



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final Finance Committee

Monday, July 9, 2018

5:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

2. Roll call of membership

3. Approval of minutes from previous meeting

[18-1020](#) Finance Committee minutes of June 11, 2018 meeting

Attachments: [MeetingMinutes11-Jun-2018-07-18-21.pdf](#)

4. Public Hearings/Apearances

[18-1025](#) Dave Maccoux, CPA from Schenck, SC presentation of the 2017 Comprehensive Annual Financial Report

Attachments: [2017 Management Letter'.pdf](#)

5. Action Items

[18-1026](#) Request for approval of Resolution Authorizing the Execution and Delivery of Documents relating to the Fox Cities Sports Facility Project

Attachments: [2018 Sports Facility - Municipal Authorizing Resolution \(Appleton\).pdf](#)

[2018 Sports Facility - Cooperation Agreement 6.26.18.pdf](#)

[2018 Sports Facility - Redline Cooperation Agreement 6.26.18.pdf](#)

[2018 Sports Facility - Pledge and Security Agreement.pdf](#)

[2018 Sports Facility - Maximum Price Calc.pdf](#)

[2018 Sports Facility - Bond Term Sheet.pdf](#)

[18-1019](#) Request to approve Contract Amendment/Change Order No. 1 to Contract 10-18 for Unit O-18 Sanitary Sewer (CIPP) Lining for an emergency repair on the Alley south of Edgemere Drive and east of Kensington Drive in the amount of \$7,800 resulting in no change to the contract contingency. Overall contract increases from \$145,835 to \$154,535.

Attachments: [O-18 Contract Change Order #1.xls.pdf](#)

[18-1022](#) Request to approve contract for Granicus services for next three years

Attachments: [2018 Granicus Contract Renewal 3yr.pdf](#)

[18-1027](#) Request for approval of five-year renewal of banking services with JPMorgan Chase Bank, LLC

Attachments: [Finance Committee Banking Renewal 2018.pdf](#)

[18-1028](#) Request for approval of five-year renewal of investment management services with U.S. Bank

Attachments: [Finance Committee Investment Services Renewal 2018.pdf](#)

[18-1021](#) The Finance Committee will go into closed session according to State Statute §19.85(1)(g) for the purpose of conferring with legal counsel regarding matters involving employees in which litigation is currently pending or likely to result.

6. Information Items

[18-1023](#) Contract 74-17 was awarded to Energy Control & Design for \$63,540.00 with a contingency of \$8,020.00 for Bus Garage HVAC Replacement. Payments issued to date total \$54,150.00. Request final payment of \$9,390.00.

[18-1024](#) Approve Contract Change Order No. 2 to contract 11-18 for Unit Z-18 Sewer and Water Reconstruction No. 2 to relay watermain in Monroe Street between Fremont Street and Harrison Street in the amount of \$38,500 resulting in a decrease to contingency from \$59,697 to \$21,197. No change to overall contract amount.

Attachments: [Unit Z-18.pdf](#)

[18-1029](#)

The following 2018 Budget adjustments were approved by the Mayor and Finance Director in accordance with Policy:

Bioterrorism Grant Fund

State Grants	+\$8,917
Training	+\$8,917

to adjust the 2018 budget for additional award amount

Health - Prevention Grant Fund

State Grants	+\$7,800
Training	+\$7,800

to adjust the 2018 budget for additional award amount

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.

For questions regarding this agenda, please contact Tony Saucerman at (920) 832-6440.



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Minutes Finance Committee

Monday, June 11, 2018

5:30 PM

Council Chambers, 6th Floor

1. Call meeting to order
2. Roll call of membership

Aldersperson Baranowski was excused at 7:00

Present: 5 - Aldersperson Plank, Aldersperson Lobner, Aldersperson Siebers, Aldersperson Croatt and Aldersperson Baranowski

3. Approval of minutes from previous meeting

[18-0852](#)

Finance Committee minutes from May 21, 2018 meeting

Attachments: [MeetingMinutes21-May-2018-09-34-14.pdf](#)

Aldersperson Croatt moved, seconded by Aldersperson Baranowski, that the Minutes be approved. Roll Call. Motion carried by the following vote:

Aye: 5 - Aldersperson Plank, Aldersperson Lobner, Aldersperson Siebers, Aldersperson Croatt and Aldersperson Baranowski

4. Public Hearings/Appealances

5. Action Items

[18-0865](#)

Request to approve contract Amendment / Change Order No. 1 to contract 20-18 for Unit E-18 Miscellaneous Concrete & Street Excavation Repair for additional permanent street patches associated with water main breaks, lead service replacement and curb/valve box replacements in the amount of \$125,000 resulting in no change to contract contingency. Overall contract increases from \$636,000 to \$761,000. Contingent upon approval of Item #18-0784.

Attachments: [Unit E-18 Change Order No.1.pdf](#)

Aldersperson Baranowski moved, seconded by Aldersperson Croatt, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Aldersperson Plank, Aldersperson Lobner, Aldersperson Siebers, Aldersperson Croatt and Aldersperson Baranowski

[18-0784](#)

Request to approve the following 2018 Budget adjustment:

Water Utility

Water Utility Fund Balance	+\$125,000
Street Patch Program	+\$125,000

to provide funding for additional permanent street patches associated with water main breaks, lead service replacement and curb/valve box replacements

Attachments: [Budget Adjustment for Water Patches.pdf](#)

Alderson Croatt moved, seconded by Alderson Baranowski, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Alderson Plank, Alderson Lobner, Alderson Siebers, Alderson Croatt and Alderson Baranowski

[18-0855](#)

Request to award the City of Appleton 2018 Parks Hardscape Repairs Project contract to MCC, Inc in the amount of \$205,013 with a contingency of \$15,000 for a project total not to exceed \$220,013.

Attachments: [2018 Parks Hardscape Repairs \(Vulcan Heritage\).pdf](#)

Alderson Baranowski moved, seconded by Alderson Croatt, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Alderson Plank, Alderson Lobner, Alderson Siebers, Alderson Croatt and Alderson Baranowski

[18-0856](#)

Request to approve Spartan Drive relocation Order (this item also appears on the Utilities Committee agenda and the Muni Services Committee agenda)

Attachments: [Relocation Order \(FINAL 06-06-2018\).pdf](#)

Alderson Croatt moved, seconded by Alderson Baranowski, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Alderson Plank, Alderson Lobner, Alderson Siebers, Alderson Croatt and Alderson Baranowski

[18-0858](#)

Request approval to reject bids from Jahnke General Contractors and Vinton Construction for the Lower Telulah Park Site Redevelopment project.

Attachments: [2018 Telulah Park Site Redevelopment Project \(Reject Bids\).pdf](#)

Aldersperson Baranowski moved, seconded by Aldersperson Lobner, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Aldersperson Plank, Aldersperson Lobner, Aldersperson Siebers, Aldersperson Croatt and Aldersperson Baranowski

[18-0899](#)

Request to approve the following 2018 Budget adjustment:

General Fund - Police

Contracted Services	+\$111,856
Other Reimbursements (AASD)	+ \$16,864
Salaries and Benefits - Crossing Guards	- \$74,572
Salaries - Investigative Services	- \$20,420

to transfer vacant salary dollars to contracted services and make adjustments to recognize the new contracted crossing guard program

Attachments: [Shared Services Agreement - Finance Committee.pdf](#)

Aldersperson Baranowski moved, seconded by Aldersperson Croatt, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Aldersperson Plank, Aldersperson Lobner, Aldersperson Siebers, Aldersperson Croatt and Aldersperson Baranowski

[18-0900](#)

Request to approve the following 2018 Budget adjustment:

Valley Transit

Capital Outlay - Bus Purchase	+\$1,425,000
Federal Grants	+\$1,140,000
Fund Balance	- \$ 285,000

to record the purchase of 3 new buses and the related FTA grant and use of VT funds

Attachments: [Request for Authorization to Purchase Buses 06.2018.pdf](#)

Aldersperson Croatt moved, seconded by Aldersperson Baranowski, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Alderperson Plank, Alderperson Lobner, Alderperson Siebers, Alderperson Croatt and Alderperson Baranowski

[18-0901](#)

Request to approve the following 2018 Budget adjustment:

Valley Transit

Capital Outlay - ITS System	+\$315,901
Federal Grants	+\$252,720
Fund Balance	- \$ 63,181

to record the purchase of a new Intelligent Transportation System (ITS) and the related FTA grant and use of VT funds

Attachments: [Memo to Purchase ITS System 06.2018.pdf](#)

Alderperson Baranowski moved, seconded by Alderperson Croatt, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Alderperson Plank, Alderperson Lobner, Alderperson Siebers, Alderperson Croatt and Alderperson Baranowski

[18-0903](#)

Resolution introduced by Alderperson Meltzer and Alderperson Raasch at the May 16, 2018 Common Council meeting relating to Contractors Non-Discrimination policy:

#6-R-18 - Meltzer/Raasch

WHEREAS the City of Appleton has non-discrimination ordinances for housing, employment and public accommodation, and
WHEREAS the City of Appleton should hold contractors to the same standards it holds itself, therefore

BE IT RESOLVED that the City of Appleton establish a policy asking potential contractors to provide a copy of their own non-discrimination policy to the City.

Attachments: [6-6-18 Memo Re Res. 6-R-18 Contractor Non-discrimination.pdf](#)

Alderperson Croatt moved, seconded by Alderperson Siebers, that the Report Action Item be received and filed. Roll Call. Motion carried by the following vote:

Aye: 3 - Alderperson Plank, Alderperson Siebers and Alderperson Croatt

Nay: 2 - Alderperson Lobner and Alderperson Baranowski

6. Information Items

[18-0581](#)

2018 Sustainability Annual Update

Attachments: [2018 Sustainability Report Memo.pdf](#)
[2018 Sustainability Summit.pdf](#)
[GTLC 2017 Report Appleton \(MASTER\).pdf](#)
[GTLC Sustainability Strategies Scoresheet 2017 \(Master\).pdf](#)

This Presentation was received and filed

[18-0787](#)

Director's Reports:

Finance

- * Deputy Director Position
- * Tyler Munis Project

Legal Services

- * Review of Title histories for City projects
- * Document management and file review
- * Staffing matters

Parks, Recreation & Facilities Management

- * April/May, 2018 Monthly Report

Attachments: [2018 - April and May FMD Report.pdf](#)

This Presentation was received and filed

[18-0863](#)

Contract 3-18 was awarded to Kaschak Roofing, Inc for the 2018 Fire Station #5 Roof Replacement project in the amount of \$114,900 with a contingency of 10%. Payments issued to date total \$103,410. Request to issue the final contract payment of \$11,490.

Attachments: [2018 Fire Station #5 roof repairs final payment_.pdf](#)

This Presentation was received and filed

[18-0864](#)

Contract 16-18 was awarded to ASTI Sawing, Inc for \$30,000 for concrete sidewalk saw cutting. Payments issued to date total \$12,708.96. Request final payment of \$17,291.04.

This Presentation was received and filed

[18-0898](#)

Grand Chute Sports Facility Documents

Attachments: [2018 Sports Facility - Administration Agreement 060718 REDLINE\(b\).pdf](#)
[2018 Sports Facility Cooperation Agreement \(003\) REDLINE.pdf](#)
[2018 Sports Facility - Municipal Authorizing Resolution \(Appleton\).pdf](#)
[2018 Sports Facility - Pledge and Security Agreement.pdf](#)
[Grand Chute Email.pdf](#)

This Presentation was received and filed

[18-0904](#)

The Finance Committee will go into closed session according to State Statute §19.85(1)(e) for the purpose of discussions of real estate negotiations regarding the former K-Mart site

Alderson Plank moved, seconded by Alderson Siebers to convene into Closed Session. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderson Plank, Alderson Lobner, Alderson Siebers and Alderson Croatt

Excused: 1 - Alderson Baranowski

Alderson Lobner moved, seconded by Alderson Croatt, that the committee rise and reconvene into open session. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderson Plank, Alderson Lobner, Alderson Siebers and Alderson Croatt

Excused: 1 - Alderson Baranowski

7. Adjournment

Alderson Croatt moved, seconded by Alderson Siebers, that the meeting be adjourned. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderson Plank, Alderson Lobner, Alderson Siebers and Alderson Croatt

Excused: 1 - Alderson Baranowski

City of Appleton, Wisconsin
MANAGEMENT COMMUNICATIONS

December 31, 2017

City of Appleton, Wisconsin

DECEMBER 31, 2017

Table of Contents

COMMUNICATION TO THE HONORABLE MAYOR AND COMMON COUNCIL	1
SUMMARY FINANCIAL INFORMATION	
Governmental Fund Balances	6
Water Utility	8
Wastewater Utility	9
Stormwater Utility	10
Valley Transit	11
Parking Utility	12
Reid Municipal Golf Course	13
APPENDIX	
Management Representation Letter	

To the Honorable Mayor and City Council
City of Appleton, 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 Appleton, Wisconsin (the "City") for the year ended December 31, 2017. The City's financial statements, including our report thereon dated June 22, 2018, are presented in a separate audit report document. Professional standards require that we provide you with the following information related to our audit.

OUR RESPONSIBILITIES UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS, GOVERNMENT AUDITING STANDARDS, UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on major federal and state programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Uniform Guidance and the *State Single Audit Guidelines*.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with Uniform Guidance and the *State Single Audit Guidelines*, we examined, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Compliance Supplement" and the *State Single Audit Guidelines* applicable to each of its major federal and state programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our correspondence about planning matters.

SIGNIFICANT AUDIT FINDINGS

Consideration of Internal Control

FINANCIAL STATEMENTS

In planning and performing our audit of 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 as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control. Our report on internal control over financial reporting and on compliance and other matters is presented on pages 138 - 139 of the annual report.

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

A deficiency in internal control exist 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 a 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

FEDERAL AND STATE AWARDS

In planning and performing our audit of compliance for each major federal and state program, we considered the City's internal control over compliance (internal control) as a basis for designing audit procedures for the purpose of expressing our opinion on compliance requirements that could have a direct and material effect on each of the City's major federal and state programs for the year ended December 31, 2017, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control. Our report on internal control over compliance is presented on pages 140 - 141 of the annual report.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that noncompliance of the City's major federal or state award programs will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. To the best of our knowledge, all significant transactions have been recognized in the financial statements in the proper period.

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

- ▶ Management's estimate of the other postemployment benefits is based on an actuarial report. We evaluated the key factors and assumptions used to develop the other postemployment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the depreciable life of the capital assets is based upon analysis of the expected useful life of the capital assets. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the depreciable life in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the amortization period of intangible assets and deferred costs are based upon analysis of the expected useful life of the intangible assets. We evaluated the key factors and assumptions used to develop the reserves in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of accumulated sick leave is based upon analysis of the employees sick leave balance. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the accumulated sick leave liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the fair value of the investments is based on ending market values as of December 31, 2017 as reported by the investment managers. We evaluated the key factors and assumptions used in valuing the investments in determining that they are reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the net pension liability (asset) and related deferred outflows/inflows of resources is based on information received from the Wisconsin Retirement System. We evaluated the key factors and assumptions used to develop the net pension liability (asset) and related deferred outflows/inflows of resources in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Copies of the audit adjustments are available from management. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 22, 2018. The management representation letter follows this communication.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

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

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

We were not engaged to report on the statistical section, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor and Common Council, and management of City of Appleton and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Schuch Sc", is written over a light blue horizontal line.

Certified Public Accountants

Green Bay, Wisconsin
June 22, 2018

Summary Financial Information

GOVERNMENTAL FUND BALANCES

Presented below is a summary of the City's governmental fund balances on December 31, 2017 and 2016. This information is provided for assessing financial results for 2017 and for indicating financial resources available at the start of the 2018 budget year.

	<u>12/31/17</u>	<u>12/31/16</u>
General Fund		
Nonspendable		
Inventories	\$ 922,307	\$ 980,250
Prepaid items	9,107	-
Delinquent special assessments held in trust	-	654
Advance to other funds (principal portion)	7,942,814	7,126,814
Developer loans	892,480	977,090
Assigned		
PILOT applied to the subsequent year's budget	1,911,842	1,911,136
Subsequent year expenditures	100,000	72,573
Carryover appropriations	2,076,614	2,835,912
Compensated absences	5,041,508	4,928,582
Health insurance	576,565	620,218
Debt service	1,994,034	1,753,609
Unassigned	8,711,055	10,374,404
Total general fund	<u>30,178,326</u>	<u>31,581,242</u>
Special Revenue Funds		
Community development block grant	(1,622)	-
Rental energy grants	8,951	8,951
Sanitation & recycling program	1,447,054	1,485,193
Tax incremental district no. 3	(7,287,715)	(8,970,942)
Health grants	(5,441)	(5,439)
Police grants	(6,451)	(10,178)
Hazardous materials level A	320,295	360,222
Room tax	6,115	-
Continuum of care	5,000	5,000
HOME homeowner	127,272	103,502
Housing rehabilitation grant	21,049	-
Business and neighborhood revitalization grant	6,208	3,222
Emergency shelter	(2,283)	(5,443)
Lead hazard control grant	45,375	43,222
Tuchscherer disability	24,192	30,380
Peabody estate	65,914	65,457
Lutz Park	137,346	136,396
Park purpose open space	86,888	324,532
Union Spring Park	2,547	2,529
Project City Park	5,989	5,948
Miracle league baseball	25,974	25,795
Total special revenue funds	<u>(4,967,343)</u>	<u>(6,391,653)</u>

	<u>12/31/17</u>	<u>12/31/16</u>
Debt Service Fund	<u>\$ 1,345,594</u>	<u>\$ 1,419,419</u>
Capital Projects Funds		
Facilities capital projects	1,416,238	7,642,417
Subdivision development projects	2,196,567	1,772,205
Industrial Park Land	796,724	972,758
Tax incremental district no. 6	(5,830,911)	(4,101,343)
Tax incremental district no. 7	666,160	554,032
Tax incremental district no. 8	(156,151)	(671,750)
Tax incremental district no. 9	92,087	(16,306)
Tax incremental district no. 10	87,141	47,216
Tax incremental district no. 11	(1,025)	-
Tax incremental district no. 12	(1,025)	-
Public safety facilities	60,647	14,624
Public works equipment	1,168,963	1,236,991
CEA replacement	2,736,373	2,299,055
Community development	176,363	465,605
Exhibition center	-	(1,510,069)
City center facilities	(82,076)	-
Information technology	395,049	533,941
Total capital projects funds	<u>3,721,124</u>	<u>9,239,376</u>
Total governmental fund balances	<u>\$ 30,277,701</u>	<u>\$ 35,848,384</u>

General Fund

As the main operating fund of the City, a strong general fund balance is important to maintain the City's long-term financial stability. Accordingly, the City maintains a reserve policy which stipulates that the total unreserved fund balance (excluding designations for debt service) will be 25% of the following year's budgeted appropriations. The policy also calls for an assigned balance for debt service of 25% of the ensuing year's debt service requirements, with 75% of any excess funds over these amounts used for the reduction of long-term liabilities and the remaining excess subject to recommendation from the Finance Committee and final Council approval. A summary of the City's 2017 general fund in comparison to this policy follows:

Fund balance, December 31, 2017	\$ 30,178,326
Less: Nonspendable fund balance	(9,766,708)
Less: Assigned fund balance	
PILOT applied to the subsequent year's budget	(1,911,842)
Health insurance	(576,565)
Debt service (25% of ensuring year's debt service requirements)	(1,994,034)
Subsequent years expenditures of carryover	(2,176,614)
Less: Working capital (25% of 2018 budgeted expenditures)	<u>(15,728,986)</u>
General fund balance (in excess (deficiency) of reserve policy)	<u>\$ (1,976,423)</u>

The City's general fund as of December 31, 2017 exceeded the projected balance of \$28,496,530 in the City's 2018 budget primarily due to lower expenditures than projected. In looking at the individual components, the nonspendable fund balance was up due to additional advances to other funds, while the City carried forward budget appropriations of \$2,176,614. General fund operating results and budgetary highlights are summarized in the City's Management's Discussion and Analysis on pages 12 and 14, respectively, of the comprehensive annual financial report.

