City of Fort Atkinson

Financial Statements and
Supplementary Information

December 31, 2023

City of Fort Atkinson

Table of Contents
December 31, 2023

	Page
Independent Auditors' Report	i
Required Supplementary Information	
Management's Discussion and Analysis	iv
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	3
Fund Financial Statements	
Balance Sheet - Governmental Funds	4
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position - Proprietary Funds	10
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	12
Statement of Cash Flows - Proprietary Funds	13
Statement of Fiduciary Net Position - Fiduciary Fund	15
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	16
Index to Notes to Financial Statements	17
Notes to Financial Statements	18

	Page
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	59
Special Revenue Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Transportation Improvements	64
Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System	65
Schedule of Employer Contributions - Wisconsin Retirement System	65
Schedule of Proportionate Share of the Net Insurance OPEB Liability - Local Retiree Life Insurance Fund	66
Schedule of Employer Contributions - Local Retiree Life Insurance Fund	66
Schedule of Changes in Employer's Total OPEB Liabilities and Related Ratios - Health Insurance	67
Notes to Required Supplementary Information	68
Supplementary Information	
Combining Balance Sheet - Nonmajor Governmental Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	74

Independent Auditors' Report

To the City Council of
City of Fort Atkinson

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Fort Atkinson, Wisconsin, (the City), as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of the City as of December 31, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, Each Major Fund and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the City's legally separate component unit, the Fort Atkinson Historical Society. Accounting principles generally accepted in the United States of America require the financial data for the component unit to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component unit. The City has not issued such reporting entity financial statements. The effects of not including the City's legally separate component unit on the discretely presented component unit have not been determined.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Because of the significance of the matter described above, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.



Madison, Wisconsin
May 16, 2024

CITY OF FORT ATKINSON

MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
As of and for the Year Ended December 31, 2023

The management of the City of Fort Atkinson (the City) offers all persons interested in the financial position of the City, this narrative overview and analysis of the City's financial performance during the fiscal year ending December 31, 2023. You are invited to read this narrative in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

The City's total net position totaled over $76.6 million. $36.1 million was related to governmental activities and $40.6 million to business-type activities. Events that had major impacts on the City's 2023 financials were:

- City-wide Accounts Payable Workflow - $7,900
- City-wide Server Upgrades - $80,000
- Municipal Building Exterior Updates - $13,200
- Police Department Squads - $62,685
- Fire Department Airbags, Security Upgrades - $19,631
- Fire Department Radio Upgrades - $5,200
- Public Safety Emergency Sires - $14,113
- Wastewater Treatment Plant Upgrade Phase II completed - $15,521,760
- Hoard Historical Museum Exterior Upgrades - $14,740
- Senior Center Restroom Upgrades - $10,607
- Aquatic Center Facility and Furniture Upgrades - $14,400
- Parks Infield Groomer - $18,500
- Parks F150 Truck - $42,700
- Transportation Utility Study - $10,000

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. These financial statements consist of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's financial status.

- The remaining statements are fund financial statements that focus on individual parts of city government, reporting the City's operations in more detail than the government-wide statements.

These financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of the required supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net Position – the difference between the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the city you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

The government-wide financial statements of the City are divided into three categories:

- Governmental activities – Most of the City's basic services are included here, such as police, fire, public works, park and recreation, library, and general administration. Property taxes and state aid finance most of these activities.
- Business-type activities – The City charges fees to customers to help it cover the costs of certain services it provides. The City's water, sewer, and stormwater system are included here.
- Fiduciary activities – Included in these activities are collections of all property taxes in the City for all taxing jurisdictions.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact on the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, transportation improvements and general debt service, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund and other funds as listed in Note 2. A budgetary comparison statement has been provided for the general fund and transportation improvements fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains three different proprietary funds (water, sewer, and stormwater utilities), all of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City is the trustee, or fiduciary, for collection of all property taxes within the City for all taxing districts including the School District of Fort Atkinson, Madison Area Technical College and Jefferson County. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operation.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, required supplementary information presents a detailed budgetary comparison schedule for the general fund and transportation improvements fund to demonstrate compliance with the budget along with additional information about the city's pension and other postemployment benefits. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

A summary of the City's Statement of Net Position is presented below in Table 1.

Table 1
Condensed Statements of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 25,222,186	$ 27,027,569	$ 8,230,793	$ 8,637,163	$ 33,452,979	$ 35,664,732
Capital assets	34,731,042	34,164,102	49,501,127	46,171,662	84,232,169	80,335,764
Total Assets	59,953,228	61,191,671	57,731,920	54,808,825	117,685,148	116,000,496
Total deferred outflows of resources	7,238,484	5,475,112	1,028,935	1,101,378	8,267,419	6,576,490
Long-term liabilities	14,187,401	14,241,494	16,765,460	14,846,951	30,952,861	29,088,445
Other liabilities	2,053,096	2,015,817	785,053	1,089,284	2,838,149	3,105,101
Total Liabilities	16,240,497	16,257,311	17,550,513	15,936,235	33,791,010	32,193,546
Total deferred inflows of resources	14,896,749	17,224,063	649,486	1,252,317	15,546,235	18,476,380
Invested in capital assets, net of related debt	23,548,840	22,678,622	33,484,220	31,857,343	57,033,060	54,535,965
Restricted	3,868,671	5,845,547	1,593,629	1,466,006	5,462,300	7,311,553
Unrestricted	8,636,955	4,661,240	5,483,007	5,398,302	14,119,962	10,059,542
Total Net Position	$ 36,054,466	$ 33,185,409	$ 40,560,856	$ 38,721,651	$ 76,615,322	$ 71,907,060

The largest portion of the City's total net position (75%) reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (10%) represents resources that are subject to external restrictions on how they may be used. The remaining portion of the City's net position represents resources that are unrestricted on how they may be used.

FINANCE ANALYSIS OF THE CITY AS A WHOLE (cont.)

Table 2
Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for services	$ 2,123,718	$ 1,256,257	$ 7,456,116	$ 7,023,753	$ 9,579,834	$ 8,280,010
Operating grants and contributions	1,692,241	1,701,060	-	-	1,692,241	1,701,060
Capital grants and contributions	79,780	1,022,142	330,766	1,423,633	410,546	2,445,775
General Revenues						
Property taxes	10,380,730	9,085,628	-	-	10,380,730	9,085,628
Other taxes	314,690	295,799	-	-	314,690	295,799
Intergovernmental	1,322,895	1,526,708	5,230	-	1,328,125	1,526,708
Public gifts and grants	-	215,136	-	-	-	215,136
Other	1,233,874	129,119	190,976	34,402	1,424,850	163,521
Total Revenues	17,147,928	15,231,849	7,983,088	8,481,788	25,131,016	23,713,637
Expenses:						
General government	1,273,385	1,090,715	-	-	1,273,385	1,090,715
Public safety	6,066,234	4,169,999	-	-	6,066,234	4,169,999
Public works	2,664,566	2,502,078	-	-	2,664,566	2,502,078
Health and human services	31,977	34,114	-	-	31,977	34,114
Culture, education and recreation	3,062,099	2,930,785	-	-	3,062,099	2,930,785
Conservation and development	1,109,141	987,109	-	-	1,109,141	987,109
Water	-	-	1,782,527	1,418,513	1,782,527	1,418,513
Sewer	-	-	3,395,358	2,821,082	3,395,358	2,821,082
Stormwater	-	-	650,200	598,625	650,200	598,625
Interest and fiscal charges	387,267	343,097	-	-	387,267	343,097
Total Expenses	14,594,669	12,057,897	5,828,085	4,838,220	20,422,754	16,896,117
Income (Loss) Before Transfers	2,553,259	3,173,952	2,155,003	3,643,568	4,708,262	6,817,520
Transfers	315,798	333,400	(315,798)	(333,400)	-	-
Changes in Net Position	2,869,057	3,507,352	1,839,205	3,310,168	4,708,262	6,817,520
Beginning Net Position	33,185,409	29,678,057	38,721,651	35,411,483	71,907,060	65,089,540
Ending Net Position	$ 36,054,466	$ 33,185,409	$ 40,560,856	$ 38,721,651	$ 76,615,322	$ 71,907,060

As previously noted, the Statement of Net Position shows the change in financial position or net position. The specific nature or source of these changes then becomes more evident in the Statement of Activities as shown above in Table 2.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by $2,869,057 compared to an increase of $3,507,352 in 2022. The increase is related primarily to grants and donations.

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by $1,839,205 compared to an increase of approximately $3,310,168 in 2022. The current year increase is the result of regular operations.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

GOVERNMENTAL FUNDS

The focus of the city of Fort Atkinson's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At December 31, 2023, the City's governmental funds reported combined fund balances of $12,215,189. Of this amount, $2,726,683 constitutes the unassigned fund balance. An additional $2,764,924 is non-spendable funds related to land held for resale, delinquent items, prepaids and TIF District advances. Restricted funds amount to $3,959,777 for unspent debt related to capital purchases, library, museum, and grant purposes, or other amounts restricted by state statutes. Committed funds amount to $695,622 for transportation improvements and EMS activities. The remaining $2,068,183 is assigned to deposits, loan programs, non-lapsing funds and equipment replacement, utility taxes, the municipal airport and capital improvements.

GENERAL FUND

The unassigned fund balance is approximately $3.8 million. This amount does not include $2.7 million of fund balance for prepaid items, land held for resale, advances, and delinquent personal property taxes shown as non-spendable because they are assets on the balance sheet that are not in spendable form.

The City evaluates general fund balance by measuring the unassigned general fund balance as a percentage of the general fund budget. For 2023, unassigned fund balance is $3,828,062, and the current year general fund expenditure budget is $9,806,937, resulting in an unassigned fund balance of 39%. The City's goal is to maintain a 15%-30% general fund balance to current year's expenditure budget. The City is above its policy range at year end.

