231
Drug Crimes Enforcement	Direct Program	455.225
Total Department of Justice		
DEPARTMENT OF ADMINISTRATION		
Comprehensive Planning Grant	Direct Program	505.110
TOTAL STATE FINANCIAL ASSISTANCE		

The notes to the schedule of expenditures of federal awards and the schedule of state financial assistance are an integral part of this schedule.

(Accrued) Deferred Revenue 1/1/11	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	Total Expenditures
$ 153,323	$ -	$ (153,323)	$ -	$ -
(57,896)	170,062	(112,166)	-	-
-	1,069,106	(74,212)	994,894	994,894
95,427	1,239,168	(339,701)	994,894	994,894
-	14,657	-	14,657	14,657
-	9,861	(9,861)	-	-
-	24,518	(9,861)	14,657	14,657
-	35,060	35,015	70,075	70,075
$ 95,427	$ 1,298,746	$ (314,547)	$ 1,079,626	$ 1,079,626

CITY OF SHEBOYGAN, WISCONSIN
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
December 31, 2011

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for the City are presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and the "State Single Audit Guidelines" issued by the Wisconsin Department of Administration.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with expenditures reported in the City's 2011 basic financial statements.

The City qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs, as identified in Section I of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditors' risk assessment. The City's other federal programs were considered non-major programs for 2011.

Major state programs represent state assistance programs with expenditures of $100,000 or more and other state programs classified as major in the State Single Audit Guidelines. All other state assistance programs required to be included in the Schedule of State Financial Assistance in accordance with Appendix H of the State Single Audit Guidelines are non-major programs.

NOTE C - OVERSIGHT AGENCY

The federal oversight agency for the City is the U.S. Department of Housing and Urban Development. The state oversight agency for the City is the State of Wisconsin Department of Transportation.

CITY OF SHEBOYGAN, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to basic financial statements noted?	No

Federal and State Awards Programs

Internal control over major program:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	No

Identification of major federal and state programs:

CFDA Number	Name of Federal Programs/Cluster
	Community Development Block Grant Entitlement Grants Cluster
14.218	Community Development Block Grant
	Community Development Block Grant - State Administered CDBG Cluster
14.228	Small Cities Program
	Federal Transit Cluster
20.507	Federal Transit - Formula grants

State ID Number	Name of State Programs/Cluster
395.104	Transit Operating Aid

Audit threshold used to determine between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee	Yes

Section II - Financial Statement Findings

There are no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2011.

Section III - Federal and State Award Findings and Questioned Costs

There are no audit findings and questioned costs required to be reported under OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration for the year ended December 31, 2011.

Section IV - Other Issues

Does the auditor's report of the notes to the financial statement include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?	____ Yes	X No
Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:		
Department of Transportation	____ Yes	X No
Department of Justice	____	X
Department of Administration	____	X
Was a Management Letter or other document conveying audit comments issued as a result of this audit?	X Yes	____ No

Name and signature of shareholder

David L. Maccoux, CPA

Date of report

April 27, 2012

CITY OF SHEBOYGAN, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2011

Prior Year Audit Findings

There were no findings or questioned costs for federal awards for the year ended December 31, 2010.

Corrective Action Plan

No corrective action plan is required.

DATE RECEIVED 6-6-12 RECEIVED BY Llong

CLAIM NO. 5-12

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

JUN 6 '12 PM 4:15

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.
4. **TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.**

TO CITY OF SHEBOYGAN

1. Name of Claimant: Dennis Prigge
2. Home address of Claimant: 1126 North 6th St.
3. Home phone number: 920-208-8237
4. Business address and phone number of Claimant: 1139 Pennsylvania Ave 920-459-2960
5. When did damage or injury occur? (date, time of day) October 19th 2011 A.M.
6. Where did damage or injury occur? (give full description)
   Garage overhang in alley
7. How did damage or injury occur? (give full description)
   Garbage truck (City) hit the overhang on my garage in alley
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
   (a) Name of such officer or employee, if known: no idea
   (b) Claimant's statement of the basis of such liability:
   Recieved a call from both the City dpw and Police to advise that a city garbage truck hit and damaged my overhang
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
   (a) Public property alleged to be dangerous: N/A
   (b) Claimant's statement of basis for such liability: N/A

CC: ATTY'S OFFICE, JIM AMODEO: D.BIEBEL: L. SUHRKE

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

Garbage truck hit overhang severely damaging the gutter, facia boards roof and surounding structure.

11. Name and address of any other person injured: N/A

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: $ $990.00

Property: $

Personal injury: $

Other: (Specify below $

TOTAL $990.00

Damaged vehicle (if applicable)

Make: _____ Model: _____ Year: _____ Mileage: _____

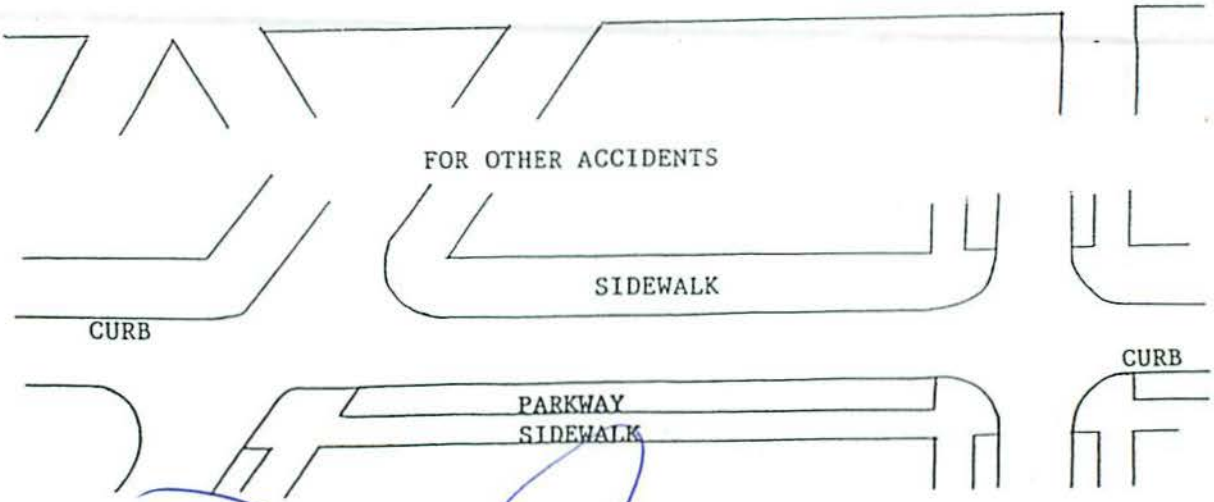
Names and addresses of witnesses, doctors and hospitals: _____

FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT'S VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by the Claimant.