WATER UTILITY

A comparative summary of the Water Utility's change in net position for the years ended December 31, 2017 and 2016 appears below:

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Charges for services	\$ 20,321,981	\$ 20,627,276
Other	693,499	576,651
Total operating revenues	<u>21,015,480</u>	<u>21,203,927</u>
Operating Expenses		
Operation and maintenance	8,373,876	8,370,020
Depreciation	4,532,727	4,517,926
Taxes	1,841,497	1,911,136
Total operating expenses	<u>14,748,100</u>	<u>14,799,082</u>
Operating income	<u>6,267,380</u>	<u>6,404,845</u>
Nonoperating Revenues (Expenses)		
Interest expense	(2,095,814)	(2,861,629)
Investment income	177,736	132,722
Debt issuance costs	(20,500)	(286,749)
Loss on sale of assets	(39,965)	-
Amortization of prior losses on refunding bonds	(229,730)	(209,558)
Amortization of premium on debt issuance	660,996	319,443
Miscellaneous	17,898	18,518
Total nonoperating revenues (expenses)	<u>(1,529,379)</u>	<u>(2,887,253)</u>
Income before capital contributions and transfers	4,738,001	3,517,592
Capital contributions	736,903	355,807
Transfers out	<u>(13,800)</u>	<u>(13,800)</u>
Change in net position	5,461,104	3,859,599
Net position - January 1	<u>83,575,598</u>	<u>79,715,999</u>
Net position - December 31	<u><u>\$ 89,036,702</u></u>	<u><u>\$ 83,575,598</u></u>

The water utility's net position increased by \$5,461,104 for 2017 compared to an increase of \$3,859,599 for 2016. From an operating perspective, there was a slight decrease in operating revenues, with constant operating expenses.

The following analysis compares the 2017 and 2016 rate of return as calculated by the Public Service Commission (PSC). The primary differences in the operating income shown above and the operating income below is that depreciation on contributed plant is excluded from operating expenses per in the PSC calculation. The authorized rate of return approved by the PSC is 7.0%.

	<u>2017</u>	<u>2016</u>
Rate Base (Average Balances)	<u>\$ 108,488,405</u>	<u>\$ 107,318,938</u>
Operating Income	<u>\$ 6,693,069</u>	<u>\$ 6,795,154</u>
Rate of Return	<u>6.17%</u>	<u>6.33%</u>

WASTEWATER UTILITY

A comparative summary of the Wastewater Utility's change in net position for the years ended December 31, 2017 and 2016 appears below:

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Charges for services	\$ 9,367,786	\$ 9,358,103
Other	<u>2,776,401</u>	<u>2,236,578</u>
Total operating revenues	<u>12,144,187</u>	<u>11,594,681</u>
Operating Expenses		
Operation and maintenance	7,494,136	6,878,487
Depreciation	<u>2,872,797</u>	<u>2,928,395</u>
Total operating expenses	<u>10,366,933</u>	<u>9,806,882</u>
Operating income	<u>1,777,254</u>	<u>1,787,799</u>
Nonoperating Revenues (Expenses)		
Interest expense	(488,144)	(541,150)
Investment income	174,762	157,141
Gain (loss) on sale of capital assets	-	(57,030)
Amortization of premium on debt issuance	<u>18,053</u>	<u>18,773</u>
Total nonoperating revenues (expenses)	<u>(295,329)</u>	<u>(422,266)</u>
Income before capital contributions and transfers	1,481,925	1,365,533
Capital contributions	465,556	292,031
Transfers	<u>(187,795)</u>	<u>(117,450)</u>
Change in net position	1,759,686	1,540,114
Net position - January 1	<u>95,939,115</u>	<u>94,399,001</u>
Net position - December 31	<u>\$ 97,698,801</u>	<u>\$ 95,939,115</u>

The wastewater utility's net position increased by \$1,759,686 for 2017 compared to an increase of \$1,540,114 for 2016. From an operating standpoint, the utility received an additional \$540,000 in waste hauler revenue (part of other revenues above) from 2016 to 2017, which offset an increase in operating costs due to maintenance and additional insurance costs.

STORMWATER UTILITY

A comparative summary of the Stormwater Utility's change in net position for the years ended December 31, 2017 and 2016 appears below:

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Charges for services	\$ 9,428,127	\$ 9,339,293
Other	171,876	93,435
Total operating revenues	<u>9,600,003</u>	<u>9,432,728</u>
Operating Expenses		
Operation and maintenance	3,608,192	3,291,148
Depreciation	2,553,534	2,473,940
Total operating expenses	<u>6,161,726</u>	<u>5,765,088</u>
Operating income	<u>3,438,277</u>	<u>3,667,640</u>
Nonoperating Revenues (Expenses)		
Interest expense	(1,522,892)	(1,641,736)
Investment income	145,558	84,919
Debt issuance costs	(76,889)	(198,317)
Amortization of prior losses on refunding bonds	(136,117)	(48,550)
Amortization of premium on debt issuance	405,852	176,209
Total nonoperating revenues (expenses)	<u>(1,184,488)</u>	<u>(1,627,475)</u>
Income before capital contributions and transfers	2,253,789	2,040,165
Capital contributions	784,603	415,683
Transfers out	<u>(12,500)</u>	<u>(12,500)</u>
Change in net position	3,025,892	2,443,348
Net position - January 1	<u>69,326,623</u>	<u>66,883,275</u>
Net position - December 31	<u>\$ 72,352,515</u>	<u>\$ 69,326,623</u>

The Stormwater Utility's net position increased \$3,025,892 for 2017 compared to \$2,443,348 for 2016. From an operating perspective, the operating revenues increased due to an increase in the number of equivalent runoff units due to new construction while operating expenses increased for cost of lateral maintenance, and increased depreciation due to additional infrastructure.

VALLEY TRANSIT

A comparative summary of Valley Transit's change in net position for the years ended December 31, 2017 and 2016 appears below:

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Charges for services	\$ 1,476,457	\$ 1,519,267
Other	96,054	92,992
Total operating revenues	<u>1,572,511</u>	<u>1,612,259</u>
Operating Expenses		
Operation and maintenance	8,982,721	8,592,747
Depreciation	622,352	597,166
Total operating expenses	<u>9,605,073</u>	<u>9,189,913</u>
Operating loss	<u>(8,032,562)</u>	<u>(7,577,654)</u>
Nonoperating Revenues (Expenses)		
Investment income (loss)	7,759	(9,161)
Subsidies from other governmental units	6,905,780	6,442,345
Total nonoperating revenues (expenses)	<u>6,913,539</u>	<u>6,433,184</u>
Loss before capital contributions and transfers	(1,119,023)	(1,144,470)
Capital contributions	1,073,780	-
Transfers in	<u>690,956</u>	<u>631,686</u>
Change in net position	645,713	(512,784)
Net position - January 1	<u>5,241,267</u>	<u>5,754,051</u>
Net position - December 31	<u><u>\$ 5,886,980</u></u>	<u><u>\$ 5,241,267</u></u>

Valley Transit's net position increased by \$645,713 for 2017 compared to a decrease of \$512,784 for 2016. The increase was due to capital contributions of \$1,073,780 from the Federal government for the acquisition of busses. Operating revenues decreased slightly due to a decrease in fixed route ridership during 2017 (-4.3%).

PARKING UTILITY

A comparative summary of the Parking Utility's change in net position for the years ended December 31, 2017 and 2016 appears below:

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Charges for services	\$ 2,295,604	\$ 1,969,708
Other	396,690	408,680
Total operating revenues	<u>2,692,294</u>	<u>2,378,388</u>
Operating Expenses		
Operation and maintenance	1,466,730	1,312,261
Depreciation	541,121	524,503
Total operating expenses	<u>2,007,851</u>	<u>1,836,764</u>
Operating income	<u>684,443</u>	<u>541,624</u>
Nonoperating Revenues (Expenses)		
Investment income	12,784	9,702
Interest and fiscal charges	(18,369)	(4,757)
Gain (loss) on sale of capital assets	-	(15,861)
Total nonoperating revenues (expenses)	<u>(5,585)</u>	<u>(10,916)</u>
Income before transfers	678,858	530,708
Transfers out	<u>(1,239,300)</u>	<u>(1,409,300)</u>
Change in net position	(560,442)	(878,592)
Net position - January 1	<u>8,329,579</u>	<u>9,208,171</u>
Net position - December 31	<u>\$ 7,769,137</u>	<u>\$ 8,329,579</u>

The parking utility's net position decreased \$560,442 for 2017 compared to a decrease of \$878,592 for 2016.

REID MUNICIPAL GOLF COURSE

A comparative summary of Reid Municipal Golf Course's change in net position for the years ended December 31, 2017 and 2016 appears below:

	2017	2016
Operating Revenues		
Charges for services	\$ 782,382	\$ 802,077
Other	78,015	74,300
Total operating revenues	<u>860,397</u>	<u>876,377</u>
Operating Expenses		
Operation and maintenance	700,186	710,880
Depreciation	67,859	67,707
Total operating expenses	<u>768,045</u>	<u>778,587</u>
Operating income	<u>92,352</u>	<u>97,790</u>
Nonoperating Expenses		
Interest expense	(13,148)	(13,793)
Investment income (loss)	578	(535)
Total nonoperating revenues (expenses)	<u>(12,570)</u>	<u>(14,328)</u>
Income before transfers	79,782	83,462
Transfers out	<u>(17,900)</u>	<u>(21,100)</u>
Change in net position	61,882	62,362
Net position - January 1	<u>856,299</u>	<u>793,937</u>
Net position - December 31	<u>\$ 918,181</u>	<u>\$ 856,299</u>

Reid Municipal Golf Course's net position increased \$61,882 for 2017 compared to an increase of \$62,362 for 2016.

APPENDIX



June 22, 2018 *meeting community needs...enhancing quality of life.*

Schenck SC
2200 Riverside Drive
P.O. Box 23819
Green Bay, WI 54305-3819

This representation letter is provided in connection with your audit of the financial statements of City of Appleton, Wisconsin (the "City"), which comprise 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 as of December 31, 2017, and the respective changes in the financial position and where applicable, cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of June 22, 2018, the following representations made to you during your audit.

FINANCIAL STATEMENTS

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 6, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U. S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6. In regards to accounting estimates:

- ▶ The measurement processes used by management in determining accounting estimates is appropriate and consistent.
- ▶ The assumptions appropriately reflect management's intent and ability to carry out specific courses of action.
- ▶ The disclosures related to accounting estimates are complete and appropriate.
- ▶ No subsequent event has occurred that would require adjustment to the accounting estimates or disclosures included in the financial statements.

7. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
8. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
9. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the City's accounts.
10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

INFORMATION PROVIDED

12. We have provided you with:

- a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
- b. Additional information that you have requested from us for the purpose of the audit.
- c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
- d. Minutes of meetings of the Common Council or summaries of actions of recent meetings for which minutes have not yet been prepared.

13. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedules of expenditures of federal awards and state financial assistance.

14. We made an assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed the results of our assessment as follows:

- a. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - i. Management,
 - ii. Employees who have significant roles in internal control, or
 - iii. Others where the fraud could have a material effect on the financial statements.
- b. We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

15. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

GOVERNMENT - SPECIFIC

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
20. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred inflows/outflows of resources, or equity.
21. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
22. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
23. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
24. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
25. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
26. As part of your audit, you assisted with preparation of the financial statements and related notes, and Public Service Commission annual report, the schedule of expenditures of federal awards, and the schedule of expenditures of state awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, and Public Service Commission annual report, the schedule of expenditures of federal awards, and the schedule of expenditures of state awards.

27. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except for utility assets pledged as collateral for the revenue bonds.
28. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
29. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
30. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
31. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
32. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
33. Components of net position (net investment in capital assets, restricted, and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
34. Provisions for uncollectible receivables have been properly identified and recorded.
35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
36. Revenues are appropriately classified in the statement of activities within program revenues and general revenues. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
37. Deposits and investment securities and derivative transactions are properly classified as to risk and are properly disclosed.
38. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
39. Joint ventures, jointly governed organizations, and other related organizations have been properly disclosed in the financial statements.
40. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
41. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
42. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

43. We acknowledge our responsibility for presenting the nonmajor fund combining statements, individual fund statements, supporting schedules, and statistical data (the supplementary information) in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
44. We agree with the findings of specialists in evaluating the other postemployment benefits, pension benefits, and incurred but not reported claims and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialist.
45. The fact that the amount of "uncollateralized" deposits or "uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the City's name" during the period significantly exceeded the amounts in those categories as of the balance sheet was properly disclosed in the financial statements.
46. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
47. The methods and significant assumptions used to determine fair values of financial instruments are as follows: Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
48. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.
49. Capital assets, including intangible assets, have been evaluated for impairment as a result of significant and unexpected decline in service utility.
50. Provision has been made for any material loss that is probable from environmental remediation liabilities associated with Mackville landfill. We believe that such estimate is reasonable based on available information and that the liabilities and related loss contingencies and the expected outcome of uncertainties have been adequately described in the financial statements.
51. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
52. We do not plan to make frequent amendments to our pension or other post-retirement benefit plans.
53. We have not completed the process of evaluating the impact that will result from adopting Governmental Accounting Standards Board (GASB) Statements No. 84, *Fiduciary Activities*, No. 87, *Leases*, and No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as discussed in Note 5.H. The City is therefore unable to disclose the impact that adopting these GASB Statements will have on its financial position and the results of its operations when the Statements are adopted.

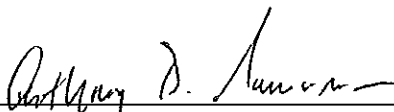
54. With respect to federal and state award programs:

- a. We are responsible for understanding and complying with and have complied with the requirements of the Uniform guidance and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, including requirements relating to preparation of the schedule of federal awards and the schedule of state financial assistance.
- b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance and the schedule of expenditures of state awards (SESA) in accordance with the requirements of the *State Single Audit Guidelines* and we believe the SEFA and SESA, including their form and content, are fairly presented in accordance with the Uniform Guidance and the Guidelines. The methods of measurement or presentation of the SEFA and SESA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA and SESA.
- c. If the SEFA and SESA are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA and SESA no later than the date we issue the SEFA and SESA and the auditors' report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and the *State Single Audit Guidelines* compliance audit and have included in the SEFA and SESA expenditures made during the audit period for all awards provided by federal and state agencies in the form of awards, cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal and state programs and have identified and disclosed to you the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major federal and state program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provide reasonable assurance that we are managing our federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal and state awards (including amendments, if any) and any other correspondence with federal and state agencies or pass-through entities relevant to federal and state programs and related activities.
- h. We have received no requests from a federal or state agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements, (except for noncompliance disclosed by you), including, when applicable, those set forth in the *OMB Compliance Supplement* and the *State Single Audit Guidelines*, relating to federal and state awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal or state awards.

- j. We have disclosed any communications from federal and state awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, subpart E) and OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, if applicable.
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditors' report.
- r. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal and state agency or pass-through entity, as applicable.
- t. We have monitored subrecipients, as necessary, to determine that they have expended subawards in accordance with federal and state statutes, regulations and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance and the *State Single Audit Guidelines*.
- u. We have issued management decisions for audit findings that relate to federal and state awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken time and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal and state award provided to the subrecipient.

- v. We have considered the results of the subrecipient audits and have made any necessary adjustments to our books and records.
 - w. We have charged costs to federal and state awards in accordance with applicable cost principles.
 - x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and the *State Single Audit Guidelines* and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
 - y. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
 - z. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
 - aa. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance and the *State Single Audit Guidelines*.
 - bb. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.
55. We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclose in the aforementioned financial statements or in the schedule of findings and questioned costs.