TRANSPORTATION IMPROVEMENTS

The transportation improvements special revenue fund has fund balance of $693,530 at the end of the current year, which is a decrease of $13,922 from the previous year, largely related to increased capital outlay related to streets offset by CDBG grant revenues received in 2023.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (cont.)

GENERAL DEBT SERVICE

The general debt service fund had a restricted fund balance of $4,408 at year end, an increase of $16 from the prior year.

PROPRIETARY FUNDS

The water utility rates are governed by the Public Service Commission of Wisconsin (PSCW). The authorized rate of net operating income as a percentage of average rate base is 4.90%.

The sewer utility rates are governed by the Fort Atkinson City Council. Current rates were effective as of January 1, 2021.

The stormwater rates are governed by the Fort Atkinson City Council. The fixed rate remained consistent to the previous year at $52.50 per year in 2023.

The city of Fort Atkinson's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

CAPITAL ASSETS

At the end of 2023, the City has invested a total of $84,232,169 in capital assets. This investment in capital assets includes land, land improvements, buildings, machinery and equipment and infrastructure.

Table 3
Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land and other assets not being depreciated	$ 6,711,504	$ 5,877,315	$ 15,858,523	$ 13,298,563	$ 22,570,027	$ 19,175,878
Land improvements	3,404,813	3,404,813	-	-	3,404,813	3,404,813
Buildings	21,251,738	21,222,748	-	-	21,251,738	21,222,748
Machinery and equipment	11,543,696	11,274,151	-	-	11,543,696	11,274,151
Infrastructure	24,142,632	23,330,215	-	-	24,142,632	23,330,215
Utility plant	-	-	68,534,628	66,340,359	68,534,628	66,340,359
Total Capital Assets	67,054,383	65,109,242	84,393,151	79,638,922	151,447,534	144,748,164
Less: Accumulated Depreciation	(32,323,341)	(30,945,140)	(34,892,024)	(33,467,260)	(67,215,365)	(64,412,400)
Net Capital Assets	$ 34,731,042	$ 34,164,102	$ 49,501,127	$ 46,171,662	$ 84,232,169	$ 80,335,764

CAPITAL ASSETS (cont.)

Major capital asset events during the current fiscal year included the following:

GOVERNMENTAL ACTIVITIES

- Land for public works facility
- Road improvements
- Squad cars
- Public safety equipment
- Street rehabilitation and maintenance
- Computer and technology upgrades
- Public Works and Parks Equipment

BUSINESS-TYPE ACTIVITIES

- Water Utility meter replacement
- Water Main replacement
- Wastewater Treatment Plant Upgrades
- Stormwater equipment

Additional information on the City's capital assets can be found in Note 3 of this report.

LONG-TERM OBLIGATIONS

At December 31, 2023, the City had $14,569,600 of long-term general obligation bonds and notes outstanding, which is a decrease of $2,039,100 from the previous year.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023 was $67,624,320. Total general obligation debt outstanding at year-end was $14,569,600. Therefore, the City was at 22% of the legal debt limit.

In the current year, the City also issued $2,670,692 in revenue debt for the Sewer Utility. The outstanding amount of revenue debt as of December 31, 2023 is $12,897,928. This clean water fund loan will be repaid solely from future sewer utility revenues and relates to the wastewater treatment plant upgrade. The City has not drawn the full amount authorized for this debt issuance through the end of the year. The fully authorized amount is $14,125,508.

Additional information on the City's long-term obligations can be found in Note 3 of this report.

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

All currently known facts and economic conditions were considered in preparing the 2024 City budget. None of these conditions are anticipated to significantly change the overall financial position of the City.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Michelle Ebbert, City Finance Director/Clerk/Treasurer.

City of Fort Atkinson

Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	$ 12,145,011	$ 5,869,533	$ 18,014,544
Receivables (net):			
Taxes	10,395,778	-	10,395,778
Delinquent personal property taxes	2,905	-	2,905
Accounts	506,507	502,474	1,008,981
Loans	412,049	-	412,049
Leases	422,890	-	422,890
Other receivables	-	488,686	488,686
Internal balances	315,798	(315,798)	-
Inventories	-	60,172	60,172
Land held for resale	818,210	-	818,210
Prepaid items	203,038	252	203,290
Restricted assets:			
Cash and investments	-	1,625,474	1,625,474
Capital assets:			
Land	6,374,476	364,125	6,738,601
Construction in progress	337,028	15,494,398	15,831,426
Other capital assets, net of depreciation	28,019,538	33,642,604	61,662,142
Total assets	59,953,228	57,731,920	117,685,148
Deferred Outflows of Resources			
Deferred charge on refunding	-	15,201	15,201
Pension related amounts	6,997,232	952,120	7,949,352
OPEB related amounts	241,252	61,614	302,866
Total deferred outflows of resources	7,238,484	1,028,935	8,267,419

See notes to financial statements

City of Fort Atkinson

Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable	$ 1,038,368	$ 712,619	$ 1,750,987
Accrued liabilities and deposits	148,747	72,434	221,181
Unearned revenues	865,981	-	865,981
Noncurrent liabilities:			
Due within one year	1,325,316	963,089	2,288,405
Due in more than one year	10,465,159	15,358,681	25,823,840
Net pension liability	1,822,130	263,083	2,085,213
OPEB liabilities	574,796	180,607	755,403
Total liabilities	16,240,497	17,550,513	33,791,010
Deferred Inflows of Resources			
Unearned revenues	10,772,469	-	10,772,469
Pension related amounts	3,809,913	556,154	4,366,067
OPEB related amounts	314,367	93,332	407,699
Total deferred inflows of resources	14,896,749	649,486	15,546,235
Net Position			
Net investment in capital assets	23,548,840	33,484,220	57,033,060
Restricted for:			
Library	856,386	-	856,386
Museum	936,923	-	936,923
Tourism	112,979	-	112,979
TIF district purposes	1,309,962	-	1,309,962
Grant purposes	652,421	-	652,421
Equipment replacement	-	1,488,380	1,488,380
Debt service	-	105,249	105,249
Unrestricted	8,636,955	5,483,007	14,119,962
Total net position	$ 36,054,466	$ 40,560,856	$ 76,615,322

See notes to financial statements

City of Fort Atkinson

Statement of Activities
Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental activities:							
General government	$ 1,273,385	$ 224,753	$ -	$ -	$ (1,048,632)	$ -	$ (1,048,632)
Public safety	6,066,234	1,410,288	437,638	-	(4,218,308)	-	(4,218,308)
Public works	2,664,566	162,202	959,116	79,780	(1,463,468)	-	(1,463,468)
Health and human services	31,977	-	-	-	(31,977)	-	(31,977)
Culture, education and recreation	3,062,099	316,976	290,621	-	(2,454,502)	-	(2,454,502)
Conservation and development	1,109,141	9,499	4,866	-	(1,094,776)	-	(1,094,776)
Interest and fiscal charges	387,267	-	-	-	(387,267)	-	(387,267)
Total governmental activities	14,594,669	2,123,718	1,692,241	79,780	(10,698,930)	-	(10,698,930)
Business-type activities:							
Water utility	1,782,527	3,100,416	-	-	-	1,317,889	1,317,889
Sewer utility	3,395,358	3,791,511	-	330,766	-	726,919	726,919
Stormwater utility	650,200	564,189	-	-	-	(86,011)	(86,011)
Total business-type activities	5,828,085	7,456,116	-	330,766	-	1,958,797	1,958,797
Total	$ 20,422,754	$ 9,579,834	$ 1,692,241	$ 410,546	(10,698,930)	1,958,797	(8,740,133)
General Revenues							
Taxes:							
Property taxes, levied for general purposes					7,329,733	-	7,329,733
Property taxes, levied for debt service					1,296,445	-	1,296,445
Property taxes, levied for TIF districts					1,754,552	-	1,754,552
Other taxes					314,690	-	314,690
Intergovernmental revenues not restricted to specific programs					1,322,895	5,230	1,328,125
Investment income					583,161	190,976	774,137
Miscellaneous					650,713	-	650,713
Total general revenues					13,252,189	196,206	13,448,395
Transfers					315,798	(315,798)	-
Change in net position					2,869,057	1,839,205	4,708,262
Net Position, Beginning					33,185,409	38,721,651	71,907,060
Net Position, Ending					$ 36,054,466	$ 40,560,856	$ 76,615,322

See notes to financial statements

City of Fort Atkinson

Balance Sheet -
Governmental Funds
December 31, 2023

	General	Transportation Improvements	General Debt Service
Assets			
Cash and investments	$ 4,498,520	$ 1,336,602	$ 4,408
Receivables (net):			
Taxes	6,105,957	500,000	1,397,791
Delinquent personal property taxes	2,905	-	-
Accounts	179,009	-	-
Lease	393,531	-	-
Loans	-	-	-
Due from other funds	356,501	-	-
Land held for resale	818,210	-	-
Prepaid items	178,247	-	-
Advances to other funds	1,740,771	-	-
Total assets	$ 14,273,651	$ 1,836,602	$ 1,402,199
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	$ 263,093	$ 643,072	$ -
Accrued liabilities	12,899	-	-
Due to other funds	-	-	-
Unearned revenues	-	-	-
Advances from other funds	-	-	-
Total liabilities	275,992	643,072	-
Deferred Inflows of Resources			
Unearned revenues	6,453,289	500,000	1,397,791
Unavailable revenues	78,378	-	-
Total deferred inflows of resources	6,531,667	500,000	1,397,791
Fund Balances (Deficit)			
Nonspendable	2,740,133	-	-
Restricted	-	-	4,408
Committed	-	693,530	-
Assigned	897,797	-	-
Unassigned (deficit)	3,828,062	-	-
Total fund balances (deficit)	7,465,992	693,530	4,408
Total liabilities, deferred inflows of resources and fund balances	$ 14,273,651	$ 1,836,602	$ 1,402,199

