



AMENDED
AGENDA

**REDEVELOPMENT AUTHORITY
OF THE CITY OF STEVENS POINT**

Date and Time: August 11, 2015 4:00 PM	Location: Lincoln Center 1519 Water Street Stevens Point, WI 54481
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1. Roll call.
2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

Discussion and possible action on the following:

4. Minutes from the May 19, 2015 Redevelopment Authority meeting and the July 13, 2015 joint Redevelopment Authority / Common Council meeting.
5. Financial reports, claims, and statements from February, April, May and June 2015. *Please note, the March financial reports, claims, and statements were approved at a previous meeting.*
- * 6. Amendment No. 3 - AECOM Agreement for Environmental Services – Remedial Action Services – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.
- * 7. Ready for Reuse Grant – Application for additional grant funds for the former Lullabye Furniture site, 1017 Third Street, Stevens Point, WI 54481.
8. 2014 Audit Report
9. Modification of the Joint Municipal Agreement of the City of Stevens Point and the Community Development Authority of the City of Stevens Point (now known as the Redevelopment Authority of the City of Stevens Point) for Edgewater Manor.
10. Edgewater Manor
 - a. Request for funding from the City of Stevens Point for needed improvements to Edgewater Manor.
 - b. Seek alternative sources of financing for Edgewater Manor.
 - c. Seek proposals for the sale of Edgewater Manor, including, but not limited to an official request for proposals, a negotiated sale, and/or hiring a real estate professional for official listing.
 - d. Transfer the property to the City of Stevens Point.
11. Modification of smoking ban for Edgewater Manor.

PLEASE TAKE NOTICE that any person who has special needs while attending these meetings or needs agenda materials for these meetings should contact the Executive Director as soon as possible to ensure that a reasonable accommodation can be made. The Executive Director can be reached by telephone at (715)346-1567, TDD# 346-1556, or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

PLEASE TAKE FURTHER NOTICE that a quorum of the Common Council may be in attendance at this meeting.



AMENDED

AGENDA

**REDEVELOPMENT AUTHORITY
OF THE CITY OF STEVENS POINT**

12. Executive Director's update (this item is for informational purposes only).
13. Adjourn.

PLEASE TAKE NOTICE that any person who has special needs while attending these meetings or needs agenda materials for these meetings should contact the Executive Director as soon as possible to ensure that a reasonable accommodation can be made. The Executive Director can be reached by telephone at (715)346-1567, TDD# 346-1556, or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

PLEASE TAKE FURTHER NOTICE that a quorum of the Common Council may be in attendance at this meeting.



Memo

Michael Ostrowski, Director
 Community Development Department
 City of Stevens Point
 1515 Strongs Avenue
 Stevens Point, WI 54481
 Ph: (715) 346-1567 • Fax: (715) 346-1498
 mostrowski@stevenspoint.com

Redevelopment Authority of the City of Stevens Point

To: Redevelopment Authority Board of Commissioners
 From: Michael Ostrowski
 CC:
 Date: 8/7/2015
 Re: Agenda Item Summary for the August 11, 2015 Redevelopment Authority Board Meeting

1. Roll call.
2. Persons who wish to address the Board on specific agenda items other than a "Public Hearing" must register their request at this time. Those who wish to address the Board during a "Public Hearing" are not required to identify themselves until the "Public Hearing" is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

Discussion and possible action on the following:

4. Minutes from the May 19, 2015 Redevelopment Authority meeting and the July 13, 2015 joint Redevelopment Authority / Common Council meeting.
 The Board needs to approve the minutes from the prior meetings.
5. Financial reports, claims, and statements from February, April, May and June 2015. *Please note, the March financial reports, claims, and statements were approved at a previous meeting.*
 The Board needs to approve the financial reports, claims, and statements from February, April, May and June 2015.

6. Amendment No. 3 - AECOM Agreement for Environmental Services – Remedial Action Services – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.

As you may recall, additional soil contamination was found on the southeastern portion of the site. Earlier this year the RA authorized AECOM to proceed with additional site investigation so they could develop a remediation plan. They have completed their investigation and the Wisconsin Department of Natural Resources (WDNR) has approved the remediation plan. This amendment is for the additional remediation services that will be performed on the site. Please see the attached letter from the WDNR. I hope to have their agreement no later than Monday. Once I receive it, I will email it to you. AECOM is still waiting for another quote for the excavation work.

7. Ready for Reuse Grant – Application for additional grant funds for the former Lullabye Furniture site, 1017 Third Street, Stevens Point, WI 54481.

With the additional remediation work that needs to be done on the property, I would like to request additional grant funds from the Ready for Reuse program. These additional costs will bring the

grant request up to the maximum of \$200,000. There will also need to be a 22% (\$44,000) local match. I have attached the revised budget estimated for your convenience.

8. 2014 Audit Report

Enclosed is the audit report from Baker Tilly. I would be happy to answer any questions you may have on the report. Please note, Baker Tilly will not be in attendance. If you have specific questions for the auditors, please get them to me before the meeting and I will attempt to get an answer to them by the meeting.

9. Modification of the Joint Municipal Agreement of the City of Stevens Point and the Community Development Authority of the City of Stevens Point (now known as the Redevelopment Authority of the City of Stevens Point) for Edgewater Manor.

At the Common Council meeting on July 20, 2015, the Common Council voted to dissolve the Joint Municipal Agreement of the City of Stevens Point and the Community Development Authority of the City of Stevens Point (now known as the Redevelopment Authority of the City of Stevens Point) for Edgewater Manor. Essentially, this agreement required the Redevelopment Authority to receive the approval from the Common Council if it decided to dispose of the property. With this occurring, the Redevelopment Authority now has complete control over Edgewater Manor. Per the agreement, the Redevelopment Authority would also have to act to dissolve the agreement. I have enclosed a copy of the agreement for your convenience.

10. Edgewater Manor

a. Request for funding from the City of Stevens Point for needed improvements to Edgewater Manor.

At the Common Council meeting on July 20, 2015, the Common Council did not approve anything regarding the funding for Edgewater Manor. At the meeting, there were four failed votes on the matter. To get a better sense of the meeting and what occurred, I would recommend that you view the meeting video on the City’s website prior to the meeting on August 11, 2015. The link to the video is:

http://stevenspoint.granicus.com/MediaPlayer.php?view_id=8&clip_id=1141. The Edgewater Manor agenda items are 7 and 8.

I presented the following information to the Common Council for their July 20, 2015 meeting:

-Start-

At the joint Redevelopment Authority / Common Council meeting on July 13, 2015, the architect gave a presentation of the Needs Analysis for Edgewater Manor. Following that presentation, the Redevelopment Authority made a motion to forward a request to the Common Council for the funding of the needed improvements. The identified improvements totaled approximately \$4.7 million. The costs are broken out into three categories: Life Safety Items, Energy/Maintenance, and Cosmetic. While not everything in the report will need to be completed immediately, the report does provide a realistic representation of the likely

Remove and replace asphalt surfaces	\$70,900	
Remove and replace damaged sidewalk	\$6,000	
Remove and replace curbing	\$8,240	
Replace with brick façade	\$898,761	
Replace fire hoses	\$3,000	
Replace emergency generator	\$58,000	
Add pavers to roof corners	\$2,000	
Window replacement	\$451,000	
Replace delaminated carpeting	\$20,000	
Upgrade elevators	\$175,000	
New exterior door weather stripping	\$1,600	
Replace portable A/C with PRAC units	\$267,300	\$1,961,801
Contingency (10%)	\$196,180	
Architectural and Engineering Fees (6%)	\$117,708	\$313,888
TOTAL COST		\$2,275,689

potential costs that Edgewater Manor will face in the near term, and what it will take to make it competitive in the marketplace. I have enclosed the cost opinion for the proposed work.

Based off of current year-to-date numbers, Edgewater Manor could support about \$120,000 to \$160,000 a year in debt service payments. At a borrowing rate of 3.5%, Edgewater Manor could potentially support about \$1.7 million to \$2.3 million over the next 20 years. Please note, this amount would require all of Edgewater Manor's revenue to cover these debt service payments, and any significant unforeseen circumstance would need to be covered with other funds. In reviewing the Needs Analysis, the items to the right would likely need to be completed immediately.

These items alone would take almost the entire \$2.3 million of borrowing capacity that Edgewater Manor may be able to support. Therefore, any further funding may not be able to be paid back, and depending on the occupancy rate over time, it is uncertain if the \$2.3 million could be paid back. If it is decided to move forward with these items, Edgewater Manor will likely need further upgrades over the next 20 years. The items listed above do not incorporate any of the cosmetic improvements to the building to make it more attractive to potential tenants, which would help increase and maintain a high occupancy rate.

There are several options that the Common Council could consider regarding this situation:

- 1. Fund the entire list of needed improvements.*
- 2. Fund a selected amount of needed improvements.*
- 3. Provide the Redevelopment Authority with a line of credit to make the improvements as they see fit over a period of time.*
- 4. Acquire Edgewater Manor from the Redevelopment Authority so that one entity controls the property and the financing capability. The idea of having one entity control everything regarding the property was brought up at the joint meeting, as it would allow for an easier process.*
- 5. Don't fund any of the improvements, modify the Joint Municipal Agreement for Edgewater Manor, and allow the Redevelopment Authority to look for other interested parties for the property or other funding mechanisms. This would also put the control of the property into the hands of one entity, where it originally was prior to the Joint Municipal Agreement for Edgewater Manor.*
- 6. Fund all or part of the needed improvements and modify the Joint Municipal Agreement for Edgewater Manor to turn over full control of the property to the Redevelopment Authority.*

As the Redevelopment Authority Executive Director, if you chose options 2 or 3, the Redevelopment Authority will need some assurance that the Common Council will be willing to fund further improvements if needed. There are likely going to be other costs that come up over the next 20 years, and if the Common Council is to make a significant investment in this property, it will need to do so knowing that they are in it for the long term. For example, if the Common Council provides funding for only \$2.3 million worth of improvements, and then two years later another significant investment is needed, the Redevelopment Authority needs some sort of assurance that the Common Council would be willing to fund that additional amount, likely knowing that the current rents from Edgewater Manor would not be willing to cover the costs of the debt service. It would not be financially advantageous to fund a portion now, and then look for other interested parties for the property a few years later.

While this list is not all inclusive, it does provide some options for the Common Council to consider. If you should have any questions, or need any further information, please do not hesitate to contact me.

-End-

The Comptroller/Treasurer has put together a sensitivity analysis relating to the cash flow for Edgewater Manor. Five scenarios are enclosed in the packet.

- b. Seek alternative sources of financing for Edgewater Manor.

Another alternative that has been discussed is for the RA to fund the improvements itself through borrowing. However, after reviewing the Wisconsin State Statutes, specifically, 66.1333(5)(a)4.a, and having discussions with the City Attorney and the legal counsel at the League of Wisconsin Municipalities, the RA's ability to borrow and accept funds is limited to the purposes for which they are created. Meaning, the powers that the RA has are derived from the statues, and owning and improving an apartment building is not one of them specified. Financial sustainability aside, it becomes very questionable on whether or not the RA can borrow and/or accept funds to improve Edgewater Manor. Wisconsin State Statutes, Section 66.1333(5)(a)4.a refers to one of the powers of the RA, but it is reserved "for the purposes of this section." What this means is that they have the power to borrow and accept funds to carry out projects identified in officially adopted redevelopment plans, of which Edgewater Manor is not.

The specific statute reference is as follows:

*Wisconsin State Statutes Section 66.1333(5)(a)4.a. Borrow money and issue bonds; execute notes, debentures, and other forms of indebtedness; apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the city in which it functions, from the federal government, the state, county, or other public body, or from any sources, public or private **for the purposes of this section**, and give such security as may be required and enter into and carry out contracts or agreements in connection with the security; and include in any contract for financial assistance with the federal government for or with respect to blight elimination and slum clearance and urban renewal such conditions imposed pursuant to federal laws as the authority considers reasonable and appropriate and that are not inconsistent with the purposes of this section.*

The RA does have the potential to exercise the powers of a housing authority, per 66.1333(5)(a)9:

Exercise any powers of a housing authority under s. 66.1201 if done in concert with a housing authority under a contract under s. 66.0301.

While this may be an option, it may limit the use of Edgewater Manor as low income housing, which could limit Edgewater's ability to pay for its needed repairs from the rental income.

The City Attorney's memo relating to this matter is enclosed in the packet.

- c. Seek proposals for the sale of Edgewater Manor, including, but not limited to an official request for proposals, a negotiated sale, and/or hiring a real estate professional for official listing.

Another option would be for the RA to look at selling the property. They could do this either through a formal RFP process (as was done in the past), a negotiated sale, or they could officially

list the property for sale with a realtor. The RA could also look at any combination of the above as well.

- d. Transfer the property to the City of Stevens Point.

Since the City has broader powers than Redevelopment Authority, there may be the option for the RA to transfer ownership to the City. The City would need to accept the transfer in order for that to take place.

- 11. Modification of smoking ban for Edgewater Manor.

In 2012, the CDA banned smoking in all housing authority properties, which included Edgewater Manor, except for existing tenants. At this time, we have a limited number of residents who are allowed to smoke in their units at Edgewater. We have had concerns from residents about smoking in the facility. Therefore, I wanted to put this item before you for consideration to ban smoking in the entire facility, even for tenants that existed prior to the adoption of the policy in 2012. This change would occur at the time of lease renewal.

- 12. Executive Director's update (this item is for informational purposes only).

- 13. Adjourn.



MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Date and Time:	May 19, 2015 4:00 PM	Location:	City Conference Room 1515 Strongs Avenue Stevens Point, WI 54481
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Present: Chairperson Schlice, Alderperson Phillips, Commissioner Molski, Commissioner Sawyer, and Commissioner Gardner.

Excused: Commissioner Adamski and Commissioner Dugan.

Also Present: Executive Director Ostrowski, Mayor Wiza, David Senfelds, and Mary Ann Laszewski.

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1. Roll call.
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 3. Public comment for pre-registered individuals for matters appearing on the agenda.
- Discussion and possible action on the following:
4. Approval of the minutes from the April 27, 2015 Redevelopment Authority meeting.
 5. Approval of financial reports, claims, and statements from March and April 2015.
 6. Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College.
 7. AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.
 8. Authorizing the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children’s Museum.
 9. Authorizing the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor.
 10. 2014 Audit and additional costs.
 11. Use of Housing Trust Fund dollars on a Habitat for Humanity project.
 12. Executive Director’s update (*this item is for informational purposes only*).
 13. Adjourn.
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1. Roll call.

Present: Schlice, Phillips, Molski, Sawyer, Gardner

2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

No one registered to speak.

Discussion and possible action on the following:

4. Approval of the minutes from the April 27, 2015 Redevelopment Authority meeting.

Motion by Commissioner Molski to approve the minutes of the April 27, 2015 Redevelopment Authority Meeting; seconded by Alderperson Phillips. Motion carried 5-0.

5. Approval of financial reports, claims, and statements from March and April 2015.

Motion by Commissioner Sawyer to approve the financial reports, claims and statements from March and April 2015; seconded by Commissioner Gardner.

Alderperson Phillips asked if there is anything that stands out in the report and how Edgewater was doing. Executive Director Ostrowski answered saying that the year-end report for last year did not include the PILOT payment to the City. Therefore, there was a \$25,000-\$30,000 decrease in revenue. As of right now, Edgewater has a profit, but it does not have any debt service to pay. If there was debt on the property, it would likely eat up all of the profit. In terms of occupancy, it is at about 78%.

Commissioner Molski asked what the account adjustment analysis that she is seeing every month, to which Director Ostrowski answered that is the service fee for the checking account.

Motion carried 5-0

6. Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College.

Executive Director Ostrowski stated this is the amendment for the second year of operation and maintenance of the vapor mitigation system that is installed at Mid-State Technical College. The cost for this is amendment is \$17,000.

Commissioner Sawyer asked at what point are we done with mitigation. David Senfelds from AECOM answered it is based on the test results. Currently, we have a significant reduction in the air tests. Initially it was planned to be a two to three year project. Once we get to no detect, which is what the DNR likes to see, we will try to get two to three consecutive months of no detect then turn off the system temporarily and see if we get any rebound of the vapors returning. At that point, it is just a give and take as to how much more we will need to run. He stated that by the end of summer or early fall we should be at that point. Once we get to that point of shutting down the system and getting zero detection without any rebound, we can talk to the DNR and get a closure for that site. Commissioner Sawyer asked about how often the testing occurred, to which Mr. Senfelds answered on a monthly basis the DNR requires us to monitor vapors that are coming from our vapor extraction system. In addition, the DNR wants us to collect sub-slab samples semi-annually from specific locations where we have sampling ports in the floors of MSTC. There are specific numbers that we are looking for that the DNR has given as standards which would have to be met before we can shut down the mitigation system. There are two aspects to the system, we are cleaning up contaminated soil underneath MSTC and then there are the vapors associated with it, and we have to clean up both. Commissioner Sawyer asked if the soil was routinely sampled, or are we just looking at the vapor levels. Mr. Senfelds explained that we can tell if the soil has been remediated based on the vapors coming off of that.

The reality is the closure will have a restriction, meaning that if MSTC decides to tear down the building and do something else with it, the DNR will require that the soil be tested just to see if it has been impacted. Commissioner Sawyer asked if Redevelopment Authority would be responsible if in the future the college moved and there was still contamination. Executive Director Ostrowski answered we would be responsible for that. Commissioner Sawyer then asked in respect to the breakdown of the charges, it seems as if the subcontract laboratory services are relatively small and the consulting services are more substantial. Mr. Senfelds answered there is monthly operation and check that we do on the system to make sure it is running correctly. The primary portion that takes up labor is the sub-slab testing since that is more time consuming which is included in the consultant's portion of the charges.

Motion by Commissioner Gardner to approve Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College in the amount of \$17,000; seconded by Alderperson Phillips.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner,

Nays – None

Motion carried 5-0.

7. AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.

Executive Director Ostrowski said as Dun-Rite was doing their investigation testing; they did test a portion on the southeast corner of the Lullabye property. Their results indicated that there was some contamination. In order for us to go through the VPLE process, we will have to determine what the contamination is, and remediate it. This amendment is for AECOM to go and do the sampling and determine the extent of the contamination. We will also attempt to receive additional grant funds. The site investigation is not eligible under the grant, only the remediation, which could cover up to 78% of the cost. Yesterday, the Common Council did authorize a transfer of some of the funds back into the soil remediation fund to cover this up to \$100,000 in costs. When previously estimated, we figured \$50,000 to \$60,000 for the local match. With this amendment we are a little over \$60,000. However, we still have the remediation work to do.

Dave Senfelds stated the real purpose of what we are doing now is to get a better handle on the volume of contaminate that might be out there. Right now we have an area on the southeast portion that is based on some borings that were done by the adjoining Dun-Rite Cleaners. We did a few borings about a month or so ago to get some more data. We do need to complete the site investigation to determine the volume of that, so we can bid out the remediation service. There is also an issue that would have to be documented for the VPLE. For ground water contamination, we are also collecting additional samples to confirm the ground water contamination is likely coming from the adjoining dry-cleaning site. Based on their results, they do have a significant contamination and a portion may be coming on to the Lullabye site.

Alderperson Phillips asked for clarification that we are just concentrating on the Lullabye site. Are the previous businesses which were located in the area affecting the readings that are being given now. Mr. Senfelds stated no, the primary contaminant is PCE which is a dry-cleaning chemical and in recent testing we did discover some low level petroleum which is likely from Lullabye, but we have not tested for any fertilizers or nitrates.

Commissioner Gardner asked for clarification that the plume was just north to south, to which Mr. Senfelds confirmed yes and more in the southeast corner of the site.

Motion by Commissioner Gardner to approve AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481 with ability of the chairperson to approve up to a 20 % overage of contract amount not to exceed \$5,600; seconded by Alderperson Phillips.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

8. Authorizing the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children’s Museum.

Executive Director Ostrowski explained we needed to get our new tax id number on our investment documents, as we are no longer the CDA. In doing so, Baird needs to get a new control agreement because of our relationship with the Children’s Museum loan and how we guaranteed that loan. We will need to execute some documents in order for this to take place. We will work with Community First Bank who holds the loan for the Children’s Museum and with Baird to get this all straightened out.

Commissioner Sawyer pointed out that he only saw Executive Director Ostrowski’s name on the document. Mr. Ostrowski stated they only need one signature on the document and with Chairman Schlice’s authorization on some of the other documents that may be come through from Community First Bank, but we can add the chairperson’s signature below mine on the documents.

Motion by Commissioner Molski to authorize the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children’s Museum with the addition of Chairperson Schlice’s signature; seconded by Commissioner Gardner.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

9. Authorizing the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor.

Executive Director Ostrowski explained when we received the results from the façade consultant that reviewed the Edgewater Manor situation it was recommended that a temporary solution would be to bolt the façade to the structure and that would last about one to two years. We are coming up on the end of the first year, and we have our needs assessment in June that will likely indicate that the façade should be replaced. At this time he would like to get the consultant back out there to do some analysis to see if the condition has changed. Last time they were out at the property the cost was approximately \$1,600. If we do bring them back to re-evaluate, he does not anticipate it to be much more than that.

Motion by Commissioner Gardner to authorize the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor not to exceed \$2,500; seconded by Commissioner Sawyer.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

10. 2014 Audit and additional costs.

Executive Director Ostrowski explained the auditors are going through the Redevelopment Authority information and they have found there were some old downtown loan funds that were actually with the city that should be with the Redevelopment Authority and should be transferred over. The audit would incur an additional cost of \$750-950 for this work. They also had indicated there is a concern with some of the

housing trust fund loans where some of the dollar amounts did not match between the journals entries between the Housing Authority and CAP. To work through this, there will be an additional cost of about \$1,500 -1,900 in audit fees.

Commissioner Molski asked if these charges are incurred because of changing auditors, to which Executive Director Ostrowski said it is nice to change auditors once in a while, but I do not know why it was not caught in the past. It is not pointing out that there are any significant issues with the loans, but more of just having incorrect entries on the schedules. Commissioner Schlice added he has been in conversations with the auditors and it is the advantage of having the same firm do both the city and Redevelopment Authority audits to find stuff like this when they compare the books.

Motion by Commissioner Gardner to approve 2014 Audit and additional costs; seconded by Commissioner Sawyer.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

11. Use of Housing Trust Fund dollars on a Habitat for Humanity project.

Executive Director Ostrowski when a property has a Habitat, City, or Redevelopment Authority loan, and there was a foreclosure, Habitat would oftentimes put in a bid to cover all of the loans. They did this as long as we rolled the loan over for a new family. Unfortunately they were not the successful bidder for the house on Fourth Avenue. However, their bid allowed us to get our funds back. Approximately \$7,600 came from the CDBG portion, and about \$4,400 came from the Housing Trust funds. Director Ostrowski stated that since Habitat did cover our loan, that he recommends that we at least allow them to reuse those funds for a new family.

Commissioner Gardner clarified that funds were reimbursed, and you are asking for those funds to be used again for a Habitat on another project somewhere else, to which Executive Director Ostrowski stated yes.

Commissioner Sawyer asked if the Redevelopment Authority's loan would be secured by a specific piece of property, to which Executive Director Ostrowski stated we would take a lien on the property same as we have with other loans.

Commissioner Molski asked about the position of the mortgage, to which Executive Director Ostrowski stated we are in a subordinated position.

Commissioner Sawyer explained that in prior involvements with other areas of Habitat for Humanity, they do a phenomenal job by putting together volunteer work and materials donated to them or at reduce costs. They take a property that is really bad, and turn it into something really nice. It benefits the persons living there and the community.

Commissioner Schlice asked if we knew what property this would be used for, to which Executive Director Ostrowski answered it could be one on the west side or another one that could come up this month.

Commissioner Gardner stated he knows the funds have been frozen because of Edgewater repairs, but since we are only talking \$4,000-5,000 he is in favor of this.

Aldersperson Phillips expressed his opinion that he does not feel we should be stopping all of our other projects just because of Edgewater Manor.