FOR AUTOMOBILE ACCIDENTS

FOR OTHER ACCIDENTS



SIGNATURE OF CLAIMANT: _____ Date: 6-5-12

DATE RECEIVED 6-6-12

RECEIVED BY Library

CLAIM NO. 5-12

JUN 6 '12 PM 4:16

CLAIM

Claimant's Name: Dennis Prigge

Claimant's Address: 1126 North 6th St.

Claimant's Phone No. 920-208-8237

Auto	$
Property	$ 890.00
Personal Injury	$
Other (Specify below)	$
TOTAL	890.00

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of $ 890.00.

SIGNED: Dennis Prigge DATE: 6-6-12

ADDRESS: 1126 North 6th St Sheboygan

Estimate

NH Carpentry

Nathan Huss
W6405 Cty Road EH
Elkhart lake, WI 53020

Phone: 920-980-3165

Repair garage overhang. Repair roof and surrounding structure, shingles, fascia and trim boards. Replace aluminum seamless gutter. Paint to match existing overhang.

Price including taxes **$890.00 total**

October 25, 2011

Dennis Prigge
1126 N. 6th Street
Sheboygan, Wisconsin
920-946-0269

QUOTATION:

Repair damaged south overhang on garage. Work includes new black .032 seamless aluminum gutters, repairing existing roof rafters, new roof sheathing, asphalt shingles, gutter apron, unfinished pine fascia and pine trim boards. Total $ 894

Price includes tax.

1719 South Eighth Street, Sheboygan, WI 53081 920-452-4663 FAX 920-452-2066
Siding • Trim • Windows • Doors • Awnings
www.schroederbrothers.net

STATE OF WISCONISN CIRCUIT COURT SHEBOYGAN COUNTY

Case Code: 30101

KAREN WILHELM
1513 Michigan Avenue
Sheboygan, WI 53081
Plaintiff

CIRCUIT COURT BRANCH #4
TERENCE T BOURKE
615 N SIXTH STREET
SHEBOYGAN WI 53081

SUMMONS

vs.

Case No. 12CV0486

SHEBOYGAN CITY CAB COMPANY
c/o Kim J. Vernick
1512 S. 21st Street
Sheboygan, WI 53081

and

GRANITE STATE INSURANCE COMPANY
c/o Its registered agent
CSC Lawyers Incorporating Service Co
8040 Excelsior Drive. Suite 400
Madison, WI 53717

and

THE CITY OF SHEBOYGAN, A MUNICIPAL CORPORATION
828 Center Avenue
Sheboygan, WI 53081
Defendants.

CLERK CIRCUIT COURT
12 MAR -4 P 2:38

THE STATE OF WISCONSIN, To each person named above as a Defendant:

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

Within forty-five (45) days of receiving this summons, you must respond with a written answer, as that term is used in chapter 802 of the Wisconsin Statutes, to the complaint. The court may reject or disregard an answer that does not follow the

CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE

requirements of the statutes. The answer must be sent or delivered to the court, whose address is:

Sheboygan County Courthouse
615 N. Sixth Street
Sheboygan, WI 53081

and to plaintiff's attorney, whose address is:

William K. Sonnenburg
SONNENBURG & ZELPE
601 Center Avenue
Sheboygan, WI 53081

You may have an attorney help or represent you.

If you do not provide a proper answer within forty-five (45) days, the court may grant judgment against you for the award of money or other legal action requested in the complaint, and you may lose your right to object to anything that is or may be incorrect in the complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated this 4th day of June, 2012.

SONNENBURG & ZELPE
Attorneys for Plaintiff

By: W. K. Sonnenburg
William K. Sonnenburg
State Bar No. 1006902

P.O. Address:
601 Center Avenue
Sheboygan, WI 53081
Telephone (920) 458-6222
Facsimile (920) 458-3840

STATE OF WISCONISN CIRCUIT COURT SHEBOYGAN COUNTY

Case Code: 30101

KAREN WILHELM
Plaintiff

COMPLAINT

vs.

Case No. 12CV0486

SHEBOYGAN CITY CAB COMPANY

and

GRANITE STATE INSURANCE COMPANY

and

THE CITY OF SHEBOYGAN, A MUNICIPAL CORPORATION

Defendants.

CLERK CIRCUIT COURT
FILED
12 JUN -4 P3:38
SHEBOYGAN COUNTY
WISCONSIN

The plaintiff, Karen Wilhelm, by her attorneys, Sonnenburg and Zelpe, by William K. Sonnenburg, as and for a complaint against the above named defendants, allege as follows:

GENERAL ALLEGATIONS

1. That the plaintiff, Karen Wilhelm, is an adult resident of Sheboygan County, State of Wisconsin.

2. That upon information and belief, the defendant, Sheboygan City Cab Company was a sole proprietorship owned and operated by Kim J. Vernick, and an adult person who resides in the City of Sheboygan, Sheboygan County, Wisconsin, whose address is 1512 South 21st Street.

3. That, upon information and belief, Granite State Insurance Company is a foreign insurance corporation whose registered agent is CSC Lawyers Incorporating Service Co., 8040 Excelsior Drive. Suite 400, Madison, WI 53717.

4. That upon information and belief, the City of Sheboygan, Wisconsin, is a municipal corporation located at 828 Center Avenue, Sheboygan, Wisconsin.

5. That, upon information and belief, the defendant, Granite Insurance Company, prior to June 16, 2009, did issue an automobile liability insurance policy to the Sheboygan City Cab Company, owned and operated by Kim J. Vernick; that said insurance policy among other things, for valuable consideration, agreed to pay for injuries to third person arising out of the negligence of the operator of vehicle owned by Kim J. Vernick as the Sheboygan City Cap Company; that by virtue of said insurance policy, Granite Insurance Company is a proper party to this action.