See notes to financial statements

Nonmajor Governmental Funds	Total
$ 6,305,481	$ 12,145,011
2,392,030	10,395,778
-	2,905
327,498	506,507
29,359	422,890
412,049	412,049
-	356,501
-	818,210
24,791	203,038
-	1,740,771
$ 9,491,208	$ 27,003,660
$ 132,203	$ 1,038,368
-	12,899
40,703	40,703
865,981	865,981
1,740,771	1,740,771
2,779,658	3,698,722
2,421,389	10,772,469
238,902	317,280
2,660,291	11,089,749
24,791	2,764,924
3,955,369	3,959,777
2,092	695,622
1,170,386	2,068,183
(1,101,379)	2,726,683
4,051,259	12,215,189
$ 9,491,208	$ 27,003,660

See notes to financial statements

City of Fort Atkinson

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2023

Total Fund Balances, Governmental Funds	$	12,215,189
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.		
Land		6,374,476
Construction in progress		337,028
Other capital assets		60,342,879
Less accumulated depreciation		(32,323,341)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.		317,280
The net pension liability does not relate to current financial resources and is not reported in the governmental funds.		(1,822,130)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		6,997,232
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		(3,809,913)
The OPEB liabilities do not relate to current financial resources and are not reported in the governmental funds.		(574,796)
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.		241,252
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.		(314,367)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable		(11,331,600)
Compensated absences		(458,875)
Accrued interest		(135,848)
Net Position of Governmental Activities	$	36,054,466

See notes to financial statements

City of Fort Atkinson

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2023

	General	Transportation Improvements	General Debt Service
Revenues			
Taxes	$ 6,046,081	$ 716,387	$ 1,296,445
Intergovernmental	2,151,091	277,629	-
Licenses and permits	330,673	-	-
Fines, forfeitures and penalties	173,448	-	-
Public charges for services	454,110	-	-
Intergovernmental charges for services	253,319	-	-
Investment income	248,653	-	-
Miscellaneous	201,109	-	-
Total revenues	9,858,484	994,016	1,296,445
Expenditures			
Current:			
General government	977,329	-	-
Public safety	4,578,176	-	-
Public works	2,250,744	-	-
Health and human services	31,977	-	-
Culture, recreation and education	1,506,102	-	-
Conservation and development	275,249	-	-
Capital outlay	533,958	1,018,020	-
Debt service:			
Principal	-	-	944,900
Interest and fiscal charges	-	-	351,529
Total expenditures	10,153,535	1,018,020	1,296,429
Excess (deficiency) of revenues over expenditures	(295,051)	(24,004)	16
Other Financing Sources (Uses)			
Property sales	-	-	-
Transfers in	323,273	10,082	-
Transfers out	(187,238)	-	-
Total other financing sources (uses)	136,035	10,082	-
Net change in fund balances	(159,016)	(13,922)	16
Fund Balances (Deficit), Beginning	7,625,008	707,452	4,392
Fund Balances (Deficit), Ending	$ 7,465,992	$ 693,530	$ 4,408

See notes to financial statements

Nonmajor Governmental Funds	Total
$ 2,636,507	$ 10,695,420
1,313,898	3,742,618
-	330,673
-	173,448
742,936	1,197,046
-	253,319
334,508	583,161
477,335	678,444
5,505,184	17,654,129
134,997	1,112,326
649,315	5,227,491
2,828	2,253,572
-	31,977
977,947	2,484,049
281,317	556,566
1,458,836	3,010,814
638,200	1,583,100
40,951	392,480
4,184,391	16,652,375
1,320,793	1,001,754
88,517	88,517
1,043,295	1,376,650
(873,614)	(1,060,852)
258,198	404,315
1,578,991	1,406,069
2,472,268	10,809,120
$ 4,051,259	$ 12,215,189

See notes to financial statements

City of Fort Atkinson

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2023

Net Change in Fund Balances, Total Governmental Funds	$	1,406,069
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		3,010,814
Some items reported as capital outlay were not capitalized		(683,213)
Depreciation is reported in the government-wide financial statements		(1,760,661)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		(594,715)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Principal repaid		1,583,100
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		89,619
Accrued interest on debt		5,213
Net pension asset/liability		(4,476,011)
Deferred outflows of resources related to pensions		1,806,755
Deferred inflows of resources related to pensions		2,469,819
OPEB liabilities		203,504
Deferred outflows of resources related to OPEB		(43,383)
Deferred inflows of resources related to OPEB		(147,853)
Change in Net Position of Governmental Activities	$	2,869,057

See notes to financial statements

City of Fort Atkinson

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Assets				
Current assets:				
Cash and investments	$ 1,672,134	$ 3,956,083	$ 241,316	$ 5,869,533
Receivables:				
Customer accounts receivable	305,717	143,208	53,549	502,474
Other	8,904	479,782	-	488,686
Prepaid items	84	84	84	252
Inventories	60,172	-	-	60,172
Restricted assets:				
Redemption account	-	137,094	-	137,094
Total current assets	2,047,011	4,716,251	294,949	7,058,211
Noncurrent assets:				
Restricted assets:				
Depreciation account	94,301	-	-	94,301
Replacement account	-	1,394,079	-	1,394,079
Capital assets:				
Land	69,046	295,079	-	364,125
Construction in progress	-	15,494,398	-	15,494,398
Utility plant	21,276,693	37,023,656	10,234,279	68,534,628
Less accumulated depreciation	(6,727,838)	(23,393,529)	(4,770,657)	(34,892,024)
Total noncurrent assets	14,712,202	30,813,683	5,463,622	50,989,507
Total assets	16,759,213	35,529,934	5,758,571	58,047,718
Deferred Outflows of Resources				
Deferred charge on refunding	8,902	6,299	-	15,201
Pension related amounts	370,272	478,761	103,087	952,120
OPEB related amounts	25,631	35,983	-	61,614
Total deferred outflows of resources	404,805	521,043	103,087	1,028,935

See notes to financial statements

City of Fort Atkinson

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Liabilities				
Current liabilities:				
Accounts payable	$ 259,181	$ 354,637	$ 98,801	$ 712,619
Accrued interest	22,505	3,271	14,813	40,589
Due to other funds	315,798	-	-	315,798
Current portion of general obligation debt	169,000	76,000	57,000	302,000
Compensated absences	8,011	26,725	-	34,736
Liabilities payable from restricted assets:				
Current portion of revenue debt payable	-	626,353	-	626,353
Accrued interest	-	31,845	-	31,845
Total current liabilities	774,495	1,118,831	170,614	2,063,940
Noncurrent liabilities:				
General obligation bonds payable	1,593,000	296,000	1,047,000	2,936,000
Compensated absences	25,932	70,994	-	96,926
Revenue bonds payable	-	12,271,575	-	12,271,575
Unamortized premium	27,218	5,227	21,735	54,180
OPEB liability	75,435	105,172	-	180,607
Net pension liability	96,746	137,797	28,540	263,083
Total noncurrent liabilities	1,818,331	12,886,765	1,097,275	15,802,371
Total liabilities	2,592,826	14,005,596	1,267,889	17,866,311
Deferred Inflows of Resources				
Deferred inflows related to pension	209,030	280,124	67,000	556,154
OPEB related amounts	36,403	56,929	-	93,332
Total deferred inflows of resources	245,433	337,053	67,000	649,486
Net Position				
Net investment in capital assets	12,894,585	16,227,748	4,361,887	33,484,220
Restricted for:				
Equipment replacement	94,301	1,394,079	-	1,488,380
Debt service	-	105,249	-	105,249
Unrestricted	1,336,873	3,981,252	164,882	5,483,007
Total net position	$ 14,325,759	$ 21,708,328	$ 4,526,769	$ 40,560,856

See notes to financial statements

City of Fort Atkinson

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Operating Revenues				
Charges for services	$ 3,100,416	$ 3,791,511	$ 564,189	$ 7,456,116
Total operating revenues	3,100,416	3,791,511	564,189	7,456,116
Operating Expenses				
Operation and maintenance	1,286,951	2,194,868	373,711	3,855,530
Depreciation	401,403	959,785	243,151	1,604,339
Taxes	26,384	47,706	-	74,090
Total operating expenses	1,714,738	3,202,359	616,862	5,533,959
Operating income (loss)	1,385,678	589,152	(52,673)	1,922,157
Nonoperating Revenues (Expenses)				
Intergovernmental	-	5,230	-	5,230
Investment income	39,795	150,699	482	190,976
Interest expense	(67,789)	(192,999)	(33,338)	(294,126)
Total nonoperating revenues (expenses)	(27,994)	(37,070)	(32,856)	(97,920)
Income before contributions and transfers	1,357,684	552,082	(85,529)	1,824,237
Contributions and Transfers				
Capital contributions	-	330,766	-	330,766
Transfers out	(315,798)	-	-	(315,798)
Total contributions and transfers	(315,798)	330,766	-	14,968
Change in net position	1,041,886	882,848	(85,529)	1,839,205
Net Position, Beginning	13,283,873	20,825,480	4,612,298	38,721,651
Net Position, Ending	$ 14,325,759	$ 21,708,328	$ 4,526,769	$ 40,560,856