Motion by Commissioner Sawyer to approve the use of Housing Trust Fund dollars on a Habitat for Humanity project; seconded by Molski.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

12. Executive Director’s update (*this item is for informational purposes only*).

Executive Director Ostrowski explained we have covered most of it already. We have wanted to start potentially looking at other projects that we would be interested in doing as the redevelopment authority. This could be a redevelopment plan for a certain area or looking for the worse house on a block, having a contractor purchasing the home and repairing it for resale.

The Edgewater Manor needs assessment should be completed in June.

Commissioner Gardner requested permission to contact Habitat for Humanity to see if they would be interested in taking on rehabilitation project. He also discussed the need for a process for selecting the homes for repair as well as a contractor to work with.

Commissioner Schlice explained that the Redevelopment Authority should have more to meet and deal with than just Edgewater Manor. The commission needs to develop some type of plan to continue to develop areas of the city. Executive Director Ostrowski explained there is typically a general plan laid out for an area, and then several project plans to carry out.

Aldersperson Phillips suggested the property on Patch Street which is used as a disk golf area, but could be used for further development. Commissioner Gardner responded that it is more a City Council issue than a redevelopment authority responsibility.

Commissioner Schlice likes the idea of a painting incentive for property owners.

Commissioner Molski asked if the city would be interested in helping the business owners who front Main Street and now have the rear portion of the building exposed with the removal of the mall. Executive Director Ostrowski stated we have a façade improvement grant program that those owners can access.

13. Adjourn

Meeting adjourned at 4:48 PM.

Approved:

John Schlice, Chairperson

Date

Attest:

Michael Ostrowski, Executive Director

Date

**CITY OF STEVENS POINT
SPECIAL JOINT COMMON COUNCIL / REDEVELOPMENT AUTHORITY
MEETING**

Mayor Mike Wiza and Chairman John Schlice, Presiding

**Lincoln Center
1519 Water Street**

**July 13, 2015
5:00 P.M.**

Roll Calls.

Common Council: Ald. Doxtator, Mrozek, Ryan, Oberstadt, Van Stippen,
Slowinski, Kneebone, Patton, McComb, Phillips, Morrow.

Redevelopment

Authority: Schlice, Phillips, Adamski, Molski, Sawyer, Gardener

Excused: Dugan

Others

Present: Corey Ladick, C/T; John Moe, City Clerk; Andrew Beveridge,
City Attorney; Interim Police Chief Martin Skibba; Director
Laidlaw; Steve Shepro, Assessor.

- 2. *Persons who wish to address the Mayor and Council on specific agenda items other than a "Public Hearing" must register their request at this time. Those who wish to address the Common Council during a "Public Hearing" are not required to identify themselves until the "Public Hearing" is declared open by the Mayor.**

Mayor Wiza stated those persons interested in speaking who have not yet registered, please do so at this time.

3. Presentation and related discussion of the Edgewater Manor Needs Assessment.

Mayor Wiza stated there would be a needs assessment presentation for Edgewater Manor and this would be informational only for the Common Council and there would be no action on this item tonight. He stated there will be an opportunity for comments after the presentation.

Director Ostrowski provided a brief history of events leading up to the needs assessment due to concerns about the number of repairs needed on the building. He stated the contracted needs assessment was done by Architects Group Limited and was broken into three categories: safety, energy/maintenance and cosmetic.

Mr. David Johnson, Architects Group Limited, provided the Council with a brief history of his professional experience. He stated he reviewed Edgewater from an architectural background.

Mr. Johnson stated he reviewed the actual building plans and compared those with what is actually in place. He added he discussed with staff and tenants the positives and negatives about the building.

Mr. Johnson referred to the Study and stated there were areas of safety/security concerns with meeting current ADA guidelines, cosmetic issues which when

updated could enhance the property and generate interest in potential tenants and ongoing maintenance concerns such as with the roof, windows, exterior façade and heating/cooling.

Mayor Wiza stated the life safety concerns need to be addressed immediately; the energy sustainability and maintenance issues should be included in the high priority list. He asked Mr. Johnson to also prioritize the cosmetic concerns and what the benefit return would be for the City.

Mr. Johnson stated old, outdated flooring is cosmetic, but when curled and cracked it is a safety concern for the elderly. He added the security system prohibits ease of entering the building after hours. Mr. Johnson suggested eliminating the institutional look of cinderblock walls, adding new, lighter cabinetry in the kitchen.

Mayor Wiza asked since Edgewater is market place housing which places it in competition with other landlords, how important the cosmetic repairs are.

Mr. Johnson stated the first impression is what sells the property. Items that are outdated and show wear and tear are not as desirable to potential tenants.

Ald. McComb asked from a safety standpoint, what would be the highest priority to complete.

Mr. Johnson stated the façade in addition to the parking lot and sidewalk would be the most important to eliminate tripping hazards of residents.

Ald. Kneebone asked what the cost of replacing the popcorn ceiling would be should it contain asbestos.

Mr. Johnson stated he has seen asbestos mitigation cost as high as \$3.00 a square foot.

Commissioner Sawyer asked if there are any cost savings involved with replacing the windows at the same time as the façade.

Mr. Johnson stated it would be easier to do the windows and façade at the same time, but they could be done separately.

Commissioner Sawyer asked in regards to the safety and energy maintenance items, how much disruption would occur to residents.

Mr. Johnson replied the only time a tenant needed to move out was when asbestos mitigation occurred.

Lori Giese, Edgewater, stated she really hoped attrition of tenants can be avoided during this process as long as safety and the well being of the residents are observed. She stated the elevator has become a major hazard to elderly residents with doors closing on walkers, carts and persons. Ms. Giese added that one resident was stuck in an elevator which required a 9-1-1 call. She said her other safety concerns were with fire and weather hazard preparedness and questioned when the last time the fire hoses had been tested. She stated sanitation is a concern and hallway carpets need a deep cleaning. Ms. Giese added that door handles and locks are difficult for the elderly who are restricted due to arthritis and overall mobility.

Reid Rochleau, stated not everything needs to be fixed right away and to start with repairs to the exterior and windows.

Barb Jacob, 1616 Depot Street, stated she felt the report was very thorough. She

added that now it is up to the Council and Redevelopment Authority to prioritize needs and expenses.

Discussion and possible action on the following:

3. Request for funding from the Redevelopment Authority to the City of Stevens Point for needed improvements to Edgewater Manor.

Chairman John Schlice called upon the speakers to address the Redevelopment Authority.

Reid Rochleau suggested a \$1 million budget by doing siding/stucco and the windows together. He said the other items could be done as needed.

Cindy Mann, 1450 Water Street, #508, stated everything has been addressed that she wanted to say.

Victor Dechant, 1450 Water Street, stated he wants Edgewater to be self-sufficient. Edgewater has continued to provide housing to low-income seniors and there are about 70 residents currently. He stated that an investment in Edgewater is an investment for yourselves.

Mary Meyer, 1450 Water Street, Apt. #302, expressed her thanks to everyone involved in maintaining Edgewater Manor. She stated over the past two years the residency rate had been flat at 30% and this past year has seen all but 11 apartments inhabited. She encouraged the Council and the Redevelopment Authority to approve the items that can be afforded.

Mayor Wiza stated that what has been inspected and cited as hazardous, needs to be addressed.

Mary Ann Laszewski, 1209 Wisconsin Street, reminded everyone that in the past three years the City Council has voted not to sell Edgewater and the cash flow from Edgewater has funded other City projects. She reported Edgewater serves a population of needs that cannot be met anywhere else in Stevens Point and extends the independence of many senior residents.

Chairman Schlice stated funds and income will not support borrowing for the full amount of the project. He added that this cannot move forward until the funding level is determined by the Common Council, then the Redevelopment Authority should meet to prioritize concerns and receive public input.

Commissioner Gardner asked if it would be better to do exterior façade and P-tach work at the same time or if the P-tach could be done at a later time.

Mr. Johnson replied it would be best to do those repairs together, the façade, windows and air conditioners all at once.

Commissioner Sawyer asked if the RA would make a budget proposal that would be voted upon or would it ratify the report and pass it on to the Council for them to decide what dollar amount should be assigned to the project.

Chairman Schlice stated it should be the Common Council making a decision on the amount of funding the City is willing to support.

Mayor Wiza stated the Council has a say in the disposal of the building and handles the financial part of it but it is the RA who is charged with the maintenance and handling of the property. He stated the Council should set a specific dollar amount for Edgewater and the RA then prioritize the repairs that need to be addressed.

Director Ostrowski stated that in the first six months, Edgewater had a balance of approximately \$60,000 that has been made on net profit. He stated that if a higher occupancy is maintained, net profit could be \$120,000 to \$150,000 annually, which over a 20 year period would be \$2.3 million and that amount could be borrowed to make repairs. He said \$2.3 million would be used for all the necessary repairs such as windows, sidewalk, asphalt, roof, generator, etc., without even addressing the cosmetic concerns.

Commissioner Molski reiterated the safety issues that have been cited need to be repaired first and will exceed \$1 million, now the City is obligated to come up with the funding for those repairs.

Commission Sawyer **moved**, seconded by Commissioner Gardner, to make a formal request for funding from the Common Council for improvements at Edgewater Manor.

Call for the Vote: Ayes: Schlice, Molski, Sawyer, Gardner
 Nay: Phillips

4. Adjournment.

The meeting was adjourned at 6:34 p.m.

Approved:

John Schlice, Chairperson

Date

Attest:

Michael Ostrowski, Executive Director

Date

2:55 PM
02/27/15
Cash Basis

Edgewater Manor- Profit & Loss

February 2015

	Feb 15
Ordinary Income/Expense	
Income	
A/C Income	92.28
Cable Income	1,666.40
Tenant Reimbursements	
Tenant Repair refund	50.00
Total Tenant Reimbursements	50.00
Rental Income	30,578.32
Fee Income	
Laundry	1,139.75
Total Fee Income	1,139.75
Total Income	33,526.75
Gross Profit	33,526.75
Expense	
Advertising	1,856.72
Management Fees	2,140.48
Repairs	
Building Repairs	4,103.01
Total Repairs	4,103.01
Snow Removal	599.00
Telephone	155.89
Trash Removal	320.54
Utilities	
Gas and Electric	7,680.92
Water	3,338.22
Total Utilities	11,019.14
Total Expense	20,194.78
Net Ordinary Income	13,331.97
Other Income/Expense	
Other Income	
Other Income	
Security Deposit Collected	300.00
Total Other Income	300.00
Total Other Income	300.00
Other Expense	
Other Expense	
owners draw	13,331.97
Total Other Expense	13,331.97
Total Other Expense	13,331.97
Net Other Income	-13,031.97
Net Income	300.00

2:54 PM

02/27/15

Cash Basis

Edgewater Manor - Checkbook Register

As of February 28, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						0.00
Edgewater Manor						0.00
General Journal	2/1/2015			564.00	564.00	564.00
General Journal	2/1/2015			564.00	564.00	1,128.00
General Journal	2/1/2015			564.00	564.00	1,692.00
Deposit	2/1/2015			1,139.75	1,139.75	2,831.75
Check	2/1/2015	31776	WPS	-17.52	-17.52	2,814.23
Deposit	2/1/2015			560.00	560.00	3,374.23
Deposit	2/1/2015			1,745.00	1,745.00	5,119.23
Check	2/1/2015	32008	Adam Roberts	-590.25	-590.25	4,528.98
Deposit	2/2/2015			11,297.00	11,297.00	15,825.98
Deposit	2/3/2015			560.00	560.00	16,385.98
Check	2/3/2015	31846	Candlewood Property Management	-1,761.39	-1,761.39	14,624.59
Deposit	2/4/2015			610.00	610.00	15,234.59
Check	2/4/2015	31886	Wroblewski Concrete	-599.00	-599.00	14,635.59
Check	2/4/2015	31883	Stevens Point Water Dept.	-3,338.22	-3,338.22	11,297.37
General Journal	2/5/2015			295.00	295.00	11,592.37
General Journal	2/5/2015			560.00	560.00	12,152.37
General Journal	2/5/2015			564.00	564.00	12,716.37
General Journal	2/5/2015			297.00	297.00	13,013.37
General Journal	2/5/2015			237.00	237.00	13,250.37
General Journal	2/5/2015			331.00	331.00	13,581.37
General Journal	2/5/2015			430.00	430.00	14,011.37
General Journal	2/5/2015			327.00	327.00	14,338.37
General Journal	2/5/2015			306.00	306.00	14,644.37
General Journal	2/5/2015			267.00	267.00	14,911.37
General Journal	2/5/2015			302.00	302.00	15,213.37
General Journal	2/5/2015			299.00	299.00	15,512.37
General Journal	2/5/2015			318.00	318.00	15,830.37
General Journal	2/5/2015			271.00	271.00	16,101.37
General Journal	2/5/2015			258.00	258.00	16,359.37
General Journal	2/5/2015			379.00	379.00	16,738.37
General Journal	2/5/2015			301.00	301.00	17,039.37
General Journal	2/5/2015			293.00	293.00	17,332.37
Deposit	2/5/2015			4,707.00	4,707.00	22,039.37
Deposit	2/6/2015			660.00	660.00	22,699.37
Check	2/10/2015	31952	Liturgical Publications Inc.	-1,700.00	-1,700.00	20,999.37
Check	2/10/2015	31953	Advanced Disposal	-320.54	-320.54	20,678.83
Deposit	2/11/2015			560.00	560.00	21,238.83
Deposit	2/13/2015			560.00	560.00	21,798.83
General Journal	2/15/2015			560.00	560.00	22,358.83
Check	2/17/2015	32027	AT&T	-155.89	-155.89	22,202.94
Check	2/18/2015	32071	Candlewood Property Management	-1,908.09	-1,908.09	20,294.85
Deposit	2/18/2015			1,341.00	1,341.00	21,635.85
Deposit	2/20/2015			610.00	610.00	22,245.85
Deposit	2/23/2015			610.00	610.00	22,855.85
Check	2/24/2015	32132	WPS	-7,663.40	-7,663.40	15,192.45
Deposit	2/25/2015			280.00	280.00	15,472.45
Check	2/27/2015		Candlewood Property Management	-2,140.48	-2,140.48	13,331.97

2:54 PM

02/27/15

Cash Basis

Edgewater Manor - Checkbook Register
As of February 28, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Check	2/27/2015		Edgewater Manor	-13,331.97	-13,331.97	0.00
Total Edgewater Manor					0.00	0.00
Total Chase - Trust Account					0.00	0.00
TOTAL					0.00	0.00

2:48 PM

02/27/15

Cash Basis

Edgewater Manor Security Deposits - Checkbook Register
As of February 28, 2015

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Original Amount</u>	<u>Paid Amount</u>	<u>Balance</u>
Chase - Trust Account						23,913.99
Edgewater Manor Security Depos						23,913.99
Deposit	2/23/2015			300.00	300.00	24,213.99
Total Edgewater Manor Security Depos					300.00	24,213.99
Total Chase - Trust Account					300.00	24,213.99
TOTAL					300.00	24,213.99

2:38 PM

04/29/15

Cash Basis

Edgewater Manor- Profit & Loss

April 2015

	<u>Apr 15</u>
Ordinary Income/Expense	
Income	
A/C Income	112.47
Cable Income	1,819.86
Rental Income	31,351.71
Fee Income	
soda machine	595.05
Laundry	930.50
Total Fee Income	<u>1,525.55</u>
Total Income	<u>34,809.59</u>
Gross Profit	34,809.59
Expense	
Cable Service	2,734.92
Advertising	108.00
Carpet Cleaning	422.00
Management Fees	2,194.62
Repairs	
Building Repairs	14,351.74
Total Repairs	<u>14,351.74</u>
Supplies	
Maintenance	95.97
Total Supplies	<u>95.97</u>
Telephone	154.78
Trash Removal	329.03
Utilities	
Gas and Electric	17.52
Water	123.00
Total Utilities	<u>140.52</u>
Total Expense	<u>20,531.58</u>
Net Ordinary Income	14,278.01
Other Income/Expense	
Other Income	
Other Income	
Security Deposit Collected	1,877.50
Other Income - Other	-1,600.00
Total Other Income	<u>277.50</u>
Total Other Income	277.50
Other Expense	
Other Expense	
Security Deposit Refunded	535.00
Total Other Expense	<u>535.00</u>
Total Other Expense	535.00
Net Other Income	<u>-257.50</u>
Net Income	<u><u>14,020.51</u></u>

2:38 PM

04/29/15

Cash Basis

Edgewater Manor - Checkbook Register

As of April 30, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						0.00
Edgewater Manor						0.00
General Journal	04/01/2015			595.00	595.00	595.00
General Journal	04/01/2015			564.00	564.00	1,159.00
General Journal	04/01/2015			564.00	564.00	1,723.00
General Journal	04/01/2015			564.00	564.00	2,287.00
Deposit	04/01/2015			342.00	342.00	2,629.00
Check	04/01/2015	32556	Charter Communications	-2,734.92	-2,734.92	-105.92
Deposit	04/01/2015			1,170.00	1,170.00	1,064.08
Check	04/01/2015	32576	Stevens Point Water Dept.	-123.00	-123.00	941.08
Check	04/01/2015	32583	WPS	-17.52	-17.52	923.56
Deposit	04/01/2015			1,155.00	1,155.00	2,078.56
Deposit	04/01/2015			560.00	560.00	2,638.56
Deposit	04/01/2015			7,896.00	7,896.00	10,534.56
Deposit	04/01/2015			641.00	641.00	11,175.56
Deposit	04/01/2015			205.30	205.30	11,380.86
Deposit	04/01/2015			1,498.00	1,498.00	12,878.86
General Journal	04/01/2015			-299.00	-299.00	12,579.86
Check	04/01/2015	31755	Wil-Kil Pest Control	-1,600.00	-1,600.00	10,979.86
General Journal	04/01/2015			-162.50	-162.50	10,817.36
Deposit	04/02/2015			433.50	433.50	11,250.86
Check	04/02/2015	32652	Carpet One Cleaning Services	-422.00	-422.00	10,828.86
Deposit	04/02/2015			605.00	605.00	11,433.86
General Journal	04/02/2015			-299.00	-299.00	11,134.86
Deposit	04/03/2015			1,982.00	1,982.00	13,116.86
General Journal	04/03/2015			-299.00	-299.00	12,817.86
General Journal	04/05/2015			295.00	295.00	13,112.86
General Journal	04/05/2015			560.00	560.00	13,672.86
General Journal	04/05/2015			564.00	564.00	14,236.86
General Journal	04/05/2015			237.00	237.00	14,473.86
General Journal	04/05/2015			331.00	331.00	14,804.86
General Journal	04/05/2015			430.00	430.00	15,234.86
General Journal	04/05/2015			327.00	327.00	15,561.86
General Journal	04/05/2015			306.00	306.00	15,867.86
General Journal	04/05/2015			267.00	267.00	16,134.86
General Journal	04/05/2015			302.00	302.00	16,436.86
General Journal	04/05/2015			318.00	318.00	16,754.86
General Journal	04/05/2015			271.00	271.00	17,025.86
General Journal	04/05/2015			258.00	258.00	17,283.86
General Journal	04/05/2015			379.00	379.00	17,662.86
General Journal	04/05/2015			293.00	293.00	17,955.86
Deposit	04/06/2015			560.00	560.00	18,515.86
Check	04/06/2015	32700	Stevens Point & Wisc Rapids BG	-108.00	-108.00	18,407.86
Check	04/06/2015	32714	Candlewood Property Management	-3,281.04	-3,281.04	15,126.82
Deposit	04/07/2015			3,000.75	3,000.75	18,127.57
Check	04/07/2015	32741	Advanced Disposal	-329.03	-329.03	17,798.54
Deposit	04/07/2015			80.00	80.00	17,878.54
Check	04/09/2015	32751	Adam Roberts	-1,042.65	-1,042.65	16,835.89
Check	04/10/2015	32769	Portage County Housing Authority	-589.35	-589.35	16,246.54

2:38 PM

04/29/15

Cash Basis

Edgewater Manor - Checkbook Register

As of April 30, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Check	04/10/2015	32770	████████████████████	-376.16	-376.16	15,870.38
Deposit	04/10/2015			980.00	980.00	16,850.38
Check	04/13/2015	32589	AT&T	-154.78	-154.78	16,695.60
General Journal	04/15/2015			560.00	560.00	17,255.60
Deposit	04/15/2015			826.00	826.00	18,081.60
Deposit	04/17/2015			1,080.00	1,080.00	19,161.60
Deposit	04/20/2015			595.05	595.05	19,756.65
Check	04/20/2015	32914	PerMar Security Systems	-132.32	-132.32	19,624.33
Check	04/21/2015	32941	Candlewood Property Management	-5,382.42	-5,382.42	14,241.91
Deposit	04/22/2015			610.00	610.00	14,851.91
Deposit	04/22/2015			1,409.50	1,409.50	16,261.41
Deposit	04/22/2015			930.50	930.50	17,191.91
Check	04/24/2015	32955	WPS	-4,513.31	-4,513.31	12,678.60
Deposit	04/27/2015			1,730.00	1,730.00	14,408.60
Check	04/28/2015	32982	Worzalla Point Supply	-95.97	-95.97	14,312.63
Deposit	04/29/2015			560.00	560.00	14,872.63
Check	04/29/2015		Candlewood Property Management	-2,194.62	-2,194.62	12,678.01
Total Edgewater Manor					12,678.01	12,678.01
Total Chase - Trust Account					12,678.01	12,678.01
TOTAL					12,678.01	12,678.01

2:24 PM

04/29/15

Cash Basis

Edgewater Manor Security Deposits - Checkbook Register

As of April 30, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						24,642.61
Edgewater Manor Security Depos						24,642.61
General Journal	04/01/2015			162.50	162.50	24,805.11
Deposit	04/02/2015			595.00	595.00	25,400.11
Check	04/13/2015	32813	XXXXXXXXXX	-535.00	-535.00	24,865.11
Deposit	04/15/2015			560.00	560.00	25,425.11
Deposit	04/27/2015			560.00	560.00	25,985.11
Total Edgewater Manor Security Depos					1,342.50	25,985.11
Total Chase - Trust Account					1,342.50	25,985.11
TOTAL					1,342.50	25,985.11

11:45 AM

05/29/15

Cash Basis

Edgewater Manor- Profit & Loss

May 2015

	May 15
Ordinary Income/Expense	
Income	
A/C Income	92.38
Cable Income	1,595.83
Rental Income	30,328.74
Total Income	<u>32,016.95</u>
Gross Profit	32,016.95
Expense	
Cable Service	2,734.92
Advertising	413.00
Repairs	
Building Repairs	10,985.91
Total Repairs	10,985.91
Telephone	154.77
Trash Removal	326.74
Utilities	
Gas and Electric	17.52
Water	2,896.68
Total Utilities	2,914.20
Total Expense	<u>17,529.54</u>
Net Ordinary Income	14,487.41
Other Income/Expense	
Other Income	
Other Income	
Security Deposit Collected	1,715.00
Total Other Income	<u>1,715.00</u>
Total Other Income	1,715.00
Other Expense	
PILOT	27,014.20
Other Expense	
Security Deposit Refunded	307.55
Total Other Expense	<u>307.55</u>
Total Other Expense	27,321.75
Net Other Income	-25,606.75
Net Income	<u><u>-11,119.34</u></u>