Signed: _____


Anthony Saucerman, City of Appleton
Finance Director

COMMON COUNCIL
OF THE
CITY OF APPLETON, WISCONSIN

June ____, 2018

Resolution No. N/A

**Resolution Authorizing the Execution and Delivery of Documents
relating to the Fox Cities Sports Facility Project**

WHEREAS, the City of Appleton, Wisconsin (the “**Municipality**”) adopted an amended and restated room tax ordinance (the “**Room Tax Ordinance**”), that levied a 10% room tax (the “**Room Tax**”), which includes a 3% room tax allocated toward the support of amateur sports facilities within the Fox Cities Tourism Zone (established under the Commission and Zone Agreement described below) (the “**Fox Cities Tourism Zone**”) and/or other facilities which are reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone (the “**Tourism Facilities Room Tax**”) and, among other things, set forth the priority of application of payments of the Room Tax; and

WHEREAS, the Municipality, certain other municipalities in the Fox Cities Tourism Zone (together with the Municipality, the “**Municipalities**”), and the Fox Cities Room Tax Commission (the “**Commission**”) have entered into an Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of November 24, 2015 (as amended by a First Amendment to Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of May 1, 2018, the “**Commission and Zone Agreement**”), to confirm the establishment of the Fox Cities Tourism Zone, to confirm the establishment of the Commission and its powers, duties, and membership, to appoint the Fox Cities Convention & Visitors Bureau (the “**CVB**”) as a tourism entity to provide for the administration of the Tourism Facilities Room Tax; and

WHEREAS, the Municipalities, the Commission, and Associated Trust Company, National Association, in its capacity as fiscal agent (the “**Fiscal Agent**”), are parties to a Fox Cities Room Tax Fiscal Agency Agreement, dated as of May 1, 2018 (the “**Fiscal Agency Agreement**”), pursuant to which the Municipalities have directed the hotelkeepers, motel operators, and other persons or entities furnishing accommodations that are available to the public and obligated to pay the Room Tax (the “**Operators**”) within their respective jurisdictions to forward all Room Taxes to the Fiscal Agent to be allocated by the Fiscal Agent to the respective purposes therefor under the Room Tax Ordinance, including the allocation of the Tourism Facilities Room Tax; and

WHEREAS, the Town of Grand Chute, Wisconsin has donated land on which the Fox Cities sports facility, an indoor venue for ice and hardcourt sporting events (the “**Sports Facility**”), will be constructed and which Sports Facility is expected to be financed by bonds (the

“**Bonds**”) to be issued by the Community Development Authority of the Town of Grand Chute, Wisconsin (the “**Authority**”); and

WHEREAS, the Sports Facility constitutes an amateur sports facility located within the Fox Cities Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone; and

WHEREAS, the Municipality desires to enter into a Cooperation Agreement for the Fox Cities Sports Facility (the “**Cooperation Agreement**”), with the other Municipalities, the Authority, Commission, and the Fox Cities Convention & Visitors Bureau, Inc. pursuant to which all the parties thereto will agree to take all necessary action to provide that the Sports Facility will be constructed for the promotion and development of tourism activities within the Fox Cities Tourism Zone and that all the Tourism Facilities Room Tax is pledged to pay debt service on the Bonds that will finance the construction and equipping of the Sports Facility and related payments or deposits such as costs of issuance, a debt service reserve fund, a stabilization fund, and a capitalized interest fund; and

WHEREAS, to provide for the pledge of the Tourism Facilities Room Tax for the payment of the Bonds, the Municipality desires to enter into a Pledge and Security Agreement with the other Municipalities, the Commission, and a trustee (the “**Pledge and Security Agreement**”); and

WHEREAS, pursuant to the Pledge and Security Agreement, all the Tourism Facilities Room Tax will be required to be paid to the trustee for the Bonds; and

WHEREAS, it is necessary and desirable to enter into the Cooperation Agreement and the Pledge and Security Agreement in furtherance of the promotion and development of tourism activities within the Fox Cities Tourism Zone; and

WHEREAS, there have been presented to the Municipality substantially final drafts of a Cooperation Agreement and a Pledge and Security Agreement (collectively, the “**Sports Facility Documents**”);

NOW, THEREFORE, BE IT RESOLVED by the Common Council (the “**Governing Body**”) of the Municipality as follows:

Section 1. Sports Facility as Tourism Development.

It is hereby found and determined that the construction and development of the Sports Facility is crucial to the achievement of a sound and coordinated development of the Fox Cities Tourism Zone and for the promotion and development of tourism activities within the Fox Cities Tourism Zone.

Section 2. Approval of Sports Facility Documents.

The terms and provisions of the Cooperation Agreement and the Pledge and Security Agreement are hereby approved. The Mayor and Clerk are hereby authorized for and in the name of the Municipality to execute and deliver the Sports Facility Documents in

substantially the forms thereof presented herewith, with such insertions therein or corrections or changes thereto as shall be approved by such officers consistent with this resolution, their execution thereof to constitute conclusive evidence of their approval of any such insertions, corrections, or changes.

Section 3. General Authorizations.

The officers of the Municipality are hereby each authorized to execute, publish, file, and record such other documents, instruments, notices, and records and to take such other actions, including entering into additional agreements and amending existing agreements, as shall be necessary or desirable to accomplish the purposes of this resolution and to comply with the obligations of the Municipality under the Commission and Zone Agreement and the Sports Facility Documents, as each may be amended and restated, and to facilitate the issuance of the Bonds. In addition, the representatives of the Municipality that serve as commissioners on the Commission are hereby authorized and directed to take any necessary action on behalf of the Municipality with respect to actions taken by the Commission relating to the Bonds and the Tourism Facilities Room Tax allocated to the payment, either directly or indirectly, of debt service on the Bonds.

Section 4. Effective Date.

This resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of the Governing 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.

* * * * *

Adopted: June ____, 2018

Approved: June ____, 2018

Mayor

City Clerk

CERTIFICATIONS BY CLERK

I, Kami Lynch, hereby certify that I am the duly qualified and acting Clerk of the City of Appleton, Wisconsin (the “**Municipality**”), and as such I have in my possession, or have access to, the complete corporate records of said Municipality and of its Common Council (the “**Governing Body**”) and that attached hereto is a true, correct, and complete copy of the resolution (the “**Resolution**”) entitled:

Resolution Authorizing the Execution and Delivery of Documents relating to the Fox Cities Sports Facility Project

I do hereby further certify as follows:

1. **Meeting Date.** On June ____, 2018, a meeting of the Governing Body was held commencing at ____ p.m.
2. **Posting.** On June ____, 2018 (and not less than 24 hours prior to the meeting), I posted or caused to be posted at the Municipality’s offices in Appleton, Wisconsin a notice setting forth the date, time, location, and subject matter (including specific reference to the Resolution) of said meeting.
3. **Notification of Media.** On June ____, 2018 (and not less than 24 hours prior to the meeting), I communicated or caused to be communicated, the date, time, location, and subject matter (including specific reference to the Resolution) of said meeting to those news media who have filed a written request for such notice and to the official newspaper of the Municipality.
4. **Open Meeting Law Compliance.** Said meeting was a regular meeting of the Governing Body that was held in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and state statutes.
5. **Members Present.** Said meeting was duly called to order by the Mayor (the “**Presiding Officer**”), who chaired the meeting. Upon roll call, I noted and recorded that there were ____ members of the Governing Body present at the meeting, such number being a quorum of the Governing Body.
6. **Consideration of and Roll Call Vote on Resolution.** Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was the Resolution. A proper quorum of the Governing Body was present for the consideration of the Resolution, and each member of the Governing Body had received a copy of the Resolution. All rules of the Governing Body that interfered with the consideration of the Resolution, if any, were suspended by a two-thirds vote of the Governing Body. The Resolution was then introduced, moved, and seconded, and after due consideration, upon roll call, ____ of the Governing Body members voted Aye, ____ voted Nay, and ____ Abstained.

7. **Adoption of Resolution.** The Resolution was supported by the affirmative vote of a majority of a quorum of the members of the Governing Body in attendance. The Presiding Officer then declared that the Resolution was adopted, and I recorded the Resolution.

8. **Approval of Presiding Officer.** The Resolution was approved by the Presiding Officer on June ____, 2018, and I have recorded the approval. The approval is evidenced by the signature of the Presiding Officer on the copy of the Resolution to which this certificate is attached.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Municipality, if any, hereto on June ____, 2018.

Clerk

[SEAL]

**COOPERATION AGREEMENT
FOR THE
FOX CITIES SPORTS FACILITY**

Dated as of [August 1], 2018

by and among

THE MUNICIPALITIES NAMED HEREIN,

the

COMMUNITY DEVELOPMENT AUTHORITY OF THE
TOWN OF GRAND CHUTE, WISCONSIN,

the

FOX CITIES AREA ROOM TAX COMMISSION,

and the

FOX CITIES CONVENTION & VISITORS BUREAU, INC.

TABLE OF CONTENTS

ARTICLE I DEFINITIONS	1
ARTICLE II FACTS AND RECITALS	4
Section 2.01 Governing Body Authorizations.....	4
Section 2.02 Tourism Zone Objectives.	4
Section 2.03 Importance of Sports Facility.	4
Section 2.04 Construction of Sports Facility.....	5
Section 2.05 Levy and Importance of Room Tax Revenues.	5
Section 2.06 Contract with CVB.	5
Section 2.07 Grant of Tourism Facilities Room Tax.	5
Section 2.08 Grand Chute to Create TID.	5
ARTICLE III FINANCING OF THE SPORTS FACILITY PROJECT	6
Section 3.01 Contribution of Sports Facility Property to Authority.	6
Section 3.02 Acceptance of Grand Chute Contribution.	6
Section 3.03 Costs of Construction; Application of Funds Held by CVB.	6
Section 3.04 Issuance of Bonds.	7
Section 3.05 Lease of Sports Facility Property.	7
Section 3.06 Municipalities to Pledge the Tourism Facilities Room Tax.	8
Section 3.07 Mortgage of the Sports Facility Property.	8
Section 3.08 Credit Enhancement.	8
ARTICLE IV OPERATION OF THE SPORTS FACILITY	9
Section 4.01 Grand Chute to Provide Administrative Support to Authority.....	9
Section 4.02 Management Agreement.	9
Section 4.03 Municipalities to Participate in the Room Tax Commission.....	9
Section 4.04 Nondiscrimination.	9
ARTICLE V MISCELLANEOUS	9
Section 5.01 Additional Municipalities.....	9
Section 5.02 Assignment of Rights Under this Agreement.....	10
Section 5.03 No Personal Liability.....	10
Section 5.04 Parties and Interests.....	10
Section 5.05 Notices.....	10
Section 5.06 Amendment.	10
Section 5.07 Termination of Agreement.	10
Section 5.08 Governing Law	11
Section 5.09 Captions.....	11
Section 5.10 Counterparts.	11
Section 5.11 Severability.....	11
EXHIBIT A - Sports Facility Project.....	A-1
EXHIBIT B - Sports Facility Property Description.....	B-1
EXHIBIT C – Form of Joinder Agreement	C-1

COOPERATION AGREEMENT FOR THE FOX CITIES SPORTS FACILITY

This COOPERATION AGREEMENT (this “**Agreement**”), is made as of [August 1], 2018, by and among the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Appleton**”), the VILLAGE OF FOX CROSSING, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Fox Crossing**”), the TOWN OF GRAND CHUTE, WISCONSIN, a Wisconsin political subdivision (“**Grand Chute**”), the CITY OF KAUKAUNA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kaukauna**”), the VILLAGE OF KIMBERLY, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kimberly**”), the VILLAGE OF LITTLE CHUTE, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Little Chute**”), the CITY OF MENASHA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Menasha**”), the CITY OF NEENAH, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**City of Neenah**”), the TOWN OF NEENAH, WISCONSIN, a Wisconsin political subdivision (“**Town of Neenah**”), and the VILLAGE OF SHERWOOD, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Sherwood**”, and collectively with Appleton, Fox Crossing, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, City of Neenah, and Town of Neenah, the “**Municipalities**”), the COMMUNITY DEVELOPMENT AUTHORITY OF THE TOWN OF GRAND CHUTE, WISCONSIN, a Wisconsin body corporate and politic (the “**Authority**”), the FOX CITIES AREA ROOM TAX COMMISSION, a Wisconsin intergovernmental commission (the “**Room Tax Commission**”), and the FOX CITIES CONVENTION & VISITORS BUREAU, INC., a Wisconsin nonprofit corporation (the “**CVB**”).

ARTICLE I

DEFINITIONS

In addition to those terms defined throughout this Agreement, the following terms shall have the following meanings ascribed to them:

“**Additional Bonds**” means such revenue bonds in such series and in such principal amounts as the Authority may issue from time to time pursuant to a supplement to the Indenture for the purpose of refinancing or refunding then-outstanding Bonds.

“**Additional Municipality**” means any municipality within the Tourism Zone which, subsequent to the date of this Agreement, becomes a member of the Room Tax Commission and which, pursuant to Section 5.01, becomes a party to this Agreement.

“**Bonds**” means, collectively, the Series 2018 Bonds and any Additional Bonds issued by the Authority for the purposes set forth in this Agreement.

“**Commission Agreement**” means the Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of November 24, 2015, by and between the Municipalities and the Room Tax Commission, as amended by a First Amendment to Amended

and Restated Room Tax Commission and Tourism Zone Agreement, dated as of May 1, 2018, and as further amended from time to time.

“Credit Enhancement” means a policy of bond insurance, a letter of credit, a guaranty, or another form of credit enhancement as security for payment of debt service on the Bonds.

“CVB” shall mean the Fox Cities Convention & Visitors Bureau, Inc., a Wisconsin nonprofit corporation, or its successors and assigns pursuant to the Tourism Entity Agreement.

“Governing Body” means, when used with reference to a Municipality, the Common Council, Village Board, or Town Board, as applicable, of such Municipality.

“Governing Body Authorizations” means (i) the Ordinances, (ii) the resolutions authorizing the execution and delivery of documents relating to the Sports Facility adopted by the Governing Body of each of: (a) Appleton on [July ____], 2018, (b) Fox Crossing on June 11, 2018, (c) Grand Chute on June 19, 2018 (d) Kaukauna on June 19, 2018, (e) Kimberly on June 4, 2018, (f) Little Chute on June 20, 2018, (g) Menasha on June 18, 2018, (h) City of Neenah on [June 27], 2018, (i) Town of Neenah on May 30, 2018, and (j) Sherwood on May 29, 2018, (iii) the resolution of the Room Tax Commission adopted on June 18, 2018 relating to the Sports Facility, (iv) the approval by the CVB on June 6, 2018, and (v) the resolutions of the Authority adopted on May 9, 2018, on May 23, 2018, and on [July ____], 2018, each relating to the Sports Facility.

“Indenture” means the Indenture of Trust, dated as of [August 1], 2018, by and between the Authority and the Trustee with respect to the Series 2018 Bonds as supplemented or amended from time to time pursuant to the terms thereof, including pursuant to which Additional Bonds are issued.

“Lease” means the instrument of lease between the Authority and Grand Chute described in Section 3.05 hereof, as amended from time to time pursuant to the terms thereof, including in connection with the issuance of Additional Bonds.

“Management Agreement” means the Sports Facility Administration Agreement, dated _____, 2018 entered into by and between Grand Chute and Fox Cities Sports Development, Inc., a Wisconsin nonprofit corporation, a single purpose entity formed to oversee the management and operation of the Sports Facility, as amended from time to time, or any similar agreement entered into by Grand Chute that provides for the management and operation of the Sports Facility.

“Mortgage” means, collectively the Mortgage and Security Agreement, dated as of [August 1], 2018, by the Authority in favor of the Trustee, or any other mortgages and assignments of leases, security agreements or other agreements or instruments entered into by the Authority and delivered to the Trustee for the purpose of granting the Trustee a mortgage lien on the Sports Facility Property and all improvements located thereon, including the Sports Facility, and a security interest in the personal property described therein, as collateral security for the payment of the Bonds, in each case as amended from time to time pursuant to the terms thereof.

“Municipality” means each of Appleton, Fox Crossing, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, City of Neenah, Town of Neenah, Sherwood, and any Additional Municipality.

“Operators” means any hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public and are obligated to pay the Room Tax.

“Ordinances” means the amended and restated room tax ordinances adopted by each Municipality’s Governing Body pursuant to the Room Tax Act, which levied a 10% Room Tax, including the Tourism Facilities Room Tax.

“Pledge and Security Agreement” means the Pledge and Security Agreement, dated as of [August 1], 2018, by and among the Municipalities, the Room Tax Commission, and the Trustee, incorporating the pledge of Tourism Facilities Room Taxes to the payment, directly or indirectly, of the costs of construction of the Sports Facility and debt service on the Bonds and/or such other reasonable and customary payments or deposits related to the Bonds as may be provided in the Indenture, such as, but not limited to, costs of issuance and administration, Credit Enhancement, capitalized interest, debt service reserve, and room tax stabilization funds, as amended from time to time pursuant to the terms thereof.

“Redevelopment Act” means Sections 66.1333, 66.1335, and 66.1341 of the Wisconsin Statutes, as amended.

“Room Tax” means a tax levied pursuant to the Room Tax Act.

“Room Tax Act” means Section 66.0615 of the Wisconsin Statutes, as amended.

“Room Tax Commission” means the Fox Cities Area Room Tax Commission created by the Municipalities for the purpose of coordinating tourism promotion and tourism development in the Tourism Zone, the membership of which shall be established as set forth in the Commission Agreement and subsection (1m)(c)2. of the Room Tax Act.

“Series 2018 Bonds” means the Authority’s Taxable Lease Revenue Bonds, Series 2018 (Fox Cities Champion Center Project), dated their date of initial delivery, issued in the aggregate principal amount of \$_____ pursuant to the Indenture.

“Sports Facility” means the Fox Cities Champion Center, an indoor venue for ice and hardcourt sporting events, and which is an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Tourism Zone, more specifically described in Exhibit A hereto to be situated on the Sports Facility Property.

“Sports Facility Property” means the real property legally described in Exhibit B hereto, but excluding any real property released from time to time under the Lease and the Mortgage in accordance with their respective terms.

“Tourism Facilities Room Tax” means the 3% Room Tax levied by each Municipality pursuant to the Room Tax Act and the Ordinances allocated toward the support of amateur sports facilities within the Fox Cities Tourism Zone and/or other facilities which are reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone.

“Tourism Entity Agreement” means the Amended and Restated Tourism Entity Agreement, dated as of May 1, 2018, by and between the CVB and the Room Tax Commission.

“Tourism Zone” as means the Fox Cities Tourism Zone, established pursuant to the Commission Agreement and the Room Tax Act, encompassing the Municipalities party to the Commission Agreement and any additional neighboring municipalities to become party to the Commission Agreement.

“Trustee” means Associated Trust Company, National Association, as trustee under the Indenture, and its successors in such capacity.

ARTICLE II

FACTS AND RECITALS

Section 2.01 Governing Body Authorizations.

The execution, delivery and performance of this Agreement by the Municipalities, the Room Tax Commission, and the Authority have been authorized by the respective Governing Body Authorizations and pursuant to Section 66.0301 of the Wisconsin Statutes, the Room Tax Act and the Redevelopment Act.

Section 2.02 Tourism Zone Objectives.

The Municipalities, the Room Tax Commission and the Authority have identified the development and redevelopment of the Tourism Zone and the promotion and development of tourism within the Tourism Zone as matters of group interest.

Section 2.03 Importance of Sports Facility.

The Municipalities, the Room Tax Commission, the CVB, and the Authority acknowledge that the Sports Facility project involves the construction, installation, equipping, and improvement of real property within the Tourism Zone, which improvements and interrelated facilities constitute an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone as described in the Ordinances. The Municipalities, the Room Tax Commission, the CVB, and the Authority have found and determined that the construction and development of the Sports Facility will be crucial to “tourism promotion and tourism development” within the meaning of the Room Tax Act, and the achievement of a sound and coordinated development and redevelopment of the Tourism Zone and for the promotion and development of tourism activities within the Tourism Zone.

Section 2.04 Construction of Sports Facility.

The Sports Facility project will be undertaken and completed by the Authority on behalf of the Municipalities, the Room Tax Commission, and the CVB. The Authority has acquired the Sports Facility Property within the Tourism Zone and will complete the construction of the Sports Facility as described in Exhibit A hereto.

Section 2.05 Levy and Importance of Room Tax Revenues.

The Municipalities have enacted the Ordinances to levy, and authorize the collection and enforcement of, a 10% Room Tax, which includes the Tourism Facilities Room Tax, as permitted in the Room Tax Act. The Tourism Facilities Room Tax revenues, as pledged and utilized pursuant to this Agreement and the Pledge and Security Agreement, will assist in the financing of the Sports Facility.