See notes to financial statements

City of Fort Atkinson

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Cash Flows From Operating Activities				
Received from customers	$ 3,658,030	$ 3,876,699	$ 653,081	$ 8,187,810
Paid to suppliers for goods and services	(765,904)	(2,022,970)	(145,033)	(2,933,907)
Paid to employees for services	(217,720)	(280,976)	(216,324)	(715,020)
Net cash flows from operating activities	2,674,406	1,572,753	291,724	4,538,883
Cash Flows From Investing Activities				
Investment income	39,795	150,699	482	190,976
Net cash flows from investing activities	39,795	150,699	482	190,976
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(333,400)	-	-	(333,400)
Net cash flows from noncapital financing activities	(333,400)	-	-	(333,400)
Cash Flows From Capital and Related Financing Activities				
Proceeds from debt issue	-	2,670,692	-	2,670,692
Debt retired	(274,000)	(647,792)	(56,000)	(977,792)
Interest paid	(73,644)	(190,525)	(35,891)	(300,060)
Acquisition and construction of capital assets	(1,257,881)	(3,677,941)	(448,813)	(5,384,635)
Capital contributions received	-	335,996	-	335,996
Net cash flows from capital and related financing activities	(1,605,525)	(1,509,570)	(540,704)	(3,655,799)
Net change in cash and cash equivalents	775,276	213,882	(248,498)	740,660
Cash and Cash Equivalents, Beginning	991,159	5,273,374	489,814	6,754,347
Cash and Cash Equivalents, Ending	$ 1,766,435	$ 5,487,256	$ 241,316	$ 7,495,007

See notes to financial statements

City of Fort Atkinson

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Stormwater Utility	Total
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	$ 1,385,678	$ 589,152	$ (52,673)	$ 1,922,157
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	401,403	959,785	243,151	1,604,339
Depreciation charged to other funds	44,191	-	-	44,191
Changes in assets, deferred outflows/inflows of resources and liabilities:				
Accounts receivable	45,149	(8,434)	88,892	125,607
Other accounts receivable	458,638	63,310	-	521,948
Inventories	(9,702)	-	-	(9,702)
Prepayments	868	636	636	2,140
Accrued compensation	(1,587)	4,663	-	3,076
Other current liabilities	-	(522)	-	(522)
Accounts payable	241,754	(134,723)	-	107,031
Pension related deferrals and assets/liabilities	89,761	87,363	11,718	188,842
OPEB related deferrals and liabilities	18,253	11,523	-	29,776
Net cash flows from operating activities	$ 2,674,406	$ 1,572,753	$ 291,724	$ 4,538,883
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	$ 1,672,134	$ 3,956,083	$ 241,316	$ 5,869,533
Restricted cash and investments:				
Redemption account	-	137,094	-	137,094
Replacement account	-	1,394,079	-	1,394,079
Depreciation account	94,301	-	-	94,301
Cash and cash equivalents	$ 1,766,435	$ 5,487,256	$ 241,316	$ 7,495,007
Noncash Capital and Related Financing Activities				
Amortization of premium/deferred charge on refunding	$ 291	$ (428)	$ 1,449	

See notes to financial statements

City of Fort Atkinson

Statement of Fiduciary Net Position -
Fiduciary Fund
December 31, 2023

	Custodial Fund
Assets	
Cash and investments	$ 8,349,040
Tax roll receivable	8,787,601
Total assets	17,136,641
Liabilities	
Due to other taxing units	17,136,641
Total liabilities	17,136,641
Net Position	
Total net position	$ -

See notes to financial statements

City of Fort Atkinson

Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended December 31, 2023

	Custodial Fund
Additions	
Property taxes collected for other governments	$ 13,134,618
Total additions	13,134,618
Deductions	
Property taxes distributed to other governments	13,134,618
Total deductions	13,134,618
Change in fiduciary net position	-
Net Position, Beginning	-
Net Position, Ending	$ -

See notes to financial statements

		Page
1.	**Summary of Significant Accounting Policies**	18
	Reporting Entity	18
	Government-Wide and Fund Financial Statements	18
	Measurement Focus, Basis of Accounting and Financial Statement Presentation	21
	Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	22
	Deposits and Investments	22
	Receivables	23
	Inventories and Prepaid Items	24
	Restricted Assets	24
	Capital Assets	24
	Other Assets	25
	Deferred Outflows of Resources	25
	Compensated Absences	25
	Long-Term Obligations	26
	Leases	26
	Deferred Inflows of Resources	26
	Equity Classifications	26
	Pension	27
	Postemployment Benefits Other Than Pensions (OPEB)	28
	Basis for Existing Rates	28
2.	**Stewardship, Compliance and Accountability**	28
	Budgetary Information	28
	Excess Expenditures and Other Financing Uses Over Budget	29
	Deficit Balances	29
	Limitations on the City's Tax Levy	29
3.	**Detailed Notes on All Funds**	30
	Deposits and Investments	30
	Receivables	32
	Restricted Assets	32
	Capital Assets	33
	Interfund Receivables/Payables, Advances and Transfers	36
	Long-Term Obligations	38
	Lease Disclosures	42
	Net Position/Fund Balances	42
4.	**Other Information**	44
	Employees' Retirement System	44
	Risk Management	49
	Commitments and Contingencies	50
	Other Postemployment Benefits	50
	Subsequent Events	58
	Economic Dependency	58
	Effect of New Accounting Standards on Current-Period Financial Statements	58

1. Summary of Significant Accounting Policies

The accounting policies of the City of Fort Atkinson, Wisconsin (the City) 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).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. 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 primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Component Unit Not Presented

Fort Atkinson Historical Society

The Fort Atkinson Historical Society (Historical Society) is a legally separate organization that qualifies as a component unit of the city. Audited financial statements of the Historical Society are not available for the year ended December 31, 2023.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Special Revenue Fund

Transportation Improvements is used to account for and report transportation projects that are legally restricted or committed to supporting expenditures for the program.

Debt Service Fund

General Debt Service is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TIF district or enterprise debt.

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

Stormwater Utility accounts for operations of the stormwater system

The City reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Wisconsin Development Fund	Subsidized Taxi Program
Library Trust	CDBG
Museum Trust	Municipal Airport
EMS	Capital Catalyst Grant
Lodging Room Tax	ARPA
Dwight Foster Public Library	

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TIF District No. 6	TIF District No. 7
TIF District No. 8	TIF District No. 9
TIF District No. 10	Capital Improvements Project

In addition, the City reports the following fund type:

Custodial Funds

Custodial Fund is used to account for and report assets controlled by the City and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2023, there were $665,769 of unrecorded anticipated future assessments which are not recorded as receivables because collection is subject to certain events occurring in the future. No formal repayment schedules have been established.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer and stormwater utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

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

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

a. Time deposits in any credit union, bank, savings bank or trust company.

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, a local professional football stadium district, a local cultural arts 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.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy contains the following guidelines related to custodial credit risk: all deposits of city funds in interest bearing time instruments shall be secured by pledged collateral in an amount equal to at least 100% of the total investment less the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. At December 31, 2023, the City has deposits which do not meet the previous criteria and are uninsured and uncollateralized. See Note 3. The policy addresses credit risk by limiting the types of securities allowable, pre-qualifying financial institutions, broker/dealers, intermediaries and advisors with which the City will do business with and by diversifying the investment portfolio to minimize the impact of potential losses from any one type of security or individual issuer.

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 methods and inputs as outlined in Note 3. 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. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the City 's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the county government as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale, 2023 delinquent real estate taxes	October 2026

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

It is the City's policy to record revenue when the initial loan is made from the grant funds. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as assigned fund balance in the fund financial statements.

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $10,000 for general capital assets and $25,000 for infrastructure assets 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 acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

Buildings	10-40 Years
Land improvements	10-20 Years
Machinery and equipment	4-25 Years
Utility systems	15-85 Years
Infrastructure	50-75 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Other Assets

The general fund is reporting assets held for resale in the amount of $818,210. These assets are valued at the lower of cost or market value and are intended to be used for future development of the City.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

The City provides postemployment health insurance benefits for all eligible employees. Eligibility is based on various criteria. The benefits are based on contractual agreements with employee groups, local ordinances or employee benefit policies. Employees may convert a portion of accumulated sick leave to pay for health care premiums. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the City. Funding for those costs is provided out of the current operating budget of the City. The contributions are financed on a pay as you go basis. Total expenditures for such premiums during the year were $82,349. The number of participants eligible to receive benefits as of December 31, 2023 is 6. The total amount outstanding at year end to be paid in the future is $79,311 and is included in the government-wide statement of net position.

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, 2023, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

Leases

The City is a lessor because it leases capital assets to other entities. As a lessor, the City reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The City continues to report and depreciate the capital assets being leased as capital assets of the primary government.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and 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 debt 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 positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. **Restricted** - Consists of fund balances 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. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Council to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.

e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City has a formal minimum fund balance policy. That policy is to maintain unassigned general fund balance at a minimum of 15 - 30% of budgeted general fund expenditures. The unassigned general fund balance at year end was $3,828,062 or 39% of the budgeted general fund expenditures in 2023.

See Note 3 for further information.

Pension

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset);
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions; and
- Pension Expense (Revenue).

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the City health OPEB have been determined on the same basis as they are reported by the City health OPEB Plan. For this purpose, the City health OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring following:

- Net OPEB Liability;
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits; and
- OPEB Expense (Revenue).

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

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin and placed into effect by the utility on October 1, 2021.

Sewer Utility

Current sewer rates, which include increases for the years 2021 through 2023, were approved by the city council to be effective as of January 1, 2021.

Stormwater Utility

Current stormwater rates were approved by the city council to be effective as of January 1, 2020.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, transportation improvement, general debt service, TIF District No. 6, TIF District No. 7, TIF District No. 8, TIF District No. 9, TIF District No. 10, Wisconsin Development Fund, EMS, Lodging Room Tax, Dwight Foster Public Library, Subsidized Taxi Program, CDBG, Municipal Airport, Capital Catalyst Grant, ARPA and Capital Improvements Project. A budget has not been formally adopted for the Museum Trust and Library Trust. Wisconsin Development Fund, Library Trust, Museum Trust, and TIF Districts No. 9 and 10. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
TIF District No. 6	$ 296,261	$ 301,771	$ 5,510
Municipal Airport	93,000	107,142	14,142
Capital Catalyst Grant	-	4,913	4,913
ARPA	-	136,570	136,570
Capital Improvements Project	515,364	1,050,873	535,509
CDBG	-	374,239	374,239

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2023, the following individual funds held a deficit balance:

Fund	Amount	Reason
Subsidized taxi program	$ 44,287	Timing difference in funding source
CDBG	205,728	Timing difference in funding source
TIF District No. 6	816,305	Timing difference in funding source
TIF District No. 9	17,751	Timing difference in funding source
TIF District No. 10	17,308	Timing difference in funding source

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. TIF District No. 6 has been designated as distressed and can collect increment for an additional 10 years past the original life. The Subsidized taxi program and CDBG are anticipated to be funded with future grants.

