

City Manager's Report
City Council Meeting
November 6, 2023





Audit of City of Two Rivers, WI

Presented by Bryan Grunewald, CPA

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Financial Statement Audit Results

Audit Opinion

- Unmodified (“Clean”)

Internal Control

- Finding 2022-001 Preparation of the Annual Financial Report



Required Communications

Significant
Accounting
Policies

Accounting
Estimates

Financial
Statement
Disclosures

No Difficulties

No Disagreements
with Management

Audit Adjustments

No Consultations
with Other
Accountants

Management
Representation
Letter



Fund Balance Comparison – General & Debt Service Funds

	<u>12/30/22</u>	<u>12/30/21</u>	<u>12/31/20</u>
Nonspendable			
Prepaid items	\$ 747,684	\$ 699,647	\$ 548,941
Long term receivables	1,736,776	1,524,302	1,917,574
Unassigned	(138,576)	306,224	(185,844)
Total General Fund balance	<u>\$ 2,345,884</u>	<u>\$ 2,530,173</u>	<u>\$ 2,280,671</u>
 Debt Service Fund	 <u>\$ (18,271)</u>	 <u>\$ 29,314</u>	 <u>\$ 74,653</u>



Fund Balance Comparison – Special Revenue Funds

	<u>12/30/22</u>	<u>12/30/21</u>
Special Revenue Funds		
Revolving loans	\$ 172,001	\$ 99,916
Library	18,004	7,681
Library gift fund	79,690	116,342
Community tourism	119,588	16,979
Special events donations	20,521	10,418
WDF administrative	200	200
Business improvement district	3,950	6,038
Docks and harbors	6,914	14,380
Urban forestry	5,813	10,970
Senior center	(14,347)	(40,218)
Tree planting	5,263	31,987
EMS Act 102 Grant	22,311	10,108
Business and Industrial Revolving Loans	1,325,334	305,853
Affordable Housing	141,477	91,830
Medical/Hospital Equipment	18,889	19,476
Community Development	45,054	(1,152)
ARPA	3,115	-
Total Special Revenue Funds	<u>\$ 1,973,777</u>	<u>\$ 700,808</u>



Fund Balance Comparison – Capital Project Funds

	<u>12/30/22</u>	<u>12/30/21</u>
Capital Projects Funds		
Street construction	\$ 633,006	\$ 137,938
Bridge construction	98,750	107,372
Park and cemetery construction	(57,887)	294,003
Fire equipment	(29,555)	191,871
Public works equipment	67,129	63,137
City Hall equipment	(8,095)	(9,600)
Management information	(18,732)	20,851
Police equipment	(75,064)	(28,245)
TIF District No. 4	-	26,363
TIF District No. 6	(176,176)	(192,928)
TIF District No. 7	1,022,898	994,767
TIF District No. 8	63,832	156,022
TIF District No. 9	153,655	137,238
TIF District No. 10	(162,899)	(143,939)
TIF District No. 11	4,378	4,527
TIF District No. 12	1,063	(68,735)
TIF District No. 13	(15,903)	(24,045)
TIF District No. 14	(2,681)	(1,030)
TIF District No. 15	(6,817)	(2,256)
TIF District No. 16	(5,571)	(1,030)
TIF District No. 17	(1,030)	-
Industrial park development	88,329	96,152
City landfill	96,640	27,506
Central Park	654,644	5,897
Bike trail	83,148	63,636
Harbor master plan	1,488,454	1,488,454
Library Buildings and Grounds	24,237	36,279
Total Capital Projects Funds	<u>\$ 3,919,753</u>	<u>\$ 3,380,205</u>



Electric Utility

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 10,239,104	\$ 9,423,667	\$ 8,819,371
Operating expenses	<u>9,388,176</u>	<u>8,576,250</u>	<u>8,155,623</u>
Operating income (loss)	<u>850,928</u>	<u>847,417</u>	<u>663,748</u>
Nonoperating revenues (expenses)	<u>(46,690)</u>	<u>(30,342)</u>	<u>(34,029)</u>
Income before contributions and transfers	804,238	817,075	629,719
Capital contributions	23,774	4,282	14,566
Transfers out	<u>(232,428)</u>	<u>(271,339)</u>	<u>(279,695)</u>
Change in net position	<u>\$ 595,584</u>	<u>\$ 550,018</u>	<u>\$ 364,590</u>
Rate of Return	6.6%	6.0%	2.7%