6. That, upon information and belief, said Sheboygan City Cab Company, driven by its authorized driver, Eric W. Vinson, was negligent as to lookout management, and control of said Sheboygan City Cab Company vehicle, a 1999 Buick LeSabre automobile resulting in a collision with a 2006 Chevrolet Colorado pick-up truck on June 16, 2009, at the intersection of Superior Avenue and North 14th Street in Sheboygan, Wisconsin, which further resulted in striking a stopped 1992 GMC van in which the plaintiff was a guest passenger.

7. That, upon information and belief, the 2006 Chevrolet Colorado truck, owned by the defendant, City of Sheboygan, and driven by Paul T. Meyer, a city employee, was contributorily negligent in the operation of said truck in that he failed to keep a proper lookout and management of said truck, on June 16, 2009 at the intersection of superior avenue and North 14th Street, in the City of Sheboygan, Wisconsin, resulting in his striking the 1992 GM Van in which plaintiff was a guest passenger.

8. That as the result of the negligence of the defendant set forth above, said negligence caused a number of injuries to the plaintiff, requiring medical treatment for

said injuries as well as pain, suffering, and is a disfigurement to her body all of which may be permanent.

WHEREFORE, the plaintiff demands judgment against the defendants, jointly or severally, as follows:

1. for injuries to her person in a sum in excess of Five Thousand and 00/100 dollars ($5,000.00).

2. for her costs disbursements and attorney fees.

3. For such other and further relief as may be just and equitable.

PLEASE TAKE NOTICE THAT PLAINTIFFS DEMAND THAT THIS ACTION BE TRIED BY A TWELVE PERSON JURY.

Dated this 4TH day of June, 2012.

SONNENBURG & ZELPE
Attorneys for Plaintiffs

By: William K. Sonnenburg
William K. Sonnenburg
State Bar No. 1016902

P.O. Address:
601 Center Avenue
Sheboygan, WI 53081
Telephone (920) 458-6222
Facsimile (920) 458-3840

JUN 11 '12 PM 5:20

Date 6/11/12

My name is Rhyan Zimmerman.

I am requesting a waiver to the Sexual Residency Requirements so I may live at 1325 A Mich Ave

_____.

Signature Rhyan Zimmerman

Phone No (920) 331-1084

JUN 13 '12 AM10:49

Date 6/12/12

My name is Paul Eirc Hilbelink.

I am requesting a waiver to the Sexual Residency Requirements so I may live at 1317 A N^th 10st Sheboygan wf 53081.

Signature Paul E

Phone No 920-579-1430

JUN 14 '12 PM12:55

Date June 13TH, 2012

My name is MICHEAL BROWN.

I am requesting a waiver to the Sexual Residency Requirements so I may live at 1309 HURON AVE. SHEBOYGAN, WI.

Signature Micheal D. Brown

Phone No (920) 889-3998

Scott Walker
Governor

Gary H. Hamblin
Secretary

State of Wisconsin
Department of Corrections

Mailing Address
DCC
3422 Wilgus Ave.
Sheboygan, WI 53081
(920) 459-0580
(920) 459-4386 (FAX)

June 14, 2012

Re: City of Sheboygan Sex Offender Ordinance

To whom it may concern:

The Department of Corrections is hereby filing an appeal to the Sex Offender Residency restrictions on behalf of county inmate Tomy Brown in order for Mr. Brown to be placed at a Transitional Living Placement (TLP) located at one of the following locations depending on availability: 930 A Michigan Ave., Sheboygan, WI 53081 or 1123 or 1125 N. 14th St., Sheboygan, WI 53081.

Respectfully,

Josh Butzen
Probation/Parole Agent 70802
(920) 459-0580

III

4.4

Res No. 19 - 12 - 13. By Alderperson Hammond. June 4, 2012.

A RESOLUTION to authorize a transfer of appropriations in the 2012 Budget.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following transfers of appropriations in the 2012 Budget for the purposes of:

Establishing estimated revenue and appropriation for 2012 Community Development Block Grant Entitlement Program:

FROM	TO	AMOUNT
Community Block Grant Fund Entitlement 21261100-431901-0	Community Block Grant Fund NSRA No. 1 Officers 21296100-540100	$30,000
	Façade Renovations 21298100-524200	$50,000
	Family Connections 21298100-590100	$1,732
	Partners for Community Development 21298100-590100	$22,500
	Hmong Mutual Assistance Association 21298100-590100-10260	$12,000
	Shoreline Metro 21293200-590100	$42,493
	Sheboygan County Interfaith 21298100-590100-10268	$5,000
	Safe Harbor 21298100-590100	$7,700
	Tee Box Inc 21298100-590100	$3,600
	Mental Health Association 21298100-590100	$2,000
	Sheboygan Housing Assistance Center 21298100-590100	$30,000

Finance approve

Rebuilding Together 21298100-591000	$40,000
Family Service Association 21298100-590100	$5,000
Home Inc 21261100-590100-10274	$9,500
Administration 21298100-521500-10400	$158,700
Street Improvements 21261100-631100	$373,277

Neighborhood not streets.

BE IT [illegible] hat the City Clerk publish this budget change according to [illegible] sconsin Statutes.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

4.5

Res. No. 20 - 12 - 13. By Alderperson Hammond. June 4, 2012.

A RESOLUTION to authorize a transfer of appropriations in the 2012 Budget.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following transfers of appropriations in the 2012 Budget for the purposes of:

Establishing estimated revenue and appropriation for renovations of the Rocca Room at Mead Public Library funded by a donations from the Foundation.