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

3. Detailed Notes on All Funds

Deposits and Investments

The City's deposits and investments at year end were comprised of the following:

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits	$ 15,654,764	$ 16,334,289	Custodial credit
Mutual funds, bonds	515,967	515,967	Credit, interest rate
Mutual funds, other	1,184,729	1,184,729	N/A
LGIP	8,676,817	8,676,817	Credit
Equity securities/stocks	1,955,981	1,955,981	Custodial credit, Concentration of credit
Petty cash	800	-	N/A
Total deposits and investments	$ 27,989,058	$ 28,667,783	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	$ 18,014,544		
Restricted cash and investments	1,625,474		
Per statement of net position, fiduciary fund:			
Custodial fund	8,349,040		
Total deposits and investments	$ 27,989,058		

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 accounts (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 deposit accounts.

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 custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of $2,322,685 to secure the City's deposits.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Market approach, prices or other information from market transactions involving identical assets - used for mutual funds
- Market approach, prices or other information from market transactions involving similar assets - used for equity securities/stocks

	December 31, 2023			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
Mutual funds, bonds	$ 515,967	$ -	$ -	$ 515,967
Mutual funds, other	1,184,729	-	-	1,184,729
Equity securities/stocks	-	1,955,981	-	1,955,981
Total	$ 1,700,696	$ 1,955,981	$ -	$ 3,656,677

Custodial Credit Risk

Deposits

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

As of December 31, 2023, $13,123,583 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 13,123,583
Total	$ 13,123,583

Credit Risk

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

As of December 31, 2023, the City's investments were rated as follows:

Investment Type	**Standard & Poors**
Mutual funds, bonds	AA-, A+
Equity securities/stocks	Not rated

The City also held investments in the following external pool which is not rated:

Local Government Investment Pool (LGIP)

Interest Rate Risk

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

As of December 31, 2023, the City's investments were as follows:

Investment Type	Fair Value	Maturity (in Years) Less Than 1	1-5	6-10
Mutual funds, bonds	$ 515,967	$ -	$ 244,484	$ 271,483

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

Receivables

Receivables are expected to be collected within one year except for delinquent personal property taxes and leases reported in the general fund and loan balances reported in the nonmajor funds.

Accounts receivable in the EMS nonmajor fund are offset by an allowance for uncollectible accounts in the amount of $135,789.

Governmental funds report *unavailable* or *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable for subsequent year	$ 10,349,579	$ -
Reimbursement grants not received	-	78,378
Grant funds not spent	865,981	-
Lease payments not yet due	422,890	-
EMS receivables not yet available	-	238,902
Total unearned/unavailable revenue for governmental funds	$ 11,638,450	$ 317,280
Unearned revenue included in liabilities	$ 865,981	
Unearned revenue included in deferred inflows	10,772,469	
Total unearned revenue for governmental funds	$ 11,638,450	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

Equipment Replacement Account

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Following is a list of restricted assets at December 31, 2023:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Redemption account	$ 137,094	$ 31,845	$ 105,249
Depreciation account	94,301	-	94,301
Equipment replacement account	1,394,079	-	1,394,079
Total	$ 1,625,474	$ 31,845	$ 1,593,629

Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	$ 5,877,315	$ 497,161	$ -	$ 6,374,476
Construction in progress	-	337,028	-	337,028
Total capital assets not being depreciated	5,877,315	834,189	-	6,711,504
Capital assets being depreciated:				
Land improvements	3,404,813	-	-	3,404,813
Buildings	21,222,748	28,990	-	21,251,738
Machinery and equipment	11,274,151	520,639	251,094	11,543,696
Infrastructure	23,330,215	943,783	131,366	24,142,632
Total capital assets being depreciated	59,231,927	1,493,412	382,460	60,342,879
Total capital assets	65,109,242	2,327,601	382,460	67,054,383
Less accumulated depreciation for:				
Land improvements	(1,451,978)	(105,505)	-	(1,557,483)
Buildings	(10,651,290)	(800,116)	-	(11,451,406)
Machinery and equipment	(8,600,929)	(475,214)	251,094	(8,825,049)
Infrastructure	(10,240,943)	(379,826)	131,366	(10,489,403)
Total accumulated depreciation	(30,945,140)	(1,760,661)	382,460	(32,323,341)
Net capital assets being depreciated	28,286,787	(267,249)	-	28,019,538
Total governmental activities capital assets, net as reported in the statement of net position	$ 34,164,102	$ 566,940	$ -	$ 34,731,042

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	$ 67,702
Public safety	667,304
Public works	526,037
Culture, recreation and education	460,522
Conservation and development	39,096
Total governmental activities depreciation expense	$ 1,760,661

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	$ 69,046	$ -	$ -	$ 69,046
Total capital assets not being depreciated	69,046	-	-	69,046
Capital assets being depreciated:				
Source of supply	159,505	-	-	159,505
Pumping	1,208,424	-	-	1,208,424
Treatment	75,288	-	-	75,288
Transmission and distribution	16,990,681	1,194,321	166,170	18,018,832
Administrative and general assets	1,751,084	63,560	-	1,814,644
Total capital assets being depreciated	20,184,982	1,257,881	166,170	21,276,693
Total capital assets	20,254,028	1,257,881	166,170	21,345,739
Less accumulated depreciation for:				
Source of supply	(159,506)	-	-	(159,506)
Pumping	(815,285)	(27,275)	-	(842,560)
Treatment	(75,288)	-	-	(75,288)
Transmission and distribution	(4,241,664)	(342,435)	166,170	(4,417,929)
Administrative and general assets	(1,156,671)	(75,884)	-	(1,232,555)
Total accumulated depreciation	(6,448,414)	(445,594)	166,170	(6,727,838)
Net capital assets being depreciated	13,736,568	812,287	-	14,548,855
Net water capital assets	$ 13,805,614	$ 812,287	$ -	$ 14,617,901

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated:				
Land and land rights	$ 295,079	$ -	$ -	$ 295,079
Construction in progress	12,934,438	2,559,960	-	15,494,398
Total capital assets not being depreciated	13,229,517	2,559,960	-	15,789,477
Capital assets being depreciated:				
Collection system	13,126,777	266,398	29,201	13,363,974
Collection system pumping	596,255	-	-	596,255
Treatment and disposal	21,012,369	179,637	-	21,192,006
Administrative and general assets	1,691,083	180,338	-	1,871,421
Total capital assets being depreciated	36,426,484	626,373	29,201	37,023,656
Total capital assets	49,656,001	3,186,333	29,201	52,813,133
Less accumulated depreciation for:				
Sewer plant	(22,462,945)	(959,785)	29,201	(23,393,529)
Total accumulated depreciation	(22,462,945)	(959,785)	29,201	(23,393,529)
Net capital assets being depreciated	13,963,539	(333,412)	-	13,630,127
Net sewer capital assets	$ 27,193,056	$ 2,226,548	$ -	$ 29,419,604

	Beginning Balance	Additions	Deletions	Ending Balance
Stormwater				
Capital assets being depreciated:				
Stormwater assets	$ 9,728,893	$ 533,781	$ 28,395	$ 10,234,279
Total capital assets being depreciated	9,728,893	533,781	28,395	10,234,279
Less accumulated depreciation for:				
Stormwater assets	(4,555,901)	(243,151)	28,395	(4,770,657)
Total accumulated depreciation	(4,555,901)	(243,151)	28,395	(4,770,657)
Net capital assets being depreciated	5,172,992	290,630	-	5,463,622
Net stormwater capital assets	$ 5,172,992	$ 290,630	$ -	$ 5,463,622
Business-type activities capital assets, net as reported in the statement of net position	$ 46,171,662	$ 3,329,465	$ -	$ 49,501,127

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Water	$ 401,403
Sewer	959,785
Stormwater	243,151
Total business-type activities , net as reported in the statement of net position expense	$ 1,604,339

Depreciation expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations or costs associated with the disposal of assets.

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General fund	EMS	$ 40,703
General fund	Water utility	315,798
Total, fund financial statements		356,501
Less fund eliminations		(40,703)
Total internal balances, government-wide statement of net position		$ 315,798

All amounts are due within one year.