Section 2.06 Contract with CVB.

The Room Tax Commission has entered into the Tourism Entity Agreement with the CVB, as a tourism entity, to obtain staff, support services, and assistance in developing and implementing programs to promote the Tourism Zone to visitors, and to receive and administer the Tourism Facilities Room Tax on behalf of the Room Tax Commission. The CVB administers the Tourism Facilities Room Tax revenues in the form of grants under its grant program for projects it deems meet the purposes of the Tourism Facilities Room Tax under the Ordinances.

Section 2.07 Grant of Tourism Facilities Room Tax.

The CVB has determined that the Sports Facility meets the criteria in the Ordinances for the application of the Tourism Facilities Room Tax. Grand Chute submitted its request to the CVB for a grant (the “**Grant**”) of all Tourism Facilities Room Tax for the payment of debt service on the Bonds, costs of issuance and administration of the Bonds, reserve and stabilization funds, capitalized interest payments, and any reimbursement of payments made by Grand Chute or a provider of credit enhancement for the Bonds, until the last Bond is paid (collectively, the “**Grant Purposes**”). The CVB approved such Grant to Grand Chute for the Grant Purposes and Grand Chute accepted its Grant.

Section 2.08 Grand Chute to Create TID.

Grand Chute agrees that it will create a tax incremental district in an area that will include the Sports Facility (the “**TID**”). The financing for the TID, or the increment created within the TID, will fund the full cost of public infrastructure needed to serve the Sports Facility and surrounding properties; therefore, no infrastructure improvements will be financed by the Series 2018 Bonds or the Tourism Facilities Room Tax. Grand Chute further agrees that it will not reimburse itself for or otherwise finance with increment from the TID the land it has gifted to the Authority on which the Sports Facility will be situated.

ARTICLE III

FINANCING OF THE SPORTS FACILITY PROJECT

Section 3.01 Contribution of Sports Facility Property to Authority.

Acting pursuant to Sections 6(f) and 13 of Section 66.1333 of the Wisconsin Statutes, to provide general support and assistance to the Authority in carrying out redevelopment as provided in the Redevelopment Act, Grand Chute shall contribute to the Authority, all Grand Chute's right, title, and interest in and to the Sports Facility Property. Grand Chute shall execute and deliver to the Authority such deeds, bills of sale, and other instruments as the Authority may reasonably request to evidence and perfect such contribution from Grand Chute.

Section 3.02 Acceptance of Grand Chute Contribution.

The Authority agrees to accept ownership of the Sports Facility Property from Grand Chute pursuant to Section 3.01 hereof. The Authority shall accept said ownership at any time as deemed appropriate by Grand Chute and the Authority. The Town may replat and re-acquire certain portions of the Sports Facility Property that are determined not to be necessary for the Sports Facility pursuant to the terms of the Lease.

Section 3.03 Costs of Construction; Application of Funds Held by CVB.

The Authority agrees to provide for the construction and equipping of the Sports Facility by issuing the Bonds. The Authority agrees that the proceeds of the Series 2018 Bonds shall only be applied to or with respect to the issuance of the Series 2018 Bonds and the construction and equipping of the Sports Facility. The Authority and Grand Chute agree that the costs of the construction of the Sports Facility including furniture, fixtures, and equipment, but excluding public infrastructure needed to serve the Sports Facility and surrounding properties and deposits for reserves, costs of issuance, and capitalized interest, shall not exceed \$30,350,687.

In connection with approval of the Grant, the CVB agrees that it will forward the balance of the Tourism Facilities Room Tax it has on deposit as of the date of issuance of the Series 2018 Bonds and not otherwise granted to other tourism facilities projects, to the Trustee for application to the construction costs of the Sports Facility in accordance with the Indenture. In addition, in connection with the retirement of the bonds that financed the Fox Cities Performing Arts Center (the "PAC") certain remaining funds held under the indenture and other documents relating to the PAC bonds were forwarded to the CVB to be allocated to the purposes of the Tourism Facilities Room Tax. The Municipalities, the Commission, and the CVB agree that in connection with the approval of the Grant, such remaining funds shall also be forwarded to the Trustee to be applied to the construction costs of the Sports Facility in accordance with the Indenture. The Municipalities acknowledge that the application of the funds on deposit with the CVB to the construction costs of the Sports Facility as described above will reduce the principal amount of the Series 2018 Bonds necessary to finance the Sports Facility project.

Section 3.04 Issuance of Bonds.

(a) The Authority shall issue and sell the Series 2018 Bonds upon terms acceptable to Grand Chute. Grand Chute's acceptance shall be conclusively evidenced by its execution of the Lease as provided in Section 3.05.

(b) The Authority may, from time to time, issue and sell Additional Bonds upon terms acceptable to Grand Chute. Grand Chute's acceptance shall be conclusively evidenced by its execution of an amendment to the Lease with respect to Additional Bonds pursuant to the terms thereof.

(c) The Bonds will be limited obligations of the Authority and shall not constitute a debt or obligation of the Authority, Grand Chute, or the other Municipalities and shall not be a charge against the general credit or taxing powers of the Authority or any Municipality except for and limited to the Tourism Facilities Room Tax revenues pursuant to the Pledge and Security Agreement. Each series of Additional Bonds shall be payable by the Authority solely from revenues derived by the Authority from the Lease, the Pledge and Security Agreement, amounts recovered by recourse to the Mortgage or any Credit Enhancement pursuant to Sections 3.07 or 3.08, and cash and securities held from time to time in certain trust funds held by the Trustee under the Indenture and the investment earnings thereon.

Section 3.05 Lease of Sports Facility Property.

The Authority agrees to lease to Grand Chute the Sports Facility and the Sports Facility Property contributed to the Authority. The Lease shall contain restrictions on the use of the Sports Facility Property consistent with the restrictions on the use of the Sports Facility and the Sports Facility Property as an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Tourism Zone as described in the Ordinances and will be crucial to "tourism promotion and tourism development" within the meaning of the Room Tax Act and otherwise consistent with the terms hereof. The Lease shall be a "triple net lease" and shall provide for rents payable on such dates and in such amounts as shall be sufficient to make all payments of principal of and premium, if any, and interest on the Bonds. The obligation of Grand Chute to pay rents or other amounts due under the Lease shall be conditioned upon Grand Chute's "quiet enjoyment" of the Sports Facility Property. The Authority shall waive any rights it may have to reenter or retake possession of the premises or accelerate the payment of rents or other amounts due under the Lease in the event of a default by Grand Chute under the Lease. The Lease will also grant to Grand Chute, or to its assignee, an option to purchase all of the Authority's right, title, and interest in and to the Sports Facility Property for a price of \$100, which may be exercised at any time after the date of the full and final retirement of all outstanding Bonds (or provision therefor in accordance with the Indenture), except in the event of a termination of the Lease as provided therein.

The Lease shall provide for a credit against the rents due from Grand Chute for all Tourism Facilities Room Taxes then on deposit with the Trustee and available for payment of debt service on the Bonds. The Authority and Grand Chute anticipate that the Tourism Facilities

Room Taxes will be sufficient to make all payments of debt service on the Bonds; *however*, in the event that such Tourism Facilities Room Taxes are insufficient to make such payments, Grand Chute will agree, subject to the terms of the Lease, to fund such payments then due and payable under the Lease.

To the extent that Grand Chute is required to fund such payments under the Lease, or in the event Grand Chute is required to pay the Trustee's fees and expenses or any arbitrage rebate amounts with respect to Additional Bonds or to replenish the Debt Service Reserve Fund held under the Indenture, such payments shall be considered a loan or advance to the Room Tax Commission to be reimbursed from future Tourism Facilities Room Taxes, together with interest at a rate equal to the rate of interest established by the Local Government Investment Pool of the State of Wisconsin on the date of such loan or advance; such reimbursement to occur as soon as reasonably practicable and to the extent that the Tourism Facilities Room Taxes have been collected in excess of that amount required for payment of principal, interest, and premium, if any, on the Bonds, the payment of the Trustee's fees and expenses or any arbitrage rebate amounts with respect to Additional Bonds, and the replenishment of the Debt Service Reserve Fund.

Section 3.06 Municipalities to Pledge the Tourism Facilities Room Tax.

The Municipalities and the Room Tax Commission shall enter into the Pledge and Security Agreement setting forth the terms and conditions of the pledge of Tourism Facilities Room Taxes, which pledge shall terminate upon payment in full of all outstanding Bonds.

Section 3.07 Mortgage of the Sports Facility Property.

The Authority will grant to the Trustee, as security for the payment of the Bonds, the Mortgage. The Mortgage will be subordinate to the Lease and will not give the Trustee any right to evict Grand Chute or to retake possession of the Sports Facility Property or to accelerate the payment of rents under the Lease.

Section 3.08 Credit Enhancement.

As further security for any Additional Bonds, the Authority may provide or cause to be provided Credit Enhancement with respect to the Bonds. Any premium or other fees payable to the issuer of a policy of bond insurance or a letter of credit or any other guarantor of the Bonds (such issuer or other guarantor, a "**Bond Guarantor**") may be paid from Tourism Facilities Room Tax revenues or other funds as provided in the Indenture. In the event a Bond Guarantor is required to make debt service payments, Tourism Facilities Room Tax revenues may be used to reimburse the Bond Guarantor for all payments of debt service on the Bonds.

ARTICLE IV

OPERATION OF THE SPORTS FACILITY

Section 4.01 Grand Chute to Provide Administrative Support to Authority.

Grand Chute agrees to provide the necessary administrative support to enable the Authority to achieve the objectives set forth herein. Administrative support may include services such as the provision of office space and the provision of financial, accounting, legal and engineering consultation in connection with the construction and financing of the Sports Facility.

Section 4.02 Management Agreement.

Grand Chute will enter into the Management Agreement, providing for the operation and management of the Sports Facility in such a manner as to promote and develop tourism within the Tourism Zone.

Section 4.03 Municipalities to Participate in the Room Tax Commission.

The Municipalities agree to continue the existence of, and to participate in, the Room Tax Commission as provided by the Room Tax Act until payment in full of all outstanding Bonds.

Section 4.04 Nondiscrimination.

Each party agrees that the Sports Facility shall not be operated in a manner to permit discrimination or restriction on the basis of race, color, ancestry, religion, national origin, political affiliation (except to members of political groups or parties who advocate the overthrow of the United States government), sex, gender identity, gender expression, age, disability, marital status, arrest or conviction record, sexual orientation, disabled veteran or a covered veteran status and that the Sports Facility shall be operated in compliance with all effective laws, ordinances and regulations relating to discrimination on any of the foregoing grounds.

ARTICLE V

MISCELLANEOUS

Section 5.01 Additional Municipalities.

Any Additional Municipality that becomes an additional member of the Room Tax Commission pursuant to the Commission Agreement shall, as a condition of such membership under said agreement, become an additional party to this Agreement. Each Additional Municipality shall be bound to the terms, conditions, and obligations of the Municipalities under this Agreement by execution and delivery to the Room Tax Commission of a joinder agreement in substantially the form attached hereto as Exhibit C. A copy of the executed joinder agreement shall be delivered by the Room Tax Commission to the other then-current parties to this Agreement. Acceptance by the Room Tax Commission of such joinder agreement shall, without further action or approval of the parties to this Agreement, be deemed an approval of such

Additional Municipality as an additional party to this Agreement by the then-current parties to this Agreement.

Any Additional Municipalities to hereafter become a party to this Agreement agree to enact governing body authorizations to effect the same as the Governing Body Authorizations.

Section 5.02 Assignment of Rights Under this Agreement.

No party may assign its rights under this Agreement without the written consent of all the other parties, except in the case of a Municipality's assignment to a successor municipality that has complied with the requirements of an Additional Municipality under Section 5.01 hereof.

Section 5.03 No Personal Liability.

Under no circumstances shall any officer, official, director, member, or employee of the Municipalities, the Room Tax Commission, or the Authority have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

Section 5.04 Parties and Interests.

This Agreement is made solely for the benefit of the parties hereto, the Trustee and the owners of the Bonds and no other person, partnership, association, or corporation shall acquire or have any rights hereunder or by virtue hereof.

Section 5.05 Notices.

All notices, demands, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when hand delivered, or when sent by first class mail, email, or overnight delivery service, with proper address as indicated in each party's address indicated beneath the signature(s) of such party to this Agreement. Any party may, by written notice to the other parties, designate a change of address for the purposes aforesaid.

Section 5.06 Amendment.

No modification, alteration or amendment to this Agreement shall be binding upon any party hereto until such modification, alteration or amendment is agreed upon in writing and executed by all parties hereto.

Section 5.07 Termination of Agreement.

This Agreement and the terms and obligations hereunder shall terminate upon payment in full of all outstanding Bonds, and discharge of the Indenture, and upon any reimbursement to (i) Grand Chute, in accordance with the Lease or (ii) any Bond Guarantor for any debt service payments made and other amounts due to such Bond Guarantor pursuant to Section 3.08 hereof. The Tourism Facilities Room Tax shall continue for the purposes therefor under the Ordinances and shall be administered on behalf of the Commission by the CVB in accordance with the Commission Agreement and the Tourism Entity Agreement. At the time all outstanding Bonds are fully satisfied, any excess Tourism Facilities Room Tax collected but not needed for the

payment of the Bonds or any reimbursement due to Grand Chute or a Bond Guarantor shall be remitted to the CVB.

Section 5.08 Governing Law

The laws of the State of Wisconsin shall govern this Agreement.

Section 5.09 Captions.

The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

Section 5.10 Counterparts.

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 5.11 Severability.

If any provisions of this Agreement 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 contained invalid, inoperative or unenforceable to any extent whatever.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF APPLETON, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Appleton
Attention: Director of Finance
100 North Appleton Street
Appleton, Wisconsin 54911

Email: tony.saucerman@appleton.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF FOX CROSSING, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Fox Crossing
Attention: Village Administrator
2000 Municipal Drive
Neenah, Wisconsin 54956

Email: jsturgell@foxcrossingwi.gov

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

TOWN OF GRAND CHUTE, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Grand Chute
Attention: Town Administrator
1900 West Grand Chute Boulevard
Grand Chute, Wisconsin 54913

Email: jim.march@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF KAUKAUNA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Kaukauna
Attention: Clerk-Treasurer
144 West Second Street
Kaukauna, Wisconsin 54130

Email: skenney@kaukauna.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF KIMBERLY, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Kimberly
Attention: Village Administrator
515 West Kimberly Avenue
Kimberly, Wisconsin 54136

Email: dblock@vokimberly.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF LITTLE CHUTE, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Little Chute
Attention: Village Administrator
108 West Main Street
Little Chute, Wisconsin 54140

Email: jfenlon@littlechutewi.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF MENASHA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Menasha
Attention: Administrative Services Director
100 Main Street, Suite 200
Menasha, Wisconsin 54952

Email: jjacobs@ci.menasha.wi.us

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF NEENAH, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Neenah
Attention: Finance Director
211 Walnut Street
Neenah, Wisconsin 54956

Email: measker@ci.neenah.wi.us

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

TOWN OF NEENAH, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Neenah
Attention: Clerk-Treasurer
1600 Breezewood Lane
Neenah, Wisconsin 54956

Email: ellen@townofneenah.com

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF SHERWOOD, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Sherwood
Attention: Village Administrator
W482 Clifton Road
Sherwood, Wisconsin 54169

Email: administrator.sherwood@newbc.rr.com

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

**COMMUNITY DEVELOPMENT AUTHORITY OF
THE TOWN OF GRAND CHUTE, WISCONSIN**

By: _____
Its: Chairperson

And: _____
Its: Executive Director

ADDRESS:

Community Development Authority of the Town of Grand Chute
Attention: Executive Director
1900 Grand Chute Boulevard
Grand Chute, Wisconsin 54913

Email: robert.buckingham@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

FOX CITIES AREA ROOM TAX COMMISSION

By: _____
Its: Chairperson

And: _____
Its: Secretary

ADDRESS:

Fox Cities Area Room Tax Commission
Attention: Chairperson
c/o Fox Cities Convention & Visitors Bureau
3433 West College Avenue
Appleton, Wisconsin 54914

Email: bruce.sherman@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

**FOX CITIES CONVENTION & VISITORS
BUREAU, INC.**

By: _____
Its: Chairperson

And: _____
Its: Executive Director

ADDRESS:

Fox Cities Convention & Visitors Bureau, Inc.
Attention: Executive Director
3433 West College Avenue
Appleton, Wisconsin 54914

Email: pseidl@foxcities.org

EXHIBIT A

Sports Facility Project

The Fox Cities Champion Center (the “**Sports Facility**”) is an indoor venue featuring a combination of ice and hard court surfaces to be constructed in the Town of Grand Chute, Wisconsin. This community driven, tourism-first facility is intended to become a prime destination for amateur and youth sports tournaments and events. The 164,000 square foot building will feature two NHL-sized ice rinks, a fieldhouse sized to accommodate four high school regulation sized basketball courts or eight high school regulation sized volleyball courts, common area amenities for the enjoyment of players and spectators, and surface parking for 600 vehicles. The Sports Facility will include all other buildings, structures, fixtures, and improvements hereafter located thereon, and all furniture, furnishings, equipment, machinery, appliances, apparatus, and other property of every kind and descriptions at any time hereafter installed or located on the real estate described in Exhibit B hereto or the buildings and improvements situated thereon, and related site grading, landscaping, fencing, sidewalk and walkways, and utility lines.

EXHIBIT B

Sports Facility Property Legal Description

The real property referred to in this Cooperation Agreement is the following real estate located in the Town of Grand Chute, Outagamie County, Wisconsin:

All of Lot 1 of Certified Survey Map Number 7553, recorded in the Office of the Register of Deeds for Outagamie County, Wisconsin on June 18, 2018, in Volume 46 of Certified Survey Maps on page 7553 as Document Number 2135876, being a combination of lands described in Document Number 1684966, Outagamie County records, located in part of the Southeast 1/4 of the Northeast 1/4, part of the Southwest 1/4 of the Northeast 1/4 and part of the Northwest 1/4 of the Southeast 1/4, all in Section 19, T21N-R17E, Town of Grand Chute, Outagamie County, Wisconsin.