FROM	TO	AMOUNT
Mead Library Fund Contribution 25551100-467101	Mead Library Fund Building Renovation 25551100-621200-10089	$24,509

Establishing estimated revenue and appropriation for books funded by a donation from the Foundation:

Mead Public Library Contribution 25551100-467101	Mead Public Library Books 25551100-538001	$5,000

Finance approve

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

	2012 Approved Budget	2013 Executive Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Revenue - General Fund				
Taxes (Other than Property)	1,106,800	1,106,800	-	0.00%
Licenses & Permits	650,785	599,627	(51,158)	-7.86%
Intergovermental Revenue	14,546,626	14,482,327	(64,299)	-0.44%
Charges for Services	2,140,701	1,539,317	(601,384)	-28.09%
Fines & Forfeits	710,306	634,100	(76,206)	-10.73%
Interest on Investments	255,150	255,000	(150)	-0.06%
Miscellaneous Revenue	112,786	114,936	2,150	1.91%
Other Financing Sources	673,553	673,553	-	0.00%
Total Revenue	20,196,707	19,405,660	(791,047)	-3.92%
Revenue - Mead Library				
Intergovernmental Revenue	674,271	672,408	(1,863)	-0.28%
Charges for Services	97,250	98,113	863	0.89%
Miscellaneous Revenue	30,000	31,000	1,000	3.33%
Sub-Total	801,521	801,521	-	0.00%
Fund Equity Applied	29,650	29,650	-	0.00%
Total Revenue	831,171	831,171	-	0.00%
Revenue - Debt Service Fund				
Interest on Investments	7,476	7,476	-	0.00%
Pension Transfer	492,101	492,101	-	0.00%
Transfer from Other Funds	1,378,706	1,376,221	(2,485)	-0.18%
Total Revenue	1,878,283	1,875,798	(2,485)	-0.13%
City Tax Levy				
General Fund	15,384,886	15,408,756	23,870	0.16%
Mead Library Fund	2,377,053	2,377,053	-	0.00%
Debt Service Fund	2,910,747	2,886,889	(23,858)	-0.82%
Transit Utility Fund	511,559	511,547	(12)	0.00%
Total City Tax Levy	21,184,245	21,184,245	-	0.00%

	2012 Approved Budget	2013 Executive Budget	Increase/ (Decrease)	% Increase/ (Decrease)
General Fund				
Department				
Council	112,889	112,889	-	0.00%
Mayor	453,369	426,836	(26,533)	-5.85%
City Clerk	383,059	383,508	449	0.12%
Elections	236,971	106,062	(130,909)	-55.24%
Finance	916,226	893,055	(23,171)	-2.53%
Assessor	441,206	419,846	(21,360)	-4.84%
Human Resources	247,463	240,365	(7,098)	-2.87%
City Attorney	428,491	433,075	4,584	1.07%
City Insurance	176,940	276,940	100,000	56.52%
City Buildings	860,723	854,587	(6,136)	-0.71%
Board of Review	2,300	2,300	-	0.00%
Employee Benefits	347,411	347,411	-	0.00%
Total General Government	4,607,048	4,496,874	(110,174)	-2.39%
Police	12,099,483	12,284,590	185,107	1.53%
Fire	7,618,472	7,520,956	(97,516)	-1.28%
Building Inspection	472,266	461,143	(11,123)	-2.36%
Emergency Operations	1,875	1,875	-	0.00%
Civil Defense	12,505	12,510	5	0.04%
Total Public Protection	20,204,601	20,281,074	76,473	0.38%
Public Works	289,190	263,390	(25,800)	-8.92%
Engineering	401,198	498,767	97,569	24.32%
Streets	3,820,493	3,832,123	11,630	0.30%
Sanitation	2,360,155	2,391,170	31,015	1.31%
Boat Facilities	100,000	150,000	50,000	50.00%
Incinerator	20,000	20,000	-	0.00%
Total Public Works	6,991,036	7,155,450	164,414	2.35%
Cemetery	337,236	314,840	(22,396)	-6.64%
Toal Human Services	337,236	314,840	(22,396)	-6.64%
Park Department	2,036,967	2,103,994	67,027	3.29%
Celebrations	30,978	10,245	(20,733)	-66.93%
Senior Center	183,912	185,480	1,568	0.85%
Total Culture/Recreation	2,251,857	2,299,719	47,862	2.13%
City Development	247,755	244,399	(3,356)	-1.35%
Interfund Transfers	7,060	7,060	-	0.00%

	2012 Approved Budget	2013 Executive Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Uncollectible Receivables	15,000	15,000	-	0.00%
Fund Equity Increase	920,000	-	(920,000)	-100.00%
Total General Fund	35,581,593	34,814,416	(767,177)	-2.16%
Meg Unit Fund	61,235	61,235	-	0.00%
Mead Library Fund	3,208,224	3,208,224	-	0.00%
Tourism Fund	885,370	885,370	-	0.00%
Cable TV Franchise Fund	475,516	480,716	5,200	1.09%
Municipal Court Fund	940,000	901,293	(38,707)	-4.12%
Ambulance Fund	925,000	950,000	25,000	2.70%
Special Assessment Fund	593,670	593,670	-	0.00%
Harbor Centre Marina Fund	1,019,995	1,019,995	-	0.00%
Redevelopment Authority Fund	10,500	10,500	-	0.00%
Total Special Revenue Funds	8,119,510	8,111,003	(8,507)	-0.10%
G O Bond Debt Service Fund	4,789,030	4,762,687	(26,343)	-0.55%
TID VI Debt Service Fund	1,940,351	1,867,713	(72,638)	-3.74%
TID V Debt Service Fund	2,668	2,668	-	0.00%
TID VII Debt Service Fund	157,433	157,433	-	0.00%
TID X Debt Service Fund	277,166	277,166	-	0.00%
TID XI Debt Service Fund	510,735	510,735	-	0.00%
TID XII Debt Service Fund	203,309	203,309	-	0.00%
Environmental TID I Debt Service	157,070	159,420	2,350	1.50%
TID XIII Debt Service Fund	340,032	340,032	-	0.00%
	8,377,794	8,281,163	(96,631)	-1.15%
Industrial Park Fund	11,519	11,519	-	0.00%
Transit Utility Fund	511,559	511,547	(12)	0.00%
Total Budget	52,601,975	51,729,648	(872,327)	-1.66%

	2012 Approved Budget	2013 Executive Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Enterprise Funds				
Wastewater Fund	8,512,900	8,374,335	(138,565)	-1.63%
Boat Facilities Fund	107,335	107,378	43	0.04%
Parking Utility Fund	500,320	519,314	18,994	3.80%
Transit Utility Fund	3,577,877	3,583,572	5,695	0.16%
Total Enterprise Funds	12,698,432	12,584,599	(113,833)	-0.90%
Internal Services Funds				
Motor Vehicle Fund	1,980,606	1,958,030	(22,576)	-1.14%
Health Insurance Fund	9,112,868	9,112,868	-	0.00%
Liability Insurance Fund	577,200	577,200	-	0.00%
Worker's Compensation Fund	356,220	464,924	108,704	30.52%
Information Systems Fund	839,200	836,500	(2,700)	-0.32%
Total Internal Service Funds	12,866,094	12,949,522	83,428	0.65%
Trust Funds				
Cemetery Perpetual Care Fund	10,500	10,500	-	0.00%
E H May Environmental Park Fund	34,000	34,000	-	0.00%
Everhard/Forrer Trust Fund	12,800	12,800	-	0.00%
Total Trust Funds	57,300	57,300	-	0.00%

II

Other Matters

7.3

R. O. No. 65 - 12 - 13. By CITY CLERK. June 18, 2012.

Submitting a claim from Rogene Brott for towing charges when allegedly her car was towed by mistake.