Water Utility

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 2,916,773	\$ 2,862,121	\$ 2,851,213
Operating expenses	<u>2,262,174</u>	<u>2,169,324</u>	<u>2,071,152</u>
Operating income	<u>654,599</u>	<u>692,797</u>	<u>780,061</u>
Nonoperating revenues (expenses)	<u>145,544</u>	<u>185,666</u>	<u>61,577</u>
Income before contributions and transfers	800,143	878,463	841,638
Capital contributions	313,148	-	92,594
Transfers in (out)	<u>(166,436)</u>	<u>(102,884)</u>	<u>(342,362)</u>
Change in net position	<u>\$ 946,855</u>	<u>\$ 775,579</u>	<u>\$ 591,870</u>
Rate of Return			
Water	3.2%	4.9%	2.4%



Sewer Utility

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 2,914,568	\$ 2,767,414	\$ 2,781,408
Operating expenses	<u>2,458,287</u>	<u>2,334,362</u>	<u>2,459,305</u>
Operating income	<u>456,281</u>	<u>433,052</u>	<u>322,103</u>
Nonoperating revenues (expenses)	<u>22,263</u>	<u>40,247</u>	<u>304,195</u>
Income before contributions and transfers	478,544	473,299	626,298
Capital contributions	179,695	487,032	5,178
Transfers in (out)	<u>(304,794)</u>	<u>(271,504)</u>	<u>(350,567)</u>
Change in net position	<u>\$ 353,445</u>	<u>\$ 688,827</u>	<u>\$ 280,909</u>



Current and Future Environment

COVID 19 / Grant Funding

- American Rescue Plan Act (ARPA)

New Accounting Standards

- GASB Statement No. 96 *“Subscription Based IT Arrangements”*
- Statement on Auditing Standards 143 - 145





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9. City Manager's Report
D. Status Update/Reports
1. Staffing updates

• Ongoing Recruitments:

- Building Inspector:
- Apprentice Line Worker

Recent Hires:

- Police Secretary – Evidence Custodian: Rhonda Deehr
- Part Time Community House Receptionist: AJ Lorrigan
- Recreation Clerk: Laura Hooper

WE'RE HIRING!

JOIN OUR ELECTRIC DEPARTMENT

HIRING POSITION

- **Apprentice Line Worker**
 - \$31.81 - \$38.15 depending on experience
- Visit www.two-rivers.org/jobs for an application



We're Hiring **Part-Time Ice Rink Attendant** *\$10.12/hr*

Responsibilities:

- Ice Skate Rental Services
- Ice Rink Maintenance
- Customer Service
- Equipment and Inventory Management

Find out more at www.two-rivers.org/jobs

TWO RIVERS WISCONSIN

9. CITY MANAGER'S REPORT
D. STATUS UPDATE/REPORTS

2. LEAF COLLECTION CONTINUES THROUGH NOVEMBER

A map of the city of Two Rivers, Wisconsin, divided into 14 numbered leaf collection areas. The areas are color-coded: 1 (grey), 2 (pink), 3 (yellow), 4 (green), 5 (light blue), 6 (yellow), 7 (green), 8 (pink), 9 (pink), 10 (light blue), 11 (light blue), 12 (pink), 13 (yellow), and 14 (yellow). The map is framed by a decorative border of autumn leaves. A circular logo for Two Rivers Wisconsin is in the bottom right corner of the map area.

**New 2023
Leaf Pick Up**
October 16 - December 1
(weather permitting)

During early season pick up, City crews will start in area 1 and move systematically through area 14.

Crews will continue working through the City on an area by area basis. Areas will be selected based upon quantity of leaves. Area updates will be posted on the City website and social media.

For questions, call Public Works at
920-793-5539

LEAF COLLECTION AREAS

- 9. City Manager's Report
- D. Status Update/Reports
- 3. Participation in 2023 Spring Tree Grant Program



2023 Shade Tree Program Summary

Pre-Approval Submissions: 18

Participants: 12

City Rebate: \$1,216.32

WPPI/TRU Rebate: \$1,216.32

Total Incentive Rebates: \$2,432.64



9. CITY MANAGER'S REPORT
D. STATUS UPDATE/REPORTS
4. UPCOMING EVENTS:
A. FOOD DRIVE, NOVEMBER 6-10

Donate food for Two Rivers Ecumenical Pantry (TREP). Those who contribute three or more non-perishable, unexpired food items can select a string of Christmas lights, a flood bulb, or light bulb (while supplies last). Must be a Two Rivers Utilities customer.

Donations can also be dropped off at Two Rivers Electric Department (1415 Lake St) from 7 a.m.-2:30 p.m. the same week.