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Advances

The general fund is advancing funds to TIF District Nos. 6, 9 and 10, CDBG, and the subsidized taxi program. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedules have been established and no interest is being charged.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General fund	TIF District No. 6	$ 1,472,315	$ 1,472,315
General fund	TIF District No. 9	17,751	17,751
General fund	TIF District No. 10	17,308	17,308
General fund	Subsidized Taxi Program	30,064	30,064
General fund	CDBG	203,333	203,333
Total, fund financial statements		1,740,771	
Less fund eliminations		(1,740,771)	
Total, interfund advances		$ -	

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General fund	Water utility	$ 315,798	Tax equivalent
TIF District No. 6	TIF District No. 7	252,260	TIF increment sharing
TIF District No. 6	TIF District No. 8	484,784	TIF increment sharing
General fund	ARPA	7,475	Reimburse for qualified expenses
Transportation Improvements	ARPA	10,082	Reimburse for qualified expenses
Capital improvements project	ARPA	119,013	Reimburse for qualified expenses
Capital improvements project	General fund	187,238	Funding for equipment purchase
Total, fund financial statements		1,376,650	
Less fund eliminations		(1,060,852)	
Total transfers, government-wide statement of activities		$ 315,798	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	$ 11,397,000	$ -	$ 1,338,000	$ 10,059,000	$ 1,009,000
General obligation notes from direct borrowings and direct placements	1,517,700	-	245,100	1,272,600	196,900
Total bonds and notes payable	12,914,700	-	1,583,100	11,331,600	1,205,900
Other liabilities:					
Vested compensated absences	548,494	117,874	207,493	458,875	119,416
Total other liabilities	548,494	117,874	207,493	458,875	119,416
Total governmental activities long-term liabilities	$ 13,463,194	$ 117,874	$ 1,790,593	$ 11,790,475	$ 1,325,316
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	$ 3,694,000	$ -	$ 456,000	$ 3,238,000	$ 302,000
Revenue bonds	10,749,028	2,670,692	521,792	12,897,928	626,353
(Discounts)/Premiums	64,028	-	9,848	54,180	-
Total bonds and notes payable	14,507,056	2,670,692	987,640	16,190,108	928,353
Other liabilities:					
Vested compensated absences	129,108	39,277	36,723	131,662	34,736
Total other liabilities	129,108	39,277	36,723	131,662	34,736
Total business-type activities long-term liabilities	$ 14,636,164	$ 2,709,969	$ 1,024,363	$ 16,321,770	$ 963,089

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023, was $67,624,320. Total general obligation debt outstanding at year end was $14,569,600.

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2023
G.O. refunding bonds	05/26/15	02/01/27	1.50-3.00%	$ 990,000	$ 165,000
Promissory note*	06/27/17	03/01/27	2.08	394,000	157,600
G.O. corporate purpose bonds	06/26/18	02/01/38	3.0-4.0	1,580,000	1,180,000
G.O. refunding bonds	11/18/19	08/01/39	3.0	6,985,000	6,025,000
Promissory note*	12/20/19	09/01/29	2.75	950,000	575,000
G.O refunding bonds	02/22/21	02/01/35	1.79	894,000	779,000
Promissory note*	08/23/21	05/01/31	1.55	675,000	540,000
G.O refunding bonds	05/24/22	02/01/42	3.10-5.00	2,025,000	1,910,000
Total governmental activities, general obligation debt					$ 11,331,600

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2023
G.O. refunding bonds	05/26/15	02/01/27	1.50-3.00%	$ 2,055,000	$ 710,000
G.O. corporate purpose bonds	06/26/18	02/01/38	3.0-4.0	2,635,000	2,120,000
G.O. refunding bonds	02/22/21	02/01/35	1.79	180,000	158,000
G.O. refunding bonds	05/24/22	02/01/42	3.1-5.00	250,000	250,000
Total business-type activities, general obligation debt					$ 3,238,000

* Debt issue is a direct borrowing or direct placement

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt Principal	Governmental Activities General Obligation Debt Interest	Business-Type Activities General Obligation Debt Principal	Business-Type Activities General Obligation Debt Interest
2024	$ 1,009,000	$ 307,994	$ 302,000	$ 96,635
2025	640,000	276,929	312,000	87,206
2026	761,000	250,746	317,000	77,104
2027	817,000	221,470	328,000	66,905
2028	768,000	194,751	148,000	59,823
2029-2033	3,387,000	633,507	828,000	228,770
2034-2038	2,152,000	243,392	938,000	90,391
2039-2042	525,000	16,475	65,000	4,813
Total	$ 10,059,000	$ 2,145,264	$ 3,238,000	$ 711,647

Years	Governmental Activities Notes from Direct Borrowings and Direct Placements Principal	Interest
2024	$ 196,900	$ 25,464
2025	196,900	21,065
2026	201,900	16,629
2027	201,900	12,125
2028	167,500	7,983
2029-2031	307,500	6,205
Total	$ 1,272,600	$ 89,471

The City's outstanding debt from direct borrowings and/or direct placements related to governmental contain event of default and/or termination provisions with possible finance-related consequences. The 2021 promissory notes contain provisions that include a 5% delinquency penalty and interest rate adjustments to 12% until any delinquent balances are paid. All other direct borrowings of the City contain terms that in the event of default, the unpaid balance shall automatically mature and become immediately due and payable.

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the sewer utility.

The sewer utility has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 2021. Proceeds from the bonds provided financing for the sewer system upgrades. The bonds are payable solely from sewer revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require 48% of net revenues. The total principal and interest remaining to be paid on the bonds is $14,788,988. Principal and interest paid for the current year and total customer net revenues were $700,445 and $1,699,636, respectively.

Revenue debt payable at December 31, 2023, consists of the following:

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2023	
Sewer Utility						
2021 Clean Water Fund Loan	07/28/2021	05/01/2041	1.557%	$ 13,419,720	$ 12,897,928	(1)
Total business-type activities, revenue debt					$ 12,897,928	

The City's outstanding revenue debt from direct borrowings and/or direct placements related to business type activities contain event of default and/or termination provisions with possible finance-related consequences. The 2021 Clean Water Fund Loan contains terms that in the event of default, any delinquent amounts may be deducted from any state payments that are due to the municipality.

(1) - During 2021 the utility was authorized to issue $14,125,508 of Sewerage system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2023. The repayment schedule is for the amount issued.

Debt service requirements to maturity are as follows:

Years	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	Principal	Interest
2024	$ 626,353	$ 196,212
2025	636,105	186,116
2026	646,010	176,135
2027	656,068	165,998
2028	666,283	155,704
2029-2033	3,490,294	618,404
2034-2038	3,770,608	335,908
2039-2041	2,406,207	56,583
Total	$ 12,897,928	$ 1,891,060

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

Bond Covenant Disclosures

Insurance

The utility is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.1 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2023 as follows:

Operating revenues	$ 3,791,511
Investment income	150,699
Less operation and maintenance expenses	(2,242,574)
Net defined earnings	$ 1,699,636
Minimum required earnings per resolution:	
Highest annual debt service 2021 CWF bonds	$ 822,565
Coverage factor	1.10
Minimum required earnings	$ 904,822
Actual Debt Coverage	2.07

Lease Disclosures

Lessor - Lease Receivables

Governmental Activities Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	Receivable Balance December 31, 2023
U.S. Cellular, ground lease	11/11/22	10/26/52	2.01%	$ 393,531
Klement, farm land leases	1/1/23	12/1/25	2.01%	29,359
Total governmental activities				$ 422,890

The City recognized $17,657 of lease revenue during the fiscal year.

The City recognized $12,949 of interest revenue during the fiscal year.

Regulated Leases

The City maintains certain regulated leases related to the municipal airport that, in accordance with GASB No. 87, do not recognize a lease receivable or a deferred inflow of resources. Regulated leases are subject to external laws, regulations, or legal rulings. Hangar rent revenues for the year of $20,035 were recognized in the municipal airport fund.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2023, includes the following:

Governmental Activities

Net investment in capital assets:	
Land	$ 6,374,476
Construction in progress	337,028
Other capital assets, net of accumulated depreciation	28,019,538
Less long-term debt outstanding	(11,331,600)
Plus noncapital debt proceeds	62,700
Plus unspent proceeds of capital-related debt included above	86,698
Total net investment in capital assets	$ 23,548,840

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2023, include the following:

	General Fund	Transportation Improvements	General Debt Service	Nonmajor Funds	Total
Fund Balances					
Nonspendable:					
Prepaid items	$ 178,247	$ -	$ -	$ 24,791	$ 203,038
Land held for resale	818,210	-	-	-	818,210
Delinquent personal property taxes	2,905	-	-	-	2,905
Advances to other funds	1,740,771	-	-	-	1,740,771
Subtotal	2,740,133	-	-	24,791	2,764,924
Restricted for:					
Library purposes	-	-	-	856,386	856,386
Museum purposes	-	-	-	936,923	936,923
Debt service	-	-	4,408	-	4,408
TIF purposes	-	-	-	1,309,962	1,309,962
Tourism	-	-	-	112,979	112,979
Grant purposes	-	-	-	652,421	652,421
Capital projects, unspent debt	-	-	-	86,698	86,698
Subtotal	-	-	4,408	3,955,369	3,959,777
Committed to:					
Transportation improvements	-	693,530	-	-	693,530
EMS	-	-	-	2,092	2,092
Subtotal	-	693,530	-	2,092	695,622
Assigned to:					
PILOT from utility	315,798	-	-	-	315,798
Deposits	6,400	-	-	-	6,400
Land purchases	28,707	-	-	-	28,707
Carryovers to 2024	131,360	-	-	-	131,360
Fire equipment replacement	255,007	-	-	-	255,007
Subsequent year's budget	160,525	-	-	-	160,525
Municipal airport	-	-	-	108,399	108,399
Loan programs	-	-	-	518,467	518,467
Capital improvements	-	-	-	543,520	543,520
Subtotal	897,797	-	-	1,170,386	2,068,183
Unassigned (Deficit):	3,828,062	-	-	(1,101,379)	2,726,683
Total fund balances (deficit)	$ 7,465,992	$ 693,530	$ 4,408	$ 4,051,259	$ 12,215,189

Business-Type Activities

Net investment in capital assets:	
Land	$ 364,125
Construction in progress	15,494,398
Other capital assets, net of accumulated depreciation	33,642,604
Less Long-term capital-related debt outstanding	(15,977,928)
Less unamortized debt premium	(54,180)
Add deferred charge on refunding	15,201
Total net investment in capital assets	$ 33,484,220

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting

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

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

Contributions

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

During the reporting period, the WRS recognized $461,107 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2023 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.50 %	6.50 %
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

Pension Liability, Pension Expense (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the City reported a liability of $2,085,213 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.03936071%, which was a decrease of 0.00007413% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense (revenue) of $1,060,450.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	$ 3,321,099	$ 4,363,179
Changes in assumptions	410,039	-
Net differences between projected and actual earnings on pension plan investments	3,542,297	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,742	2,888
Employer contributions subsequent to the measurement date	672,175	-
Total	$ 7,949,352	$ 4,366,067

$672,175 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	$ 121,629
2025	602,435
2026	617,596
2027	1,569,450

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

** No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns* as of December 31, 2022

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

* *Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations*

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%*

*** *The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used subject to an allowable range of up to 20%.*

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City's proportionate share of the net pension liability (asset)	$ 6,920,756	$ 2,085,213	$ (1,241,224)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

At December 31, 2023, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. 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.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City 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.