France

Susan Richards
City Clerk

II

DATE RECEIVED 6-15-12 RECEIVED BY Library

CLAIM NO. 6-12

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.
4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

TO CITY OF SHEBOYGAN

1. Name of Claimant: ROGENE BROTT
2. Home address of Claimant: 1219 S. 16th St Sheboygan WI 53081
3. Home phone number: 920-980-6505
4. Business address and phone number of Claimant: N/A
5. When did damage or injury occur? (date, time of day) N/A
6. Where did damage or injury occur? (give full description) N/A
7. How did damage or injury occur? (give full description) N/A
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
   (a) Name of such officer or employee, if known: Sgt Anderson has notes on the matter including any name needed.
   (b) Claimant's statement of the basis of such liability: please see the back of this sheet for the statement.
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
   (a) Public property alleged to be dangerous: N/A
   (b) Claimant's statement of basis for such liability: N/A

CC: ATTY'S OFFICE, JIM AMODEO, ~~LAURIE SUHRKE, CHIEF DOMAGALSKI~~

8. b. After I received a letter about my car with a date that it could/would be removed from my property, I called and spoke with Sgt. Anderson about it. He said that the date could be changed to the following week instead. Another officer arranged for it to be towed earlier instead and when I spoke with Sgt Anderson again he stated that the officer confused it with a different vehicle and had mine towed by mistake. Sgt. Anderson told me that if I paid the towing fee, I could request to be reimbursed by the city. He told me that he made notes regarding this.

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

No INJURIES

11. Name and address of any other person injured: N/A

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: $_____

Property: $_____

Personal injury: $_____

Other: (Specify below $ 57.75

Total $57.75

Damaged vehicle (if applicable)

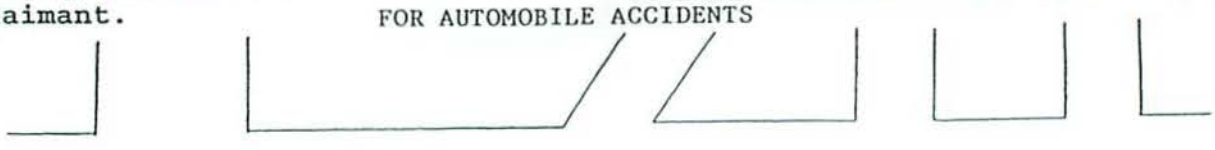
Make: _____ Model: _____ Year: _____ Mileage: _____

Names and addresses of witnesses, doctors and hospitals: _____

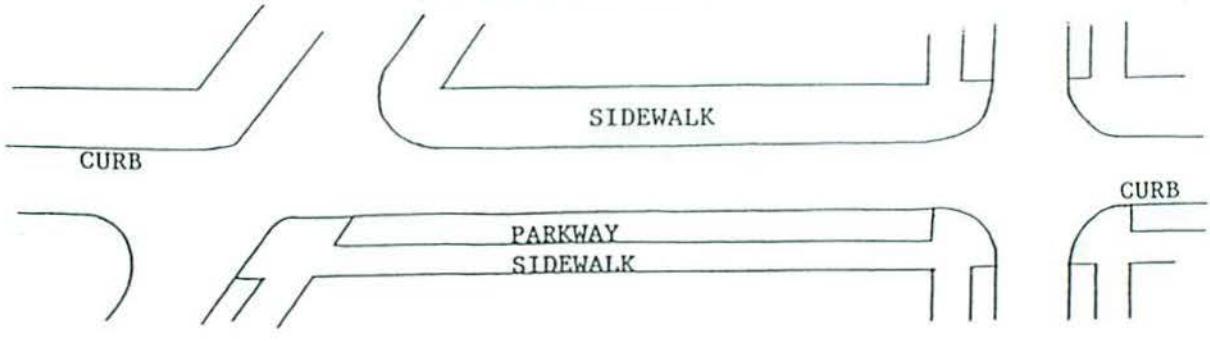
FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT'S VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by the Claimant.

FOR AUTOMOBILE ACCIDENTS



FOR OTHER ACCIDENTS



SIGNATURE OF CLAIMANT: Rogene Brott Date: June 15, 2012

DATE RECEIVED 6-15-12

RECEIVED BY L Long

CLAIM NO. 6-12

CLAIM

Claimant's Name: ROGENE BROTT

Claimant's Address: 1219 S. 16th St
Sheboygan WI 53081

Claimant's Phone No. 920-980-6505

Auto $

Property $

Personal Injury $

Other (Specify below) $ 57.75

Total $57.75.

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of $ 57.75 .

SIGNED: Rogene Brott DATE: June 15, 2012

ADDRESS: 1219 S. 16th St Sheboygan, WI 53081

Depot Auto Service & Towing, Inc.
1131 Pennsylvania Ave
Sheboygan, WI. 53081
Phone - 920-452-1811 Fax - 920-452-6261

Professional Service...Guaranteed!

INVOICE
38390

226067
844165

INVOICE

Work Completed Date : 05/01/2012 Print Date : 05/01/2012

1996 Ford - Taurus LX

Brott, Rogene
1219 S 16th
Sheboygan, WI 53081
Home 920-458-2689
Cust ID : 9353

Lic # :
Unit # :
Vin # :
Hat # :

Odometer In :
Ref # :

Part Description / Number	Qty	Sale	Extended	Labor Description	Extended
				Tow from Depot to 41 Winnebego Tr. 05/01/12	55.00

Org. Estimate $57.75 Revisions $0.00 Current Estimate $ 57.75 Additional Cost Revised Estimate

Labor:	**$55.00**
Parts:	**$0.00**
Sublet:	**$0.00**
Sub:	**$55.00**
Tax:	**$2.75**
Total:	**$57.75**
Bal Due:	**$0.00**

[Payments - Cash - $57.75]

Motor vehicle repair practices are regulated by chapter ATCP 132, Wis. Adm. Code, administered the Bureau of Consumer Protection, Wisconsin Dept. of Agriculture, Trade and Consumer Protection, P.O. Box 8911, Madison, Wisconsin 53708-8911

☐ This vehicle received without face to face customer contact.