11:45 AM

05/29/15

Cash Basis

Edgewater Manor - Checkbook Register

As of May 31, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						12,678.01
Edgewater Manor						12,678.01
General Journal	05/01/2015		[REDACTED]	595.00	595.00	13,273.01
General Journal	05/01/2015			564.00	564.00	13,837.01
General Journal	05/01/2015			564.00	564.00	14,401.01
General Journal	05/01/2015			564.00	564.00	14,965.01
Deposit	05/01/2015			30.00	30.00	14,995.01
Check	05/01/2015	32993	Charter Communications	-2,734.92	-2,734.92	12,260.09
Check	05/01/2015	32994	WPS	-17.52	-17.52	12,242.57
Deposit	05/01/2015			2,279.00	2,279.00	14,521.57
Deposit	05/01/2015			342.00	342.00	14,863.57
Check	05/01/2015	33012	Automatic Entrances of Wisconsin, I...	-2,120.00	-2,120.00	12,743.57
Deposit	05/01/2015			265.00	265.00	13,008.57
Deposit	05/01/2015			560.00	560.00	13,568.57
Deposit	05/02/2015			1,981.00	1,981.00	15,549.57
Deposit	05/04/2015			560.00	560.00	16,109.57
Deposit	05/04/2015			13,621.00	13,621.00	29,730.57
Check	05/04/2015	33062	Candlewood Property Management	-2,054.86	-2,054.86	27,675.71
Check	05/04/2015	33086	Wil-Kil Pest Control	-2,500.00	-2,500.00	25,175.71
General Journal	05/05/2015			295.00	295.00	25,470.71
General Journal	05/05/2015			560.00	560.00	26,030.71
General Journal	05/05/2015			564.00	564.00	26,594.71
General Journal	05/05/2015			237.00	237.00	26,831.71
General Journal	05/05/2015			331.00	331.00	27,162.71
General Journal	05/05/2015			430.00	430.00	27,592.71
General Journal	05/05/2015			327.00	327.00	27,919.71
General Journal	05/05/2015			306.00	306.00	28,225.71
General Journal	05/05/2015			267.00	267.00	28,492.71
General Journal	05/05/2015			302.00	302.00	28,794.71
General Journal	05/05/2015			318.00	318.00	29,112.71
General Journal	05/05/2015			271.00	271.00	29,383.71
General Journal	05/05/2015			258.00	258.00	29,641.71
General Journal	05/05/2015			379.00	379.00	30,020.71
General Journal	05/05/2015			293.00	293.00	30,313.71
Check	05/05/2015	33070	City of Stevens Point	-27,014.20	-27,014.20	3,299.51
Check	05/06/2015	33140	Stevens Point Water Dept.	-2,896.68	-2,896.68	402.83
Check	05/06/2015	33148	Adam Roberts	-695.10	-695.10	-292.27
Deposit	05/06/2015			1,101.00	1,101.00	808.73
Check	05/08/2015	33177	Stevens Point & Wisc Rapids BG	-118.00	-118.00	690.73
General Journal	05/08/2015	NSF-...	[REDACTED]	-595.00	-595.00	95.73
Check	05/11/2015	33195	Advanced Disposal	-326.74	-326.74	-231.01
Deposit	05/12/2015			801.40	801.40	570.39
General Journal	05/15/2015			560.00	560.00	1,130.39
Check	05/15/2015	33242	AT&T	-154.77	-154.77	975.62
Deposit	05/15/2015			1,871.55	1,871.55	2,847.17
Check	05/18/2015	33286	Liturgical Publications Inc.	-295.00	-295.00	2,552.17
Deposit	05/20/2015			995.00	995.00	3,547.17
Check	05/20/2015	33300	Candlewood Property Management	-3,246.70	-3,246.70	300.47
Deposit	05/22/2015			220.00	220.00	520.47

11:45 AM
 05/29/15
 Cash Basis

Edgewater Manor - Checkbook Register
 As of May 31, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Check	05/26/2015	33367	Central Wisconsin Duct Cleaning LLC	-369.25	-369.25	151.22
Total Edgewater Manor					-12,526.79	151.22
Total Chase - Trust Account					-12,526.79	151.22
TOTAL					-12,526.79	151.22

10:39 AM

05/29/15

Cash Basis

Edgewater Manor Security Deposits - Checkbook Register
As of May 31, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						25,985.11
Edgewater Manor Security Deposits						25,985.11
Deposit	05/02/2015			560.00	560.00	26,545.11
Deposit	05/15/2015			595.00	595.00	27,140.11
Check	05/18/2015	33261		-307.55	-307.55	26,832.56
Deposit	05/22/2015			560.00	560.00	27,392.56
Total Edgewater Manor Security Deposits					1,407.45	27,392.56
Total Chase - Trust Account					1,407.45	27,392.56
TOTAL					1,407.45	27,392.56

	2015 Proposed Budget	Monthly Budget amount	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Year to date Totals	2015 Proposed Budget	Percentage of Yearly Budget	
Operating Receipts																		Operating Receipts
Gross Potential Rents	516,240.00	43,020.00													0.00	516,240.00	0.00	Gross Potential Rents
Vacancy Loss (30% 2015)	154,872.00	12,906.00													0.00	154,872.00	0.00	Vacancy Loss (30% 2015)
Net Rental Revenue	361,368.00	30,114.00	32,058.70	30,578.32	30,927.81	31,351.71	30,328.74	38,798.25							194,043.53	361,368.00	0.54	Net Rental Revenue
Excess Utilities	0.00	0.00													0.00	0.00	#DIV/0!	Excess Utilities
Total Rental Income	361,368.00	30,114.00	32,058.70	30,578.32	30,927.81	31,351.71	30,328.74	38,798.25	0.00	0.00	0.00	0.00	0.00	0.00	194,043.53	361,368.00	0.54	Total Rental Income
Interest on General Fund Investments	0.00	0.00													0.00	0.00	#DIV/0!	Interest on General Fund Investments
Other Income	0.00	0.00													0.00	0.00	#DIV/0!	Other Income
Other Income - A/C	1,100.00	91.67	100.50	92.28	90.18	112.47	92.38	128.98							616.79	1,100.00	0.56	Other Income - A/C
Other Income - Cable Revenue	19,000.00	1,583.33	1,754.43	1,666.40	1,698.61	1,819.86	1,595.83	2,155.07							10,690.20	19,000.00	0.56	Other Income - Cable Revenue
Other Income - Laundry Revenue	4,000.00	333.33	280.00			980.50									5,129.25	4,000.00	1.28	Other Income - Laundry Revenue
Other Income - Vending Machine Revenue	2,000.00	166.67				595.00									595.00	2,000.00	0.31	Other Income - Vending Machine Revenue
Other Income - Resident Charges	0.00	0.00	47.50	50.00	300.00										397.50	0.00	#DIV/0!	Other Income - Resident Charges
Total Operating Income	387,468.00	32,289.00	34,241.13	33,526.75	34,366.60	34,809.59	32,016.95	42,511.30	0.00	0.00	0.00	0.00	0.00	0.00	211,472.32	387,468.00	0.55	Total Operating Income
Operating Expenditures - Administration																		Operating Expenditures - Administration
Administrative Salaries (Front-Line)	0.00	0.00													0.00	0.00	#DIV/0!	Administrative Salaries (Front-Line)
Management Fee	25,295.76	2,107.98	2,244.11	2,140.48	2,164.95	2,194.62		4,838.89							13,583.05	25,295.76	0.54	Management Fee
Marketing	5,000.00	416.67		1,856.72	583.00	108.00	413.00	764.65							3,725.37	5,000.00	0.75	Marketing
Contract Maintenance-Admin	0.00	0.00													0.00	0.00	#DIV/0!	Contract Maintenance-Admin
Legal Expense	0.00	0.00													0.00	0.00	#DIV/0!	Legal Expense
Staff Training	0.00	0.00													0.00	0.00	#DIV/0!	Staff Training
Travel	0.00	0.00													0.00	0.00	#DIV/0!	Travel
Office Expense (publications, misc)	500.00	41.67	450.50												450.50	500.00	0.90	Office Expense (publications, misc)
Office Supplies	1,000.00	83.33	42.43												42.43	1,000.00	0.04	Office Supplies
Accounting Fees	0.00	0.00													0.00	0.00	#DIV/0!	Accounting Fees
Auditing Fees	2,000.00	166.67													0.00	2,000.00	0.00	Auditing Fees
Collection Agency/Court Costs	0.00	0.00													0.00	0.00	#DIV/0!	Collection Agency/Court Costs
Comp Absences	0.00	0.00													0.00	0.00	#DIV/0!	Comp Absences
Employee Benefit Contributions - Front-Line	0.00	0.00													0.00	0.00	#DIV/0!	Employee Benefit Contributions - Front-Line
Sundry-Other	0.00	0.00													0.00	0.00	#DIV/0!	Sundry-Other
Sundry-Office Supplies	0.00	0.00													0.00	0.00	#DIV/0!	Sundry-Office Supplies
Sundry-Postage	0.00	0.00													0.00	0.00	#DIV/0!	Sundry-Postage
Sundry-Advertising	0.00	0.00													0.00	0.00	#DIV/0!	Sundry-Advertising
Sundry-CBR	0.00	0.00													0.00	0.00	#DIV/0!	Sundry-CBR
Total Administrative Expenses	33,795.76	2,816.31	2,737.04	3,997.20	2,747.45	2,302.62	413.00	5,603.54	0.00	0.00	0.00	0.00	0.00	0.00	17,801.35	33,795.76	0.53	Total Administrative Expenses
Resident Services Expenditures																		Resident Services Expenditures
Salaries	0.00	0.00													0.00	0.00	#DIV/0!	Salaries
Recreation, Publications & Other Services	0.00	0.00													0.00	0.00	#DIV/0!	Recreation, Publications & Other Services
Comp Absences	0.00	0.00													0.00	0.00	#DIV/0!	Comp Absences
Employee Benefit Contribution	0.00	0.00													0.00	0.00	#DIV/0!	Employee Benefit Contribution
Total Resident Services	0.00	0.00													0.00	0.00	#DIV/0!	Total Resident Services
Utilities Expenditures																		Utilities Expenditures
Water and Sewer	13,755.65	1,146.30	123.00	3,338.22		123.00	2,896.68								0.00	13,755.65	0.47	Water and Sewer
Cable	34,891.25	2,907.60	2,734.92		2,774.21	2,734.92	2,734.92								6,480.80	34,891.25	0.39	Cable
Phone	1,572.81	131.07	142.43	155.89	154.65	154.78	154.77	154.77							917.29	1,572.81	0.58	Phone
Gas and Electric	71,967.13	5,997.26	15,556.67	7,480.92	6,957.08	17.52	3,514.18								33,743.89	71,967.13	0.47	Gas and Electric
Other Utilities Expense	0.00	0.00													0.00	0.00	#DIV/0!	Other Utilities Expense
Total Utilities Expense	122,186.84	10,182.24	18,557.02	11,175.03	9,885.94	3,030.22	5,803.89	6,403.87	0.00	0.00	0.00	0.00	0.00	0.00	54,855.97	122,186.84	0.45	Total Utilities Expense
Maintenance Expenditures																		Maintenance Expenditures
Labor (1/2 time Maint Person assigned)	0.00	0.00													0.00	0.00	#DIV/0!	Labor (1/2 time Maint Person assigned)
Building Repairs	150,000.00	12,500.00	9,653.33	4,103.01	5,430.69	14,869.71	10,985.91	15,678.86							60,721.51	150,000.00	0.40	Building Repairs
Materials	20,000.00	1,666.67													0.00	20,000.00	0.00	Materials
Contract Costs-Other	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Other
Contract Costs-Heat & Cooling	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Heat & Cooling
Contract Costs-Door Openers/Security	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Door Openers/Security
Contract Costs-Elevator Maintenance	10,000.00	833.33	4,428.96												4,428.96	10,000.00	0.44	Contract Costs-Elevator Maintenance
Contract Costs-Grounds-Lawn	2,500.00	208.33													0.00	2,500.00	0.00	Contract Costs-Grounds-Lawn
Contract Costs-Grounds-Snow	3,000.00	250.00	599.00	599.00	599.00										1,797.00	3,000.00	0.60	Contract Costs-Grounds-Snow
Contract Costs-Unit Turnaround	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Unit Turnaround
Contract Costs-Electrical	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Electrical
Contract Costs-Plumbing	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Plumbing
Contract Costs-Estermination (Spiders)	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Estermination (Spiders)
Contract Costs-Janitorial	0.00	0.00													0.00	0.00	#DIV/0!	Contract Costs-Janitorial
Contract Costs-Garbage & Trash Removal	3,656.50	304.71	350.71	320.54	328.26	329.03	326.74	338.49							1,993.77	3,656.50	0.55	Contract Costs-Garbage & Trash Removal
Compensated Absences	0.00	0.00													0.00	0.00	#DIV/0!	Compensated Absences
Employee Benefits Contributions - Maint	0.00	0.00													0.00	0.00	#DIV/0!	Employee Benefits Contributions - Maint
Total Maintenance Expense	189,156.50	15,763.04	19,032.00	5,022.55	6,357.95	15,198.74	11,312.65	16,017.35	0.00	0.00	0.00	0.00	0.00	0.00	68,941.24	189,156.50	0.36	Total Maintenance Expense
General Expenditures																		General Expenditures
Insurance Expense-Other (Boilers)	500.00	41.67													0.00	500.00	0.00	Insurance Expense-Other (Boilers)
Insurance Expense-Work Comp	0.00	0.00													0.00	0.00	#DIV/0!	Insurance Expense-Work Comp
Insurance Expense-Property	5,000.00	416.67													0.00	5,000.00	0.00	Insurance Expense-Property
Insurance Expense-Gen Liability	6,500.00	541.67						6,398.36							6,398.36	6,500.00	0.98	Insurance Expense-Gen Liability
Insurance Expense-Automobiles	0.00	0.00													0.00	0.00	#DIV/0!	Insurance Expense-Automobiles
Insurance Expense-Dishonesty Bond	0.00	0.00													0.00	0.00	#DIV/0!	Insurance Expense-Dishonesty Bond
Payments in Lieu of Taxes	27,564.52	2,297.04																

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07/01/15

Cash Basis

Edgewater Manor- Profit & Loss

June 2015

	Jun 15
Ordinary Income/Expense	
Income	
A/C Income	128.98
Cable Income	2,155.07
Rental Income	38,798.25
Fee Income	
Laundry	1,429.00
Total Fee Income	1,429.00
Total Income	42,511.30
Gross Profit	42,511.30
Expense	
Extraordinary Contracts	3,500.00
Cable Service	2,734.92
Advertising	353.20
Insurance	
Liability Insurance	6,398.36
Total Insurance	6,398.36
Management Fees	4,838.89
Repairs	
Building Repairs	15,678.86
Total Repairs	15,678.86
Supplies	
Marketing	411.45
Total Supplies	411.45
Telephone	154.77
Trash Removal	338.49
Utilities	
Gas and Electric	3,514.18
Total Utilities	3,514.18
Total Expense	37,923.12
Net Ordinary Income	4,588.18
Other Income/Expense	
Other Income	
Other Income	
Security Deposit Collected	4,045.00
Total Other Income	4,045.00
Total Other Income	4,045.00
Other Expense	
Other Expense	
Security Deposit Refunded owners draw	744.02 4,739.40
Total Other Expense	5,483.42
Total Other Expense	5,483.42
Net Other Income	-1,438.42
Net Income	3,149.76

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07/01/15

Cash Basis

Edgewater Manor - Checkbook Register

As of June 30, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						151.22
Edgewater Manor						151.22
General Journal	06/01/2015			595.00	595.00	746.22
General Journal	06/01/2015			564.00	564.00	1,310.22
General Journal	06/01/2015			564.00	564.00	1,874.22
General Journal	06/01/2015			564.00	564.00	2,438.22
Deposit	06/01/2015			1,555.00	1,555.00	3,993.22
Check	06/01/2015	33388	Charter Communications	-2,734.92	-2,734.92	1,258.30
Deposit	06/01/2015			610.00	610.00	1,868.30
Check	06/01/2015	33415	Adam Roberts	-347.55	-347.55	1,520.75
Check	06/01/2015	33423	Candlewood Property Management	-2,534.46	-2,534.46	-1,013.71
Deposit	06/01/2015			1,120.00	1,120.00	106.29
Deposit	06/01/2015			265.00	265.00	371.29
Deposit	06/01/2015			560.00	560.00	931.29
Deposit	06/01/2015			9,973.00	9,973.00	10,904.29
Check	06/01/2015	33449	WPS	-3,514.18	-3,514.18	7,390.11
Deposit	06/01/2015			1,154.00	1,154.00	8,544.11
Deposit	06/02/2015			301.00	301.00	8,845.11
Deposit	06/02/2015			975.25	975.25	9,820.36
Deposit	06/03/2015			610.00	610.00	10,430.36
Check	06/03/2015	33496	W.J. Higgins	-1,100.00	-1,100.00	9,330.36
Deposit	06/04/2015			4,482.00	4,482.00	13,812.36
Check	06/04/2015	33563	Candlewood Property Management	-3,797.49	-3,797.49	10,014.87
General Journal	06/05/2015			295.00	295.00	10,309.87
General Journal	06/05/2015			560.00	560.00	10,869.87
General Journal	06/05/2015			564.00	564.00	11,433.87
General Journal	06/05/2015			379.00	379.00	11,812.87
General Journal	06/05/2015			-228.00	-228.00	11,584.87
General Journal	06/05/2015			237.00	237.00	11,821.87
General Journal	06/05/2015			331.00	331.00	12,152.87
General Journal	06/05/2015			430.00	430.00	12,582.87
General Journal	06/05/2015			327.00	327.00	12,909.87
General Journal	06/05/2015			306.00	306.00	13,215.87
General Journal	06/05/2015			267.00	267.00	13,482.87
General Journal	06/05/2015			302.00	302.00	13,784.87
General Journal	06/05/2015			318.00	318.00	14,102.87
General Journal	06/05/2015			271.00	271.00	14,373.87
General Journal	06/05/2015			258.00	258.00	14,631.87
General Journal	06/05/2015			293.00	293.00	14,924.87
Check	06/05/2015	33647	Stevens Point & Wisc Rapids BG	-126.88	-126.88	14,797.99
Deposit	06/05/2015			3,043.00	3,043.00	17,840.99
General Journal	06/06/2015			610.00	610.00	18,450.99
Check	06/08/2015	33614	Gannett Newspaper	-226.32	-226.32	18,224.67
Check	06/08/2015	33615	Advanced Disposal	-338.49	-338.49	17,886.18
Check	06/08/2015	33616	Excel Plumbing, Inc.	-73.85	-73.85	17,812.33
Check	06/09/2015	33784	Centerline Contracting, LLC	-1,385.00	-1,385.00	16,427.33
General Journal	06/09/2015			8.00	8.00	16,435.33
Deposit	06/10/2015			2,896.58	2,896.58	19,331.91
Check	06/11/2015	33801	Roto-Rooter	-195.00	-195.00	19,136.91
Deposit	06/12/2015			3,480.72	3,480.72	22,617.63
Check	06/15/2015	33738	AGL	-3,500.00	-3,500.00	19,117.63
Check	06/15/2015	33739	Marsh & McLennan Agency LLC	-6,398.36	-6,398.36	12,719.27
Check	06/15/2015	33740	AT&T	-154.77	-154.77	12,564.50
Check	06/15/2015	33741	Adam Roberts	-1,088.51	-1,088.51	11,475.99
Check	06/15/2015	33822	USA Fire Protection, Inc.	-195.00	-195.00	11,280.99
Deposit	06/18/2015			1,761.00	1,761.00	13,041.99
Check	06/18/2015	33866	Candlewood Property Management	-7,496.46	-7,496.46	5,545.53
Deposit	06/23/2015			836.00	836.00	6,381.53
Deposit	06/23/2015			453.75	453.75	6,835.28
Deposit	06/26/2015			620.00	620.00	7,455.28
Check	06/30/2015		Candlewood Property Management	-2,715.88	-2,715.88	4,739.40
Check	06/30/2015		Edgewater Manor	-4,739.40	-4,739.40	0.00
Total Edgewater Manor					-151.22	0.00
Total Chase - Trust Account					-151.22	0.00
TOTAL					-151.22	0.00

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07/01/15

Cash Basis

Edgewater Manor Security Deposits - Checkbook Register

As of June 30, 2015

Type	Date	Num	Name	Original Amount	Paid Amount	Balance
Chase - Trust Account						27,392.56
Edgewater Manor Security Deposits						27,392.56
Deposit	06/01/2015			400.00	400.00	27,792.56
Deposit	06/04/2015			560.00	560.00	28,352.56
Deposit	06/05/2015			560.00	560.00	28,912.56
General Journal	06/06/2015			210.00	210.00	29,122.56
Check	06/09/2015	33829		-184.02	-184.02	28,938.54
Deposit	06/10/2015			1,715.00	1,715.00	30,653.54
Deposit	06/12/2015			600.00	600.00	31,253.54
Check	06/30/2015			-560.00	-560.00	30,693.54
Total Edgewater Manor Security Deposits					3,300.98	30,693.54
Total Chase - Trust Account					3,300.98	30,693.54
TOTAL					3,300.98	30,693.54

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

EDGEWATER MANOR ACCOUNT (EDGEWATER CHECKING) (7)
February 28, 2015

Account: 24711101

Bank Account Number: 3078529996

Bank Statement Balance:	142,432.14	Book Balance Previous Month:	142,125.82
Outstanding Deposits:	.00	Total Receipts:	2,841.32
Outstanding Checks:	.00	Total Disbursements:	2,535.00
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	142,432.14	Book Balance:	142,432.14

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 2 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 2 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

CITY OF STEVENS POINT

Journals - CDEEDGE Journal for Redev Auth Edgewater
 CASH DISB - EDGEWATER (CDEEDGE)
 Period: 2/28/2015 (02/15)

Page: 1
 Mar 20, 2015 02:46PM

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CDEEDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CDEEDGE						
1						
02/17/2015	1	ACCOUNT ANALYSIS SETTLEMENT C	247.56.00600.5950	GEN ADMINISTRATION CHARGES	35.00	
2						
02/17/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS		35.00-

Documents: 2 Transactions: 2

Total CDEEDGE:

35.00 35.00-

Grand Totals:

35.00 35.00-

CITY OF STEVENS POINT

Journals - CREDGE Journal for Redev Auth Edgewater

Page: 1

CASH RECEIPTING - EDGEWATER (CREDGE)

Mar 20, 2015 02:48PM

Period: 2/28/2015 (02/15)

Report Criteria:

Total By Reference Number and Date

Journal Code: Journal Code = "CREDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CREDGE						
1						
02/04/2015	1	CANDLEWOOD	247.48.20120.51	RENTAL INCOME		2,838.01-
2						
02/04/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	2,838.01	
3						
02/27/2015	3	INTEREST FOR FEB 2015	247.48.00110.56	INTEREST ON CHECKING ACCT		3.31-
4						
02/27/2015	4	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	3.31	
Documents: 4 Transactions: 4						
Total CREDGE:					2,841.32	2,841.32-
Grand Totals:					2,841.32	2,841.32-

Handwritten initials and date: 5-18-15

CITY OF STEVENS POINT

Bank Reconciliation Report

Page: 1
May 18, 2015 08:56AM

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

EDGEWATER MANOR ACCOUNT (EDGEWATER CHECKING) (7)
April 30, 2015

Account: 24711101
Bank Account Number: 3078529996

Bank Statement Balance:	196,529.63	Book Balance Previous Month:	196,451.51
Outstanding Deposits:	.00	Total Receipts:	84.83
Outstanding Checks:	.00	Total Disbursements:	6.71
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	196,529.63	Book Balance:	196,529.63

Outstanding Deposits

No outstanding deposits found!
Deposits cleared: 2 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!
Checks cleared: 1 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

CITY OF STEVENS POINT

Journals - CDEDGE Journal for Redev Auth Edgewater
 CASH DISB - EDGEWATER (CDEDGE)
 Period: 4/30/2015 (04/15)

Page: 1
 May 18, 2015 09:54AM

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CDEDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CDEDGE						
04/15/2015	1	ACCOUNT ANALYSIS SETTLEMENT C	247.56.00600.5950	GEN ADMINISTRATION CHARGES	6.71	
04/15/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS		6.71-

Documents: 2 Transactions: 2

Total CDEDGE:

6.71 6.71-

Grand Totals:

6.71 6.71-

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CREDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CREDGE						
1						
04/15/2015	1	ACCOUNT ANAYLSIS ADJUSTMENT	247.56.00600.5950	GEN ADMINISTRATION CHARGES		80.00-
2						
04/15/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	80.00	
3						
04/30/2015	3	INTEREST FOR APRIL 2015	247.48.00110.56	INTEREST ON CHECKING ACCT		4.83-
4						
04/30/2015	4	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	4.83	
Documents: 4 Transactions: 4						
Total CREDGE:					84.83	84.83-
Grand Totals:					84.83	84.83-

aj
6-9-15
Plan *6-10-15*

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

EDGEWATER MANOR ACCOUNT (EDGEWATER CHECKING) (7)
May 31, 2015

Account: 24711101
Bank Account Number: 3078529996

Bank Statement Balance:	196,534.63	Book Balance Previous Month:	196,529.63
Outstanding Deposits:	.00	Total Receipts:	5.00
Outstanding Checks:	.00	Total Disbursements:	.00
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	196,534.63	Book Balance:	196,534.63

Outstanding Deposits

No outstanding deposits found!
Deposits cleared: 1 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!
Checks cleared: 0 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

CITY OF STEVENS POINT

Journals - CREDGE Journal for Redev Auth Edgewater
 CASH RECEIPTING - EDGEWATER (CREDGE)
 Period: 5/31/2015 (05/15)

Page: 1
 Jun 05, 2015 10:27AM

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CREDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CREDGE						
1						
05/29/2015	1	INTEREST FOR MAY 2015	247.48.00110.56	INTEREST ON CHECKING ACCT		5.00-
2						
05/29/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	5.00	
Documents: 2 Transactions: 2						
Total CREDGE:					5.00	5.00-
Grand Totals:					5.00	5.00-

Report Criteria:

Total By Reference Number and Date
Journal Code: Journal Code = "CDEdge"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
Total :					.00	.00
Grand Totals:					.00	.00

10 7-16-15

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

EDGEWATER MANOR ACCOUNT (EDGEWATER CHECKING) (7)

June 30, 2015

Account: 24711101

Bank Account Number: 3078529996

Bank Statement Balance:	196,539.46	Book Balance Previous Month:	196,534.63
Outstanding Deposits:	.00	Total Receipts:	4.83
Outstanding Checks:	.00	Total Disbursements:	.00
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	196,539.46	Book Balance:	196,539.46

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 1 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 0 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

CITY OF STEVENS POINT

Journals - CREDGE Journal for Redev Auth Edgewater
 CASH RECEIPTING - EDGEWATER (CREDGE)
 Period: 6/30/2015 (06/15)

Page: 1
 Jul 08, 2015 01:31PM

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CREDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CREDGE						
1						
06/30/2015	1	INTEREST FOR JUNE 2015	247.48.00110.56	INTEREST ON CHECKING ACCT		4.83-
2						
06/30/2015	2	Auto Batch Total	247.11101	OTHER CASH ACCOUNTS	4.83	
Documents: 2 Transactions: 2						
Total CREDGE:					4.83	4.83-
Grand Totals:					4.83	4.83-

Report Criteria:

Total By Reference Number and Date
Journal Code: Journal Code = "CEDGE"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
Total :					.00	.00
Grand Totals:					.00	.00

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

HOUSING TRUST FUND INTEREST ACCOUNT (HTF CHECKING) (6)
February 28, 2015

Account: 24611101
Bank Account Number: 3078529970

Bank Statement Balance:	121,798.29	Book Balance Previous Month:	117,477.40
Outstanding Deposits:	.00	Total Receipts:	4,363.46
Outstanding Checks:	.00	Total Disbursements:	42.57
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	121,798.29	Book Balance:	121,798.29

Outstanding Deposits

No outstanding deposits found!
Deposits cleared: 6 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!
Checks cleared: 1 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CRHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CRHTF						
1						
02/03/2015	1	VANG PAYMENT	246.49.00100.56	PRINCIPAL PAYMENTS		93.43-
2						
02/03/2015	2	CRABB PAYMENT	246.49.00100.56	PRINCIPAL PAYMENTS		168.68-
3						
02/03/2015	3	CEKOSH PAYMENT	246.49.00100.56	PRINCIPAL PAYMENTS		125.00-
4						
02/03/2015	4	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	387.11	
5						
02/03/2015	5	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		189.41-
6						
02/18/2015	6	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	189.41	
7						
02/18/2015	7	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		101.02-
8						
02/24/2015	8	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	101.02	
9						
02/24/2015	9	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		3,514.51-
10						
02/24/2015	10	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	3,514.51	
11						
02/24/2015	11	CRABB PAYMENT	246.49.00100.56	PRINCIPAL PAYMENTS		168.68-
12						
02/24/2015	12	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	168.68	
13						
02/27/2015	13	INTEREST PAYMENT	246.48.00110.56	INTEREST ON CHECKING ACCTS		2.73-
14						
02/27/2015	14	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	2.73	

Documents: 14 Transactions: 14

Total CRHTF:

4,363.46 4,363.46-

Grand Totals:

4,363.46 4,363.46-

Handwritten: 5-18-15, 5-18-15

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

HOUSING TRUST FUND INTEREST ACCOUNT (HTF CHECKING) (6)

April 30, 2015

Account: 24611101

Bank Account Number: 3078529970

Bank Statement Balance:	172,170.40	Book Balance Previous Month:	166,297.49
Outstanding Deposits:	.00	Total Receipts:	5,880.59
Outstanding Checks:	.00	Total Disbursements:	7.68
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	172,170.40	Book Balance:	172,170.40

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 6 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 1 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:
 Total By Reference Number and Date
 Journal Code: Journal Code = "CDHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CDHTF						
04/15/2015	1	ACCOUNT ANALYSIS SETTLEMENT C	246.56.00600.5950	GEN ADMIN CHARGES	7.68	
04/15/2015	2	Auto Batch Total	246.11101	OTHER CASH ACCOUNTS		7.68-

Documents: 2 Transactions: 2

Total CDHTF:					7.68	7.68-
Grand Totals:					7.68	7.68-

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CRHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CRHTF						
1						
04/03/2015	1	DEPOSIT - CEKOSH	246.49.00100.56	PRINCIPAL PAYMENTS		125.00-
2						
04/03/2015	2	DEPOSIT - VANG	246.49.00100.56	PRINCIPAL PAYMENTS		93.43-
3						
04/03/2015	3	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	218.43	
4						
04/07/2015	4	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		2,151.47-
5						
04/07/2015	5	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	2,151.47	
6						
04/15/2015	6	ACCOUNT ANALYSIS ADJUSTMENT	246.56.00600.5950	GEN ADMIN CHARGES		80.00-
7						
04/15/2015	7	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	80.00	
8						
04/21/2015	8	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		629.76-
9						
04/21/2015	9	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	629.76	
10						
04/28/2015	10	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		2,796.78-
11						
04/28/2015	11	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	2,796.78	
12						
04/30/2015	12	INTEREST FOR APRIL 2015	246.48.00110.56	INTEREST ON CHECKING ACCTS		4.15-
13						
04/30/2015	13	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	4.15	

Documents: 13 Transactions: 13

Total CRHTF:

5,880.59 5,880.59-

Grand Totals:

5,880.59 5,880.59-

MD 6-10-15

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

HOUSING TRUST FUND INTEREST ACCOUNT (HTF CHECKING) (6)

May 31, 2015

Account: 24611101

Bank Account Number: 3078529970

Bank Statement Balance:	187,212.86	Book Balance Previous Month:	172,170.40
Outstanding Deposits:	.00	Total Receipts:	15,045.42
Outstanding Checks:	.00	Total Disbursements:	2.96
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	187,212.86	Book Balance:	187,212.86

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 6 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 1 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:

Total By Reference Number and Date
Journal Code: Journal Code = "CDHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CDHTF						
05/15/2015	1	ACCOUNT ANALYSIS SETTLEMENT C	246.56.00600.5950	GEN ADMIN CHARGES	2.96	
05/15/2015	2	Auto Batch Total	246.11101	OTHER CASH ACCOUNTS		2.96-

Documents: 2 Transactions: 2

Total CDHTF:

2.96 2.96-

Grand Totals:

2.96 2.96-

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CRHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CRHTF						
1						
05/05/2015	1	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		172.18-
2						
05/05/2015	2	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	172.18	
3						
05/08/2015	3	DEPOSIT - CRABB	246.49.00100.56	PRINCIPAL PAYMENTS		168.68-
4						
05/08/2015	4	DEPOSIT - CRABB	246.49.00100.56	PRINCIPAL PAYMENTS		168.68-
5						
05/08/2015	5	DEPOSIT - CEKOSH	246.49.00100.56	PRINCIPAL PAYMENTS		125.00-
6						
05/08/2015	6	DEPOSIT - MCDONALD TITLE - 2165 P	246.49.00100.56	PRINCIPAL PAYMENTS		6,612.63-
7						
05/08/2015	7	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	7,074.99	
8						
05/19/2015	8	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		438.23-
9						
05/19/2015	9	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	438.23	
10						
05/21/2015	10	DEPOSIT-CEN WI HABITAT-3325 FOU	246.49.00100.56	PRINCIPAL PAYMENTS		4,400.00-
11						
05/21/2015	11	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	4,400.00	
12						
05/27/2015	12	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		2,955.46-
13						
05/27/2015	13	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	2,955.46	
14						
05/29/2015	14	INTEREST FOR MAY 2015	246.48.00110.56	INTEREST ON CHECKING ACCTS		4.56-
15						
05/29/2015	15	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	4.56	

Documents: 15 Transactions: 15

Total CRHTF:

15,045.42 15,045.42-

Grand Totals:

15,045.42 15,045.42-

7-16-15

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book Adjustments

HOUSING TRUST FUND INTEREST ACCOUNT (HTF CHECKING) (6)

June 30, 2015

Account: 24611101

Bank Account Number: 3078529970

Bank Statement Balance:	192,563.83	Book Balance Previous Month:	187,212.86
Outstanding Deposits:	.00	Total Receipts:	5,356.47
Outstanding Checks:	.00	Total Disbursements:	5.50
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	192,563.83	Book Balance:	192,563.83

Outstanding Deposits

No outstanding deposits found!

Deposits cleared: 7 items Deposits Outstanding: 0 items

Outstanding Checks

No outstanding checks found!

Checks cleared: 1 items Checks Outstanding: 0 items

Bank Adjustments

No bank adjustments found!

Book Adjustments

No book adjustments found!

Report Criteria:

Total By Reference Number and Date
 Journal Code: Journal Code = "CRHTF"

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CRHTF						
06/02/2015	1	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		56.84-
06/02/2015	2	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	56.84	
06/09/2015	3	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		1,400.97-
06/09/2015	4	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	1,400.97	
06/18/2015	5	CRABB	246.49.00100.56	PRINCIPAL PAYMENTS		168.68-
06/18/2015	6	CEKOSH	246.49.00100.56	PRINCIPAL PAYMENTS		125.00-
06/18/2015	7	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	293.68	
06/19/2015	8	VANG	246.49.00100.56	PRINCIPAL PAYMENTS		93.43-
06/19/2015	9	VANG	246.49.00100.56	PRINCIPAL PAYMENTS		93.43-
06/19/2015	10	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	186.86	
06/23/2015	11	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		642.60-
06/23/2015	12	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	642.60	
06/30/2015	13	BAIRD TRANSFER	246.48.00100.51	INV. INTEREST REVENUE		2,770.88-
06/30/2015	14	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	2,770.88	
06/30/2015	15	INTEREST FOR JUNE 2015	246.48.00110.56	INTEREST ON CHECKING ACCTS		4.64-
06/30/2015	16	CASH RECEIPT BANK REC.	246.11101	OTHER CASH ACCOUNTS	4.64	

Documents: 16 Transactions: 16

Total CRHTF:					5,356.47	5,356.47-
Grand Totals:					5,356.47	5,356.47-

August 10, 2015

Michael Ostrowski, Director
Redevelopment Authority
City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

**Subject: Amendment No. 3 to Proposal for Remedial Action Services
Former Lullabye Furniture Site
1017 Third Street
Stevens Point, Wisconsin
AECOM Project No. 60333629**

Dear Michael,

AECOM is submitting this Amendment No. 3 to our proposal dated September 17, 2014 for additional remedial action services associated with the Wisconsin Department of Natural Resources' (WDNR's) Ready for Reuse Grant RRG-044 for cleanup of soil contamination at the Former Lullabye Furniture site. Results from a recently completed site investigation indicated that additional tetrachloroethylene (PCE), and petroleum hydrocarbon contaminated soils are present in the southeast portion of the property at concentrations exceeding WDNR soil cleanup standards. This amendment includes AECOM and subcontractor services associated with excavation and landfill disposal of approximately 925 cubic yards (1,200 tons) of contaminated soils.

Project Scope – Additional

This project will include the following additional items:

1. Prepare a letter for submittal to the WDNR requesting additional funding under Ready for Reuse Grant RRG-044 to assist with cleanup of additional PCE contaminated soils discovered in the southeast portion of the Former Lullabye Furniture property. Coordinate submittal and approval of the additional funding request with the Redevelopment Authority (RA) of the City of Stevens Point and the WDNR's Ready for Reuse Grant program.
2. Retain a WDNR certified laboratory to analyze confirmation soil samples collected during excavation activities. It is estimated that up to 35 soil samples will be analyzed for volatile organic compounds (VOCs), and up to 5 soil samples will be analyzed for petroleum volatile organic compounds (PVOCs).
3. Retain a subcontractor to excavate, load, haul and dispose of PCE and petroleum hydrocarbon contaminated soils at a WDNR licensed landfill.
4. Provide remediation planning and oversight for the project, including:
 - a. Preparation of bid documents for solicitation of contractor bids to remove contaminated soils from the Former Lullabye site including excavation, loading, hauling and disposal of contaminated soils and backfilling of excavations.
 - b. Preparation of a waste generator profile for signature by the City of Stevens Point RA and submittal to the waste disposal facility for approval.

- c. Submittal of required documents and information to the WDNR Ready for Reuse program including identification of the proposed waste disposal site and source of granular fill materials for backfilling of excavations.
 - d. Updating the site-specific Health and Safety Plan to include the additional site work.
 - e. Excavation oversight, including field documentation and collection of soil samples for laboratory analysis of VOCs and PVOCs to confirm removal of the contaminated soils.
 - f. Subcontractor scheduling and coordination.
5. Incorporate the additional data and information obtained from the excavation and disposal of contaminated soils into the remedial action summary report and request for case closure.

Project Schedule - Revised

Contaminated soil excavation, disposal, and backfilling activities will take approximately 3-5 work days to complete over a 3-4 week period. The actual work dates will be determined based on subcontractor availability and receipt of laboratory analytical results from the confirmation soil samples. The first mobilization will include approximately 2-3 work days for excavating, loading, and hauling of contaminated soils to the landfill for disposal. The second mobilization for backfilling of excavations will follow approximately 1-2 weeks after the initial excavation activities were completed and take approximately 1-2 work days to complete. It is anticipated that work will proceed according to the following schedule:

- | | |
|---|--------------------------------|
| 1. Contaminated soil excavation and disposal: | August 17 – August 28, 2015 |
| 2. Receipt of laboratory analytical results: | August 26 – September 9, 2015 |
| 3. Backfilling of excavations: | August 31 – September 11, 2015 |

Assumptions

The project cost and schedule was prepared based on the following assumptions:

1. The RA will approve this amendment at their August 11, 2015 meeting.
2. The WDNR will approve the request for additional grant funding by August 14, 2015.
3. Weather conditions will be suitable for completion of field work as planned. Delays caused by adverse weather conditions, if significant, may result in adjustments to the project schedule and/or costs.
4. Additional mobilizations to the project site beyond those described in the project schedule above will not be required.

A cost and/or schedule adjustment may be necessary if changes to these assumptions occur during the course of the project.

Cost Estimate and Authorization to Proceed

The additional services described above will be performed on a time-and-material basis in accordance with the attached commercial terms and rates previously approved by the Redevelopment Authority of the City of Stevens Point under our original proposal, dated September 17, 2014, which are enclosed. Our fees for services included in this amendment shall not exceed \$108,021.



For informational purposes, the estimated fee is broken down as follows:

1.	Consulting Services	\$14,430
2.	Subcontract Excavation and Disposal Services	\$90,920
3.	Subcontract Laboratory Services	\$2,671
	Total – Amendment No. 3	\$108,021
1.	Prior Contract Price	\$173,746
2.	Estimated Increase by this Amendment	\$108,021
	Revised Estimated Contract Amount	\$281,767

If additional services are required that would cause our fee to be greater than the estimate, we will obtain your prior authorization before proceeding.

Also, for informational purposes, a summary of the reallocation of costs associated with the Ready for Reuse Grant is provided in Attachment A. The total costs to complete this project will exceed the \$244,000 maximum amount allowable under the Ready for Reuse Grant, which includes \$200,000 in grant funds and \$44,000 of matching funds.

The Redevelopment Authority of the City of Stevens Point can authorize AECOM to proceed with the work described in this amendment by signing and returning the enclosed Authorization to Proceed form at your earliest convenience.

We appreciate this opportunity to assist the Redevelopment Authority of the City of Stevens Point with this project. If you have any questions regarding this Proposal or if you need additional assistance, please call David Senfelds at (715) 342-3039.

Sincerely,

David S. Senfelds, P.E., CHMM
 Manager, Environmental Services
david.senfelds@aecom.com

Jennifer L. Obertino, P.E.
 Vice President
jennifer.obertino@aecom.com

Enclosures: AECOM Commercial Terms
 AECOM General Conditions
 AECOM Authorization to Proceed

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**Attachment A
Revised Project Budget Summary
Amendment No. 3**

**Redevelopment Authority of the City of Stevens Point
Former Lullabye Furniture Property
Ready for Reuse Grant (RRG-044)**

Approved Activity Name	Eligible Grant Costs		Matching Grant Costs		Total Grant Cost		Additional Project Costs	Total Project Cost	Total Contract Amount
	Original	Revised	Original	Revised	Original	Revised			
1. Preparation/Finalization of Remedial Action Plan	\$4,098	\$5,328	\$902	\$1,172	\$5,000	\$6,500	\$0	\$6,500	\$6,500
2. Public Participation Costs	\$3,689	\$3,689	\$811	\$811	\$4,500	\$4,500	\$0	\$4,500	\$4,500
3. Soil Excavation & Disposal	\$89,508	\$137,705	\$19,692	\$30,295	\$109,200	\$168,000	\$5,000	\$173,000	\$173,000
4. Remediation Planning and Oversight	\$22,794	\$31,475	\$5,015	\$6,925	\$27,809	\$38,400	\$5,600	\$44,000	\$44,000
5. Soils Confirmation Testing	\$1,639	\$4,508	\$361	\$992	\$2,000	\$5,500	\$0	\$5,500	\$5,500
6. Off-Site Groundwater Testing to Evaluate Natural Attenuation	\$2,049	\$2,049	\$451	\$451	\$2,500	\$2,500	\$22,267	\$24,767	\$24,767
7. Health & Safety Site Monitoring	\$2,459	\$2,869	\$541	\$631	\$3,000	\$3,500	\$500	\$4,000	\$4,000
8. Post-Remediation Reporting	\$4,098	\$5,738	\$902	\$1,262	\$5,000	\$7,000	\$2,500	\$9,500	\$9,500
9. VPLE/Case Closure Process	\$8,197	\$2,295	\$1,803	\$505	\$10,000	\$2,800	\$7,200	\$10,000	\$10,000
10. WDNR Fees*	\$17,206	\$4,344	\$3,785	\$956	\$20,991	\$5,300	\$16,741	\$22,041	\$0
Totals	\$155,737	\$200,000	\$34,263	\$44,000	\$190,000	\$244,000	\$59,808	\$303,808	\$281,767

Notes:

1. The original costs provided in this table reflect the costs provided in Exhibit B of the Ready for Reuse Grant agreement between the Redevelopment Authority of the City of Stevens Point and the Wisconsin Department of Natural Resources dated October 8, 2014.
2. Additional project costs include costs that are not eligible of reimbursement under the Ready for Reuse Grant Program and costs that exceed the maximum allowable under the Ready for Reuse Grant.
3. WDNR fees will be paid directly by the Redevelopment Authority of The City of Stevens Point and include: VPLE Application Fee (\$250), VPLE Advanced Deposit Fee (\$4,000), VPLE Additional Fees (estimated at \$3,000), VPLE Insurance Fee for Light Industrial Property (\$13,391), GIS Registry Fee (\$350), and Remedial Action Options Report/Remedial Action Plan Review Fee (\$1,050).
4. Total Contract amount includes original AECOM Agreement plus Amendments 1-3.

AECOM Technical Services, Inc.
200 Indiana Avenue, Stevens Point, WI 54481
T 715-341-8110 F 715-341-7390



Authorization to Proceed

I hereby authorize AECOM Technical Services, Inc. (AECOM) to proceed with the scope of work for the Former Lullabye Furniture Site for the Redevelopment Authority of the City of Stevens Point as described in AECOM's Amendment No. 3 to Project No. 60333629, dated August 10, 2015, with a budget authorization of \$108,021 under AECOM's Commercial Terms, Form 103B(01/12), and General Conditions, Form 102(01/12), attached hereto.

Signature

Date

Print Name

Title/Organization

I agree to accept invoices from AECOM via email and not postal mail:

Yes

Signature: _____

Email address: _____

Recipient Mr./Ms.: _____

Return to:

Name: David Senfelds

Address: 200 Indiana Avenue, Stevens Point, WI 54481

Fax: (715) 341-7390

Phone: (715) 342-3039

Email: david.senfelds@aecom.com

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Effective January 1, 2012

SCOPE OF SERVICES – AECOM Technical Services, Inc., referred to herein as "AECOM", will perform the services described in its Proposal, or, in the absence of a proposal, as defined in writing and approved by AECOM and Client, referred to herein as "Services" in accordance with the following "Commercial Terms". These services shall be performed on a Time and Materials basis.

BILLING RATES

STAFF - Charges for all professional, technical and administrative personnel directly charging time to the project will be calculated and billed on the basis of the following staff category hourly "Billing Rates". Billing Rates are based on the actual salary of individuals providing service under this Agreement, plus overhead and profit. Billing Rates are in U.S. dollars, net of all applicable taxes, duties, fees and related charges, and include fringe benefits, burden and fee.

STAFF CATEGORY	RATE/HOUR
Technician I, Project Administrator I	\$40 - \$65
Data Administrator I, Technician II	\$45 - \$70
Project Controls I, Scientist I, Project Administrator II, Construction Mgmt I	\$50 - \$80
Scientist II, Engineer I, Data Administrator II, Construction Mgmt II, Technician III	\$70 - \$105
Project Controls II, Scientist III, Engineer II, Technician IV, Data Administrator III, Project Administrator III	\$80 - \$120
Project Manager I, Scientist IV, Engineer III, Construction Mgmt III	\$100 - \$140
Scientist V, Engineer IV	\$120 - \$165
Project Director I, Project Manager II, Construction Mgmt IV	\$135 - \$180
Project Director II, III, IV, Engineer V	\$150 - \$195

AECOM may revise these rates annually. All staff personnel have been classified in the above staff categories based on discipline skills, education and experience level.

All travel will be charged at the Billing Rates. Billing Rates are based on a forty-hour work week. Overtime hours for exempt employees (non-hourly) will be charged at the Billing Rates. Overtime hours of non-exempt (hourly-non-supervisory) employees are charged at 130% of the Billing Rates to the extent the employee works more than 40 hours per week for Client.

LITIGATION SUPPORT - In the event that AECOM's employees are requested by Client or compelled by subpoena or otherwise by any party to give expert or witness testimony or otherwise participate in a judicial or administrative proceeding involving the Client at any time, Client shall compensate AECOM at 100% of the Billing Rate, including preparation time, and shall reimburse AECOM for all out of pocket costs as provided herein.