The City has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Other Postemployment Benefits

The City administers a single-employer defined contribution healthcare plan (the Retiree Health Plan). The plan provides health insurance benefits for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. Plan provisions and contribution requirements are established and may be amended by the City.

General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all eligible permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

RBP provides healthcare coverage to active employees and retirees at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age adjusted premium towards retiree benefits.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	22
Active plan members	71
Total	93

Total OPEB Liability

The City's total OPEB liability of $482,208 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.1-7.8%
Healthcare cost trend rates	6.5% decreasing 0.1% per year to an ultimate rate of 5.0%
Healthcare participation rate	100% of blended premium

The discount rate of 4.25% was updated for the current year and was based on the S&P Municipal Bond 20-year High Grade Index.

Mortality rates were based on the Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%).

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study 2015-17 conducted in 2018 using Wisconsin Retirement System.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2022	$ 575,438
Changes for the year:	
Service cost	20,080
Interest	11,324
Differences between expected and actual experience	(27,886)
Changes in assumptions or other inputs	(58,191)
Benefit payments	(38,557)
Net changes	(93,230)
Balances at December 31, 2023	$ 482,208

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 507,506	$ 482,208	$ 458,134

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5% decreasing to 4.0%) or 1-percentage-point higher (7.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 454,368	$ 482,208	$ 513,182

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of $18,029. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 142,326
Changes of assumptions or other inputs	155,935	64,305
Contributions subsequent to the measurement date	26,728	-
Total	$ 182,663	$ 206,631

$26,728 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Amount
2024	$ (13,375)
2025	(13,375)
2026	(13,375)
2027	(13,375)
2028	(11,461)
Thereafter	14,265

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

The LRLIF is a multiple-employer, defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at the link above.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2023 are:

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

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the plan year are as listed below:

Life Insurance Member Contribution Rates* for the Plan Year

Attained Age	Basic	Supplemental
Under 30	$0.05	$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized $1,438 in contributions from the employer.

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

At December 31, 2023, the City reported a liability of $273,195 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.07170800%, which was an increase of 0.00172100% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense (revenue) of $26,207.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 26,737
Net differences between projected and actual earnings on plan investments	5,127	-
Changes in actuarial assumptions	98,154	161,260
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,381	13,071
Employer contributions subsequent to the measurement date	1,541	-
Total	$ 120,203	$ 201,068

$1,541 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	$ (5,167)
2025	(7,234)
2026	(2,295)
2027	(16,514)
2028	(27,593)
Thereafter	(23,603)

Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020. Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total OPEB Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

State OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2022

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	50.00%	2.45%
U.S. Mortgages	Bloomberg U.S. MBS	50.00	2.83
Inflation			2.30
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single Discount Rate

A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.76%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
City's proportionate share of the net OPEB liability (asset)	$ 372,473	$ 273,195	$ 197,110

At December 31, 2023, the City reported a payable to the OPEB plan, which represents contractually required contributions outstanding as of the end of the year.

Subsequent Events

The City Council approved sewer utility rate increases effective January 1, 2024.

Economic Dependency

Sewer Utility

The Sewer Utility has two significant customers who were responsible for 44% of operating revenues in 2023.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Revenues				
Taxes				
General property taxes	$ 7,025,167	$ 7,025,167	$ 6,001,822	$ (1,023,345)
Interest and penalties on taxes	50	50	355	305
Payments in lieu of taxes	42,500	42,500	43,904	1,404
Total taxes	7,067,717	7,067,717	6,046,081	(1,021,636)
Intergovernmental Revenues				
Federal aid, law enforcement	-	-	3,056	3,056
Federal aid, law enforcement	-	-	3,200	3,200
State shared revenues	981,581	981,581	987,859	6,278
State expenditure restraint	178,586	178,586	178,586	-
Fire insurance tax (2% fire dues)	45,000	45,000	52,007	7,007
Other state shared taxes	47,958	47,958	47,959	1
Personal property aids	29,401	29,401	29,401	-
Video service provider aid	31,659	31,659	31,659	-
State aid, general transportation aids	616,637	616,637	616,718	81
State aid, connecting streets	95,404	95,404	95,404	-
State aid, recycling	35,500	35,500	35,150	(350)
School resource officer	56,890	56,890	56,890	-
Payments for municipal services	4,700	4,700	4,702	2
Compost site, town	8,500	8,500	8,500	-
Total intergovernmental revenues	2,131,816	2,131,816	2,151,091	19,275
Licenses and Permits				
Liquor and malt beverage licenses	35,430	35,430	37,220	1,790
Operators' license	2,500	2,500	2,730	230
Cigarette licenses	1,500	1,500	1,900	400
Other business and occupational licenses	750	750	1,605	855
Cable television franchise fees	126,000	126,000	126,557	557
Bicycle licenses	100	100	130	30
Dog and cat licenses	20,000	20,000	20,554	554
Building permits	55,000	55,000	101,940	46,940
Electrical permits	15,000	15,000	15,778	778
Plumbing permits	6,000	6,000	8,399	2,399
Other permits	5,000	5,000	5,975	975
Zoning permits and fees	6,000	6,000	7,885	1,885
Total licenses and permits	273,280	273,280	330,673	57,393
Fines and Forfeitures				
Court penalties and costs	120,000	120,000	144,176	24,176
Parking violations	35,000	35,000	29,272	(5,728)
Total fines and forfeitures	155,000	155,000	173,448	18,448

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Public Charges for Services				
General government	$ 2,000	$ 2,000	$ 2,578	$ 578
Law enforcement fees	6,000	6,000	7,677	1,677
Fire protection fees	-	-	88,806	88,806
Street related facilities	35,000	35,000	28,380	(6,620)
Parking lots, ramps and meters	110	110	110	-
Weed and nuisance control	3,000	3,000	1,658	(1,342)
Recreation programs	80,000	80,000	100,151	20,151
Museum	-	-	25,379	25,379
Swimming areas	163,000	163,000	180,412	17,412
Community center	2,500	2,500	2,458	(42)
Conservation and development	5,100	5,100	5,501	401
Economic development	2,500	2,500	2,500	-
Fiber	8,500	8,500	8,500	-
Total public charges for services	307,710	307,710	454,110	146,400
Intergovernmental Charges for Services				
Local, fire services	242,316	242,316	253,319	11,003
Investment Income				
Interest on investments	65,000	65,000	237,093	172,093
Interest on promissory notes	11,560	11,560	11,560	-
Total investment income	76,560	76,560	248,653	172,093
Miscellaneous				
Rent	22,900	22,900	10,984	(11,916)
Donations	-	50,214	54,479	4,265
Refund of prior year expenditures	-	-	392	392
Other miscellaneous	5,250	5,250	89,667	84,417
Insurance recoveries	-	-	45,587	45,587
Total miscellaneous	28,150	78,364	201,109	122,745
Total revenues	10,282,549	10,332,763	9,858,484	(474,279)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Expenditures				
General Government				
Council	$ 30,470	$ 30,470	$ 27,559	$ 2,911
Municipal court	78,400	78,400	72,089	6,311
Legal	38,600	38,600	37,879	721
City manager	94,800	96,072	90,229	5,843
Clerk	118,525	118,525	138,427	(19,902)
Labor relations	3,000	3,000	625	2,375
Board of review	70,000	70,000	70,000	-
Independent auditing	36,000	36,000	52,796	(16,796)
General buildings/plant/hall	53,450	53,450	54,087	(637)
Illegal taxes and refunds	100	100	-	100
Property and liability insurance	61,250	61,250	58,954	2,296
Law enforcement insurance	120,000	120,000	132,826	(12,826)
Other insurance	61,600	61,600	62,378	(778)
Health insurance	150,625	182,573	127,124	55,449
Manufacturing property assessment fees	3,892	3,892	3,892	-
Unemployment compensation costs	7,000	7,000	5,400	1,600
Contingency, health insurance	36,000	36,000	42,084	(6,084)
Other general government	3,000	3,000	980	2,020
Total general government	966,712	999,932	977,329	22,603
Public Safety				
Police	2,236,110	2,255,891	2,270,329	(14,438)
Crossing guards	21,700	21,700	21,859	(159)
Fire protection	1,011,100	1,016,100	1,047,323	(31,223)
Hydrant rental	2,500	2,500	1,766	734
Building inspection	88,700	88,700	92,673	(3,973)
Electrical inspection	43,375	43,375	46,420	(3,045)
Sealer of weights and measures	2,400	2,400	2,400	-
Civil defense	1,500	1,500	9,959	(8,459)
Emergency government	8,750	8,750	3,183	5,567
Other public safety	1,100,775	1,100,775	1,082,264	18,511
Total public safety	4,516,910	4,541,691	4,578,176	(36,485)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Public Works				
Public works/highway administration	$ 305,540	$ 305,540	$ 221,976	$ 83,564
Engineering	77,680	77,680	67,966	9,714
Machinery operation and maintenance	294,500	294,500	273,606	20,894
Garages and sheds	200,700	200,700	169,068	31,632
Highway and street maintenance	177,000	177,000	157,511	19,489
Curb and gutter	4,200	4,200	-	4,200
Tree and brush removal	6,000	6,000	4,538	1,462
Traffic control	85,700	85,700	73,049	12,651
Snow and ice control	218,000	218,000	191,372	26,628
Street lighting	286,000	286,000	304,412	(18,412)
Sidewalks	13,750	13,750	-	13,750
Parking facilities	9,500	9,500	7,780	1,720
Refuse and garbage collection	575,000	575,000	573,210	1,790
Recycling	170,040	170,040	171,016	(976)
Composting facility	26,250	26,250	35,240	(8,990)
Total public works	2,449,860	2,449,860	2,250,744	199,116
Health and Human Services				
Animal control	35,500	35,500	31,977	3,523
Culture, Recreation and Education				
Museum	170,100	181,100	188,196	(7,096)
Community center	78,900	78,900	61,813	17,087
Senior citizens' center	93,095	103,293	91,020	12,273
Recreation administration	278,435	278,435	257,627	20,808
Recreation facilities	267,050	267,050	256,706	10,344
Celebration and entertainment	33,200	33,200	29,480	3,720
Parks	366,325	366,325	352,133	14,192
Other culture	303,150	303,150	269,127	34,023
Total culture, recreation and education	1,590,255	1,611,453	1,506,102	105,351
Conservation and Development				
Forestry	151,500	164,661	198,468	(33,807)
Industrial development	23,850	23,850	27,798	(3,948)
Other conservation and development	72,350	72,350	48,983	23,367
Total conservation and development	247,700	260,861	275,249	(14,388)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Capital Outlay				
Other conservation and development	$ -	$ 110,995	$ 533,958	$ (422,963)
Total capital outlay	-	110,995	533,958	(422,963)
Total expenditures	9,806,937	10,010,292	10,153,535	(143,243)
Excess (deficiency) of revenues over (under) expenditures	475,612	322,471	(295,051)	(617,522)
Other Financing Sources (Uses)				
Transfers in	340,000	340,000	323,273	(16,727)
Transfers out	-	-	(187,238)	(187,238)
Total other financing sources (uses)	340,000	340,000	136,035	(203,965)
Net change in fund balance	815,612	662,471	(159,016)	(821,487)
Fund Balance, Beginning	7,625,008	7,625,008	7,625,008	-
Fund Balance, Ending	$ 8,440,620	$ 8,287,479	$ 7,465,992	$ (821,487)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Transportation Improvements
Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Taxes				
General property taxes	$ 500,000	$ 500,000	$ 500,000	$ -
Motor vehicle registration fee	212,000	212,000	216,387	4,387
Total taxes	712,000	712,000	716,387	4,387
Intergovernmental				
CDBG grants	-	-	277,629	277,629
Total revenues	712,000	712,000	994,016	282,016
Expenditures				
Capital Outlay				
Capital outlay	712,000	712,000	1,018,020	(306,020)
Total expenditures	712,000	712,000	1,018,020	(306,020)
Excess (deficiency) of revenues over (under) expenditures	-	-	(24,004)	(24,004)
Other Financing Sources				
Transfers in	-	-	10,082	10,082
Total other financing sources	-	-	10,082	10,082
Net change in fund balance	-	-	(13,922)	(13,922)
Fund Balance, Beginning	707,452	707,452	707,452	-
Fund Balance, Ending	$ 707,452	$ 707,452	$ 693,530	$ (13,922)