Shop Representative

Having authority to do so I hereby order the above products and services, parts and labor and grant permission to you and/or your employees to operate the vehicle described for the purpose of testing and/or inspection. I agree to pay cash when the work is completed or to pay on other terms satisfactory to you. Until paid in full, the amount owing on this work shall constitute a lien on the motor vehicle. If collection is made by suit or otherwise, I agree to pay storage and collection and reasonable attorney's fees.

Customer Sign: _____
Date: _____

YOU ARE ENTITLED TO A PRICE ESTIMATE FOR THE REPAIRS YOU HAVE AUTHORIZED. THE REPAIR PRICE MAYBE LESS THAT THE ESTIAMTE, BUT WILL NOT EXCEED THE ESTIMATE WITHOUT YOUR PERMISSION. YOUR SIGNATURE WILL INDICATE YOUR ESTIMATE SELECTION.

1. I request an estimate in writing before you begin repair _____
2. Please proceed with repairs, but call me before continuing if the price will exceed $_____ _____
3. I do not want an estimate _____

Do you want the replaced parts you are entitled to? ☐ Yes ☐ No

_____

Payment will be made by ☐ Cash ☐ Check ☐ Credit ☐ Card Charge

Call when vehicle is ready ☐ Yes ☐ No

8. b. After I received a letter about my car with a date that it could/would be removed from my property, I called and spoke with Sgt. Anderson about it. He said that the date could be changed to the following week instead. Another officer arranged for it to be towed earlier instead and when I spoke with Sgt Anderson again he stated that the officer confused it with a different vehicle and had mine towed by mistake. Sgt. Anderson told me that if I paid the towing fee, I could request to be reimbursed by the city. He told me that he made notes regarding this.

Proposed new rules for what can and cannot be allowed on graves in Sheboygan's Wildwood Cemetery by Ald. Scott Lewandoske. These are based on rules from other cemeteries. I was asked to come up with possible new rules by Public Works Assistant Chairman Alderman Bohren at the June 12, 2012 Public Works Committee meeting.

Currently: Sec. 34-50. - Winter decorations restricted.
Winter decorations, holly, evergreen or artificial wreaths may be placed on graves to remain until March 15. After such date all such decorations shall be removed. If any are to be kept for future use, they should be removed by the owners before such date.

I propose to change the date to April 1.
My reason for this change is that, on March 15, there can still be deep snow in the cemetery, plus snow banks to climb over to get to the graves to remove decorations. Also, some of the roads between blocks on the east end of Wildwood are not plowed and can be very icy on March 15.

Currently: Sec. 34-52. - Certain items prohibited.
The placing of boxes, shelves, ornaments, chairs, settees, glass, wood or iron cases and similar articles upon a lot in the city cemetery shall not be permitted. If so placed, the cemetery and parks supervisor may remove such.

I propose to add to this, crockery, metal cans, Styrofoam, paper products, plastic, toys, stuffed animals, gravel, stone, bark, stakes, food, and all wind driven objects (except American flags).
My reason for these changes is that these items can make the cemetery look more like a garbage dump, than a place to honor the dead. Also, these items can be run over by lawnmowers causing damage to the mowers or creating a larger mess. In addition, food can attack wild animals that will eat food that is left on the graves. Among food items I have seen on graves in Wildwood or the adjoining Lutheran Cemetery are small birthday cakes, Easter eggs, and once, I saw a wrapped package of cotton candy on a grave. I have personally seen deer, raccoons, and a wolf in Wildwood Cemetery that would be attracted to this food.

I also propose that these rules be placed on signs on the north end and south end of Wildwood cemetery and be added to the City of Sheboygan website, as they are not currently on the website.

Scott Lewandoske
5th District Alderperson (Wildwood Cemetery is located in the 5th District)

II

Other Matters

7.6

R. O. No. 68 - 12 - 13. By CITY CLERK. June 18, 2012.

Submitting an Order Confirming Sale and Order adding to Judgment in the matter of Wisconsin Housing and Economic Development Authority vs. Peter Zabel et al.

Finance

Susan Richards
City Clerk

STATE OF WISCONSIN | CIRCUIT COURT | SHEBOYGAN COUNTY

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY;

Plaintiff,

vs.

PETER J. ZABEL and JANE DOE, unknown spouse of Peter J. Zabel; and TANYA D. ZABEL and JOHN DOE, unknown spouse of Tanya D. Zabel; and CITY OF SHEBOYGAN; and COLUMBIA ST. MARYS, INC., d/b/a MARSHO FAMILY MEDICAL GROUP; and SHEBOYGAN COUNTY;

Defendants.

Case No. 11-CV-1018 JUN 15 '12 12:42
Code No. 30404
Foreclosure of Mortgage
Dollar Amount Greater Than $5,000.00

NOTICE OF ENTRY OF ORDERS

TO: PETER J. ZABEL and JANE DOE,
unknown spouse of Peter J. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

TANYA D. ZABEL and JOHN DOE,
unknown spouse of Tanya D. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

CITY OF SHEBOYGAN,
c/o City Clerk,
828 Center Avenue
Sheboygan, Wisconsin 53081

Lori A. Henley, Esq.
c/o Columbia St. Mary's Milwaukee Campus
2323 North Lake Drive
Milwaukee, WI 53211

SHEBOYGAN COUNTY,
c/o County Clerk,
615 North Sixth Street
Sheboygan, Wisconsin 53081

Tenants / Occupants
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

PLEASE TAKE NOTICE that on the 5th day of June 2012, an Order Confirming Sale and Order Adding to Judgment was duly entered in the above-entitled action in the office of the Clerk of Circuit Court for this county, a copy of which is attached hereto.

Dated at Wauwatosa, Wisconsin, this 12 day of June, 2012.