OTHER DIRECT COSTS - "Other Direct Costs" are all costs and expenses incurred by AECOM directly attributable to the performance of Services. Other Direct Costs include subcontracts, materials, shipping charges, special fees, permits, special insurance and licenses, outside computer time, and miscellaneous costs. Subcontract Services such as laboratory analytical, drilling, direct-push sampling, engineering, and other specialized Services will be computed on the basis of actual cost plus a five percent (5%) fee. Cost for use of field equipment, safety equipment, and field sampling equipment will be billed in accordance with AECOM's Equipment Rate Schedule. Costs for equipment purchased for a project with advance authorization are computed on the basis of actual cost plus a five percent (5%) fee. Travel and travel-related expenses will be billed in accordance with current Federal Acquisition Regulation (FAR) approved rates, which are subject to revision in accordance with FAR directives. The current FAR approved rate for vehicle use as of January 1, 2012, is \$0.51 per mile. Per diem costs will be charged in accordance with Federal Per Diem Rates. All other internal/general office expenses (telephone, facsimile, etc.) are included in overhead and will not be billed separately.

INVOICING AND PAYMENT - Invoices will be issued monthly or twice per month at AECOM's option. Invoices will include a listing of staff categories, hours worked, rates, and the Other Direct Costs. Invoices may be sent electronically at AECOM's discretion. Any variance from this invoice format will be completed at the client's expense. Payments can be made by electronic funds transfers to the routing number listed on the invoice or manually to the address appearing on the invoice due upon receipt. Invoices not paid within thirty (30) days are subject to interest from the 31st day at the rate of 1-1/2% per month (18% per annum) but not to exceed the maximum interest allowed by law. In addition, AECOM may, after giving seven (7) days written notice to Client, suspend Services without liability until the Client has paid in full all amounts due AECOM on account of Services rendered and expenses incurred including interest on past due invoices or terminate Services without liability. If there is a disputed amount on an invoice, Client agrees to pay all undisputed amounts in the thirty (30) day period. In the event that AECOM places Client's account in the hands of an attorney for collection, Client agrees to pay AECOM all fees and expenses, including attorneys' fees and expert fees, necessitated thereby.

ESTIMATES OF COSTS AND SCHEDULES - AECOM's estimates of costs and schedules are for Client's budget and planning assistance only. Cost and schedule estimates are based on AECOM's best judgment of the requirements known at the time of the proposal and can be influenced favorably or adversely by Client needs and other circumstances. AECOM will endeavor to perform the Services and accomplish the objectives within the estimated costs and schedule, but in no event shall AECOM's estimate be interpreted as a not-to-exceed or fixed price. In the event AECOM is required to exceed its original estimate for any reason, the Client may wish to (1) redefine the scope of Services in order to accomplish Client's budget objectives, or (2) terminate Services at a specific expenditure level. If option (2) is chosen, AECOM will turn over all information to the extent completed at the authorized level without further obligation or liability to either party except payment for Services performed. Notwithstanding any other terms to the contrary, AECOM shall be entitled to a change order for additional compensation or additional time to perform its work, in the event that work outside the Services is requested or required to be performed by AECOM, or in the event that the assumptions underlying AECOM's proposal prove to be different from the facts actually encountered by AECOM during the performance of the Services.

AGREEMENT - These Commercial Terms and the attached General Conditions Form 102 (01/12) govern the performance of the Services and rights and obligations of the parties.

City of Stevens Point

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1. **ACCESS.** Client grants or shall obtain for AECOM Technical Services, Inc. ("AECOM") and its subcontractors authority to enter the property upon which AECOM's Services are to be performed ("Site"), at Client's expense.

2. **CLIENT INFORMATION.** Client understands that AECOM is relying upon the completeness and accuracy of information supplied to it by Client and others in connection with the Services without independent verification. Client agrees to advise AECOM of the existence of any hazardous substances, wastes or conditions affecting the Site or the Services to be performed hereunder.

3. **STANDARD OF SERVICES AND WARRANTY.** AECOM agrees to perform its services as described in the applicable Proposal ("Services") in accordance with generally accepted engineering and construction standards, and scientific practices in effect and utilized by environmental firms in the United States at the time the Services are rendered. The Services may involve the use of tests, calculations, analysis and procedures which are in a state of change and refinement. Client recognizes that projects involving hazardous waste sites may not perform as anticipated even though the Services are performed in accordance with the required level of care. Given the difficulty in predicting the environmental condition of a site based upon limited sampling and investigative activity, Client recognizes that any statements, opinions and conclusions contained in reports and other documents prepared and/or issued by AECOM are only meant to give approximations of the environmental condition of the Site limited to the particular contaminant(s) and/or environmental issues actually targeted by AECOM's investigation and the portions of the Site actually investigated, sampled or tested by AECOM. AECOM shall, for the protection of Client, request from all vendors and subcontractors from which AECOM procures equipment, materials or services, guarantees which will be made available to Client to the full extent of the terms thereof. AECOM's responsibility with respect to such equipment, services and materials shall be limited to the assignment of such guarantees and rendering assistance to Client in enforcing the same. Subject to Section 13, AECOM warrants that, if any of its completed Services fail to conform to the above standard, AECOM will, at its expense and provided AECOM is notified of such defective Services within one year of the completion of the Services, either perform corrective Services of the type originally performed as may be required to correct such defective Services or refund to Client the amount paid to AECOM for the defective Services. Except as provided in this Section, AECOM makes no other warranty, express or implied, and shall have no other liability to Client for defective Services, whether caused by error, omission, negligence or otherwise.

4. **CONFIDENTIALITY.** "Confidential Information" means all technical, economic, financial, pricing, marketing or other information that has not been published and/or is not otherwise available to members of the public and includes, without limitation, trade secrets, proprietary information, customer lists, scientific, technical and business studies, analyses, processes, methods, procedures, policies and information. In the event that either party discloses Confidential Information to the other party in connection with this contract (excluding AECOM's Work Product that is delivered to Client or others hereunder), the party receiving such Confidential Information agrees to hold as confidential and to not disclose to others the Confidential Information for a period of ten (10) years from the date of disclosure. These restrictions shall not apply to information that (i) the parties had in their possession prior to disclosure; (ii) becomes public knowledge through no fault of the receiving party; (iii) the receiving party lawfully acquires from a third party not under an obligation of confidentiality to the disclosing party; (iv) is independently developed by the receiving party; or (v) is required to be disclosed by law or court order. Client agrees that AECOM may use and publish Client's name and a general description of the Services provided to Client in describing AECOM's experience and qualifications to other clients and potential clients. This shall not prevent Client from complying with the open records statute, Section 19.85, Wisconsin Statutes.

5. **WORK PRODUCT.** "Work Product" consists of all reports, notes, laboratory test data and other information prepared by AECOM for delivery to Client. Client shall have the right to make and retain copies and use all Work Product; provided, however, such use shall be limited to the particular Site and project for which the Work Product is provided. Client may release the Work Product to third parties at its sole risk and discretion; provided, however, AECOM shall not be liable for any claims or damages resulting from or connected with such release or any third party's use of the Work Product, and Client shall indemnify, defend and hold AECOM harmless from any and all such claims or damages.

6. **INSURANCE.** AECOM shall maintain Workers' Compensation and Employer's Liability insurance in accordance with requirements of the state in which the Services are being performed, Commercial General Liability insurance with a limit of \$1,000,000 per occurrence and in the aggregate for bodily injury and property damage, Automobile Liability insurance including owned and hired vehicles with a limit of \$1,000,000 per occurrence and in the aggregate for bodily injury and property damage, and Professional Liability (errors and omissions) insurance with a limit of \$1,000,000 per claim and in the aggregate.

7. **INDEMNITY.** AECOM shall indemnify, defend and hold harmless Client, its officers, directors, agents employees and affiliated and parent companies against claims, demands and causes of action of third parties (including reasonable attorneys' fees and costs of defense) for bodily injury, disease or death, and damage of property arising during the performance of Services to the extent caused by the negligence or willful misconduct of AECOM. Client shall indemnify, defend and hold harmless AECOM, its officers, directors, agents employees and affiliated and parent companies against claims, demands and causes of action of third parties (including reasonable attorneys' fees and costs of defense) for bodily injury, disease or death, and damage of property arising during the performance of this Agreement to the extent caused by the negligence or willful misconduct of Client.

8. **CHANGES.** Notwithstanding any other provisions of the Agreement to the contrary, AECOM shall be entitled to additional compensation for work in the event that AECOM experiences any increases in costs due to changes in AECOM's scope of work from that included in AECOM's original proposal or for additional work requested by client or changes in the manner or method of performance of work or due to changes in schedule or circumstances not solely caused by AECOM. AECOM shall be compensated for all such additional work either (1) as previously agreed in writing by the parties; or (2) on a time and materials basis in accordance with AECOM's then current standard commercial rates.

9. REMEDIES. Neither party, nor their parent, affiliated or subsidiary companies, nor the officers, directors, agents, employees or contractors of any of the foregoing, shall be liable to the other in any action or claim for incidental, indirect, special, collateral, consequential, exemplary or punitive damages arising out of or related to the Services, including without limitation, loss of profits, loss of opportunity, loss of production, or loss of use. Any protection or limitation against liability for any losses or damages afforded any individual or entity by these General Conditions shall apply whether the action in which recovery of damages is sought is based upon contract, tort (including, to the greatest extent permitted by law, the sole, concurrent or other negligence, whether active or passive, and strict liability of any protected individual or entity), statute or otherwise. To the extent permitted by law, any statutory remedies inconsistent with these terms are waived.

10. ENVIRONMENTAL CONDITIONS. Client shall provide (or cause the Site owner to provide) AECOM with the identity and location of all subsurface facilities and obstructions on the Site. Client agrees to waive any claims against AECOM and to indemnify, defend and hold AECOM harmless from any claims, demands or causes of action for damages to subsurface facilities or obstructions that are not accurately identified or located by Client or others. Client assumes responsibility for air, subsurface and/or ground pollution and environmental impairment from toxic substances or hazardous materials existing at the Site and shall indemnify and defend AECOM from any claims, demands and causes of action of third parties related thereto, except where such claims, demands and causes of action are caused by the sole negligence or willful misconduct of AECOM; it being the intention of the Client to assume any liability alleged to have resulted from AECOM's joint or concurrent negligence.

11. INDEPENDENT CONTRACTOR. AECOM's Services are performed as an independent contractor.

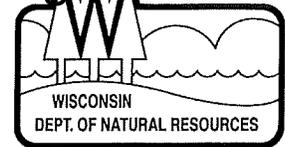
12. FORCE MAJEURE. AECOM shall have no liability for any failure to perform or delay in performance of the Services caused by circumstances beyond its reasonable control, including, but not limited to, strikes, riots, wars, acts of terrorism, disease, floods, fires, explosion, acts of nature, acts of government, labor disturbances, acts of Client or Client's other subcontractors and/or contractors, delays in transportation or inability to obtain material or equipment.

13. LIMITATIONS OF LIABILITY. To the greatest extent allowed by law, Client agrees that AECOM's aggregate liability to Client and others for any and all injuries, claims, demands, losses, expenses or damages, of whatever kind or character, arising out of or in any way related to this Agreement, the Services or the Site, shall be limited to the insurance limits specified in Section 6 (Insurance) above. The parties agree that in any dispute over the terms of this Agreement or any issue arising under this Agreement, they will make a good faith effort to resolve the matter without litigation. Such efforts shall include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. The parties agree that before either party commences an action against the other party, they will consider the use of alternate forms of dispute resolution, including mediation (or arbitration if both parties agree to arbitrate the dispute). Pending the outcome of such dispute resolution, both parties shall take immediate steps to mitigate any damages. Until such time as the dispute is resolved, AECOM reserves the right to suspend its Services hereunder and shall so timely notify Company.

14. OWNERSHIP OF WASTE. "Pre-Existing Waste" is any hazardous or non-hazardous wastes, substances or materials existing on the Site prior to the date that the Services are initiated. Upon request, AECOM shall assist Client in the proper handling, storage, transportation and/or disposal of the Pre-Existing Waste in accordance with all applicable federal, state and local laws and regulations. Client shall provide appropriate disposal identification numbers, select the disposal site(s) and sign all required manifests, disposal contracts and other documentation necessary to allow AECOM to complete the Services in a timely manner. Client agrees to look solely to the disposal facility and/or transportation concern for any damages arising from improper transportation or disposal of the Pre-Existing Waste. In no event shall AECOM take title to or be liable for disposal or remediation costs associated with Pre-Existing Wastes. Any samples obtained pursuant to the Services are to remain property of the Client.

15. ENTIRE AGREEMENT. The terms of this Agreement shall be deemed accepted by Client at the earlier of (1) AECOM's initiation of Services at the verbal or written direction of Client or (2) Client's written agreement to be bound by these terms. This Agreement constitutes the entire understanding between the parties. Any waiver, modification or amendment of this contract shall be effective only if in writing and signed by an authorized representative of AECOM. AECOM hereby objects to any terms contained in any prior or subsequent purchase orders, work orders, invoices, acknowledgement forms, manifests, requests for proposals or other documents received from the Client that would otherwise have the effect of modifying or abrogating these General Conditions in whole or in part. If any portion of this contract is held invalid or unenforceable, any remaining portion shall continue in full force and effect. Nothing herein shall be construed to give any rights or benefits hereunder to anyone other than Client or AECOM. There shall be no assignment of the rights or obligations contained in this contract by either party and any such assignment shall be null and void. Either party may terminate this Agreement by giving the other party seven (7) days written notice. Termination of this Agreement or the Services for any reason shall not affect or minimize the respective rights, obligations and limitations of liability contained herein, specifically, but not by way of limitation, Sections 3, 6, 7, 9, 10, 13 & 14 shall survive termination, completion and/or expiration of this Agreement. The construction, interpretation and performance of this Agreement and all transactions relating thereto shall be governed by the laws of the state in which the AECOM office that issued the proposal is located. Any notices issued hereunder shall be delivered by first class mail to the addresses listed for the parties in the Proposal.

City of Stevens Point
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August 4, 2015

BRRTS #02-50-555190

Mr. Michael Ostrowski
Redevelopment Authority Director
City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

RE: Review and Approval Letter for the NR 716 Site Investigation Report Addendums 2 & 3
Former Lullabye Furniture
1017 Third Street
Stevens Point, Wisconsin

Dear Mr. Ostrowski:

AECOM submitted the Site Investigation Report Addendums 2 & 3 on June 25 and August 3, 2015, respectively, to the Wisconsin Department of Natural Resources (Department). The work completed in these addendums was in direct response to a report submitted by Sand Creek Consultants, Inc. on December 30, 2014. Sand Creek submitted a site investigation report for the Dun Rite Cleaners site located immediately adjacent to Lullabye's eastern property boundary.

Sand Creeks report identified tetrachloroethene in the groundwater at the Lullabye site in an area that was not investigated by AECOM and it was unclear which property is the source of that groundwater contamination. Further investigation by AECOM did identify tetrachloroethene in the surficial soils but not at depth. They also identified some petroleum contamination in the surficial soils. The results of this investigation are documented in the two addendums.

Based on my review of the documents submitted by AECOM, I concur that the extent of the soil and groundwater contamination has been determined. I agree with your consultant's approach to excavating the tetrachloroethene and petroleum soil contamination along with further groundwater monitoring. Please proceed with the preparation of a remedial action plan.

If you have any questions regarding this letter, please call me at 715-359-6514.

Sincerely,

Lisa Gutknecht
Remediation & Redevelopment Program

c: Dave Rozeboom – DNR, Eau Claire (e-copy)
Christine Haag/Gena Larson – DNR, Madison (e-copy)
David Senfelds - AECOM (e-copy)



August 12, 2015

Christine Haag
Wisconsin Department of Natural Resources
Bureau of Remediation and Redevelopment, RR/5
101 S. Webster Street
PO Box 7921
Madison, WI 53707-7921

**Subject: Request for Additional Funding
Ready for Reuse Grant RRG-044
Former Lullabye Furniture Property
1017 Third Street
Stevens Point, Wisconsin
DNR BRRTS No. 02-50-555190**

Dear Christine:

The Redevelopment Authority (RA) of the City of Stevens Point is requesting additional funding under Ready for Reuse Grant RRG-044 in the amount of \$44,263 to assist with cleanup of additional tetrachloroethene (PCE) contaminated soils discovered in the southeast portion of the Former Lullabye Furniture Property. The additional grant funds plus the RA's 22% matching funds would be used to cover a portion of the anticipated costs associated with excavation and landfill disposal of approximately 925 cubic yards (1,200 tons) of PCE contaminated soils. A revised Project Budget is enclosed.

In March 2015, our environmental consultant, AECOM, conducted additional confirmation sampling on the southeast portion of the Former Lullabye Furniture property. The additional sampling was requested by the WDNR based on December 2014 sampling data from a site investigation being conducted by the owner of the adjacent Dun-Rite Cleaners site (BRRTS No. 02-50-000577), which indicated the presence of elevated levels of PCE in groundwater in the southeast portion of the Former Lullabye Furniture property. Results from the additional sampling not only confirmed the presence of PCE in groundwater above WDNR cleanup standards, but revealed an area of previously undiscovered PCE soil contamination on the Former Lullabye Furniture property.

In response to these findings, AECOM conducted additional site investigation to determine the extent of subsurface contamination in the southeast portion of the Former Lullabye property. Results of the investigation indicated an irregularly shaped area of PCE contaminated soil that was approximately 120 feet long by 85 feet wide. The soil contamination did not extend beyond a depth of 3 feet, suggesting a limited historic surficial release(s) as the likely source of contamination. This area of PCE soil contamination also appeared to be separate and distinct from the previous area of PCE contaminated soil excavated from the northeast portion of the Former Lullabye Furniture property in November and December 2014. Results of the investigation were documented in Addendums 2 and 3 to the original NR 716 Site Investigation Report, which were approved by the WDNR on August 4, 2015.

The RA is prepared to proceed with the excavation of the additional PCE contaminated soils as soon as possible following approval of this request for additional Ready for Reuse funding and authorization to proceed from the WDNR. If you have any questions or need additional information, please contact me at (715) 346-1568 or David Senfelds, AECOM, at (715) 342-3039.

We appreciate the WDNR's assistance in furthering our redevelopment efforts for this site.

Sincerely,

Michael Ostrowski, Executive Director
Redevelopment Authority of the City of Stevens Point

Enclosure: As Noted

c/encl: David Senfelds, AECOM

Revised Project Budget
Redevelopment Authority of the City of Stevens Point
Former Lullabye Furniture Property
RRG-044

Approved Activity Name	Eligible Costs	Matching Costs	Total Cost
1. Preparation/Finalization of Remedial Action Plan <ul style="list-style-type: none"> Includes preparation/updating of Remedial Action Options Report/Remedial Action Plan per NR 722. 	\$5,328	\$1,172	\$6,500
2. Public Participation Costs Includes preparation/ updating of: <ul style="list-style-type: none"> Community Relations Plan Analysis of Brownfields Cleanup Alternatives Quality Assurance/Quality Control Equivalent Public Notice, including documenting and responding to public comments 	\$3,689	\$811	\$4,500
3. Soil Excavation & Disposal Estimated Quantity: 2,385 tons Includes: <ul style="list-style-type: none"> Excavation & Transportation to Cranberry Creek Landfill, Wisconsin Rapids, WI Backfilling & Compacting Landfill Disposal/Tipping Fee 	\$137,705	\$30,295	\$168,000
4. Remediation Planning and Oversight <ul style="list-style-type: none"> Subcontractor bidding, selection, and coordination Preparation of waste generator profile and landfill disposal coordination Excavation oversight, field documentation, and confirmation soil sampling Project management, coordination, and administration 	\$31,475	\$6,925	\$38,400
5. Soils Confirmation Testing Includes laboratory testing of soil samples for VOCs and lead	\$4,508	\$992	\$5,500
6. Off-Site Groundwater Testing to evaluate natural attenuation and continuing need for off-site groundwater use restriction Includes installation/abandonment of temporary well, lab testing of groundwater sample for VOCs, and data evaluation	\$2,049	\$451	\$2,500

7. Health & Safety Site Monitoring Includes: <ul style="list-style-type: none"> • Preparation of Site Specific Health and Safety Plan • Site Security and H&S monitoring during excavation 	\$2,869	\$631	\$3,500
8. Post Remediation Reporting Includes data evaluation and preparation/submittal of remedial action summary report.	\$5,738	\$1,262	\$7,000
9. VPLE/Case Closure Process Includes preparation/submittal of VPLE application	\$2,295	\$505	\$2,800
10. WDNR Fees Includes: <ul style="list-style-type: none"> • VPLE Application Fee (\$250) • VPLE Advance Deposit (\$4,000) • Review of Remedial Action Options Report/Remedial Action Plan (\$1,050) 	\$4,344	\$956	\$5,300
TOTALS	\$200,000	\$44,000	\$244,000

**REDEVELOPMENT AUTHORITY OF THE
CITY OF STEVENS POINT**

(A Component Unit of the City of Stevens Point, Wisconsin)

COMMUNICATION TO THOSE CHARGED
WITH GOVERNANCE AND MANAGEMENT

As of and for the Year Ended December 31, 2014

**REDEVELOPMENT AUTHORITY OF THE
CITY OF STEVENS POINT**
(A Component Unit of the City of Stevens Point, Wisconsin)

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**REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS
IDENTIFIED IN THE AUDIT TO THOSE CHARGED WITH GOVERNANCE**



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

To the Authority Board
Redevelopment Authority of the City of Stevens Point
Stevens Point, Wisconsin

In planning and performing our audit of the financial statements of the Redevelopment Authority of the City of Stevens Point, Wisconsin (the Authority) as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

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

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

- > Internal Control Over Financial Reporting
- > Internal Control Environment

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

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
July 9, 2015

Auditing standards require that we perform procedures to obtain an understanding of your government and its internal control environment as part of the annual audit. This includes an analysis of significant transaction cycles and an analysis of the year-end financial reporting process and preparation of your financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

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

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

This level of internal control over financial reporting can be a difficult task for governments that operate with only enough staff to process monthly transactions and reports, and often rely on their auditors to prepare certain year-end audit entries and financial statements.

INTERNAL CONTROL ENVIRONMENT

A properly designed system of internal control includes adequate staffing as well as policies and procedures to properly segregate duties. This includes systems that are designed to limit the access or control of any one individual to your government's assets or accounting records, and to achieve a higher likelihood that errors or irregularities in your accounting processes would be discovered by your staff in a timely manner.

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

CONTROLS OVER LOAN PROGRAMS

Loan receivable balances should be reviewed on a periodic basis by someone independent of the loan processing process. In addition, the outstanding loan listing should be reviewed to ensure the listing is accurate and to evaluate the individual loans for collectability. If applicable, an allowance should be considered for uncollectible loans.

INTERNAL CONTROL ENVIRONMENT (cont.)

CONTROLS OVER MONTHLY AND YEAR-END ACCOUNTING

Account reconciliations should be performed by someone independent of processing transactions in that account (segregation of duties). In some cases, transactions are processed only infrequently by the person completing a reconciliation, such as when covering duties over breaks and absences related to that reconciliation.

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

We recommend that a designated employee review this potential control and determine whether additional controls should be implemented. This determination should take into consideration a cost / benefit analysis.

OTHER COMMUNICATIONS TO THOSE CHARGED WITH GOVERNANCE

TWO WAY COMMUNICATION REGARDING YOUR AUDIT

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

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

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential misstatements.
 - > Consider factors that affect the risks of material misstatement.
 - > Design tests of controls, when applicable, and substantive procedures.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with *Government Auditing Standards*, our report will include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

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

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the Authority has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements?

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

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

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

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

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

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

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

**COMMUNICATION OF OTHER CONTROL DEFICIENCIES, RECOMMENDATIONS
AND INFORMATIONAL POINTS TO MANAGEMENT THAT ARE NOT
MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES**

INFORMATION TECHNOLOGY

As part of our audit, we look at the Authority's controls over information technology. There are a number of areas that we recommend the city, as fiscal agents of the Authority, review to determine if information technology controls could be strengthened:

- > The city, who oversees the information technology controls of the Authority, does not require strong passwords for the network and financial software applications. Best practices state that passwords should be changed every 90 days, require a minimum of 6 characters, require complexity (numbers, letters, and special characters), and passwords should be remembered so users cannot reuse recent passwords.
- > We also noted that while the City does back up their financial data, the backups taken are not stored offsite and are not tested to ensure the backups could be used to restore data if necessary.
- > The server is also not maintained in a locked room.
- > No one is reviewing access rights annually to determine if employees have the appropriate rights for their job duties.