Parcel Numbers: 10183000, 101083100, 101083001, and 101086100

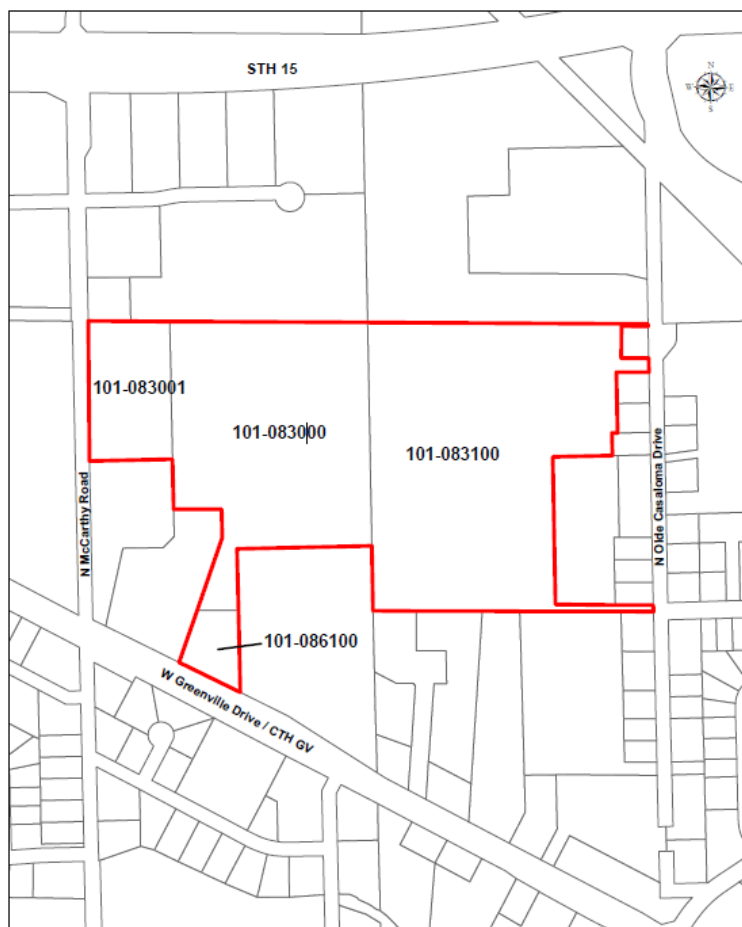


EXHIBIT C
JOINDER AGREEMENT TO
COOPERATION AGREEMENT FOR THE
FOX CITIES SPORTS FACILITY

The undersigned municipality hereby agrees that it shall be an Additional Municipality as defined in the Cooperation Agreement for the Fox Cities Sports Facility, dated as of [August 1], 2018 (the “**Agreement**”), and hereby agrees to enter into and be bound by the terms, conditions, and obligations of the Municipalities under the Agreement, as amended from time to time. On and after the date of this Joinder Agreement, the undersigned shall be deemed a Municipality under the Agreement.

IN WITNESS WHEREOF, the undersigned Municipality has duly executed this Joinder Agreement effective as of _____, 20____.

_____ OF _____, WISCONSIN

By: _____
Its: _____

And: _____
Its: _____

ADDRESS:

_____ of _____
Attention: _____

_____, Wisconsin _____

Email: _____

Accepted on behalf of itself, the Municipalities, and the Community Development Authority of the Town of Grand Chute, Wisconsin:

FOX CITIES AREA ROOM TAX COMMISSION

By: _____
Its: _____

And: _____
Its: _____

**COOPERATION AGREEMENT
FOR THE
FOX CITIES SPORTS FACILITY**

Dated as of [August 1], 2018

by and among

THE MUNICIPALITIES NAMED HEREIN,

the

COMMUNITY DEVELOPMENT AUTHORITY OF THE
TOWN OF GRAND CHUTE, WISCONSIN,

the

FOX CITIES AREA ROOM TAX COMMISSION,

and the

FOX CITIES CONVENTION & VISITORS BUREAU, INC.

TABLE OF CONTENTS

<u>ARTICLE I DEFINITIONS</u>	1
<u>ARTICLE II FACTS AND RECITALS</u>	4
<u>Section 2.01</u> <u>Governing Body Authorizations</u>	4
<u>Section 2.02</u> <u>Tourism Zone Objectives</u>	4
<u>Section 2.03</u> <u>Importance of Sports Facility</u>	4
<u>Section 2.04</u> <u>Construction of Sports Facility</u>	5
<u>Section 2.05</u> <u>Levy and Importance of Room Tax Revenues</u>	5
<u>Section 2.06</u> <u>Contract with CVB</u>	5
<u>Section 2.07</u> <u>Grant of Tourism Facilities Room Tax</u>	5
<u>Section 2.08</u> <u>Grand Chute to Create TID</u>	5
<u>ARTICLE III FINANCING OF THE SPORTS FACILITY PROJECT</u>	6
<u>Section 3.01</u> <u>Contribution of Sports Facility Property to Authority</u>	6
<u>Section 3.02</u> <u>Acceptance of Grand Chute Contribution</u>	6
<u>Section 3.03</u> <u>Costs of Construction; Application of Funds Held by CVB</u>	6
<u>Section 3.04</u> <u>Issuance of Bonds</u>	6
<u>Section 3.05</u> <u>Lease of Sports Facility Property</u>	7
<u>Section 3.06</u> <u>Municipalities to Pledge the Tourism Facilities Room Tax</u>	8
<u>Section 3.07</u> <u>Mortgage of the Sports Facility Property</u>	8
<u>Section 3.08</u> <u>Credit Enhancement</u>	8
<u>ARTICLE IV OPERATION OF THE SPORTS FACILITY</u>	8
<u>Section 4.01</u> <u>Grand Chute to Provide Administrative Support to Authority</u>	8
<u>Section 4.02</u> <u>Management Agreement</u>	9
<u>Section 4.03</u> <u>Municipalities to Participate in the Room Tax Commission</u>	9
<u>Section 4.04</u> <u>Nondiscrimination</u>	9
<u>ARTICLE V MISCELLANEOUS</u>	9
<u>Section 5.01</u> <u>Additional Municipalities</u>	9
<u>Section 5.02</u> <u>Assignment of Rights Under this Agreement</u>	9
<u>Section 5.03</u> <u>No Personal Liability</u>	10
<u>Section 5.04</u> <u>Parties and Interests</u>	10
<u>Section 5.05</u> <u>Notices</u>	10
<u>Section 5.06</u> <u>Amendment</u>	10
<u>Section 5.07</u> <u>Termination of Agreement</u>	10
<u>Section 5.08</u> <u>Governing Law</u>	10
<u>Section 5.09</u> <u>Captions</u>	10
<u>Section 5.10</u> <u>Counterparts</u>	11
<u>Section 5.11</u> <u>Severability</u>	11
EXHIBIT A - Sports Facility Project	A-1

EXHIBIT B - Sports Facility Property Description.....	B-1
EXHIBIT C – Form of Joinder Agreement.....	C-1

COOPERATION AGREEMENT FOR THE FOX CITIES SPORTS FACILITY

This COOPERATION AGREEMENT (this “**Agreement**”), is made as of [August 1], 2018, by and among the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Appleton**”), the VILLAGE OF FOX CROSSING, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Fox Crossing**”), the TOWN OF GRAND CHUTE, WISCONSIN, a Wisconsin political subdivision (“**Grand Chute**”), the CITY OF KAUKAUNA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kaukauna**”), the VILLAGE OF KIMBERLY, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kimberly**”), the VILLAGE OF LITTLE CHUTE, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Little Chute**”), the CITY OF MENASHA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Menasha**”), the CITY OF NEENAH, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**City of Neenah**”), the TOWN OF NEENAH, WISCONSIN, a Wisconsin political subdivision (“**Town of Neenah**”), and the VILLAGE OF SHERWOOD, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Sherwood**”, and collectively with Appleton, Fox Crossing, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, City of Neenah, and Town of Neenah, the “**Municipalities**”), the COMMUNITY DEVELOPMENT AUTHORITY OF THE TOWN OF GRAND CHUTE, WISCONSIN, a Wisconsin body corporate and politic (the “**Authority**”), the FOX CITIES AREA ROOM TAX COMMISSION, a Wisconsin intergovernmental commission (the “**Room Tax Commission**”), and the FOX CITIES CONVENTION & VISITORS BUREAU, INC., a Wisconsin nonprofit corporation (the “**CVB**”).

ARTICLE I

DEFINITIONS

In addition to those terms defined throughout this Agreement, the following terms shall have the following meanings ascribed to them:

“**Additional Bonds**” means such revenue bonds in such series and in such principal amounts as the Authority may issue from time to time pursuant to a supplement to the Indenture for the purpose of refinancing or refunding then-outstanding Bonds.

“**Additional Municipality**” means any municipality within the Tourism Zone which, subsequent to the date of this Agreement, becomes a member of the Room Tax Commission and which, pursuant to Section 5.01, becomes a party to this Agreement.

“**Bonds**” means, collectively, the Series 2018 Bonds and any Additional Bonds issued by the Authority for the purposes set forth in this Agreement.

“**Commission Agreement**” means the Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of November 24, 2015, by and between the Municipalities and the Room Tax Commission, as amended by a First Amendment to Amended

and Restated Room Tax Commission and Tourism Zone Agreement, dated as of May 1, 2018, and as further amended from time to time.

“Credit Enhancement” means a policy of bond insurance, a letter of credit, a guaranty, or another form of credit enhancement as security for payment of debt service on the Bonds.

“CVB” shall mean the Fox Cities Convention & Visitors Bureau, Inc., a Wisconsin nonprofit corporation, or its successors and assigns pursuant to the Tourism Entity Agreement.

“Governing Body” means, when used with reference to a Municipality, the Common Council, Village Board, or Town Board, as applicable, of such Municipality.

“Governing Body Authorizations” means (i) the Ordinances, (ii) the resolutions authorizing the execution and delivery of documents relating to the Sports Facility adopted by the Governing ~~Bodies~~Body of each of: (a) Appleton on ~~[June 20]~~July __, 2018, (b) Fox Crossing on June 11, 2018, (c) Grand Chute on ~~[June 19]~~, 2018 (d) Kaukauna on ~~[June 19]~~, 2018, (e) Kimberly on June 4, 2018, (f) Little Chute on ~~[June 20]~~, 2018, (g) Menasha on ~~[June 18]~~, 2018, (h) City of Neenah on [June 27], 2018, (i) Town of Neenah on May 30, 2018, and (j) Sherwood on May 29, 2018, (iii) the resolution of the Room Tax Commission adopted on ~~[June 18]~~, 2018 relating to the Sports Facility, (iv) the approval by the CVB on June 6, 2018, and (v) the resolutions of the Authority adopted on May 9, 2018, on May 23, 2018, and on [July __], 2018, each relating to the Sports Facility.

“Indenture” means the Indenture of Trust, dated as of [August 1], 2018, by and between the Authority and the Trustee with respect to the Series 2018 Bonds as supplemented or amended from time to time pursuant to the terms thereof, including pursuant to which Additional Bonds are issued.

“Lease” means the instrument of lease between the Authority and Grand Chute described in Section 3.05 hereof, as amended from time to time pursuant to the terms thereof, including in connection with the issuance of Additional Bonds.

“Management Agreement” means the Sports Facility Administration Agreement, dated _____, 2018 entered into by and between Grand Chute and Fox Cities Sports Development, Inc., a Wisconsin nonprofit corporation, a single purpose entity formed to oversee the management and operation of the Sports Facility, as amended from time to time, or any similar agreement entered into by Grand Chute that provides for the management and operation of the Sports Facility.

“Mortgage” means, collectively the Mortgage and Security Agreement, dated as of [August 1], 2018, by the Authority in favor of the Trustee, or any other mortgages and assignments of leases, security agreements or other agreements or instruments entered into by the Authority and delivered to the Trustee for the purpose of granting the Trustee a mortgage lien on the Sports Facility Property and all improvements located thereon, including the Sports Facility, and a security interest in the personal property described therein, as collateral security for the payment of the Bonds, in each case as amended from time to time pursuant to the terms thereof.

“Municipality” means each of Appleton, Fox Crossing, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, City of Neenah, Town of Neenah, Sherwood, and any Additional Municipality.

“Operators” means any hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public and are obligated to pay the Room Tax.

“Ordinances” means the amended and restated room tax ordinances adopted by each Municipality’s Governing Body pursuant to the Room Tax Act, which levied a 10% Room Tax, including the Tourism Facilities Room Tax.

“Pledge and Security Agreement” means the Pledge and Security Agreement, dated as of [August 1], 2018, by and among the Municipalities, the Room Tax Commission, and the Trustee, incorporating the pledge of Tourism Facilities Room Taxes to the payment, directly or indirectly, of the costs of construction of the Sports Facility and debt service on the Bonds and/or such other reasonable and customary payments or deposits related to the Bonds as may be provided in the Indenture, such as, but not limited to, costs of issuance and administration, Credit Enhancement, capitalized interest, debt service reserve, and room tax stabilization funds, as amended from time to time pursuant to the terms thereof.

“Redevelopment Act” means Sections 66.1333, 66.1335, and 66.1341 of the Wisconsin Statutes, as amended.

“Room Tax” means a tax levied pursuant to the Room Tax Act.

“Room Tax Act” means Section 66.0615 of the Wisconsin Statutes, as amended.

“Room Tax Commission” means the Fox Cities Area Room Tax Commission created by the Municipalities for the purpose of coordinating tourism promotion and tourism development in the Tourism Zone, the membership of which shall be established as set forth in the Commission Agreement and subsection (1m)(c)2. of the Room Tax Act.

“Series 2018 Bonds” means the Authority’s Taxable Lease Revenue Bonds, Series 2018 (Fox Cities Champion Center Project), dated their date of initial delivery, issued in the aggregate principal amount of \$_____ pursuant to the Indenture.

“Sports Facility” means the Fox Cities Champion Center, an indoor venue for ice and hardcourt sporting events, and which is an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Tourism Zone, more specifically described in Exhibit A hereto to be situated on the Sports Facility Property.

“Sports Facility Property” means the real property legally described in Exhibit B hereto, but excluding any real property released from time to time under the Lease and the Mortgage in accordance with their respective terms.

“Tourism Facilities Room Tax” means the 3% Room Tax levied by each Municipality pursuant to the Room Tax Act and the Ordinances allocated toward the support of amateur sports facilities within the Fox Cities Tourism Zone and/or other facilities which are reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone.

“Tourism Entity Agreement” means the Amended and Restated Tourism Entity Agreement, dated as of May 1, 2018, by and between the CVB and the Room Tax Commission.

“Tourism Zone” as means the Fox Cities Tourism Zone, established pursuant to the Commission Agreement and the Room Tax Act, encompassing the Municipalities party to the Commission Agreement and any additional neighboring municipalities to become party to the Commission Agreement.

“Trustee” means Associated Trust Company, National Association, as trustee under the Indenture, and its successors in such capacity.

ARTICLE II

FACTS AND RECITALS

Section 2.01 Governing Body Authorizations.

The execution, delivery and performance of this Agreement by the Municipalities, the Room Tax Commission, and the Authority have been authorized by the respective Governing Body Authorizations and pursuant to Section 66.0301 of the Wisconsin Statutes, the Room Tax Act and the Redevelopment Act.

Section 2.02 Tourism Zone Objectives.

The Municipalities, the Room Tax Commission and the Authority have identified the development and redevelopment of the Tourism Zone and the promotion and development of tourism within the Tourism Zone as matters of group interest.

Section 2.03 Importance of Sports Facility.

The Municipalities, the Room Tax Commission, the CVB, and the Authority acknowledge that the Sports Facility project involves the construction, installation, equipping, and improvement of real property within the Tourism Zone, which improvements and interrelated facilities constitute an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone as described in the Ordinances. The Municipalities, the Room Tax Commission, the CVB, and the Authority have found and determined that the construction and development of the Sports Facility will be crucial to “tourism promotion and tourism development” within the meaning of the Room Tax Act, and the achievement of a sound and coordinated development and redevelopment of the Tourism Zone and for the promotion and development of tourism activities within the Tourism Zone.

Section 2.04 Construction of Sports Facility.

The Sports Facility project will be undertaken and completed by the Authority on behalf of the Municipalities, the Room Tax Commission, and the CVB. The Authority has acquired the Sports Facility Property within the Tourism Zone and will complete the construction of the Sports Facility as described in Exhibit A hereto.

Section 2.05 Levy and Importance of Room Tax Revenues.

The Municipalities have enacted the Ordinances to levy, and authorize the collection and enforcement of, a 10% Room Tax, which includes the Tourism Facilities Room Tax, as permitted in the Room Tax Act. The Tourism Facilities Room Tax revenues, as pledged and utilized pursuant to this Agreement and the Pledge and Security Agreement, will assist in the financing of the Sports Facility.

Section 2.06 Contract with CVB.

The Room Tax Commission has entered into the Tourism Entity Agreement with the CVB, as a tourism entity, to obtain staff, support services, and assistance in developing and implementing programs to promote the Tourism Zone to visitors, and to receive and administer the Tourism Facilities Room Tax on behalf of the Room Tax Commission. The CVB administers the Tourism Facilities Room Tax revenues in the form of grants under its grant program for projects it deems meet the purposes of the Tourism Facilities Room Tax under the Ordinances.

Section 2.07 Grant of Tourism Facilities Room Tax.

The CVB has determined that the Sports Facility meets the criteria in the Ordinances for the application of the Tourism Facilities Room Tax. Grand Chute submitted its request to the CVB for a grant (the “**Grant**”) of all Tourism Facilities Room Tax for the payment of debt service on the Bonds, costs of issuance and administration of the Bonds, reserve and stabilization funds, capitalized interest payments, and any reimbursement of payments made by Grand Chute or a provider of credit enhancement for the Bonds, until the last Bond is paid (collectively, the “**Grant Purposes**”). The CVB approved such Grant to Grand Chute for the Grant Purposes and Grand Chute accepted its Grant.

Section 2.08 Grand Chute to Create TID.

Grand Chute agrees that it will create a tax incremental district in an area that will include the Sports Facility (the “**TID**”). The financing for the TID, or the increment created within the TID, will fund the full cost of public infrastructure needed to serve the Sports Facility and surrounding properties; therefore, no infrastructure improvements will be financed by the Series 2018 Bonds or the Tourism Facilities Room Tax. Grand Chute further agrees that it will not reimburse itself for or otherwise finance with increment from the TID the land it has gifted to the Authority on which the Sports Facility will be situated.

ARTICLE III

FINANCING OF THE SPORTS FACILITY PROJECT

Section 3.01 Contribution of Sports Facility Property to Authority.

Acting pursuant to Sections 6(f) and 13 of Section 66.1333 of the Wisconsin Statutes, to provide general support and assistance to the Authority in carrying out redevelopment as provided in the Redevelopment Act, Grand Chute shall contribute to the Authority, all Grand Chute's right, title, and interest in and to the Sports Facility Property. Grand Chute shall execute and deliver to the Authority such deeds, bills of sale, and other instruments as the Authority may reasonably request to evidence and perfect such contribution from Grand Chute.

Section 3.02 Acceptance of Grand Chute Contribution.

The Authority agrees to accept ownership of the Sports Facility Property from Grand Chute pursuant to Section 3.01 hereof. The Authority shall accept said ownership at any time as deemed appropriate by Grand Chute and the Authority. The Town may replat and re-acquire certain portions of the Sports Facility Property that are determined not to be necessary for the Sports Facility pursuant to the terms of the Lease.