O'DESS and ASSOCIATES, S.C
Attorneys for Plaintiff

By: M. ABIGAIL O'DESS
Bar Code No. 1017869

POST OFFICE ADDRESS:
1414 Underwood Avenue, Suite 403
Wauwatosa Wisconsin 53213
(414) 727-1591
(414) 727-1590 fax

O'Dess and Associates, S.C., is attempting to collect a debt and any information obtained will be used for that purpose.If you have previously received a Chapter 7 Discharge in Bankruptcy, this correspondence should not be construed as an attempt to collect a debt

CC: ATTY'S OFFICE, JIM AMODEO, LAURIE SUHRKE, BARB OLM

STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY;

Plaintiff,

vs.

Case No. 11-CV-1018
Code No. 30404
Foreclosure of Mortgage
Dollar Amount Greater Than $5,000.00

PETER J. ZABEL and JANE DOE,
unknown spouse of Peter J. Zabel; and
TANYA D. ZABEL and JOHN DOE,
unknown spouse of Tanya D. Zabel; and
CITY OF SHEBOYGAN; and
COLUMBIA ST. MARYS, INC.,
d/b/a MARSHO FAMILY MEDICAL GROUP; and
SHEBOYGAN COUNTY;

Defendants.

CLERK CIRCUIT COURT
FILED
2012 JUN -5 A 10: 34
SHEBOYGAN COUNTY
WISCONSIN

ORDER CONFIRMING SALE

On reading and filing the report of Todd Priebe, Sheriff of Sheboygan County, Wisconsin, appointed under the judgment entered in the above-entitled action to make sale of the premises described in the complaint herein, and it appearing by due proof that due notice of the motion to confirm said report has been given to all parties owning an equity of redemption on said premises and to all parties who have appeared in this action and it appearing that the said sheriff in making said sale has in all things complied with the judgment heretofore entered in this case, and the statutes in such case made and provided, that the monies arising out of said sale were sufficient to pay the whole amount adjudged to the plaintiff together with interest and costs.

The plaintiff is not seeking deficiency judgment against the defendant(s) in this case.

Now, therefore,

IT IS ORDERED:

1. That the sale of the mortgaged premises involved in the above-entitled action to

plaintiff for the sum of $48,726.02, and the sheriff's report of such sale as filed herein, be and the same are hereby in all things approved and confirmed.

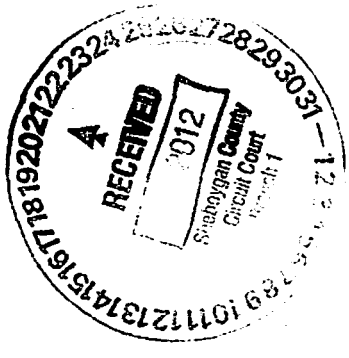
2. That upon the entry of this order and the filing of this order with the Clerk of Court for Sheboygan County, Wisconsin, the said clerk shall thereupon deliver to the plaintiff or the plaintiff's attorneys, the sheriff's deed to the premises involved in this action, which said deed was filed with the Clerk of Court by the sheriff of said county. That said Sheriff's Deed and Wisconsin Real Estate Transfer Return shall be mailed directly to plaintiff's attorneys, O'Dess and Associates, S.C., at 1414 Underwood Avenue, Suite 403, Wauwatosa, WI 53213.

3. That a Writ of Assistance be issued immediately.

Dated this 5th day of June, 2012.

BY THE COURT:

Honorable L. Edward Stengel
Circuit Court Judge
Circuit Court Case No 11-CV-1018



STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY;

Plaintiff,

vs.

PETER J. ZABEL and JANE DOE, unknown spouse of Peter J. Zabel; and TANYA D. ZABEL and JOHN DOE, unknown spouse of Tanya D. Zabel; and CITY OF SHEBOYGAN; and COLUMBIA ST. MARYS, INC., d/b/a MARSHO FAMILY MEDICAL GROUP; and SHEBOYGAN COUNTY;

Defendants.

Case No. 11-CV-1018
Code No. 30404
Foreclosure of Mortgage
Dollar Amount Greater Than $5,000.00

ORDER ADDING TO JUDGMENT

That Plaintiff, by its attorneys, O'Dess and Associates, S.C. has incurred additional costs and disbursements involved in the above action and that the plaintiff herein is entitled to said additions to judgment since entry of judgment of foreclosure as follows:

CLERK CIRCUIT COURT
FILED
2012 JUN -5 A 10: 35
SHEBOYGAN COUNTY
WISCONSIN

Judgment entered on November 8, 2011	$44,516.32
Additions:	
Sale	$150.00
Publication	$266.59
Interest	$1,760.83
Broker's Price Opinion	$100.00
Property Inspection	$156.00
Escrow Advance	$1,776.28
TOTAL ADDITIONS	$4,209.70
TOTAL JUDGMENT PLUS ADDITIONS	$48,726.02

Now, therefore, pursuant to the judgment entered in the above-entitled action,

IT IS HEREBY ORDERED AND ADJUDGED that said judgment be and the same is hereby increased by the sum of $4,209.70, being interest and costs and disbursements from the date of judgment, bringing the total judgment to $48,726.02 and the said judgment in all other respects be and the same is hereby confirmed.

Dated this 5th day of June 2012

RECEIVED
Sheboygan County
Circuit Court
Branch 1

BY THE COURT:

Hon. L. Edward Stengel
Circuit Court Judge
Circuit Court Case No 11-CV-1018

STATE OF WISCONSIN)
) ss.
MILWAUKEE COUNTY)

Terri A. Graham, Paralegal, at O'Dess and Associates, S.C., being first duly sworn on oath, says that on the 13 day of June, 2012, she mailed, properly enclosed in a postpaid envelope a copy of the Notice of Entry of Order in the above entitled action, addressed to the following named persons at the proper post office addresses set forth:

PETER J. ZABEL and JANE DOE,
unknown spouse of Peter J. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

TANYA D. ZABEL and JOHN DOE,
unknown spouse of Tanya D. Zabel,
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

CITY OF SHEBOYGAN,
c/o City Clerk,
828 Center Avenue
Sheboygan, Wisconsin 53081

Lori A. Henley, Esq.
c/o Columbia St. Mary's Milwaukee Campus
2323 North Lake Drive
Milwaukee, WI 53211

SHEBOYGAN COUNTY,
c/o County Clerk,
615 North Sixth Street
Sheboygan, Wisconsin 53081

Tenants / Occupants
834 Whitcomb Avenue
Sheboygan, Wisconsin 53081

Terri A. Graham

Subscribed and sworn to before me
this 13 day of June, 2012.