CUSTODIAL CREDIT

Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures about deposits and investments. One of the main purposes of GASB Statement No. 40 is to indicate to users of financial statements the custodial risks involved with an entity's deposits and investments. These disclosures are included in the notes to your financial statements.

We noted during our audit that at December 31, 2014, the Authority had \$1,540,855 in uncollateralized and uninsured investments. We also noted that the Authority's investment policy does not address the risks associated with deposits and investments under GASB Statement No. 40.

REQUIRED COMMUNICATIONS BY THE AUDITOR TO THOSE CHARGED WITH GOVERNANCE



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To the Authority Board
Redevelopment Authority of the City of Stevens Point
Stevens Point, Wisconsin

Thank you for using Baker Tilly Virchow Krause, LLP as your auditor.

We have completed our audit of the financial statements of Redevelopment Authority of the City of Stevens Point, Wisconsin ("Authority") for the year ended December 31, 2014 and have issued our report thereon dated July 9, 2015. This letter presents communications required by our professional standards.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or the Authority Board of their responsibilities.

As part of the audit we obtained an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. The audit was not designed to provide assurance on internal control or to identify deficiencies in internal control.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our letter about planning matters dated January 8, 2015.

To the Authority Board
Redevelopment Authority of the City of Stevens Point

QUALITATIVE ASPECTS OF THE ENTITY'S SIGNIFICANT ACCOUNTING PRACTICES

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note I to the financial statements. As described in Note I to the financial statements, the Redevelopment Authority of the City of Stevens Point changed accounting policies related to government combinations by adopting Statement of Governmental Accounting Standards (GASB) No 69, *Government Combinations and Disposals of Government Operations*. The Community Development Authority (CDA) of the City of Stevens Point was dissolved as of January 1, 2014 and in its place a separate Housing Authority and a separate Redevelopment Authority were created to perform the duties and obligations of the CDA. In addition the net position of the Authority that was transferred from the CDA, was restated to include additional capital assets and land held for resale.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates at December 31, 2014.

Financial Statement Disclosures

The disclosures in the financial statements are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing 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 trivial, and communicate them to the appropriate level of management.

Management has corrected all such misstatements.

The following is a summary of material financial statement misstatements (audit adjustments):

	<u>Amount</u>
Adjustments land held for resale and capital assets	\$ 5,200,200

DISAGREEMENTS WITH MANAGEMENT

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

To the Authority Board
Redevelopment Authority of the City of Stevens Point

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit'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.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

INDEPENDENCE

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

Relating to our audit of the financial statements of the Authority for the year ended December 31, 2014, Baker Tilly Virchow Krause, LLP hereby confirms that we are, in our professional judgment, independent with respect to the Authority in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants. We provided no services to the Authority other than audit services provided in connection with the audit of the current year's financial statements and nonaudit services which in our judgment do not impair our independence

- > Financial statement preparation
- > Adjusting journal entries

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

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 Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

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

To the Authority Board
Redevelopment Authority of the City of Stevens Point

RESTRICTION ON USE

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

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
July 9, 2015

MANAGEMENT REPRESENTATIONS

City of Stevens Point
1515 Strong's Avenue
Stevens Point, WI 54481-3594



Redevelopment Authority
Ph: (715) 346-1567
Fax: (715) 346-1498

July 9, 2015

Baker Tilly Virchow Krause, LLP
Ten Terrace Court
P.O. Box 7398
Madison, WI 53707-7398

Dear Baker Tilly Virchow Krause, LLP:

We are providing this letter in connection with your audit of the financial statements of the Redevelopment Authority of the City of Stevens Point, a component unit of the City of Stevens Point, as of December 31, 2014 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the Redevelopment Authority of the City of Stevens Point and the respective changes in financial position and cash flows in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

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

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

Financial Statements

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

7. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
8. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
9. All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
10. There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
11. Guarantees, whether written or oral, under which the Authority 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 financial records and related data , documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of Authority Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
16. We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known related parties and all the related party relationships and transactions of which we are aware.

Other

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

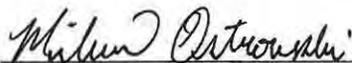
19. We have a process to track the status of audit findings and recommendations.
20. We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
21. The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
22. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
23. There are no:
 - a. Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c. Rent being charged to customers other than the rates as authorized by the applicable authoritative body.
24. In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
 - a. Financial statement preparation
 - b. Adjusting journal entries

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.
25. The Redevelopment Authority of the City of Stevens Point 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.
26. The Redevelopment Authority of the City of Stevens Point has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
27. The financial statements properly classify all funds and activities.
28. 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.
29. The Redevelopment Authority of the City of Stevens Point has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
30. The Authority does not believe there are any receivable allowances to record at year end.

- 31. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 32. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 33. The special item is appropriately classified and reported.
- 34. Deposits and investment securities are properly classified as to risk, and investments are properly valued. Collateralization agreements with financial institutions, if any, have been properly disclosed.
- 35. Capital assets are properly capitalized, reported, and, if applicable, depreciated.
- 36. We have appropriately disclosed the Redevelopment Authority of the City of Stevens Point's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 37. With respect to the supplementary information, (SI):
 - a. We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - a. If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 38. We have appropriately recorded land held for resale owned by the Authority at the lower of cost or market.

Sincerely,

Redevelopment Authority of the City of Stevens Point

Signed: 
Michael Ostrowski, Executive Director

Signed: 
Corey Ladick, Comptroller-Treasurer

Signed: 
John Schlice, Chairman

**REDEVELOPMENT AUTHORITY OF THE
CITY OF STEVENS POINT**

(A Component Unit of the City of Stevens Point)
Stevens Point, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2014

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT
(A Component Unit of the City of Stevens Point, Wisconsin)

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INDEPENDENT AUDITORS' REPORT

To the Authority Board
Redevelopment Authority of the City of Stevens Point
Stevens Point, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the Redevelopment Authority of the City of Stevens Point, a component unit of the City of Stevens Point, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Redevelopment Authority of the City of Stevens Point's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

To the Authority Board
Redevelopment Authority of the City of Stevens Point

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Redevelopment Authority of the City of Stevens Point as of December 31, 2014, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I, the Redevelopment Authority of the City of Stevens Point adopted the provisions of GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, effective January 1, 2014. Our opinion is not modified with respect to this matter.

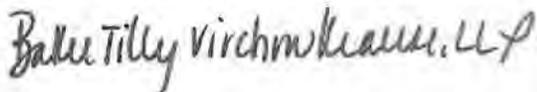
Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Redevelopment Authority of the City of Stevens Point's basic financial statements. The combining schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.



Madison, Wisconsin
July 9, 2015

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

STATEMENT OF NET POSITION
As of December 31, 2014

ASSETS		Redevelopment Authority
CURRENT ASSETS		
Cash and investments		\$ 2,435,308
Accounts receivable		4,046
Restricted assets		
Receivables		23,222
Prepaid items		12
Total Current Assets		<u>2,462,588</u>
NONCURRENT ASSETS		
Loans receivable		1,683,891
Land held for resale		791,400
Capital assets		
Land		1,421,631
Other capital assets		5,737,002
Less: Accumulated depreciation		<u>(2,322,874)</u>
Total Noncurrent Assets		<u>7,311,050</u>
Total Assets		<u>9,773,638</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable		12,565
Accrued liabilities		3,154
Current Liabilities Payable from Restricted Assets		
Deposits		23,222
Due to primary government		<u>27,014</u>
Total Current Liabilities		<u>65,955</u>
Total Liabilities		<u>65,955</u>
NET POSITION		
Investment in capital assets		4,835,759
Unrestricted		<u>4,871,924</u>
TOTAL NET POSITION		<u>\$ 9,707,683</u>

See accompanying notes to financial statements.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2014

	Redevelopment Authority
OPERATING REVENUES	
Rent	\$ 369,540
Other	8,849
Total Operating Revenues	<u>378,389</u>
OPERATING EXPENSES	
Administration	89,668
Utilities	132,222
Maintenance	157,085
Depreciation	169,273
Bad debts	(2,976)
Other	31,362
Total Operating Expenses	<u>576,634</u>
Operating Loss	<u>(198,245)</u>
NONOPERATING REVENUES	
Investment income	105,593
Other	462
Total Nonoperating Revenues	<u>106,055</u>
Loss Before Special Item	(92,190)
Special Item	<u>9,799,873</u>
Change in Net Position	9,707,683
NET POSITION - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 9,707,683</u>

See accompanying notes to financial statements.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2014

	Redevelopment Authority
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES	
Cash received from tenants and customers	\$ 350,407
Cash paid to suppliers for goods and services	<u>(382,401)</u>
Net Cash Flows From (Used For) Operating Activities	<u>(31,994)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash collected on loans	60,617
Cash received from the dissolution of the CDA	<u>2,301,092</u>
Net Cash Flows From Noncapital Financing Activities	<u>2,361,709</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>105,593</u>
Net Increase in Cash and Cash Equivalents	2,435,308
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,435,308</u>
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES	
Operating loss	\$ (198,245)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	169,273
Nonoperating income	462
Changes in assets and liabilities	
Accounts receivable	(27,268)
Prepaid items	6,614
Accounts payable	(12,284)
Due to primary government	27,014
Accrued liabilities	3,154
Deposits	<u>(714)</u>
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>\$ (31,994)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and investments - statement of net position	<u>\$ 2,435,308</u>
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES	
Net value of assets and liabilities received upon the dissolution of the CDA	<u>\$ 7,498,781</u>

See accompanying notes to financial statements.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

INDEX TO NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report contains the financial information of the Redevelopment Authority of the City of Stevens Point (the "Authority") which is a component unit of the City of Stevens Point, Wisconsin. The Authority is a legally separate organization created under State Statute 66.1333 in 2014 for the purpose of redevelopment and non-HUD housing activities within the City of Stevens Point. The Authority is directed by seven board members who are appointed by the mayor and confirmed by the City Council.

This report contains all activities of the Authority. The reporting entity for the Redevelopment Authority consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Authority has not identified any organizations that meet this criteria.

B. BASIC FINANCIAL STATEMENTS

In January 2013, the GASB issued statement No. 69 – *Government Combinations and Disposals of Government Operations*. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This standard was implemented January 1, 2014.

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The following programs are reported by the Authority:

- Development fund program – Accounts for certain development loans made to local businesses.
- Housing fund program – Accounts for loans made to individuals for housing improvements, as well as properties held by the Authority for resale or to serve parking needs downtown.
- Edgewater fund program – Accounts for activities related to the Edgewater apartment complex, which provides senior housing.
- Housing Trust fund program – Accounts for investment activities of the Redevelopment Authority.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

D. ASSETS, LIABILITIES, AND NET POSITION

1. Cash and Cash Equivalents

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

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

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

Additional restrictions may arise from local charters, ordinances, resolutions, and grant regulations.

The Authority has adopted an investment policy, which includes allowable investments. The Authority's policy does not address the risks in Note II.A.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION (cont.)**1. Cash and Cash Equivalents (cont.)**

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit. See Note II.A. for further information.

2. Receivables

Accounts receivable has been adjusted for any known uncollectible accounts. There is no allowance as of December 31, 2014.

The Authority has received federal and state grant funds for housing rehabilitation loan programs to loan to various individuals. The Authority records a loan receivable when the loan has been made and funds have been disbursed.

During the course of operations transactions occur between individual programs that may result in amounts owed between individual programs. Short-term program loans are reported as “due to and from other programs on the combining schedule of net position and have been eliminated in the basic financial statements.

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

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by external parties.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION (cont.)

5. Capital Assets

Capital assets are defined by the Authority as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation. The Authority has no infrastructure assets.

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

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

Land improvements	15 – 25 years
Buildings	40 years
Building improvements	15 – 40 years
Equipment	10 years

6. Other Assets

On the statement of net position, land held for resale consists of land and improvements and is valued at cost of acquisition, demolition, and site improvements. Properties include both land intended for resale and land designated as public area. Land held for resale is recorded at lower of cost or market value.

7. Revenues and Expenses

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

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION (cont.)

8. Net Position Classifications

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

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

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

9. Compensated Absences

City of Stevens Point employees provide the necessary staffing to operate the Authority’s operations. These employees receive benefits according to the City of Stevens Point’s policies.

All vested vacation and sick leave pay is accrued when incurred.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2014 are determined on the basis of current salary rates and include salary related payments.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE II – DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

The Authority's cash and investments at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 884,995	\$ 896,996	Custodial credit risk
Certificates of deposit	123,445	123,445	Custodial credit risk
U.S. agencies – implicitly guaranteed	174,416	174,416	Custodial credit risk, interest rate risk, credit risk, concentration of credit risk, investments highly sensitive to interest rate changes
U.S. agencies – explicitly guaranteed	1,130,642	1,130,642	Custodial credit risk, interest rate risk, investments highly sensitive to interest rate changes
State and local bonds	121,810	121,810	Custodial credit risk, interest rate risk, credit risk, concentration of credit risk, investments highly sensitive to interest rate changes
	<u>\$ 2,435,308</u>	<u>\$ 2,447,309</u>	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	<u>\$ 2,435,308</u>		
Total Cash and Investments	<u>\$ 2,435,308</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposits.

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

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE II – DETAILED NOTES (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

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

The Authority does not have any deposits exposed to custodial credit risk.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2014, \$1,540,855 of the Authority's investment balances of \$1,550,313 were exposed to custodial credit risk as it was uninsured and uncollateralized.

Credit Risk

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

The U.S. agencies – implicitly guaranteed were rated Aaa and the state and local bonds were rated Aa2 and A2 by Moody's at December 31, 2014.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2014, the Authority held investments in the bonds of Milwaukee County, WI and FHLB's that were 6.73% and 12.22%, respectively, of the Authority's total investment portfolio.

Interest Rate Risk

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

As of December 31, 2014, the Authority's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)		
		Less than one year	1 – 5	6 – 30
State and local bonds	\$ 121,810	\$ -	\$ -	\$ 121,810
U.S. agencies – explicitly guaranteed	1,130,642	-	1,862	1,128,780
U.S. agencies – implicitly guaranteed	174,416	-	-	174,416
	<u>\$ 1,426,868</u>	<u>\$ -</u>	<u>\$ 1,862</u>	<u>\$ 1,425,000</u>

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE II – DETAILED NOTES (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Investments Highly Sensitive to Market Changes

The Authority held securities of \$1,245,691 with maturities exceeding ten years.

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

B. RECEIVABLES

All of the receivables on the statement of net position are expected to be collected within one year except for loans receivable. There is a small portion of loans that are being repaid. Loans receivable that are due within one year total \$14,045.

C. RESTRICTED ASSETS

At December 31, 2014 the Authority is maintaining a restricted accounts receivable account for security deposits in the amount of \$23,222.

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 1,421,631	\$ -	\$ -	\$ 1,421,631
Total Capital Assets Not Being Depreciated	\$ 1,421,631	\$ -	\$ -	\$ 1,421,631
Other Capital Assets				
Land improvements	\$ 1,798,292	\$ -	\$ -	\$ 1,798,292
Buildings	3,882,424	-	-	3,882,424
Building improvements	51,321	-	-	51,321
Equipment	4,965	-	-	4,965
Total Capital Assets Being Depreciated	5,737,002	-	-	5,737,002
Less: Accumulated depreciation for				
Land improvements	(147,131)	(71,007)	-	(218,138)
Buildings	(1,992,152)	(97,061)	-	(2,089,213)
Building improvements	(9,353)	(1,205)	-	(10,558)
Equipment	(4,965)	-	-	(4,965)
Total Accumulated Depreciation	(2,008,508)	\$ (169,273)	\$ -	(2,322,874)
Net Other Capital Assets	\$ 3,728,494			\$ 3,414,128

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE II – DETAILED NOTES (cont.)

E. LEASE DISCLOSURES

Lessor – Operating Leases

During 2013, the Community Development Authority (CDA) assigned a lease obligation in the amount of \$140,000 for Old Dunham’s building to the city. The CDA retained ownership of the building. On January 1, 2014, the CDA dissolved and the Redevelopment Authority (RDA) took over ownership of the building. This lease obligation will be liquidated by TID No. 6. See additional details in the City of Stevens Point, Wisconsin’s financial statements.

F. NET POSITION

Net position reported on the statement of net position at December 31, 2014 includes the following:

Investment in Capital Assets	
Land	\$ 1,421,631
Other capital assets, net of accumulated depreciation	3,414,128
Total Investment in Capital Assets	4,835,759
Restricted	
Housing rehabilitation	149,746
Unrestricted	4,722,178
Total Net Position	\$ 9,707,683

G. SPECIAL ITEM

On January 1, 2014, the City of Stevens Point dissolved the Community Development Authority (“CDA”). In its place, a separate Housing Authority and a separate Redevelopment Authority were created to perform the duties and obligations of the CDA. On January 1, 2014, the CDA transferred assets, liabilities, and net position in the amount of \$4,590,598, \$48,785, and \$4,541,813, respectively, to the Redevelopment Authority, which is reported as a special item on the Statement of Revenues, Expenses, and Changes in Net Position. The special item also includes \$5,258,060 in land, land held for resale, buildings, and notes receivable that are owned by the Authority, but were not previously included as CDA assets.

NOTE III – OTHER INFORMATION

A. EMPLOYER’S RETIREMENT SYSTEM

The City of Stevens Point employees provide the necessary staffing to operate the Authority operations and the City makes the required contributions to the Wisconsin Retirement System. Information related to the Wisconsin Retirement System specific to the Authority is unavailable. See the Employer’s Retirement System footnote in the City of Stevens Point, Wisconsin’s financial statements for further details.

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2014

NOTE III – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT

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

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments are recorded as expenses when the related liabilities are incurred.

The Authority has provided a guaranty to the third party lender of the Central Wisconsin Children's Museum to make principal payments from the housing trust funds interest revenues in the event that the museum cannot make its own debt payments.

The Redevelopment Authority contracted with Candlewood Property Management, Inc. to manage its rental property at rates specified in the contract.

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

D. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

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

- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 71, *Pension – Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68*

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

E. OTHER POSTEMPLOYMENT BENEFITS

The City of Stevens Point employees provide the necessary staffing to operate the Authority operations. Upon retirement, these employees receive benefits according to the City of Stevens Point's policies. Other postemployment benefit information related specifically to the Authority is unavailable. See the other postemployment benefits note and required supplementary information in the City of Stevens Point, Wisconsin's financial statements for further details.

F. RELATED PARTIES

The administration and operation of the Authority is performed by employees of the City of Stevens Point. The Authority pays the City of Stevens Point for these services, as well as other allocated costs.

SUPPLEMENTARY INFORMATION

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

COMBINING SCHEDULE OF NET POSITION
As of December 31, 2014

	Totals	Program Eliminations	Subtotal	Development Fund	Housing Fund	Edgewater Fund	Housing Trust Fund
ASSETS							
CURRENT ASSETS							
Cash and investments	\$ 2,435,308	\$ -	\$ 2,435,308	\$ 127,288	\$ 95,407	\$ 171,758	\$ 2,040,855
Accounts receivable	4,046	-	4,046	-	-	4,046	-
Restricted assets							
Receivables	23,222	-	23,222	-	-	23,222	-
Due from other programs	-	(5,864)	5,864	-	5,864	-	-
Prepaid items	12	-	12	-	-	12	-
Total Current Assets	<u>2,462,588</u>	<u>(5,864)</u>	<u>2,468,452</u>	<u>127,288</u>	<u>101,271</u>	<u>199,038</u>	<u>2,040,855</u>
NONCURRENT ASSETS							
Loans receivable	1,683,891	-	1,683,891	22,458	1,661,433	-	-
Land held for resale	791,400	-	791,400	-	791,400	-	-
Capital assets							
Land	1,421,631	-	1,421,631	-	1,334,595	87,036	-
Other capital assets	5,737,002	-	5,737,002	-	3,324,355	2,412,647	-
Less: Accumulated depreciation	(2,322,874)	-	(2,322,874)	-	(359,360)	(1,963,514)	-
Total Noncurrent Assets	<u>7,311,050</u>	<u>-</u>	<u>7,311,050</u>	<u>22,458</u>	<u>6,752,423</u>	<u>536,169</u>	<u>-</u>
Total Assets	<u>9,773,638</u>	<u>(5,864)</u>	<u>9,779,502</u>	<u>149,746</u>	<u>6,853,694</u>	<u>735,207</u>	<u>2,040,855</u>
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	12,565	-	12,565	-	-	12,565	-
Accrued liabilities	3,154	-	3,154	-	-	3,154	-
Due to other programs	-	(5,864)	5,864	-	-	5,864	-
Current Liabilities Payable from Restricted Assets							
Deposits	23,222	-	23,222	-	-	23,222	-
Due to primary government	27,014	-	27,014	-	-	27,014	-
Total Current Liabilities	<u>65,955</u>	<u>(5,864)</u>	<u>71,819</u>	<u>-</u>	<u>-</u>	<u>71,819</u>	<u>-</u>
Total Liabilities	<u>65,955</u>	<u>(5,864)</u>	<u>71,819</u>	<u>-</u>	<u>-</u>	<u>71,819</u>	<u>-</u>
NET POSITION							
Investment in capital assets	4,835,759	-	4,835,759	-	4,299,590	536,169	-
Unrestricted	4,871,924	-	4,871,924	149,746	2,554,104	127,219	2,040,855
TOTAL NET POSITION	<u>\$ 9,707,683</u>	<u>\$ -</u>	<u>\$ 9,707,683</u>	<u>\$ 149,746</u>	<u>\$ 6,853,694</u>	<u>\$ 663,388</u>	<u>\$ 2,040,855</u>

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2014

	Totals	Program Eliminations	Subtotal	Development Fund	Housing Fund	Edgewater Fund	Housing Trust Fund
OPERATING REVENUES							
Rent	\$ 369,540	\$ -	\$ 369,540	\$ -	\$ -	\$ 369,540	\$ -
Other	8,849	-	8,849	-	-	8,849	-
Total Operating Revenues	<u>378,389</u>	<u>-</u>	<u>378,389</u>	<u>-</u>	<u>-</u>	<u>378,389</u>	<u>-</u>
OPERATING EXPENSES							
Administration	89,668	-	89,668	-	65,686	23,982	-
Utilities	132,222	-	132,222	-	-	132,222	-
Maintenance	157,085	-	157,085	-	-	157,085	-
Depreciation	169,273	-	169,273	-	109,210	60,063	-
Bad debts	(2,976)	-	(2,976)	-	(2,976)	-	-
Other	31,362	-	31,362	-	165	31,197	-
Total Operating Expenses	<u>576,634</u>	<u>-</u>	<u>576,634</u>	<u>-</u>	<u>172,085</u>	<u>404,549</u>	<u>-</u>
Operating Loss	<u>(198,245)</u>	<u>-</u>	<u>(198,245)</u>	<u>-</u>	<u>(172,085)</u>	<u>(26,160)</u>	<u>-</u>
NONOPERATING REVENUES							
Investment income	105,593	-	105,593	933	24	25	104,611
Other	462	-	462	-	462	-	-
Total Nonoperating Revenues	<u>106,055</u>	<u>-</u>	<u>106,055</u>	<u>933</u>	<u>486</u>	<u>25</u>	<u>104,611</u>
Income (Loss) Before Transfers Special Item	<u>(92,190)</u>	<u>-</u>	<u>(92,190)</u>	<u>933</u>	<u>(171,599)</u>	<u>(26,135)</u>	<u>104,611</u>
Transfers from other programs	-	(74,913)	74,913	-	74,913	-	-
Transfers to other programs	-	74,913	(74,913)	-	-	-	(74,913)
Special item	9,799,873	-	9,799,873	148,813	6,950,380	689,523	2,011,157
Total Transfers and Special Item	<u>9,799,873</u>	<u>-</u>	<u>9,799,873</u>	<u>148,813</u>	<u>7,025,293</u>	<u>689,523</u>	<u>1,936,244</u>
Change in Net Position	<u>9,707,683</u>	<u>-</u>	<u>9,707,683</u>	<u>149,746</u>	<u>6,853,694</u>	<u>663,388</u>	<u>2,040,855</u>
NET POSITION - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 9,707,683</u>	<u>\$ -</u>	<u>\$ 9,707,683</u>	<u>\$ 149,746</u>	<u>\$ 6,853,694</u>	<u>\$ 663,388</u>	<u>\$ 2,040,855</u>