Section 3.03 Costs of Construction; Application of Funds Held by CVB.

The Authority agrees to provide for the construction and equipping of the Sports Facility by issuing the Bonds. The Authority agrees that the proceeds of the Series 2018 Bonds shall only be applied to or with respect to the issuance of the Series 2018 Bonds and the construction and equipping of the Sports Facility. The Authority and Grand Chute agree that the costs of the construction of the Sports Facility including furniture, fixtures, and equipment, but excluding public infrastructure needed to serve the Sports Facility and surrounding properties and deposits for reserves, costs of issuance, and capitalized interest, shall not exceed \$~~30,310,000~~30,350,687.

In connection with approval of the Grant, the CVB agrees that it will forward the balance of the Tourism Facilities Room Tax it has on deposit as of the date of issuance of the Series 2018 Bonds and not otherwise granted to other tourism facilities projects, to the Trustee for application to the construction costs of the Sports Facility in accordance with the Indenture. In addition, in connection with the retirement of the bonds that financed the Fox Cities Performing Arts Center (the "PAC") certain remaining funds held under the indenture and other documents relating to the PAC bonds were forwarded to the CVB to be allocated to the purposes of the Tourism Facilities Room Tax. The Municipalities, the Commission, and the CVB agree that in connection with the approval of the Grant, such remaining funds shall also be forwarded to the Trustee to be applied to the construction costs of the Sports Facility in accordance with the Indenture. The Municipalities acknowledge that the application of the funds on deposit with the CVB to the construction costs of the Sports Facility as described above will reduce the principal amount of the Series 2018 Bonds necessary to finance the Sports Facility project.

Section 3.04 Issuance of Bonds.

(a) The Authority shall issue and sell the Series 2018 Bonds upon terms acceptable to Grand Chute. Grand Chute's acceptance shall be conclusively evidenced by its execution of the Lease as provided in Section 3.05.

(b) The Authority may, from time to time, issue and sell Additional Bonds upon terms acceptable to Grand Chute. Grand Chute's acceptance shall be conclusively evidenced by its execution of an amendment to the Lease with respect to Additional Bonds pursuant to the terms thereof.

(c) The Bonds will be limited obligations of the Authority and shall not constitute a debt or obligation of the Authority, Grand Chute, or the other Municipalities and shall not be a charge against the general credit or taxing powers of the Authority or any Municipality except for and limited to the Tourism Facilities Room Tax revenues pursuant to the Pledge and Security Agreement. Each series of Additional Bonds shall be payable by the Authority solely from revenues derived by the Authority from the Lease, the Pledge and Security Agreement, amounts recovered by recourse to the Mortgage or any Credit Enhancement pursuant to Sections 3.07 or 3.08, and cash and securities held from time to time in certain trust funds held by the Trustee under the Indenture and the investment earnings thereon.

Section 3.05 Lease of Sports Facility Property.

The Authority agrees to lease to Grand Chute the Sports Facility and the Sports Facility Property contributed to the Authority. The Lease shall contain restrictions on the use of the Sports Facility Property consistent with the restrictions on the use of the Sports Facility and the Sports Facility Property as an amateur sports facility located within the Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Tourism Zone as described in the Ordinances and will be crucial to "tourism promotion and tourism development" within the meaning of the Room Tax Act and otherwise consistent with the terms hereof. The Lease shall be a "triple net lease" and shall provide for rents payable on such dates and in such amounts as shall be sufficient to make all payments of principal of and premium, if any, and interest on the Bonds. The obligation of Grand Chute to pay rents or other amounts due under the Lease shall be conditioned upon Grand Chute's "quiet enjoyment" of the Sports Facility Property. The Authority shall waive any rights it may have to reenter or retake possession of the premises or accelerate the payment of rents or other amounts due under the Lease in the event of a default by Grand Chute under the Lease. The Lease will also grant to Grand Chute, or to its assignee, an option to purchase all of the Authority's right, title, and interest in and to the Sports Facility Property for a price of \$100, which may be exercised at any time after the date of the full and final retirement of all outstanding Bonds (or provision therefor in accordance with the Indenture), except in the event of a termination of the Lease as provided therein.

The Lease shall provide for a credit against the rents due from Grand Chute for all Tourism Facilities Room Taxes then on deposit with the Trustee and available for payment of debt service on the Bonds. The Authority and Grand Chute anticipate that the Tourism Facilities

Room Taxes will be sufficient to make all payments of debt service on the Bonds; *however*, in the event that such Tourism Facilities Room Taxes are insufficient to make such payments, Grand Chute will agree, subject to the terms of the Lease, to fund such payments then due and payable under the Lease.

To the extent that Grand Chute is required to fund such payments under the Lease, or in the event Grand Chute is required to pay the Trustee's fees and expenses or any arbitrage rebate amounts with respect to Additional Bonds or to replenish the Debt Service Reserve Fund held under the Indenture, such payments shall be considered a loan or advance to the Room Tax Commission to be reimbursed from future Tourism Facilities Room Taxes, together with interest at a rate equal to the rate of interest established by the Local Government Investment Pool of the State of Wisconsin on the date of such loan or advance; such reimbursement to occur as soon as reasonably practicable and to the extent that the Tourism Facilities Room Taxes have been collected in excess of that amount required for payment of principal, interest, and premium, if any, on the Bonds, the payment of the Trustee's fees and expenses or any arbitrage rebate amounts with respect to Additional Bonds, and the replenishment of the Debt Service Reserve Fund.

Section 3.06 Municipalities to Pledge the Tourism Facilities Room Tax.

The Municipalities and the Room Tax Commission shall enter into the Pledge and Security Agreement setting forth the terms and conditions of the pledge of Tourism Facilities Room Taxes, which pledge shall terminate upon payment in full of all outstanding Bonds.

Section 3.07 Mortgage of the Sports Facility Property.

The Authority will grant to the Trustee, as security for the payment of the Bonds, the Mortgage. The Mortgage will be subordinate to the Lease and will not give the Trustee any right to evict Grand Chute or to retake possession of the Sports Facility Property or to accelerate the payment of rents under the Lease.

Section 3.08 Credit Enhancement.

As further security for any Additional Bonds, the Authority may provide or cause to be provided Credit Enhancement with respect to the Bonds. Any premium or other fees payable to the issuer of a policy of bond insurance or a letter of credit or any other guarantor of the Bonds (such issuer or other guarantor, a "**Bond Guarantor**") may be paid from Tourism Facilities Room Tax revenues or other funds as provided in the Indenture. In the event a Bond Guarantor is required to make debt service payments, Tourism Facilities Room Tax revenues may be used to reimburse the Bond Guarantor for all payments of debt service on the Bonds.

ARTICLE IV

OPERATION OF THE SPORTS FACILITY

Section 4.01 Grand Chute to Provide Administrative Support to Authority.

Grand Chute agrees to provide the necessary administrative support to enable the Authority to achieve the objectives set forth herein. Administrative support may include services such as the provision of office space and the provision of financial, accounting, legal and engineering consultation in connection with the construction and financing of the Sports Facility.

Section 4.02 Management Agreement.

Grand Chute will enter into the Management Agreement, providing for the operation and management of the Sports Facility in such a manner as to promote and develop tourism within the Tourism Zone.

Section 4.03 Municipalities to Participate in the Room Tax Commission.

The Municipalities agree to continue the existence of, and to participate in, the Room Tax Commission as provided by the Room Tax Act until payment in full of all outstanding Bonds.

Section 4.04 Nondiscrimination.

Each party agrees that the Sports Facility shall not be operated in a manner to permit discrimination or restriction on the basis of race, color, ancestry, religion, national origin, political affiliation (except to members of political groups or parties who advocate the overthrow of the United States government), sex, gender identity, gender expression, age, disability, marital status, arrest or conviction record, sexual orientation, disabled veteran or a covered veteran status and that the Sports Facility shall be operated in compliance with all effective laws, ordinances and regulations relating to discrimination on any of the foregoing grounds.

ARTICLE V

MISCELLANEOUS

Section 5.01 Additional Municipalities.

Any Additional Municipality that becomes an additional member of the Room Tax Commission pursuant to the Commission Agreement shall, as a condition of such membership under said agreement, become an additional party to this Agreement. Each Additional Municipality shall be bound to the terms, conditions, and obligations of the Municipalities under this Agreement by execution and delivery to the Room Tax Commission of a joinder agreement in substantially the form attached hereto as Exhibit C. A copy of the executed joinder agreement shall be delivered by the Room Tax Commission to the other then-current parties to this Agreement. Acceptance by the Room Tax Commission of such joinder agreement shall, without further action or approval of the parties to this Agreement, be deemed an approval of such

Additional Municipality as an additional party to this Agreement by the then-current parties to this Agreement.

Any Additional Municipalities to hereafter become a party to this Agreement agree to enact governing body authorizations to effect the same as the Governing Body Authorizations.

Section 5.02 Assignment of Rights Under this Agreement.

No party may assign its rights under this Agreement without the written consent of all the other parties, except in the case of a Municipality's assignment to a successor municipality that has complied with the requirements of an Additional Municipality under Section 5.01 hereof.

Section 5.03 No Personal Liability.

Under no circumstances shall any officer, official, director, member, or employee of the Municipalities, the Room Tax Commission, or the Authority have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

Section 5.04 Parties and Interests.

This Agreement is made solely for the benefit of the parties hereto, the Trustee and the owners of the Bonds and no other person, partnership, association, or corporation shall acquire or have any rights hereunder or by virtue hereof.

Section 5.05 Notices.

All notices, demands, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when hand delivered, or when sent by first class mail, email, or overnight delivery service, with proper address as indicated in each party's address indicated beneath the signature(s) of such party to this Agreement. Any party may, by written notice to the other parties, designate a change of address for the purposes aforesaid.

Section 5.06 Amendment.

No modification, alteration or amendment to this Agreement shall be binding upon any party hereto until such modification, alteration or amendment is agreed upon in writing and executed by all parties hereto.

Section 5.07 Termination of Agreement.

This Agreement and the terms and obligations hereunder shall terminate upon payment in full of all outstanding Bonds, and discharge of the Indenture, and upon any reimbursement to (i) Grand Chute, in accordance with the Lease or (ii) any Bond Guarantor for any debt service payments made and other amounts due to such Bond Guarantor pursuant to Section 3.08 hereof. The Tourism Facilities Room Tax shall continue for the purposes therefor under the Ordinances and shall be administered on behalf of the Commission by the CVB in accordance with the Commission Agreement and the Tourism Entity Agreement. At the time all outstanding Bonds are fully satisfied, any excess Tourism Facilities Room Tax collected but not needed for the

payment of the Bonds or any reimbursement due to Grand Chute or a Bond Guarantor shall be remitted to the CVB.

Section 5.08 Governing Law

The laws of the State of Wisconsin shall govern this Agreement.

Section 5.09 Captions.

The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

Section 5.10 Counterparts.

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 5.11 Severability.

If any provisions of this Agreement 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 contained invalid, inoperative or unenforceable to any extent whatever.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF APPLETON, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Appleton
Attention: Director of Finance
100 North Appleton Street
Appleton, Wisconsin 54911

Email: tony.saucerman@appleton.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF FOX CROSSING, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Fox Crossing
Attention: Village Administrator
2000 Municipal Drive
Neenah, Wisconsin 54956

Email: jsturgell@foxcrossingwi.gov

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

TOWN OF GRAND CHUTE, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Grand Chute
Attention: Town Administrator
1900 West Grand Chute Boulevard
Grand Chute, Wisconsin 54913

Email: jim.march@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF KAUKAUNA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Kaukauna
Attention: Clerk-Treasurer
144 West Second Street
Kaukauna, Wisconsin 54130

Email: skenney@kaukauna.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF KIMBERLY, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Kimberly
Attention: Village Administrator
515 West Kimberly Avenue
Kimberly, Wisconsin 54136

Email: dblock@vokimberly.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF LITTLE CHUTE, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Little Chute
Attention: Village Administrator
108 West Main Street
Little Chute, Wisconsin 54140

Email: jfenlon@littlechutewi.org

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF MENASHA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Menasha
Attention: Administrative Services Director
100 Main Street, Suite 200
Menasha, Wisconsin 54952

Email: jjacobs@ci.menasha.wi.us

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

CITY OF NEENAH, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Neenah
Attention: Finance Director
211 Walnut Street
Neenah, Wisconsin 54956

Email: measker@ci.neenah.wi.us

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

TOWN OF NEENAH, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Neenah
Attention: Clerk-Treasurer
1600 Breezewood Lane
Neenah, Wisconsin 54956

Email: ellen@townofneenah.com

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

VILLAGE OF SHERWOOD, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Sherwood
Attention: Village Administrator
W482 Clifton Road
Sherwood, Wisconsin 54169

Email: administrator.sherwood@newbc.rr.com

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

**COMMUNITY DEVELOPMENT AUTHORITY OF
THE TOWN OF GRAND CHUTE, WISCONSIN**

By: _____
Its: Chairperson

And: _____
Its: Executive Director

ADDRESS:

Community Development Authority of the Town of Grand Chute
Attention: Executive Director
1900 Grand Chute Boulevard
Grand Chute, Wisconsin 54913

Email: robert.buckingham@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

FOX CITIES AREA ROOM TAX COMMISSION

By: _____
Its: Chairperson

And: _____
Its: Secretary

ADDRESS:

Fox Cities Area Room Tax Commission
Attention: Chairperson
c/o Fox Cities Convention & Visitors Bureau
3433 West College Avenue
Appleton, Wisconsin 54914

Email: bruce.sherman@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Cooperation Agreement as of the date first written above.

**FOX CITIES CONVENTION & VISITORS BUREAU,
INC.**

By: _____
Its: Chairperson

And: _____
Its: Executive Director

ADDRESS:

Fox Cities Convention & Visitors Bureau, Inc.
Attention: Executive Director
3433 West College Avenue
Appleton, Wisconsin 54914

Email: pseidl@foxcities.org

EXHIBIT A

Sports Facility Project

The Fox Cities Champion Center (the “**Sports Facility**”) is an indoor venue featuring a combination of ice and hard court surfaces to be constructed in the Town of Grand Chute, Wisconsin. This community driven, tourism-first facility is intended to become a prime destination for amateur and youth sports tournaments and events. The 164,000 square foot building will feature two NHL-sized ice rinks, a fieldhouse sized to accommodate four high school regulation sized basketball courts or eight high school regulation sized volleyball courts, common area amenities for the enjoyment of players and spectators, and surface parking for 600 vehicles. The Sports Facility will include all other buildings, structures, fixtures, and improvements hereafter located thereon, and all furniture, furnishings, equipment, machinery, appliances, apparatus, and other property of every kind and descriptions at any time hereafter installed or located on the real estate described in Exhibit B hereto or the buildings and improvements situated thereon, and related site grading, landscaping, fencing, sidewalk and walkways, and utility lines.

EXHIBIT B

Sports Facility Property Legal Description

~~Parcel Nos. [101-083001, 101-08300, 101-083100, and 101-086100]~~

The real property referred to in this Cooperation Agreement is the following real estate located in the Town of Grand Chute, Outagamie County, Wisconsin:

All of Lot 1 of Certified Survey Map Number 7553, recorded in the Office of the Register of Deeds for Outagamie County, Wisconsin on June 18, 2018, in Volume 46 of Certified Survey Maps on page 7553 as Document Number 2135876, being a combination of lands described in Document Number 1684966, Outagamie County records, located in part of the Southeast 1/4 of the Northeast 1/4, part of the Southwest 1/4 of the Northeast 1/4 and part of the Northwest 1/4 of the Southeast 1/4, all in Section 19, T21N-R17E, Town of Grand Chute, Outagamie County, Wisconsin.

Parcel Numbers: 10183000, 101083100, 101083001, and 101086100

~~{Legal description be added}~~

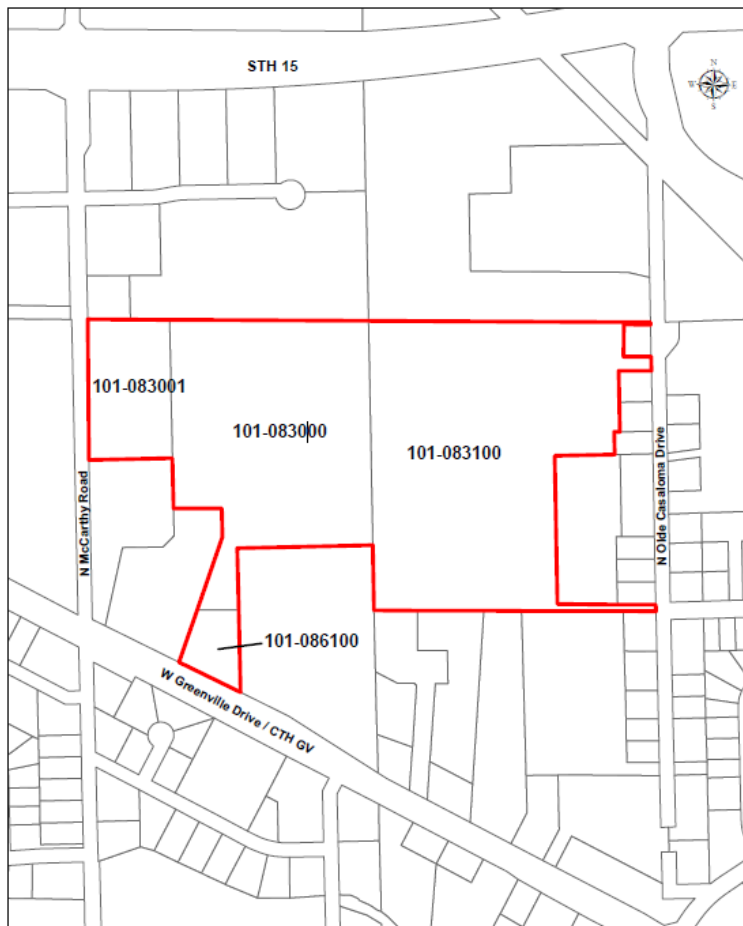


EXHIBIT C
JOINDER AGREEMENT TO
COOPERATION AGREEMENT FOR THE
FOX CITIES SPORTS FACILITY

The undersigned municipality hereby agrees that it shall be an Additional Municipality as defined in the Cooperation Agreement for the Fox Cities Sports Facility, dated as of [August 1], 2018 (the “**Agreement**”), and hereby agrees to enter into and be bound by the terms, conditions, and obligations of the Municipalities under the Agreement, as amended from time to time. On and after the date of this Joinder Agreement, the undersigned shall be deemed a Municipality under the Agreement.

IN WITNESS WHEREOF, the undersigned Municipality has duly executed this Joinder Agreement effective as of _____, 20____.