M. Abigail O'Dess
Notary Public, State of Wisconsin
My Commission is Permanent.

III

Other Matters

7.7

Res. No. 29 - 12 - 13. By Alderperson Heidemann. June 18, 2012.

A RESOLUTION authorizing the appropriate City officials to execute an Agreement for Access to Property and Environmental Remediation with the U.S. EPA Great Lakes National Program Office with regard to the South 8th Street and Virginia Avenue parcel of land.

RESOLVED: That the appropriate City officials are hereby authorized to execute the Agreement for Access to Property and Environmental Remediation between the City of Sheboygan and the U.S. Environmental Protection Agency Great Lakes National Program Office, substantially in the form as set forth in the copy attached, related to the contractor parking of motor vehicles and equipment at the South 8th Street and Virginia Avenue parcel for the dredging, dewatering and transport of sediments from the Sheboygan River Great Lakes Legacy Act Project.

Lies over

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

AGREEMENT FOR ACCESS TO PROPERTY AND ENVIRONMENTAL REMEDIATION

This Access Agreement ("Agreement") is made this _____ day of _____, 2012, by and between the United States Environmental Protection Agency Great Lakes National Program Office ("GLNPO") and the City of Sheboygan, Wisconsin ("CITY").

Through this document and in fulfillment of Paragraph 10 of the Project Agreement ("PA") executed by the parties, the CITY hereby grants to GLNPO, their representatives, agents, employees and contractors, consent to enter upon and access property owned by the CITY located as follows:

> Southwest corner of South 8th Street and Virginia Avenue, more particularly described as:
>
> Lots 1 and 2, Block 204, and the North one-half of the vacated alley adjacent thereto, Original Plat, City of Sheboygan, Sheboygan County, Wisconsin ("S. 8th St. and Virginia Parcel"). Tax Parcel No. 59281-109760. A photo depicting the site is attached hereto as Exhibit "A."

Access is granted to the above entities or individuals for Betterment Dredging Project purposes as set forth in the agreed upon Scope of Work ("SOW") that is an attachment to the PA.

The CITY makes no representation as to any physical condition of the S. 8th St. and Virginia Parcel or the suitability of said Parcel for the Work intended to be conducted by GLNPO. GLNPO will rely on its own examination of the S. 8th St. and Virginia Parcel, including any surface or subsurface conditions.

GLNPO will utilize the S. 8th St. and Virginia Parcel for contractor parking of motor vehicles and equipment for the dredging, dewatering and transport of sediments from the Sheboygan River Great Lakes Legacy Act Project ("Legacy Project"). Restoration of the S. 8th St. and Virginia Parcel will be governed by the Betterment Dredging Project Scope of Work ("SOW") and the Project Work Plan that will be generated pursuant to the PA. The SOW and the Project Work Plan will become attachments to this agreement, upon their approval by EPA (Attachment 2). The Project Work Plan contains details about the use and restoration of the S. 8th St. and Virginia Parcel made available for access by the contractor: the schedule for the Project, general hours of operation, a list of the type of equipment used at the site, storm water and wastewater controls, an erosion plan, and a restoration plan. The current schedule calls for completion of the work and restoration of the S. 8th St. and Virginia Parcel by May 31, 2013. In the event that timely completion of the Work requires GLNPO to conduct the Work during times or days other than set forth in the

Work Plan, GLNPO will obtain consent and permit modifications, as required, from the CITY.

Work at the sites will require local permits and GLNPO, through its contractor or assigns, will obtain the required permits prior to commencing Work. The Work Plan for the Project-related activities at the site may include: mitigation measures, restoration activities, and storm water and wastewater control.

The CITY acknowledges that elements of the Work will necessarily involve elevated noise levels. To the extent necessary, the CITY exempts GLNPO, pursuant to 66-72(7) of the City Code, from compliance with Chapter 66, Article III of the City Code, provided, however, that GLNPO shall not unnecessarily engage in or permit any loud or disturbing noise of such a character, intensity or duration as to be detrimental to the life or health of individuals and shall limit the production of high noise levels that may otherwise exceed the City Code levels to between the hours of 7:00 a.m. to 7:00 p.m. Monday through Saturday.

The S. 8th St. and Virginia Parcel will be closed to the public and remain closed until final restoration of this parcel is completed.

In performing the work, GLNPO agrees to use its best efforts to minimize disruption of the S. 8th St. and Virginia Parcel. Restoration of said Parcel will be specifically addressed in the Project Work Plan. As part of the Project that GLNPO and the Non-Federal Sponsors, including the CITY, are funding, the S. 8th St. and Virginia Parcel will be restored, to the extent practicable, to its original grade, condition and appearance. The parties granted access herein shall be responsible for repairing and remediating, at no additional expense to the CITY, any damage or releases of hazardous substances to the S. 8th St. and Virginia Parcel and any damage or releases of hazardous substances to adjacent public streets, sidewalks and other public infrastructure arising from the performance of the Work.

As part of the PA governing the relationship of the parties in implementing the Project, the parties have agreed to cooperate and work constructively to resolve any issues that arise. Article V of the PA provides for a Project Coordination Team to address concerns and issues with the Project Implementation. Article VII provides for a dispute resolution process for elements of the Project.

GLNPO or its contractors working on the S. 8th St. and Virginia Parcel shall have liability insurance, including comprehensive general liability insurance, automobile liability insurance, and pollution legal liability insurance of at least $2,000,000 per occurrence and will provide adequate proof of such insurance upon request. Such insurance shall name the CITY as an additional insured.

IN WITNESS WHEREOF, the CITY has executed two copies of the Agreement for Access to Property and Environmental Remediation, each of which shall be deemed an original.

THE CITY OF SHEBOYGAN, WISCONSIN

BY:_____ Date:_____
Terry Van Akkeren, Mayor

ATTEST:_____ Date:_____
Susan Richards, City Clerk

IN WITNESS WHEREOF, the U.S. EPA GLNPO has executed two copies of the Agreement for Access to Property and Environmental Remediation, each of which shall be deemed an original.

U.S. EPA GREAT LAKES NATIONAL
PROGRAM OFFICE

BY:_____ Date:_____
Christopher Korleski, Director
Great Lakes National Program Office
U.S. Environmental Protection Agency

Date: 6/7/201