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

COMBINING SCHEDULE OF CASH FLOWS
For the Year Ended December 31, 2014

	Totals	Development Fund	Housing Fund	Edgewater Fund	Housing Trust Fund
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES					
Cash received from tenants and customers	\$ 350,407	\$ -	\$ -	\$ 350,407	\$ -
Cash paid to suppliers for goods and services	(382,401)	-	(68,277)	(314,124)	-
Net Cash Flows From (Used For) Operating Activities	(31,994)	-	(68,277)	36,283	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in (out)	-	-	74,913	-	(74,913)
Cash collected on loans	60,617	9,381	51,236	-	-
Cash received from the dissolution of the CDA	2,301,092	116,974	37,511	135,450	2,011,157
Net Cash Flows From Noncapital Financing Activities	2,361,709	126,355	163,660	135,450	1,936,244
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	105,593	933	24	25	104,611
Net Increase in Cash and Cash Equivalents	2,435,308	127,288	95,407	171,758	2,040,855
CASH AND CASH EQUIVALENTS - Beginning of Year	-	-	-	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,435,308</u>	<u>\$ 127,288</u>	<u>\$ 95,407</u>	<u>\$ 171,758</u>	<u>\$ 2,040,855</u>
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES					
Operating loss	\$ (198,245)	\$ -	\$ (172,085)	\$ (26,160)	\$ -
Adjustments to reconcile operating loss to net cash provided by operating activities					
Depreciation	169,273	-	109,210	60,063	-
Nonoperating income	462	-	462	-	-
Changes in assets and liabilities					
Accounts receivable	(27,268)	-	-	(27,268)	-
Due to/from other programs	-	-	(5,864)	5,864	-
Prepaid items	6,614	-	-	6,614	-
Accounts payable	(12,284)	-	-	(12,284)	-
Due to the primary government	27,014	-	-	27,014	-
Accrued liabilities	3,154	-	-	3,154	-
Deposits	(714)	-	-	(714)	-
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>\$ (31,994)</u>	<u>\$ -</u>	<u>\$ (68,277)</u>	<u>\$ 36,283</u>	<u>\$ -</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and investments - statement of net position	\$ 2,435,308	\$ 127,288	\$ 95,407	\$ 171,758	\$ 2,040,855
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES					
Net value of assets and liabilities received upon the dissolution of the CDA	\$ 7,498,781	\$ 31,839	\$ 6,912,869	\$ 554,073	\$ -

**JOINT MUNICIPAL AGREEMENT OF THE CITY OF STEVENS POINT AND
COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT
FOR EDGEWATER MANOR**

WHEREAS, the City of Stevens Point, a municipal corporation, and the Community Development Authority (CDA) of the City of Stevens Point, a separate body politic and corporate, desire to enter into an agreement regarding appropriations of certain monies to the CDA to fulfill certain contract obligations which the CDA has incurred and to complete the downtown rehabilitation project; and

WHEREAS, the City of Stevens Point has or anticipates borrowing the sum of One Million Five Hundred Twenty-one Thousand Five Hundred Dollars (\$1,521,500.00) which sum would be appropriated to the CDA for such uses as provided above; and

WHEREAS, the CDA has contemplated the sale of property which it owns and controls, namely Edgewater Manor, located on Water Street within the City of Stevens Point more particularly described as follows:

Tax Parcel No. 281-2408-32-2019-33:

Lot 1 of Portage County Certified Survey Map No. 4934 as recorded in Volume 17, Page 189 of Portage County Certified Surveys; being Outlot 1 of Portage County Certified Survey Map No. 4859-17-114 and part of Blocks 24 and 25 of Strongs, Ellis & Others Addition; and Government Lot 2; located in Section 32, Township 24 North of Range 8 East in the City of Stevens Point, Portage County, Wisconsin.

Tax Parcel No. 281-2408-32-2019-35:

Lot 2 of Portage County Certified Survey Map No. 4934 as recorded in Volume 17, Page 189 of Portage County Certified Surveys; being Outlot 1 of Portage County Certified Survey Map No. 4859-17-114 and part of Blocks 24 and 25 of Strongs, Ellis & Others Addition; and Government Lot 2; located in Section 32, Township 24 North of Range 8 East in the City of Stevens Point, Portage County, Wisconsin.

WHEREAS, the City of Stevens Point desires to advise and consent to any proposed sale of such property by the CDA.

NOW THEREFORE, in consideration of the appropriation of such funds as described above to the Community Development Authority (CDA) of the City of Stevens Point, the CDA does hereby agree and acknowledge that the CDA will not transfer, convey, sell or otherwise dispose of Edgewater Manor, except leases by the CDA for the purpose of residential dwelling occupation of the building by individual tenants, without the advice and consent of the Common Council of the City of Stevens Point.

This agreement and covenant shall remain in full force and effect until mutually modified by both of the undersigned entities and shall run with the land. The City Clerk is directed to record this agreement in the Office of the Register of Deeds for Portage County.

Dated this 23 day of April, 2013 at Stevens Point, Wisconsin.

By:  CDA of the City of Stevens Point – Chairman

By: Mildred Ostrowski CDA of the City of Stevens Point – Exec. Sec.

By:  City of Stevens Point – Mayor

By: John Morz City of Stevens Point - Clerk

**Edgewater Manor
Financial Projection 2016-2035
Scenario 1-Current**

	2015 Budget	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key Variables and Resulting Borrowing Ability											
		Borrowing Ability									
Vacancy Rate	13.50%	Average Available for Debt Service				\$156,115.08					
Initial Rental Rate	530.00	Resulting Allowable Debt G.O. 3.5%				\$2,218,395.26					
Rate of Rental Increase	1.50%	Resulting Allowable Debt Revenue 6.0%**				\$1,276,396.88					
Rate of Expense Increase	2.00%										
Building Repair Expenses as % of current budgeted	100.00%	Cumul. Surplus/(Deficit): Borrow \$2.275 Million G.O.				(79,127.44)					
Operating Receipts											
Gross Potential Rents	516,240.00	523,983.60	531,843.35	539,821.00	547,918.32	556,137.09	564,479.15	572,946.34	581,540.53	590,263.64	599,117.60
Vacancy Loss	69,692.40	70,737.79	71,798.85	72,875.84	73,968.97	75,078.51	76,204.69	77,347.76	78,507.97	79,685.59	80,880.88
Total Rental Income	446,547.60	453,245.81	460,044.50	466,945.17	473,949.35	481,058.59	488,274.47	495,598.58	503,032.56	510,578.05	518,236.72
Other Income - A/C	1,730.00	1,755.95	1,782.29	1,809.02	1,836.16	1,863.70	1,891.66	1,920.03	1,948.83	1,978.06	2,007.74
Other Income - Cable Revenue	25,223.40	25,601.75	25,985.78	26,375.56	26,771.20	27,172.77	27,580.36	27,994.06	28,413.97	28,840.18	29,272.79
Other Income - Laundry Revenue	6,920.00	7,023.80	7,129.16	7,236.09	7,344.64	7,454.81	7,566.63	7,680.13	7,795.33	7,912.26	8,030.94
Other Income - Vending Machine Revenue	2,472.17	2,509.25	2,546.89	2,585.09	2,623.87	2,663.23	2,703.18	2,743.73	2,784.88	2,826.65	2,869.05
Total Operating Income	482,893.17	490,136.57	497,488.62	504,950.95	512,525.21	520,213.09	528,016.28	535,936.53	543,975.58	552,135.21	560,417.24
Operating Expenditures - Administration											
Management Fee	31,258.33	31,727.21	32,203.12	32,686.16	33,176.45	33,674.10	34,179.21	34,691.90	35,212.28	35,740.46	36,276.57
Marketing	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Office Expense (publications, misc)	100.00	102.00	104.04	106.12	108.24	110.41	112.62	114.87	117.17	119.51	121.90
Office Supplies	500.00	510.00	520.20	530.60	541.22	552.04	563.08	574.34	585.83	597.55	609.50
Auditing Fees	2,000.00	2,040.00	2,080.80	2,122.42	2,164.86	2,208.16	2,252.32	2,297.37	2,343.32	2,390.19	2,437.99
Total Administrative Expenses	38,858.33	39,479.21	40,110.16	40,751.34	41,402.94	42,065.12	42,738.05	43,421.91	44,116.89	44,823.17	45,540.93
Utilities Expenditures											
Water and Sewer*	16,767.61	17,102.96	17,445.02	17,793.92	18,149.80	18,512.80	18,883.05	19,260.71	19,645.93	20,038.85	20,439.62
Cable	34,891.25	35,589.08	36,300.86	37,026.87	37,767.41	38,522.76	39,293.21	40,079.08	40,880.66	41,698.27	42,532.24
Phone	1,572.81	1,604.27	1,636.35	1,669.08	1,702.46	1,736.51	1,771.24	1,806.66	1,842.80	1,879.65	1,917.25
Gas and Electric*	74,583.95	76,075.63	77,597.14	79,149.08	80,732.07	82,346.71	83,993.64	85,673.51	87,386.98	89,134.72	90,917.42
Total Utilities Expense	127,816.62	130,372.95	132,980.41	135,640.02	138,352.82	141,119.88	143,942.27	146,821.12	149,757.54	152,752.69	155,807.75
Maintenance Expenditures											
Building Repairs	100,000.00	102,000.00	104,040.00	106,120.80	108,243.22	110,408.08	112,616.24	114,868.57	117,165.94	119,509.26	121,899.44
Materials	7,500.00	7,650.00	7,803.00	7,959.06	8,118.24	8,280.61	8,446.22	8,615.14	8,787.45	8,963.19	9,142.46
Contract Costs-Elevator Maintenance	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Contract Costs-Grounds-Lawn	2,000.00	2,040.00	2,080.80	2,122.42	2,164.86	2,208.16	2,252.32	2,297.37	2,343.32	2,390.19	2,437.99
Contract Costs-Grounds-Snow	3,000.00	3,060.00	3,121.20	3,183.62	3,247.30	3,312.24	3,378.49	3,446.06	3,514.98	3,585.28	3,656.98
Contract Costs-Garbage & Trash Removal	3,656.50	3,729.63	3,804.22	3,880.31	3,957.91	4,037.07	4,117.81	4,200.17	4,284.17	4,369.86	4,457.25
Total Maintenance Expense	121,156.50	123,579.63	126,051.22	128,572.25	131,143.69	133,766.57	136,441.90	139,170.74	141,954.15	144,793.23	147,689.10
General Expenditures											
Insurance Expense-Other (Boilers)	500.00	510.00	520.20	530.60	541.22	552.04	563.08	574.34	585.83	597.55	609.50
Insurance Expense-Property	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Insurance Expense-Gen Liability	6,500.00	6,630.00	6,762.60	6,897.85	7,035.81	7,176.53	7,320.06	7,466.46	7,615.79	7,768.10	7,923.46
Payments in Lieu of Taxes	35,519.60	36,006.72	36,500.23	37,000.22	37,506.75	38,019.91	38,539.78	39,066.44	39,599.96	40,140.45	40,687.97
Total General Expenses	47,519.60	48,246.72	48,985.03	49,734.71	50,495.93	51,268.88	52,053.73	52,850.66	53,659.88	54,481.56	55,315.90
Total Operating Expenses	335,351.06	341,678.51	348,126.82	354,698.32	361,395.38	368,220.44	375,175.94	382,264.43	389,488.46	396,850.65	404,353.67
Net Profit (Loss)	147,542.11	148,458.06	149,361.79	150,252.62	151,129.82	151,992.65	152,840.34	153,672.10	154,487.12	155,284.56	156,063.57

Average Available for Debt Service 156,115.08
Resulting Allowable Debt G.O. 3.5% 2,218,395.26
Resulting Allowable Debt Revenue 6.0%** 1,276,396.88

*Water, Gas, and Electric Utilities assumed to be 50% fixed and 50% variable depending on Occupancy
 **Revenue Bond Assumes Coverage Ratio Requirement of 1.25 and Reserve Account Requirement equal to 1 years debt service

**Edgewater Manor
Financial Projection 2016-2035
Scenario 2-Optimistic**

	2015 Budget	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key Variables and Resulting Borrowing Ability											
		Borrowing Ability									
Vacancy Rate	8.00%	Average Available for Debt Service			\$229,806.07						
Initial Rental Rate	530.00	Resulting Allowable Debt G.O. 3.5%			\$3,265,544.32						
Rate of Rental Increase	2.00%	Resulting Allowable Debt Revenue 6.0%**			\$1,878,894.46						
Rate of Expense Increase	2.00%										
Building Repair Expenses as % of current budgeted	85.00%	Cumul. Surplus/(Deficit): Borrow \$2.275 Million G.O.			1,394,692.49						
Operating Receipts											
Gross Potential Rents	516,240.00	526,564.80	537,096.10	547,838.02	558,794.78	569,970.67	581,370.09	592,997.49	604,857.44	616,954.59	629,293.68
Vacancy Loss	41,299.20	42,125.18	42,967.69	43,827.04	44,703.58	45,597.65	46,509.61	47,439.80	48,388.60	49,356.37	50,343.49
Total Rental Income	474,940.80	484,439.62	494,128.41	504,010.98	514,091.20	524,373.02	534,860.48	545,557.69	556,468.84	567,598.22	578,950.18
Other Income - A/C	1,840.00	1,876.80	1,914.34	1,952.62	1,991.68	2,031.51	2,072.14	2,113.58	2,155.85	2,198.97	2,242.95
Other Income - Cable Revenue	26,827.20	27,363.74	27,911.02	28,469.24	29,038.62	29,619.40	30,211.78	30,816.02	31,432.34	32,060.99	32,702.21
Other Income - Laundry Revenue	7,360.00	7,507.20	7,657.34	7,810.49	7,966.70	8,126.03	8,288.56	8,454.33	8,623.41	8,795.88	8,971.80
Other Income - Vending Machine Revenue	2,629.36	2,681.95	2,735.59	2,790.30	2,846.10	2,903.03	2,961.09	3,020.31	3,080.71	3,142.33	3,205.18
Total Operating Income	513,597.36	523,869.31	534,346.69	545,033.63	555,934.30	567,052.99	578,394.05	589,961.93	601,761.16	613,796.39	626,072.32
Operating Expenditures - Administration											
Management Fee	33,245.86	33,910.77	34,588.99	35,280.77	35,986.38	36,706.11	37,440.23	38,189.04	38,952.82	39,731.88	40,526.51
Marketing	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Office Expense (publications, misc)	100.00	102.00	104.04	106.12	108.24	110.41	112.62	114.87	117.17	119.51	121.90
Office Supplies	500.00	510.00	520.20	530.60	541.22	552.04	563.08	574.34	585.83	597.55	609.50
Auditing Fees	2,000.00	2,040.00	2,080.80	2,122.42	2,164.86	2,208.16	2,252.32	2,297.37	2,343.32	2,390.19	2,437.99
Total Administrative Expenses	40,845.86	41,662.77	42,496.03	43,345.95	44,212.87	45,097.13	45,999.07	46,919.05	47,857.43	48,814.58	49,790.87
Utilities Expenditures											
Water and Sewer*	17,356.88	17,704.02	18,058.10	18,419.26	18,787.65	19,163.40	19,546.67	19,937.60	20,336.35	20,743.08	21,157.94
Cable	34,891.25	35,589.08	36,300.86	37,026.87	37,767.41	38,522.76	39,293.21	40,079.08	40,880.66	41,698.27	42,532.24
Phone	1,572.81	1,604.27	1,636.35	1,669.08	1,702.46	1,736.51	1,771.24	1,806.66	1,842.80	1,879.65	1,917.25
Gas and Electric*	77,291.60	78,837.43	80,414.18	82,022.46	83,662.91	85,336.17	87,042.90	88,783.75	90,559.43	92,370.62	94,218.03
Total Utilities Expense	131,113.54	133,735.81	136,410.53	139,138.74	141,921.51	144,759.94	147,655.14	150,608.24	153,620.41	156,692.82	159,826.67
Maintenance Expenditures											
Building Repairs	85,000.00	86,700.00	88,434.00	90,202.68	92,006.73	93,846.87	95,723.81	97,638.28	99,591.05	101,582.87	103,614.53
Materials	7,500.00	7,650.00	7,803.00	7,959.06	8,118.24	8,280.61	8,446.22	8,615.14	8,787.45	8,963.19	9,142.46
Contract Costs-Elevator Maintenance	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Contract Costs-Grounds-Lawn	2,000.00	2,040.00	2,080.80	2,122.42	2,164.86	2,208.16	2,252.32	2,297.37	2,343.32	2,390.19	2,437.99
Contract Costs-Grounds-Snow	3,000.00	3,060.00	3,121.20	3,183.62	3,247.30	3,312.24	3,378.49	3,446.06	3,514.98	3,585.28	3,656.98
Contract Costs-Garbage & Trash Removal	3,656.50	3,729.63	3,804.22	3,880.31	3,957.91	4,037.07	4,117.81	4,200.17	4,284.17	4,369.86	4,457.25
Total Maintenance Expense	106,156.50	108,279.63	110,445.22	112,654.13	114,907.21	117,205.35	119,549.46	121,940.45	124,379.26	126,866.84	129,404.18
General Expenditures											
Insurance Expense-Other (Boilers)	500.00	510.00	520.20	530.60	541.22	552.04	563.08	574.34	585.83	597.55	609.50
Insurance Expense-Property	5,000.00	5,100.00	5,202.00	5,306.04	5,412.16	5,520.40	5,630.81	5,743.43	5,858.30	5,975.46	6,094.97
Insurance Expense-Gen Liability	6,500.00	6,630.00	6,762.60	6,897.85	7,035.81	7,176.53	7,320.06	7,466.46	7,615.79	7,768.10	7,923.46
Payments in Lieu of Taxes	38,029.23	38,789.82	39,565.61	40,356.93	41,164.06	41,987.35	42,827.09	43,683.63	44,557.31	45,448.45	46,357.42
Total General Expenses	50,029.23	51,029.82	52,050.41	53,091.42	54,153.25	55,236.31	56,341.04	57,467.86	58,617.22	59,789.56	60,985.35
Total Operating Expenses	328,145.13	334,708.03	341,402.19	348,230.23	355,194.84	362,298.74	369,544.71	376,935.61	384,474.32	392,163.80	400,007.08
Net Profit (Loss)	185,452.23	189,161.28	192,944.50	196,803.39	200,739.46	204,754.25	208,849.33	213,026.32	217,286.85	221,632.58	226,065.24

Average Available for Debt Service 229,806.07
Resulting Allowable Debt G.O. 3.5% 3,265,544.32
Resulting Allowable Debt Revenue 6.0%** 1,878,894.46

*Water, Gas, and Electric Utilities assumed to be 50% fixed and 50% variable depending on Occupancy
 **Revenue Bond Assumes Coverage Ratio Requirement of 1.25 and Reserve Account Requirement equal to 1 years debt service

**Edgewater Manor
Financial Projection 2016-2035
Scenario 3-More Optimistic**

	2015 Budget	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key Variables and Resulting Borrowing Ability			Borrowing Ability								
Vacancy Rate	5.00%		Average Available for Debt Service			\$279,239.97					
Initial Rental Rate	530.00		Resulting Allowable Debt G.O. 3.5%			\$3,967,999.92					
Rate of Rental Increase	2.00%		Resulting Allowable Debt Revenue 6.0%**			\$2,283,065.96					
Rate of Expense Increase	1.50%										
Building Repair Expenses as % of current budgeted	70.00%		Cumul. Surplus/(Deficit): Borrow \$2.275 Million G.O.			2,383,370.32					
Operating Receipts											
Gross Potential Rents	516,240.00	526,564.80	537,096.10	547,838.02	558,794.78	569,970.67	581,370.09	592,997.49	604,857.44	616,954.59	629,293.68
Vacancy Loss	25,812.00	26,328.24	26,854.80	27,391.90	27,939.74	28,498.53	29,068.50	29,649.87	30,242.87	30,847.73	31,464.68
Total Rental Income	490,428.00	500,236.56	510,241.29	520,446.12	530,855.04	541,472.14	552,301.58	563,347.61	574,614.57	586,106.86	597,829.00
Other Income - A/C	1,900.00	1,938.00	1,976.76	2,016.30	2,056.62	2,097.75	2,139.71	2,182.50	2,226.15	2,270.68	2,316.09
Other Income - Cable Revenue	27,702.00	28,256.04	28,821.16	29,397.58	29,985.54	30,585.25	31,196.95	31,820.89	32,457.31	33,106.45	33,768.58
Other Income - Laundry Revenue	7,600.00	7,752.00	7,907.04	8,065.18	8,226.48	8,391.01	8,558.83	8,730.01	8,904.61	9,082.70	9,264.36
Other Income - Vending Machine Revenue	2,715.10	2,769.40	2,824.79	2,881.29	2,938.91	2,997.69	3,057.64	3,118.80	3,181.17	3,244.80	3,309.69
Total Operating Income	530,345.10	540,952.00	551,771.04	562,806.46	574,062.59	585,543.84	597,254.72	609,199.82	621,383.81	633,811.49	646,487.72
Operating Expenditures - Administration											
Management Fee	34,329.96	35,016.56	35,716.89	36,431.23	37,159.85	37,903.05	38,661.11	39,434.33	40,223.02	41,027.48	41,848.03
Marketing	5,000.00	5,075.00	5,151.13	5,228.39	5,306.82	5,386.42	5,467.22	5,549.22	5,632.46	5,716.95	5,802.70
Office Expense (publications, misc)	100.00	101.50	103.02	104.57	106.14	107.73	109.34	110.98	112.65	114.34	116.05
Office Supplies	500.00	507.50	515.11	522.84	530.68	538.64	546.72	554.92	563.25	571.69	580.27
Auditing Fees	2,000.00	2,030.00	2,060.45	2,091.36	2,122.73	2,154.57	2,186.89	2,219.69	2,252.99	2,286.78	2,321.08
Total Administrative Expenses	41,929.96	42,730.56	43,546.60	44,378.38	45,226.22	46,090.41	46,971.28	47,869.15	48,784.36	49,717.24	50,668.14
Utilities Expenditures											
Water and Sewer*	17,678.30	17,943.47	18,212.63	18,485.82	18,763.10	19,044.55	19,330.22	19,620.17	19,914.47	20,213.19	20,516.39
Cable	34,891.25	35,414.62	35,945.84	36,485.03	37,032.30	37,587.79	38,151.60	38,723.88	39,304.73	39,894.31	40,492.72
Phone	1,572.81	1,596.40	1,620.35	1,644.65	1,669.32	1,694.36	1,719.78	1,745.58	1,771.76	1,798.34	1,825.31
Gas and Electric*	78,768.50	79,950.03	81,149.28	82,366.52	83,602.01	84,856.05	86,128.89	87,420.82	88,732.13	90,063.11	91,414.06
Total Utilities Expense	132,911.86	134,905.54	136,929.12	138,983.06	141,067.80	143,183.82	145,331.58	147,511.55	149,724.22	151,970.09	154,249.64
Maintenance Expenditures											
Building Repairs	70,000.00	71,050.00	72,115.75	73,197.49	74,295.45	75,409.88	76,541.03	77,689.14	78,854.48	80,037.30	81,237.86
Materials	7,500.00	7,612.50	7,726.69	7,842.59	7,960.23	8,079.63	8,200.82	8,323.84	8,448.69	8,575.42	8,704.06
Contract Costs-Elevator Maintenance	5,000.00	5,075.00	5,151.13	5,228.39	5,306.82	5,386.42	5,467.22	5,549.22	5,632.46	5,716.95	5,802.70
Contract Costs-Grounds-Lawn	2,000.00	2,030.00	2,060.45	2,091.36	2,122.73	2,154.57	2,186.89	2,219.69	2,252.99	2,286.78	2,321.08
Contract Costs-Grounds-Snow	3,000.00	3,045.00	3,090.68	3,137.04	3,184.09	3,231.85	3,280.33	3,329.53	3,379.48	3,430.17	3,481.62
Contract Costs-Garbage & Trash Removal	3,656.50	3,711.35	3,767.02	3,823.52	3,880.88	3,939.09	3,998.18	4,058.15	4,119.02	4,180.81	4,243.52
Total Maintenance Expense	91,156.50	92,523.85	93,911.71	95,320.38	96,750.19	98,201.44	99,674.46	101,169.58	102,687.12	104,227.43	105,790.84
General Expenditures											
Insurance Expense-Other (Boilers)	500.00	507.50	515.11	522.84	530.68	538.64	546.72	554.92	563.25	571.69	580.27
Insurance Expense-Property	5,000.00	5,075.00	5,151.13	5,228.39	5,306.82	5,386.42	5,467.22	5,549.22	5,632.46	5,716.95	5,802.70
Insurance Expense-Gen Liability	6,500.00	6,597.50	6,696.46	6,796.91	6,898.86	7,002.35	7,107.38	7,213.99	7,322.20	7,432.03	7,543.52
Payments in Lieu of Taxes	39,398.12	40,234.31	41,087.94	41,959.38	42,848.99	43,757.15	44,684.25	45,630.66	46,596.80	47,583.06	48,589.85
Total General Expenses	51,398.12	52,414.31	53,450.64	54,507.52	55,585.35	56,684.56	57,805.57	58,948.80	60,114.71	61,303.74	62,516.34
Total Operating Expenses	317,396.44	322,574.25	327,838.07	333,189.34	338,629.56	344,160.23	349,782.89	355,499.09	361,310.42	367,218.50	373,224.96
Net Profit (Loss)	212,948.66	218,377.75	223,932.98	229,617.12	235,433.03	241,383.61	247,471.84	253,700.73	260,073.39	266,592.99	273,262.75