_____ OF _____, WISCONSIN

By: _____
Its: _____

And: _____
Its: _____

ADDRESS:

_____ of _____
Attention: _____

_____, Wisconsin _____

Email: _____

Accepted on behalf of itself, the Municipalities, and the Community Development Authority of the Town of Grand Chute, Wisconsin:

FOX CITIES AREA ROOM TAX COMMISSION

By: _____
Its: _____

And: _____
Its: _____

Summary report: Litéra® Change-Pro TDC 10.1.0.300 Document comparison done on 6/26/2018 11:07:33 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Grand Chute CDA 2018 Sports Facility – Cooperation Agreement.docx	
Modified filename: Grand Chute CDA 2018 Sports Facility – Cooperation Agreement(1).docx	
Changes:	
Add	64
Delete	73
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	137

Dated as of [August 1], 2018

PLEDGE AND SECURITY AGREEMENT

Relating to the:

FOX CITIES SPORTS FACILITY

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT, dated as of [August 1], 2018 (this “**Agreement**”), is made and entered into by and among the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Appleton**”), the VILLAGE OF FOX CROSSING, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Fox Crossing**”), the TOWN OF GRAND CHUTE, WISCONSIN, a Wisconsin political subdivision (“**Grand Chute**”), the CITY OF KAUKAUNA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kaukauna**”), the VILLAGE OF KIMBERLY, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Kimberly**”), the VILLAGE OF LITTLE CHUTE, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Little Chute**”), the CITY OF MENASHA, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Menasha**”), the CITY OF NEENAH, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**City of Neenah**”), the TOWN OF NEENAH, WISCONSIN, a Wisconsin political subdivision (“**Town of Neenah**”), and the VILLAGE OF SHERWOOD, WISCONSIN, a Wisconsin municipal corporation and political subdivision (“**Sherwood**”, and collectively with Appleton, Fox Crossing, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, City of Neenah, and Town of Neenah, the “**Municipalities**”), the FOX CITIES AREA ROOM TAX COMMISSION, a Wisconsin intergovernmental commission (the “**Room Tax Commission**”), and ASSOCIATED TRUST COMPANY, NATIONAL ASSOCIATION, a national bank organized under the laws of the United States of America, as trustee under the Bond Indenture (as defined herein) (together with its successors in such capacity, the “**Trustee**”).

RECITALS:

WHEREAS, the governing body of each of the Municipalities has adopted a room tax ordinance (the “**Ordinances**”) that levied a room tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients (the “**Room Tax**”) in the amount of 10% by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public (the “**Operators**”) within the Fox Cities Tourism Zone (as described below), pursuant to Section 66.0615 of the Wisconsin Statutes, as amended (the “**Room Tax Act**”), a portion of which Room Tax is a 3% Room Tax (the “**Tourism Facilities Room Tax**”); and

WHEREAS, the Municipalities, the Room Tax Commission, the Fox Cities Convention & Visitors Bureau, Inc. (the “**CVB**”), and the Community Development Authority of the Town of Grand Chute, Wisconsin (the “**Authority**”), are parties to a Cooperation Agreement for the Fox Cities Sports Facility, dated as of [August 1], 2018 (the “**Cooperation Agreement**”); and

WHEREAS, under the terms of the Cooperation Agreement:

- (a) Grand Chute will convey to the Authority the property on which the Fox Cities Sports Facility (the “**Sports Facility**”) will be constructed; and

- (b) to assist in the financing of the Sports Facility, the Authority will issue its \$_____ Taxable Lease Revenue Bonds, Series 2018 (Fox Cities Sports Facility Project) (the “**Series 2018 Bonds**”) the proceeds of which will be used to pay the costs of the construction and equipping of the Sports Facility; and
- (c) the Municipalities, the Room Tax Commission, and the CVB will agree to the use of the Tourism Facilities Room Tax for the purposes of paying, either directly or indirectly, the costs of the construction and equipping of the Sports Facility, debt service on the Series 2018 Bonds and any additional bonds issued by the Authority for the purpose of refinancing or refunding the Series 2018 Bonds, directly or indirectly through a series of refundings (collectively, the “**Bonds**”), and such other reasonable and customary payments or deposits related to the Bonds as may be provided in the Bond Indenture, such as, but not limited to, costs of issuance and administration of the Bonds, reserve or stabilization funds, capitalized interest payments, and reimbursement of payments made by Grand Chute or a provider of credit enhancement for the Bonds, all subject to any restrictions related thereto in the Room Tax Act (collectively, the “**Purposes of the Tourism Facilities Room Tax**”); and
- (d) the Municipalities and the Room Tax Commission agree to pledge the Tourism Facilities Room Tax to the Trustee for the Purposes of the Tourism Facilities Room Tax; and
- (e) all parties to the Cooperation Agreement acknowledge that the Sports Facility is an amateur sports facility located within the Fox Cities Tourism Zone reasonably likely to generate paid overnight stays at more than one hotel, motel, or other lodging establishment within the Fox Cities Tourism Zone as described in the Ordinances and will be crucial to “tourism promotion and tourism development” within the meaning of the Room Tax Act, and the achievement of a sound and coordinated development and redevelopment of the territory described as the “Tourism Zone” in the Cooperation Agreement and for the promotion and development of tourism activities within the Tourism Zone; and

WHEREAS, the Municipalities, the Room Tax Commission, and Associated Trust Company, National Association, in its capacity as fiscal agent (the “**Fiscal Agent**”), are parties to a Fox Cities Room Tax Fiscal Agency Agreement, dated as of May 1, 2018 (the “**Fiscal Agency Agreement**”), pursuant to which the Municipalities have directed the Operators within their respective jurisdictions to forward all Room Taxes to the Fiscal Agent to be allocated by the Fiscal Agent to the respective purposes therefor under the Ordinances, including the allocation of the Tourism Facilities Room Tax to the Trustee for the Purposes of the Tourism Facilities Room Tax; and

WHEREAS, the terms and conditions of this Agreement are in compliance with the Room Tax Act; and

WHEREAS, the execution and delivery of this Agreement have been in all respects duly and validly authorized by resolutions of the governing bodies of the Municipalities and the Room Tax Commission; and

WHEREAS, all procedures necessary to constitute this Agreement as a valid pledge and assignment of the Tourism Facilities Room Tax have been done and performed;

NOW, THEREFORE, the parties to this Agreement agree as follows:

ARTICLE I

PLEDGE AND ASSIGNMENT OF PLEDGED ROOM TAXES TO THE TRUSTEE

The Municipalities and the Room Tax Commission do hereby pledge, sell, assign, transfer, and set over unto the Trustee, all their respective right, title, and interest in and to all Tourism Facilities Room Taxes, subject to any limitations imposed thereon by the Room Tax Act, for the Purposes of the Tourism Facilities Room Tax. The Tourism Facilities Room Tax shall not be used for any purpose other than the Purposes of the Tourism Facilities Room Tax set forth in the recitals of this Agreement. The pledge and assignment hereunder shall remain in full force and effect until the full discharge of the Indenture of Trust, dated as of [August 1], 2018, from the Authority to the Trustee (the “**Bond Indenture**”), pursuant to which the Series 2018 Bonds are issued and pursuant to which additional Bonds may be issued to refund (i) the Series 2018 Bonds or (ii) any other Bonds.

ARTICLE II

DEPOSIT OF TOURISM FACILITIES ROOM TAXES WITH TRUSTEE

Section 2.01 Deposit of Room Taxes.

The Municipalities, the Room Tax Commission, and the Trustee hereby agree and direct that, in order to effect the pledges of the Tourism Facilities Room Taxes hereunder, all Tourism Facilities Room Taxes remitted to the Trustee by the Fiscal Agent pursuant to the Fiscal Agency Agreement shall be applied to the Purposes of the Tourism Facilities Room Tax as specified in the Bond Indenture. The Fiscal Agent has been directed under the Fiscal Agency Agreement to transfer the Tourism Facilities Room Taxes it has received from the Operators to the Trustee on each February 15, May 15, August 15, and November 15 (each a “**Quarterly Transfer Date**”). The Trustee shall deposit the Tourism Facilities Room Taxes received on each Quarterly Transfer Date to the Revenue Fund created under the Bond Indenture.

Section 2.02 Direction to Operators; Enforcement of Payment by Municipalities.

(a) Each of the Municipalities agrees to direct all Operators within its jurisdiction to deposit all Tourism Facilities Room Taxes with either (i) the Fiscal Agent pursuant to the Fiscal Agency Agreement, or (ii) the Trustee pursuant to the terms of this Agreement and the instructions of the Trustee. Each

Municipality agrees to forward, or cause the Fiscal Agent to forward, to the Trustee, no less frequently than the Quarterly Transfer Dates, any payments of Tourism Facilities Room Taxes made by an Operator directly to such Municipality, and the Room Tax Commission agrees to forward to the Trustee, immediately upon receipt, any payments of Tourism Facilities Room Taxes made by a Municipality or an Operator directly to the Room Tax Commission or to the CVB on behalf of the Room Tax Commission. The Municipality may request a Room Tax Deposit Notice from the Fiscal Agent as described in the Fiscal Agency Agreement to accompany such payments.

(b) If an Operator has not paid Tourism Facilities Room Taxes for a period of one calendar quarter or is in arrears by one calendar quarter or more, then an authorized officer of the related Municipality shall, within 30 days after the receipt of the first Monthly Report after a Delinquency Report (each as defined in the Fiscal Agency Agreement) has been received from the Fiscal Agent, commence collection and enforcement action against such Operator; *provided that* said Monthly Report shows Tourism Facilities Room Taxes remain unpaid by such Operator.

(c) Each of the Municipalities agrees to commence such collection and enforcement action as described in (b) above and to take all reasonable action to diligently pursue such action and to collect the Tourism Facilities Room Tax with any applicable/corresponding forfeiture or interest charge for late payment as described in the Ordinances. Each Municipality agrees to send a written notice to the Room Tax Commission, within 10 days after receipt of a Monthly Report as described in (b) above, describing the status of such action and collection until the Tourism Facilities Room Taxes have been collected from the Operator. Upon such collection, the Municipalities shall, within 20 business days, deposit with the Fiscal Agent for allocation to the Trustee the collected Tourism Facilities Room Taxes, subject to the priority of payment described in the Fiscal Agency Agreement, and any applicable/corresponding forfeiture or interest charge; which shall be allocated pro rata to the collected Room Tax and its purposes described in the Fiscal Agency Agreement, including the Tourism Facilities Room Tax. All costs of collection and enforcement actions relating to any such Tourism Facilities Room Tax shall (except to the extent they may be recovered from Operators) be the sole responsibility of the related Municipality.

(d) Notwithstanding (b) and (c) above, the Trustee shall have the right, with the consent of the Room Tax Commission, to demand that any Tourism Facilities Room Tax paid by the Operators but not deposited with the Trustee be immediately deposited with the Trustee in accordance with this Article II.

Section 2.03 Failure of Operator Not a Default of Municipality.

A failure of an Operator to timely pay Tourism Facilities Room Taxes shall not constitute a default of a Municipality hereunder provided that the Municipality, in accordance with Section 2.02 above, promptly undertakes and pursues all reasonable collection actions until

the delinquent Tourism Facilities Room Taxes are collected and deposited with the Fiscal Agent or the Trustee.

ARTICLE III
REPRESENTATIONS, WARRANTIES,
AND COVENANTS

Each of the Municipalities and the Room Tax Commission hereby represents and warrants to the Trustee that it has good right and authority to enter into this Agreement; that as of the date of this Agreement it has not alienated, assigned, pledged, or otherwise disposed of or encumbered any of the Tourism Facilities Room Taxes, and that it has not performed any acts or executed any other instruments which might prevent the Trustee from receiving any Tourism Facilities Room Taxes under any of the terms and conditions of this Agreement or which would limit the Trustee in such receipt.

Each of the Municipalities and the Room Tax Commission hereby covenants and agrees:

- (a) to observe, perform, and discharge, duly and punctually, all and singular, the obligations, terms, covenants, conditions, and warranties of this Agreement on its part to be kept, observed, and performed;
- (b) that it will, upon the request of the Trustee, execute and deliver to the Trustee such further instruments and do and perform such other acts and procedures as the Trustee may deem necessary or appropriate to make effective this Agreement and its various covenants herein contained and to more effectively vest in and secure to the Trustee the Tourism Facilities Room Taxes, including without limitation, the execution of such additional assignments as shall be deemed necessary by the Trustee to effectively vest in and secure the Tourism Facilities Room Taxes;
- (c) that it will take any and all action reasonably necessary to enforce its room tax levies and collect all room taxes from the Operators within its jurisdiction, which actions shall include, if necessary, commencing suit or other action to recover delinquent room taxes;
- (d) that it will not repeal any or all of the Tourism Facilities Room Tax or amend the Commission Agreement in any manner that affects the Trustee's right to receive the Tourism Facilities Room Tax;
- (e) that it will not amend the Fiscal Agency Agreement in any manner that adversely affects the Trustee's right to receive the Tourism Facilities Room Tax; and
- (f) that it will not terminate the Fiscal Agency Agreement while any of the Bonds remain outstanding.

ARTICLE IV

MISCELLANEOUS

Section 4.01 Counterparts.

This Agreement may be executed, acknowledged, and delivered in any number of counterparts, each of which shall constitute an original, but all together only one, instrument. The laws of the State of Wisconsin shall govern this Agreement.

Section 4.02 Severability.

If any term, covenant, or condition of this Agreement, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement and the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law. In the event of any ambiguity in any terms or provisions of this Agreement, such ambiguity shall be construed in favor of the Trustee, notwithstanding any rules of construction to the contrary.

Nothing contained in this Agreement, the Cooperation Agreement, or the Bond Indenture shall in any manner be construed as making the parties hereto and thereto or their assignees partners.

Section 4.03 Additional Parties to this Agreement.

Any municipal government that hereafter becomes an additional member of the Room Tax Commission (an “**Additional Municipality**”) pursuant to the Commission Agreement shall, as a condition of such membership under the Commission Agreement, become an additional party to this Agreement. Each Additional Municipality shall be bound to the terms, conditions, and obligations of the Municipalities under this Agreement by execution and delivery to the Trustee of a joinder agreement in substantially the form attached hereto as Exhibit A, and a copy of the executed joinder agreement shall be delivered by the Trustee to the other then-current parties to this Agreement. Acceptance by the Trustee of such joinder agreement shall, without further action or approval of the parties to this Agreement, be deemed an approval of such Additional Municipality as an additional party to this Agreement by the then-current parties to this Agreement.

Section 4.04 Amendments to this Agreement.

This Agreement may be amended from time to time by a written instrument for any purpose not inconsistent with the terms of the Bond Indenture or to cure any ambiguity or to correct or supplement any provision contained in this Agreement which may be defective or inconsistent with any other provision contained in this Agreement or to make such other

provisions as shall not be inconsistent with the provisions of the Bond Indenture and shall not, in the judgment of the Trustee, adversely affect the interests of the owners of the Bonds.

Section 4.05 Termination.

This Agreement shall terminate upon the discharge and termination of the Bond Indenture. The Trustee shall notify the Room Tax Commission and each Municipality of such termination and discharge.

Section 4.06 Notices.

Any notice, request, report, statement, or other communication to be given pursuant to this Agreement, shall be sufficiently given, and shall be deemed given, when hand delivered or sent by first class mail, email, or overnight delivery service as follows:

If to the Room Tax Commission at:

Fox Cities Area Room Tax Commission
Attention: Secretary
c/o Fox Cities Convention & Visitors Bureau
3433 West College Avenue
Appleton, Wisconsin 54914
Phone: (800) 236-6673
Email: bruce.sherman@grandchute.net

If to the Trustee at:

Associated Trust Company, National Association
Attention: Corporate Trust Department
200 North Adams Street
Green Bay, Wisconsin 54301
Phone: (920) 433-3275
Email: eric.wied@associatedbank.com

If to a Municipality, at the address indicated beneath the signature to this Agreement of such Municipality.

Any party may, by written notice to the other parties, designate a change of address for the purposes aforesaid.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

CITY OF APPLETON, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Appleton
Attention: Director of Finance
100 North Appleton Street
Appleton, Wisconsin 54911
Telephone: (920) 832-6440

Email: tony.saucerman@appleton.org

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

VILLAGE OF FOX CROSSING, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Fox Crossing
Attention: Village Administrator
2000 Municipal Drive
Neenah, Wisconsin 54956

Email: jsturgell@foxcrossingwi.gov

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

TOWN OF GRAND CHUTE, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Grand Chute
Attention: Town Administrator
1900 West Grand Chute Boulevard
Grand Chute, Wisconsin 54913

Email: jim.march@grandchute.net

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

CITY OF KAUKAUNA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Kaukauna
Attention: Clerk-Treasurer
144 West Second Street
Kaukauna, Wisconsin 54130

Email: skenney@kaukauna.org

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

VILLAGE OF KIMBERLY, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Kimberly
Attention: Village Administrator
515 West Kimberly Avenue
Kimberly, Wisconsin 54136

Email: dblock@vokimberly.org

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

VILLAGE OF LITTLE CHUTE, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Little Chute
Attention: Village Administrator
108 West Main Street
Little Chute, Wisconsin 54140

Email: jfenlon@littlechutewi.org

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

CITY OF MENASHA, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Menasha
Attention: Administrative Services Director
100 Main Street, Suite 200
Menasha, Wisconsin 54952

Email: jjacobs@ci.menasha.wi.us

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

CITY OF NEENAH, WISCONSIN

By: _____
Its: Mayor

And: _____
Its: Clerk

ADDRESS:

City of Neenah
Attention: Finance Director
211 Walnut Street
Neenah, Wisconsin 54956

Email: measker@ci.neenah.wi.us

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

TOWN OF NEENAH, WISCONSIN

By: _____
Its: Chairperson

And: _____
Its: Clerk

ADDRESS:

Town of Neenah
Attention: Clerk-Treasurer
1600 Breezewood Lane
Neenah, Wisconsin 54956

Email: ellen@townofneenah.com

IN WITNESS WHEREOF, the parties have executed this Pledge and Security Agreement as of the date first written above.

VILLAGE OF SHERWOOD, WISCONSIN

By: _____
Its: President

And: _____
Its: Clerk

ADDRESS:

Village of Sherwood
Attention: Village Administrator
W482 Clifton Road
Sherwood, Wisconsin 54169

Email: administrator.sherwood@newbc.rr.com

IN WITNESS WHEREOF, the parties have caused this Pledge and Security Agreement to be duly executed and delivered as of the date first written above.