**TWO RIVERS
UTILITIES ANNUAL
FOOD DRIVE**

NOVEMBER 6TH-10TH

Donate 3 non-perishable food items & receive one of the following*: Christmas lights, Flood light, or Light bulb

CITY HALL CUSTOMER SERVICE
1717 E Park Street
Monday - Friday, 8:00 am - 4:00 pm

ELECTRIC DEPARTMENT
1415 Lake Street
Monday - Friday, 7:00 am - 2:30 pm

**while supplies last*

MUST BE A TRU CUSTOMER TO PARTICIPATE
For additional questions call 920-793-5550



City Council Meeting - November 6, 2023



two-rivers.org • (920) 793-5550

At Two Rivers Utilities, we join forces with other local, not-for-profit utilities through WPPI Energy to share resources and lower costs.

SHARED STRENGTH THROUGH @WPPI ENERGY

9. CITY MANAGER'S REPORT
D. STATUS UPDATE/REPORTS
4. UPCOMING EVENTS:
B. WASHINGTON HOUSE IS EXTENDING ITS SEASON,
THE MUSEUM AND VISITOR CENTER IS OPEN NOON-
5:00 PM, FRIDAYS-SUNDAYS THROUGH DECEMBER 16



1622 Jefferson Street
Two Rivers, WI 54241

**Raffle Grand Prize Choice John Deere
Model X330 or Z320M riding mower
2nd Prize Dinner for 4 at Lighthouse Inn
3rd Prize \$100 Cash**



**Grand Ballroom
Available for Rent**



**PLAN YOUR HOLIDAY PARTY AT
THE WASHINGTON HOUSE MUSEUM**

\$35 per hour / \$170 per day
For more information:
email museums@tworivers-history.org
or call 920.793.2490

9. CITY MANAGER'S REPORT
D. STATUS UPDATE/REPORTS

4. UPCOMING EVENTS:

C. CREEPY CRAWLY TYPEY LETTERPRESS, NOVEMBER 17-18, 9 AM – 4 PM, HAMILTON WOOD TYPE & PRINTING MUSEUM

A fun-filled letterpress and animation workshop. Use Hamilton's collection of wood type and ornaments to make fantastical "letterbugs."



- 9. CITY MANAGER'S REPORT
 - D. STATUS UPDATE/REPORTS
 - 4. UPCOMING EVENTS
 - D. COMMUNITY THANKSGIVING MEAL
- THURSDAY, NOVEMBER 23,
11:30 AM – 2:30 PM

**Community
Thanksgiving Meal
at the
Two Rivers
Senior Center**



- 9. CITY MANAGER'S REPORT
 - D. STATUS UPDATE/REPORTS
 - 4. UPCOMING EVENTS
 - E. MAIN STREET SHOP
- HOMETOWN DOWNTOWN TWO RIVERS,
SATURDAY, NOVEMBER 25

JOIN US AND #SHOPSMALL



Visit our Shop Hometown Two Rivers Headquarters, located at 1608 Washington Street starting at 9am on Saturday, November 25. The 1st 200 visitors will get a Shop Hometown Two Rivers goody bag. Some of those bags will contain Cool City Cash certificates that can be spent at dozens of Two Rivers businesses, or other gift certificates.

Register when you pick up your bag and you could win more Cool City Cash!

Sponsored by Shoreline Credit Union.

Shop downtown Two Rivers...and win! Once you pick up your bag, you're free to Shop Local in downtown Two Rivers while you wait for the call that tells you "You're A Winner!"



9. CITY MANAGER'S REPORT

D. STATUS UPDATE/REPORTS

4. UPCOMING EVENTS

F. MAIN STREET SHOP HOMETOWN DOWNTOWN TWO RIVERS, SATURDAY, NOVEMBER 25

The parade begins at 5:30 and travels down Washington Street from 22nd Street to 16th Street. And Santa himself will be there, of course.

New this year: compete for trophies!

Categories are:

- Best use of lights
- Best band
- Judges' choice

For more information, call Main Street at (920)794-1482 or

email director@tworiversmainstreet.com.

Businesses, schools, groups and organizations are invited to participate!

Apply by Nov. 10.



Balloon float from the Two Rivers Balloon Parade in 1951. From the Manitowoc County Historical Society's Herald Times Reporter collection.



- 9. CITY MANAGER'S REPORT
- D. STATUS UPDATE/REPORTS
- 4. UPCOMING EVENTS:
- G. COOL CITY CHRISTMAS, SATURDAY, DECEMBER 16



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Two Rivers Parks & Recreation,
 Rotary Club of Two Rivers, Washington House,
 Main Street, Friends of the Two Rivers Senior Center
 Presents:

COOL CITY CHRISTMAS

**Downtown
Two Rivers**

**Saturday
December 16
12pm - 6pm**

- Ice Skating
- Holiday Craft Making
- Downtown Shopping & Dining
- Pictures with Santa, His Elves and Reindeer
- Candy Cane Hunt
- Vendor Fair
- Concessions
- Music & Carolers

For more information visit www.exploretworivers.com or call 920-793-5532



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Photo by Jeff Dawson, Library Director