Average Available for Debt Service 279,239.97
Resulting Allowable Debt G.O. 3.5% 3,967,999.92
Resulting Allowable Debt Revenue 6.0%** 2,283,065.96

*Water, Gas, and Electric Utilities assumed to be 50% fixed and 50% variable depending on Occupancy
**Revenue Bond Assumes Coverage Ratio Requirement of 1.25 and Reserve Account Requirement equal to 1 years debt service

**Edgewater Manor
Financial Projection 2016-2035
Scenario 4-Slightly Pessimistic**

	2015 Budget	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key Variables and Resulting Borrowing Ability			Borrowing Ability								
Vacancy Rate	17.00%		Average Available for Debt Service			\$94,918.79					
Initial Rental Rate	530.00		Resulting Allowable Debt G.O. 3.5%			\$1,348,796.01					
Rate of Rental Increase	1.50%		Resulting Allowable Debt Revenue 6.0%**			\$776,056.03					
Rate of Expense Increase	2.50%										
Building Repair Expenses as % of current budgeted	120.00%		Cumul. Surplus/(Deficit): Borrow \$2.275 Million G.O.			(1,303,053.20)					
Operating Receipts											
Gross Potential Rents	516,240.00	523,983.60	531,843.35	539,821.00	547,918.32	556,137.09	564,479.15	572,946.34	581,540.53	590,263.64	599,117.60
Vacancy Loss	87,760.80	89,077.21	90,413.37	91,769.57	93,146.11	94,543.31	95,961.46	97,400.88	98,861.89	100,344.82	101,849.99
Total Rental Income	428,479.20	434,906.39	441,429.98	448,051.43	454,772.21	461,593.79	468,517.69	475,545.46	482,678.64	489,918.82	497,267.60
Other Income - A/C	1,660.00	1,684.90	1,710.17	1,735.83	1,761.86	1,788.29	1,815.12	1,842.34	1,869.98	1,898.03	1,926.50
Other Income - Cable Revenue	24,202.80	24,565.84	24,934.33	25,308.34	25,687.97	26,073.29	26,464.39	26,861.35	27,264.27	27,673.24	28,088.34
Other Income - Laundry Revenue	6,640.00	6,739.60	6,840.69	6,943.30	7,047.45	7,153.17	7,260.46	7,369.37	7,479.91	7,592.11	7,705.99
Other Income - Vending Machine Revenue	2,372.14	2,407.72	2,443.84	2,480.50	2,517.70	2,555.47	2,593.80	2,632.71	2,672.20	2,712.28	2,752.97
Total Operating Income	463,354.14	470,304.45	477,359.02	484,519.40	491,787.20	499,164.00	506,651.46	514,251.24	521,965.00	529,794.48	537,741.40
Operating Expenditures - Administration											
Management Fee	29,993.54	30,443.45	30,900.10	31,363.60	31,834.05	32,311.57	32,796.24	33,288.18	33,787.50	34,294.32	34,808.73
Marketing	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Office Expense (publications, misc)	100.00	102.50	105.06	107.69	110.38	113.14	115.97	118.87	121.84	124.89	128.01
Office Supplies	500.00	512.50	525.31	538.45	551.91	565.70	579.85	594.34	609.20	624.43	640.04
Auditing Fees	2,000.00	2,050.00	2,101.25	2,153.78	2,207.63	2,262.82	2,319.39	2,377.37	2,436.81	2,497.73	2,560.17
Total Administrative Expenses	37,593.54	38,233.45	38,884.85	39,547.97	40,223.03	40,910.27	41,609.91	42,322.19	43,047.37	43,785.68	44,537.37
Utilities Expenditures											
Water and Sewer*	16,392.62	16,802.44	17,222.50	17,653.06	18,094.39	18,546.74	19,010.41	19,485.67	19,972.82	20,472.14	20,983.94
Cable	34,891.25	35,763.53	36,657.62	37,574.06	38,513.41	39,476.25	40,463.15	41,474.73	42,511.60	43,574.39	44,663.75
Phone	1,572.81	1,612.13	1,652.43	1,693.74	1,736.09	1,779.49	1,823.98	1,869.58	1,916.32	1,964.22	2,013.33
Gas and Electric*	72,860.90	74,682.42	76,549.48	78,463.22	80,424.80	82,435.42	84,496.31	86,608.71	88,773.93	90,993.28	93,268.11
Total Utilities Expense	125,718.58	128,861.54	132,083.08	135,385.16	138,769.79	142,239.03	145,795.01	149,439.89	153,175.88	157,005.28	160,930.41
Maintenance Expenditures											
Building Repairs	120,000.00	123,000.00	126,075.00	129,226.88	132,457.55	135,768.99	139,163.21	142,642.29	146,208.35	149,863.56	153,610.15
Materials	7,500.00	7,687.50	7,879.69	8,076.68	8,278.60	8,485.56	8,697.70	8,915.14	9,138.02	9,366.47	9,600.63
Contract Costs-Elevator Maintenance	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Contract Costs-Grounds-Lawn	2,000.00	2,050.00	2,101.25	2,153.78	2,207.63	2,262.82	2,319.39	2,377.37	2,436.81	2,497.73	2,560.17
Contract Costs-Grounds-Snow	3,000.00	3,075.00	3,151.88	3,230.67	3,311.44	3,394.22	3,479.08	3,566.06	3,655.21	3,746.59	3,840.25
Contract Costs-Garbage & Trash Removal	3,656.50	3,747.91	3,841.61	3,937.65	4,036.09	4,136.99	4,240.42	4,346.43	4,455.09	4,566.47	4,680.63
Total Maintenance Expense	141,156.50	144,685.41	148,302.55	152,010.11	155,810.36	159,705.62	163,698.26	167,790.72	171,985.49	176,285.13	180,692.25
General Expenditures											
Insurance Expense-Other (Boilers)	500.00	512.50	525.31	538.45	551.91	565.70	579.85	594.34	609.20	624.43	640.04
Insurance Expense-Property	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Insurance Expense-Gen Liability	6,500.00	6,662.50	6,829.06	6,999.79	7,174.78	7,354.15	7,538.01	7,726.46	7,919.62	8,117.61	8,320.55
Payments in Lieu of Taxes	33,922.57	34,342.15	34,765.80	35,193.52	35,625.30	36,061.16	36,501.10	36,945.11	37,393.19	37,845.34	38,301.56
Total General Expenses	45,922.57	46,642.15	47,373.30	48,116.20	48,871.06	49,638.06	50,417.42	51,209.34	52,014.02	52,831.70	53,662.57
Total Operating Expenses	350,391.19	358,422.56	366,643.78	375,059.44	383,674.24	392,492.99	401,520.60	410,762.14	420,222.76	429,907.78	439,822.61
Net Profit (Loss)	112,962.95	111,881.89	110,715.24	109,459.96	108,112.95	106,671.02	105,130.86	103,489.10	101,742.24	99,886.70	97,918.79

Average Available for Debt Service 94,918.79
Resulting Allowable Debt G.O. 3.5% 1,348,796.01
Resulting Allowable Debt Revenue 6.0%** 776,056.03

*Water, Gas, and Electric Utilities assumed to be 50% fixed and 50% variable depending on Occupancy
 **Revenue Bond Assumes Coverage Ratio Requirement of 1.25 and Reserve Account Requirement equal to 1 years debt service

**Edgewater Manor
Financial Projection 2016-2035
Scenario 5-More Pessimistic**

	2015 Budget	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key Variables and Resulting Borrowing Ability			Borrowing Ability								
Vacancy Rate	35.00%		Average Available for Debt Service			-\$49,856.69					
Initial Rental Rate	530.00		Resulting Allowable Debt G.O. 3.5%			-\$708,463.62					
Rate of Rental Increase	1.00%		Resulting Allowable Debt Revenue 6.0%**			-\$407,628.33					
Rate of Expense Increase	2.50%										
Building Repair Expenses as % of current budgeted	150.00%		Cumul. Surplus/(Deficit): Borrow \$2.275 Million G.O.			(4,198,562.88)					
Operating Receipts											
Gross Potential Rents	516,240.00	521,402.40	526,616.42	531,882.59	537,201.41	542,573.43	547,999.16	553,479.15	559,013.95	564,604.09	570,250.13
Vacancy Loss	180,684.00	182,490.84	184,315.75	186,158.91	188,020.49	189,900.70	191,799.71	193,717.70	195,654.88	197,611.43	199,587.54
Total Rental Income	335,556.00	338,911.56	342,300.68	345,723.68	349,180.92	352,672.73	356,199.46	359,761.45	363,359.06	366,992.66	370,662.58
Other Income - A/C	1,300.00	1,313.00	1,326.13	1,339.39	1,352.79	1,366.31	1,379.98	1,393.78	1,407.71	1,421.79	1,436.01
Other Income - Cable Revenue	18,954.00	19,143.54	19,334.98	19,528.33	19,723.61	19,920.84	20,120.05	20,321.25	20,524.47	20,729.71	20,937.01
Other Income - Laundry Revenue	5,200.00	5,252.00	5,304.52	5,357.57	5,411.14	5,465.25	5,519.90	5,575.10	5,630.85	5,687.16	5,744.04
Other Income - Vending Machine Revenue	1,857.70	1,876.28	1,895.04	1,913.99	1,933.13	1,952.46	1,971.99	1,991.71	2,011.62	2,031.74	2,052.06
Total Operating Income	362,867.70	366,496.38	370,161.34	373,862.95	377,601.58	381,377.60	385,191.38	389,043.29	392,933.72	396,863.06	400,831.69
Operating Expenditures - Administration											
Management Fee	23,488.92	23,723.81	23,961.05	24,200.66	24,442.66	24,687.09	24,933.96	25,183.30	25,435.13	25,689.49	25,946.38
Marketing	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Office Expense (publications, misc)	100.00	102.50	105.06	107.69	110.38	113.14	115.97	118.87	121.84	124.89	128.01
Office Supplies	500.00	512.50	525.31	538.45	551.91	565.70	579.85	594.34	609.20	624.43	640.04
Auditing Fees	2,000.00	2,050.00	2,101.25	2,153.78	2,207.63	2,262.82	2,319.39	2,377.37	2,436.81	2,497.73	2,560.17
Total Administrative Expenses	31,088.92	31,513.81	31,945.80	32,385.03	32,831.64	33,285.79	33,747.63	34,217.31	34,695.00	35,180.84	35,675.02
Utilities Expenditures											
Water and Sewer*	14,464.10	14,825.70	15,196.35	15,576.25	15,965.66	16,364.80	16,773.92	17,193.27	17,623.10	18,063.68	18,515.27
Cable	34,891.25	35,763.53	36,657.62	37,574.06	38,513.41	39,476.25	40,463.15	41,474.73	42,511.60	43,574.39	44,663.75
Phone	1,572.81	1,612.13	1,652.43	1,693.74	1,736.09	1,779.49	1,823.98	1,869.58	1,916.32	1,964.22	2,013.33
Gas and Electric*	63,999.50	65,599.49	67,239.47	68,920.46	70,643.47	72,409.56	74,219.80	76,075.29	77,977.18	79,926.61	81,924.77
Total Utilities Expense	114,928.66	117,801.88	120,746.92	123,765.60	126,859.74	130,031.23	133,282.01	136,614.06	140,029.41	143,530.15	147,118.40
Maintenance Expenditures											
Building Repairs	150,000.00	153,750.00	157,593.75	161,533.59	165,571.93	169,711.23	173,954.01	178,302.86	182,760.43	187,329.45	192,012.68
Materials	7,500.00	7,687.50	7,879.69	8,076.68	8,278.60	8,485.56	8,697.70	8,915.14	9,138.02	9,366.47	9,600.63
Contract Costs-Elevator Maintenance	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Contract Costs-Grounds-Lawn	2,000.00	2,050.00	2,101.25	2,153.78	2,207.63	2,262.82	2,319.39	2,377.37	2,436.81	2,497.73	2,560.17
Contract Costs-Grounds-Snow	3,000.00	3,075.00	3,151.88	3,230.67	3,311.44	3,394.22	3,479.08	3,566.06	3,655.21	3,746.59	3,840.25
Contract Costs-Garbage & Trash Removal	3,656.50	3,747.91	3,841.61	3,937.65	4,036.09	4,136.99	4,240.42	4,346.43	4,455.09	4,566.47	4,680.63
Total Maintenance Expense	171,156.50	175,435.41	179,821.30	184,316.83	188,924.75	193,647.87	198,489.07	203,451.29	208,537.58	213,751.01	219,094.79
General Expenditures											
Insurance Expense-Other (Boilers)	500.00	512.50	525.31	538.45	551.91	565.70	579.85	594.34	609.20	624.43	640.04
Insurance Expense-Property	5,000.00	5,125.00	5,253.13	5,384.45	5,519.06	5,657.04	5,798.47	5,943.43	6,092.01	6,244.31	6,400.42
Insurance Expense-Gen Liability	6,500.00	6,662.50	6,829.06	6,999.79	7,174.78	7,354.15	7,538.01	7,726.46	7,919.62	8,117.61	8,320.55
Payments in Lieu of Taxes	25,709.24	25,848.64	25,986.49	26,122.70	26,257.18	26,389.84	26,520.57	26,649.29	26,775.88	26,900.24	27,022.25
Total General Expenses	37,709.24	38,148.64	38,593.99	39,045.38	39,502.93	39,966.74	40,436.89	40,913.52	41,396.71	41,886.59	42,383.27
Total Operating Expenses	354,883.32	362,899.74	371,108.00	379,512.84	388,119.06	396,931.63	405,955.60	415,196.18	424,658.70	434,348.60	444,271.48
Net Profit (Loss)	7,984.38	3,596.64	(946.66)	(5,649.88)	(10,517.48)	(15,554.03)	(20,764.23)	(26,152.90)	(31,724.98)	(37,485.54)	(43,439.79)

Average Available for Debt Service -49,856.69
Resulting Allowable Debt G.O. 3.5% -708,463.62
Resulting Allowable Debt Revenue 6.0%** -407,628.33

*Water, Gas, and Electric Utilities assumed to be 50% fixed and 50% variable depending on Occupancy

**Revenue Bond Assumes Coverage Ratio Requirement of 1.25 and Reserve Account Requirement equal to 1 years debt service

MEMORANDUM

To: Redevelopment Authority Commissioners
From: City Attorney Andrew Beveridge
Re: Edgewater Manor
Date: August 7, 2015

The purpose of this memo is to provide an overview of various statutory provisions which could affect the options available to the Redevelopment Authority (“RA”) for Edgewater Manor (“Edgewater”). Specifically, it will address two questions:

1. Can the RA borrow for or accept funds from the City of Stevens Point (“City”) to fund repairs and improvements to Edgewater?
2. Can the RA sell or otherwise dispose of Edgewater, and if so, how?

Can the RA borrow for or accept funds from the City of Stevens Point (“City”) to fund repairs and improvements to Edgewater?

Wis. Stats. 66.1333(3) et. seq. sets forth the formation, structure, and powers of the Redevelopment Authority. Notably, Wis. Stat. 66.1333(3)(e)1. states that “an authority has no power in connection with any public housing project.” On its face, this appears to prohibit the RA from managing Edgewater at all. Surprisingly though, the question of whether Edgewater constitutes a “public housing project” is not entirely clear. A strong argument can be made that the discontinuation of subsidies for Edgewater through the United States Dept. of Housing and Urban Development (“HUD”) in 2009 ended Edgewater’s status as a public housing project as that phrase is used in the statutes.

Wis. Stat. 66.1201(3)(j) defines “housing projects” as “all . . . buildings and improvements . . . acquired and constructed pursuant to a single plan either to demolish, clear, remove, alter or repair insanitary or unsafe housing **or** to provide safe and sanitary dwelling accommodations for persons of low income, or both.” The termination of the agreement with HUD touches on the “for persons of low income” aspect of that definition. While the agreement with HUD was in place Edgewater unquestionably met the definition and constituted a public housing project. Edgewater was subject to various statutes and regulations mandating that the Housing Authority only lease units to low income tenants. For example, Wis. Stat. 66.1205(1)(a) required that “in the operation or management of housing projects” the Housing Authority must “rent or lease . . . only to persons of low income and at rentals within the financial reach of persons of low income.” Wis. Stat. 66.1205(1)(c) required that a housing authority “shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an aggregate annual income in excess of 5 times the annual rental of the quarters to be furnished the person or persons . . .”

By contrast, Edgewater is now operated as a market rate apartment building with a 55 and over age restriction. While the rental costs at Edgewater are low and the tenants are most likely persons of low income, this is a result of market effects rather than eligibility rules for leasing.

Consequently, a strong case can be made that Edgewater is not “for persons of low income” as that phrase is used in the definition of public housing. However, this particular question has not been addressed by the courts, making it difficult to say with substantial certainty whether this interpretation is correct.

Presuming that Edgewater does not constitute “public housing,” the RA’s options are not constrained by the prohibition against it exercising powers in connection with public housing found in Wis. Stat. 66.1333(3)(e)1. and referenced above. However, this only means that if the RA is able to secure financing for repairs and improvements to Edgewater, it *may* have the power to make those improvements without first securing an intergovernmental agreement with the Housing Authority pursuant to Wis. Stats. 66.1333(5)(a)9.¹ and 66.0301². Those provisions allow an RA to exercise powers of a housing authority via contract.

If the RA and HA do not execute such an agreement, a significant hurdle is that the RA may not be able to exercise broad powers over Edgewater outside the context of the “blight elimination” powers afforded to it under Wis. Stats. 66.1333(5)(a) and 66.1333(2m)(d)³. Wis. Stat. 66.1333(5)(a)4.a. states that the RA may “accept advances, loans, grants, contributions, and any other form of financial assistance from the city in which it functions . . . for the purposes of this section.” While eliminating health and safety hazards and improving the property condition at Edgewater is generally within the “purposes” of s. 66.1333(2)⁴, that provision is only a

¹ “(A redevelopment authority may) exercise any powers of a housing authority under s. 661201 if done in concert with a housing authority under a contract under s. 66.0301.”

² Wis. Stats. 66.0301(2) states in part: “any municipality may contract with other municipalities . . . for the . . . joint exercise of any power or duty required or authorized by law.”

³ Acquisition of all or a portion of a blighted area; demolition and removal of buildings and improvement; installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the project area the objectives of this section in accordance with the redevelopment plan; disposition of any property acquired in the project area, including sale, initial leasing or retention by the authority itself, at its fair value for uses in accordance with the redevelopment plan; carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan; acquisition of any other real property in the project area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.

⁴ “It is found and declared that there have existed and continue to exist in cities within the state, substandard, insanitary, deteriorated, slum and blighted areas which constitute a serious and growing menace, injurious and inimical to the public health, safety, morals and welfare of the residents of the state. The existence of these areas contributes substantially and increasingly to the spread of disease and crime (necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment, and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection, and other public services and facilities), constitutes an economic and social liability, substantially impairs or arrests the sound growth of cities, and retards the provision of housing accommodations. This menace is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in this section. The acquisition of property for the purpose of eliminating substandard, insanitary, deteriorated, slum or blighted conditions or preventing recurrence of these conditions in the area, the removal of structures and improvement of sites, the disposition of the property for redevelopment incidental to these activities, and any assistance which may be given by cities or any other public bodies, are public uses and purposes for which public money may be expended and the power of eminent domain exercised. The necessity in the public interest for the provisions of this section is declared as a matter of legislative determination.”

statement of legislative findings, which are typically not afforded great weight when construing a statute unless legislative intent is in question. A more likely interpretation is that repairs and improvements to the building constitute blight elimination as described under Wis. Stat. 66.1333(2m)(d). The RA has powers to carry out such activities, but they require the Common Council, Plan Commission, and RA to take extensive steps in identifying the area as blighted and approving a project plan via resolution. One way around this hurdle would be to execute the aforementioned agreement with the Housing Authority under 66.1333(5)(a)9. allowing the RA to exercise the powers of a housing authority with regards to Edgewater. Among those powers is the ability to fund repairs and improvements to the property. This presupposes that Edgewater *is* a “public housing project” though, for otherwise those powers would have no bearing on the property.

Edgewater is a unique situation partly in that it is a property which is already owned by a government entity and has clearly identified health and safety needs. It would seem logical that the RA could take action to rehabilitate its own property, but a careful reading of the statute reveals otherwise. These are uncharted legal waters and the statutes were almost certainly not written with this type of situation in mind.

Can the RA sell or otherwise dispose of Edgewater, and if so, how?

Wis. Stat. 66.1201(25) specifically describes a process by which a *housing authority* may liquidate public housing projects. However (and not surprisingly), the statutes contain no comparable provisions for redevelopment authorities. Simply put, the Legislature most likely did not ever contemplate a situation such as Edgewater occurring. As mentioned previously, the RA could enter into an agreement with the Housing Authority under 66.1333(5)(a)9. that would allow the RA to exercise the powers of a housing authority with regards to Edgewater. In addition to allowing the RA to receive funding (with the caveats detailed above), it would allow the Common Council to direct the RA to liquidate the property under 66.1201(25). This requires that the property be sold for fair market value as determined by a board of three appraisers. Note that this provision would not allow the RA to unilaterally sell the property without the Common Council directing it to do so.

The other means of selling the property would once again require the RA to exercise its blight elimination powers. Wis. Stat. 66.1333(2m)(d)4. allows the RA to carry out the “disposition of any property acquired in the project area, including sale, initial leasing or retention by the authority itself, at its fair value for uses in accordance with the redevelopment plan.” Note that this provision presupposes the identification of a project area and creation of a redevelopment plan. While the City’s comprehensive plan does identify the property for redevelopment, that designation is not the same as a formal redevelopment plan under Wis. Stat. 66.1331. Compared to the option outlined in the preceding paragraph, this method would allow far more flexibility in structuring the sale/redevelopment of the property, but would also be a much more complicated and lengthy process.