FOX CITIES AREA ROOM TAX COMMISSION

By: _____
Its Chairperson

And: _____
Its Secretary

**ASSOCIATED TRUST COMPANY, NATIONAL
ASSOCIATION, as trustee**

By: _____
Its _____

And: _____
Its _____

EXHIBIT A
JOINDER AGREEMENT TO
PLEDGE AND SECURITY AGREEMENT

The undersigned municipality hereby agrees that it shall be an Additional Municipality as defined in the Pledge and Security Agreement, dated as of [August 1], 2018 (the “**Agreement**”), for the Fox Cities Sports Facility among the Fox Cities Area Room Tax Commission, the municipal members of such commission and Associated Trust Company, National Association, as trustee, and hereby agrees to be bound by the terms, conditions, and obligations of the Municipalities under the Agreement, as amended from time to time. On and after the date of this Joinder Agreement, the undersigned shall be deemed a Municipality under the Agreement.

IN WITNESS WHEREOF, the undersigned Municipality has duly executed this Joinder Agreement effective as of _____, 20____.

_____ OF _____, WISCONSIN

By: _____
Its: _____

And: _____
Its: _____

ADDRESS:

_____ of _____
Attention: _____

_____, Wisconsin _____

Email: _____

Accepted on behalf of itself, the Room Tax Commission, and the Municipalities:

ASSOCIATED TRUST COMPANY, NATIONAL ASSOCIATION, as trustee

By _____

Its: _____

Fox Cities Champion Center
Guaranteed Maximum Price (GMP)

Description	Amount	Additional Detail
Miron GMP Total	\$ 28,857,900	See page 2 for breakdown
Town Contribution (TIF)	(1,154,167)	Infrastructure funded by TIF
Performa	1,246,954	Architectural fees
Building Construction	\$ 28,950,687	
FF&E (Room Tax)	\$ 1,400,000	Room tax collected to date for this purpose
Grand Total	\$ 30,350,687	

Fox Cities Champion Center GMP



BP 1 - Bid Date - June 7 2018 / BP 2 - Bid Date July 10 2018

Section Description		Subcontractor	Final
--- Base Estimate ---			
A	Earthwork, Building and Selective Site Demolition	Ostrenga Excavation	\$ 1,230,765.00
C	Asphalt Paving	Northeast Asphalt	\$ 413,255.00
D	Site Concrete	Sommers Construction Co., Inc.	\$ 166,295.00
E	Fencing	Allowance	\$ 50,040
F	Seeding and Landscaping	Willems Landscaping	\$ 124,635.00
G	Site Utilities	Scott DeNoble & Sons	\$ 597,869.00
H	Building Cast-in Place Concrete and Precast	Miron Construction Co., Inc.	\$ 4,326,613.00
M	Masonry	Allowance	\$ 1,107,040
N	Steel Material and Erection	Miron Construction Co., Inc.	\$ 2,798,649.00
O	Miscellaneous Metals and Erection	Allowance	\$ 395,388
Q	General Trades	Allowance	\$ 959,884
U	Waterproofing	Allowance	\$ 51,191
V	Fluid Applied Air Barrier	Allowance	\$ 91,078
X	Roofing	Allowance	\$ 858,320
Y	Metal Wall panels	Allowance	\$ 619,726
Z	Caulking	Allowance	\$ 51,620
CC	Aluminum Storefront / Curtainwall, Entrances, Glass / Glazing	Allowance	\$ 477,488
FF	Gypsum Board Systems	Allowance	\$ 819,504
GG	Tile	Allowance	\$ 143,168
HH	Suspended Acoustical Ceiling and Acoustical Panels	Allowance	\$ 67,764
II	Wood Athletic Flooring	Allowance	\$ 396,488
JJ	Carpet and Resilient Base	Allowance	\$ 38,643
KK	Resilient Athletic Flooring	Allowance	\$ 390,648
LL	Resinous Flooring	Allowance	\$ 11,180
MM	Painting	Allowance	\$ 364,308
UU	Food Service Equipment	Allowance	\$ 150,000
VV	Athletic Equipment and Scoreboards	Allowance	\$ 352,000
XX	Elevator	Allowance	\$ 69,000
YY	Ice Rinks and Equipment	Allowance	\$ 2,000,000
CCC	Stadium Seating	Allowance	\$ 173,298
EEE	Fire Supression	Allowance	\$ 388,992
FFF	Plumbing	Allowance	\$ 700,000
GGG	HVAC	Allowance	\$ 2,700,000
HHH	Electrical, Communications, Electronic Safety and Security	Allowance	\$ 2,598,071
General Conditions		Miron Construction Co., Inc.	\$ 549,498
General Requirements		Miron Construction Co., Inc.	\$ 549,312
Additional Winter Conditions		Miron Construction Co., Inc.	\$ 40,000
--- Base Estimate --- Total			\$ 26,821,728
Subtotal Before Mark-Ups			\$ 26,821,728
Building Permit (Based on Value)		0.30%	\$ 80,465
Insurance Requirements		0.65%	\$ 174,341
Builders Risk Insurance		0.08%	\$ 21,457
Reproduction Expenses			\$ 15,000
Winter Conditions / Temporary Heat			\$ 150,000
Project Contingency			\$ 1,400,000
Subtotal			\$ 28,662,992
			\$
Construction Fee		0.00%	\$
Project Construction Total			\$ 28,662,992
Performance and Payment Bond		0.68%	\$ 194,908
Miron GMP Total			\$ 28,857,900
Town Contribution			\$ (1,154,167)
Grand Total			\$ 27,703,733

This GMP amount is based on a mobilization date of 7-19-18. Any further delays to that date may result in added cost.

Grand Chute CDA

TAXABLE LEASE REVENUE BONDS

FINANCING TERM/ASSUMPTIONS SHEET

Bond Structure & Assumptions:

Issuer:	Town of Grand Chute Community Development Authority (CDA)
Description:	Taxable Lease Revenue Bonds
Lessor:	CDA
Lessee:	Town of Grand Chute
Obligor:	Town of Grand Chute
Underwriter:	Baird
Bond Counsel:	Foley & Lardner, LLP
Issuer Counsel:	Town Attorney
Underwriter Counsel:	Reinhart Boerner s.c.
Trustee:	Associated Trust
Rating Agency:	S&P Global
Preliminary Amount of Bonds:	\$33,345,000 (\$28,950,000 deposit to Project Fund)
Costs of Issuance:	Paid from bond proceeds
Dated Date:	August 1, 2018
Final Stated Maturity:	April 1, 2051
Final Expected Maturity:	April 1, 2044 (based on 2.0% annual room tax growth)
Est. Interest Rate (AIC):	4.48% - <u>fixed rate</u> (as of June 13, 2018)
Interest Payments:	Semi-annually, commencing October 1, 2018
Principal Payments:	Annually on April 1, commencing April 1, 2020
Prepayment Options:	TBD
Mandatory Redemption:	The Bonds are subject to mandatory Redemption, semiannually on any interest payment date, from amounts no less than \$100,000 as of 35 days prior to such interest payment date, <u>without penalty</u> and <u>without premium</u> , in inverse order of maturity.
Flow of Funds:	Room Taxes are recorded by the Trustee on a quarterly basis on February 15, May 15, August 15, and November 15. The Trustee will test the bond fund balance to ensure funds are available for the next principal and interest or interest only amount which is due. The Mandatory Redemption amount of the bonds will be determined on this basis.
Tax Status:	Federally taxable; State tax-exempt
Rating:	S&P Global, "AA"

Grand Chute CDA

TAXABLE LEASE REVENUE BONDS

FINANCING TERM/ASSUMPTIONS SHEET

Security:	Pledge of a portion of the Hotel/Motel Room taxes. Quiet Enjoyment Lease between CDA and the Town of Grand Chute
Debt Service Coverage:	1.20x
Debt Service Reserve Fund ("DSRF"):	The DSRF is funded (upon closing) at the lesser of: 10% of par; 100% of maximum annual debt service; or 125% average annual debt service.
Room Tax Stabilization Fund ("RTSF"):	The RTSF is funded (upon closing) in the amount of \$900,000

CONTRACT CHANGE ORDERChange Order No. 1Date 07/05/18Contract No. 10-18 for the following public work : Sanitary Sewer (CIPP) Liningbetween Visu-Sewer Inc. and the City of Appleton dated 4/11/2018 is hereby changed in the following particular wit:

Item No.	Account No.	Current Contract Amount	Current Contingency	C.O. Amount (+/-)	Contingency (+/-)	New Contract Total	New Contingency Total
1	<u>5431.6809.3</u>	<u>\$145,834.70</u>	<u>\$14,465.30</u>			<u>\$145,834.70</u>	<u>\$14,465.30</u>
2	<u>5230.6809.4</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$8,700.00</u>		<u>\$8,700.00</u>	<u>\$0.00</u>
3						<u>\$0.00</u>	<u>\$0.00</u>
4						<u>\$0.00</u>	<u>\$0.00</u>
5						<u>\$0.00</u>	<u>\$0.00</u>
6						<u>\$0.00</u>	<u>\$0.00</u>
7						<u>\$0.00</u>	<u>\$0.00</u>
8						<u>\$0.00</u>	<u>\$0.00</u>
9						<u>\$0.00</u>	<u>\$0.00</u>
10						<u>\$0.00</u>	<u>\$0.00</u>
Total		<u>\$145,834.70</u>	<u>\$14,465.30</u>	<u>\$8,700.00</u>	<u>\$0.00</u>	<u>\$154,534.70</u>	<u>\$14,465.30</u>

Reason for Change: Installation of a CIPP Liner located at the Alley south of Edgemere Drive and east of Kensington Drive due to a void in the existing corrugated metal pipe
which resulted in a sink hole in the alley.The Contract Time will be (increased / decreased / unchanged) by this Change Order: 3 DaysThe Date of Completion as of the date of this Change Order therefore is: 10/3/2018Finance Committee Agenda Date: 07/09/18Date approved by Council: 07/18/18



Quote Number: Q-23670
Quote Prepared On: 5/8/2018
Quote Valid Through: 6/30/2018
Payment Terms: Net 30
Currency: USD

Granicus Contact:
Name: Peter Dieterich
Phone: 720-613-8873
Email: peter.dieterich@granicus.com

The Agreement shall commence on the date this document is signed and continue for 3 years.

YEAR ONE ANNUAL SUBSCRIPTION FEE

Product Name	Invoice Schedule	Quantity	Annual Total
VoteCast Station for Meeting Efficiency Suite (ME)	Annual	1 Each	\$14,226.72
VoteCast Display for Meeting Efficiency Suite (ME)	Annual	1 Each	\$385.20
Meeting Efficiency Suite	Annual	1 Each	\$3,210.00
Granicus Remote Administration	Annual	1 Each	\$1,284.00
Template - Sectioned View Page	Annual	1	\$346.68
Government Transparency Managed Services Hardware (GT)	Annual	1 Each	\$1,284.00
Open Platform Suite	Annual	1 Each	\$1,527.96
Government Transparency Suite	Annual	1 Each	\$2,568.00
VoteCast Station for Meeting Efficiency Suite (ME)	Annual	1 Each	\$1,271.16
Granicus Encoding Appliance Hardware (Managed)	Annual	1 Each	\$1,284.00
Legistar	Annual	1 Each	\$12,198.00
VoteCast Package for Meeting Efficiency Suite (7 seats)	Annual	1 Each	\$0.00
		TOTAL	\$39,585.72



FUTURE YEAR PRICING

[illegible]

Product Name	Product Description
VoteCast Station for Meeting Efficiency Suite (ME)	
VoteCast Display for Meeting Efficiency Suite (ME)	
Meeting Efficiency Suite	<p>Meeting Efficiency is a hybrid Software-as-a-Service (SaaS) and Hardware-as-a-Service (HaaS) solution that enables government organizations to simplify the in-meeting management and post-meeting minutes creation processes of the clerk's office. By leveraging this solution, the client will be able to streamline meeting data capture and minutes production, reducing staff efforts and decreasing time to get minutes published. During a meeting, record roll calls, motions, votes, notes, and speakers, all indexed with video. Use the index points to quickly edit minutes, templates to format in Microsoft Word or HTML, and publish online with the click of a button. Meeting Efficiency includes:</p> <ul style="list-style-type: none"> • Unlimited user accounts • Unlimited meeting bodies • Unlimited storage of minutes documents • Access to one Granicus platform site • Access to the LiveManager software application for recording information during meetings • Access to the Word Add-in software component for minutes formatting in MS Word if desired • One MS Word or HTML minutes template (additional templates can be purchased if needed)
Granicus Remote Administration	
Template - Sectioned View Page	

Product Name	Product Description
Government Transparency Managed Services Hardware (GT)	The managed equipment solution offers an encoding appliance that is fully managed and maintained by Granicus.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Government Transparency Suite	Government Transparency are the live in-meeting functions. Streaming of an event, pushing of documents, indexing of event, creation of minutes.
VoteCast Station for Meeting Efficiency Suite (ME)	
Granicus Encoding Appliance Hardware (Managed)	
Legistar	<p>Legistar is a Software-as-a-Service (SaaS) solution that enables government organizations to automate the entire Legislative process of the clerk's office. By leveraging Legistar, the client will be able to easily manage the entire legislative process from drafting files, through assignment to various departments, to final approval. Legistar includes:</p> <ul style="list-style-type: none"> • Unlimited user accounts • Unlimited meeting bodies and meeting types • Unlimited data storage and retention • Configuration services for one meeting body\type • One Legistar database • One InSite web portal • Design services for one agenda report template • Design services for one minute's report template
VoteCast Package for Meeting Efficiency Suite (7 seats)	

TERMS AND CONDITIONS

- Link to State & Local Terms: https://granicus.com/pdfs/Master_Subscription_Agreement.pdf
- Upon the effective date, this Agreement shall supersede and replace any previous agreement between the parties. All prior agreements between the parties are hereby void and of no force and effect.
- Payment terms: net 30
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of **Appleton, WI** to provide applicable exemption certificate(s).
- If submitting a Purchase Order instead of signing the quote, please include the following language: All pricing, terms and conditions of quote Q-23670 are incorporated into this Purchase Order by reference.



AGREEMENT AND ACCEPTANCE

Appleton, WI

Signature: _____

Name: _____

Title: _____

Date: _____

Billing Information

Name: _____

Phone: _____

Email: _____

Address: _____



"...meeting community needs...enhancing quality of life."

FINANCE DEPARTMENT

100 N Appleton Street
Appleton, Wisconsin 54911
(920) 832-6442

To: Finance Committee

From: Tony Saucerman, Finance Director

Date: July 9, 2018

Re: Request to Approve Renewal of Banking Services with JPMorgan Chase

In 2012, an RFP process was run which resulted in a contract being awarded to JPMorgan Chase bank to provide banking services to the City of Appleton. Included in the award was a five-year renewal option exercisable upon the expiration of the initial five-year term. At that time, the Finance Committee requested that any subsequent renewals be brought forward to the Committee for approval. Therefore, with the expiration of the current contract, I am requesting the Committee's approval to extend the contract for an additional five years for the following reasons.

Experience: JPMorgan Chase bank has provided banking services to the City for over 20 years. In those 20 years, many positive relationships have been formed and we have been happy with the services provided. Also, Finance staff have become very familiar with the Chase Access on-line banking system to the point that we consider it an extension of our own financial software.

Cost: JPMorgan Chase bank has proposed an approximate 10% increase in overall bank fees to be locked in for the next five-year term. The increase would raise fees from approximately \$3,989/mo. to \$4,404/mo. based on current utilization. The increase is reasonable based on the entire ten-year length of the contract including the extension.

Convenience: JPMorgan Chase bank is conveniently located across Appleton Street from our first-floor customer service area. This makes making the daily deposits very convenient and allows us immediate in-person contact with the bank. This also allows the City to forego secured deposit transportation charges.

Conversion: The City is currently going through a conversion of our I-series mainframe software to Tyler Munis governmental software. In the set-up of the new software, a number of bank electronic file interfaces are incorporated for such things as cleared checks, payroll direct deposits, retiree health insurance payments, and on-line banking customer payments. Remaining with the same bank would be beneficial to the project since this work would not have to be redone with a new bank.

As always, if any of the Committee members has questions with the above request, feel free to contact me. Thank you for your consideration.



"...meeting community needs...enhancing quality of life."

FINANCE DEPARTMENT

100 N Appleton Street
Appleton, Wisconsin 54911
(920) 832-6442

To: Finance Committee

From: Tony Saucerman, Finance Director

Date: May 21, 2018

Re: Request to Approve Renewal of Investment Services contract with U.S. Bank

As a result of an RFP process in 2012, a contract was awarded to U.S. Bank to provide investment services to the City of Appleton. Included in the award was a five year renewal option exercisable upon the expiration of the initial five year term. At that time, the Finance Committee requested that any subsequent renewals be brought forward to the Committee for approval. Therefore, with the expiration of the current contract, I am requesting the Committee's approval to extend the contract with U.S. Bank for an additional five years for the following reasons.

Experience: We have been extremely pleased with the investment services that U.S. Bank has provided over the past five years. We have kept the same client services manager and portfolio manager over the length of the initial contract and meet on a regular basis to discuss investment performance and the market. Our portfolio manager is well-versed in the investment of public funds and is diligent in ensuring that investment options are in accordance with the City's Investment Policy while also providing a competitive return. U.S. Bank also provides investment reporting required by GASB #40 for our annual audit.

U.S. Bank currently holds the investment services contract for the State of Wisconsin and has multiple Wisconsin public entity clients.

Cost: U.S. Bank has agreed to keep the costs they charge the City consistent with the original 5 year contract signed in 2012 (10 basis points ($1/10^{\text{th}}$ of one percent) of the managed investment balance).

As always, if any of the Committee members has questions with the above request, feel free to contact me. Thank you for your consideration.

CONTRACT CHANGE ORDER

Change Order No. TWO

Date 06/08/18

Contract No. 11-18 for the following public work: Unit Z-18 Sewer & Water Reconstruction #2

between Van Straten Construction Co., Inc. and the City of Appleton dated 03/21/18 is hereby changed in the following particular wit:

Item No.	Account No.	Current Contract Amount	Current Contingency	C.O. Amount (+/-)	Contingency (+/-)	New Contract Total	New Contingency Total
1	5371.6809.5	\$1,107,350.33	\$55,367.52	\$38,500.00	(38,500.00)	\$1,145,850.33	\$16,867.52
2	4142.6809.5	\$99,883.98	\$4,329.15	\$0.00	0.00	\$99,883.98	\$4,329.15
3	5431.6809.3	\$9,500.00	\$0.00	\$0.00	0.00	\$9,500.00	\$0.00
4							
5							
6							
7							
8							
9							
10							
	Total	\$1,216,734.31	\$59,696.67	\$38,500.00	(38,500.00)	\$1,255,234.31	\$21,196.67

Reason for Change: #5371 - Addition of Monroe Street, Fremont Street to Harrison Street. Replacement of 4" CIP (1918 main) - COT's shelter.

The Contract Time will be (increased / decreased / unchanged) by this Change Order: 10 Days

The Date of Completion as of the date of this Change Order therefore is: 140

Finance Committee Agenda Date: 07/09/18

Date approved by Council: 07/18/18