See notes to required supplementary information

City of Fort Atkinson

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
Wisconsin Retirement System
Year Ended December 31, 2023

WRS Fiscal Year Ending	Proportionate of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/23	0.03936071%	$ 2,085,213	$ 5,280,272	39.49%	95.72%
12/31/22	0.03943484%	(3,178,520)	5,119,614	62.09%	106.02%
12/31/21	0.03945772%	(2,463,400)	5,185,422	47.51%	105.26%
12/31/20	0.03895124%	(1,255,965)	5,082,878	24.71%	102.96%
12/31/19	0.03824638%	1,360,686	4,816,488	28.25%	96.45%
12/31/18	0.03768448%	(1,118,896)	4,673,410	23.94%	102.93%
12/31/17	0.03713569%	306,087	4,580,496	6.68%	99.12%
12/31/16	0.03728650%	605,898	4,538,005	13.35%	98.20%
12/31/15	0.03800802%	(933,581)	4,396,943	21.23%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2023

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/23	$ 672,175	$ 672,175	$ -	$ 6,382,100	10.53%
12/31/22	460,311	460,311	-	5,267,447	8.74%
12/31/21	452,309	452,309	-	5,119,614	8.83%
12/31/20	452,027	452,027	-	5,185,422	8.72%
12/31/19	412,584	412,584	-	5,082,878	8.12%
12/31/18	387,884	387,884	-	4,817,138	8.05%
12/31/17	398,149	398,149	-	4,673,418	8.52%
12/31/16	361,620	361,620	-	4,580,496	7.89%
12/31/15	359,786	359,786	-	4,538,005	7.93%

See notes to required supplementary information

City of Fort Atkinson

Schedule of Proportionate Share of the Net Insurance OPEB Liability -
Local Retiree Life Insurance Fund
Year Ended December 31, 2023

WRS Fiscal Year Ending	Proportionate of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/23	0.07170800%	$ 273,195	$ 3,986,000	6.85%	38.81%
12/31/22	0.06998700%	413,649	4,124,000	10.03%	29.57%
12/31/21	0.07418600%	408,077	3,950,000	10.33%	31.36%
12/31/20	0.07190600%	306,190	3,798,000	8.06%	37.58%
12/31/19	0.06893300%	177,870	3,625,000	4.91%	48.69%
12/31/18	0.07056300%	212,294	2,967,376	7.15%	44.81%

Schedule of Employer Contributions - Local Retiree Life Insurance Fund
Year Ended December 31, 2023

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/23	$ 1,541	$ 1,541	$ -	$ 5,010,569	0.03%
12/31/22	1,444	1,444	-	4,253,378	0.03%
12/31/21	1,401	1,401	-	4,090,835	0.03%
12/31/20	1,467	1,467	-	4,101,987	0.04%
12/31/19	1,433	1,433	-	3,871,256	0.04%
12/31/18	1,335	1,335	-	2,919,583	0.05%

See notes to required supplementary information

City of Fort Atkinson

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios -
Health Insurance
Year Ended December 31, 2023

Total OPEB Liability	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Service cost	$ 20,080	$ 18,807	$ 17,039	$ 18,641	$ 20,221	$ 20,221
Interest	11,324	8,628	10,206	22,555	19,822	19,852
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(27,886)	(3,519)	-	(206,641)	-	-
Changes of assumptions	(58,191)	191,745	10,202	(8,832)	(17,262)	-
Benefit payments	(38,557)	(28,530)	(23,472)	(11,905)	(37,004)	(44,860)
Net change in total OPEB liability	(93,230)	187,131	13,975	(186,182)	(14,223)	(4,787)
Total OPEB Liability, Beginning	575,438	388,307	374,332	560,514	574,737	579,524
Total OPEB Liability, Ending	$ 482,208	$ 575,438	$ 388,307	$ 374,332	$ 560,514	$ 574,737
Covered, Employee Payroll	$ 4,825,523	$ 4,825,523	$ 5,036,448	$ 5,036,448	$ 4,461,015	$ 4,461,015
Total OPEB Liability as a Percentage of Covered, Employee Payroll	9.99%	11.92%	7.71%	7.43%	12.56%	12.88%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of the calendar-year end prior to the year reported.

Benefit changes. There were no changes to the benefits.

Changes of assumptions. The discount rate assumption was changed from 2.0% to 4.25% for the current year.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

The budgeted amounts presented include any amendments made. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were $131,360. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

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

The City is required to present the last ten years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

Local Retiree Life Insurance Fund

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

The City is required to present the last ten years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes in assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

City of Fort Atkinson

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds			
	Wisconsin Development Fund	Library Trust	Museum Trust	EMS
Assets				
Cash and investments	$ 480,229	$ 797,203	$ 936,923	$ -
Receivables (net):				
Taxes	-	-	-	-
Accounts	-	-	-	282,765
Lease	-	-	-	-
Loans	38,238	-	-	-
Prepaid items	-	-	-	25
Total assets	$ 518,467	$ 797,203	$ 936,923	$ 282,790
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ 1,068
Due to other funds	-	-	-	40,703
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	-	-	-	41,771
Deferred Inflows of Resources				
Unearned revenues	-	-	-	-
Unavailable revenues	-	-	-	238,902
Total deferred inflows of resources	-	-	-	238,902
Fund Balances (Deficit)				
Nonspendable	-	-	-	25
Restricted	-	797,203	936,923	-
Committed	-	-	-	2,092
Assigned	518,467	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	518,467	797,203	936,923	2,117
Total liabilities, deferred inflows of resources and fund balances	$ 518,467	$ 797,203	$ 936,923	$ 282,790

Special Revenue Funds							
Lodging Room Tax	Dwight Foster Public Library	Subsidized Taxi Program	CDBG	Municipal Airport	Capital Catalyst Grant	ARPA
$ 102,596	$ 69,381	$ -	$ -	$ 108,217	$ 231,624	$ 915,795
-	616,000	-	-	-	-	-
39,212	-	-	-	182	-	-
-	-	-	-	-	-	-
-	-	-	-	-	373,811	-
8,892	25	-	-	6,033	-	-
$ 150,700	$ 685,406	$ -	$ -	$ 114,432	$ 605,435	$ 915,795
$ 28,829	$ 10,198	$ 14,223	$ 2,395	$ -	$ 2,828	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	865,981
-	-	30,064	203,333	-	-	-
28,829	10,198	44,287	205,728	-	2,828	865,981
-	616,000	-	-	-	-	-
-	-	-	-	-	-	-
-	616,000	-	-	-	-	-
8,892	25	-	-	6,033	-	-
112,979	59,183	-	-	-	602,607	49,814
-	-	-	-	-	-	-
-	-	-	-	108,399	-	-
-	-	(44,287)	(205,728)	-	-	-
121,871	59,208	(44,287)	(205,728)	114,432	602,607	49,814
$ 150,700	$ 685,406	$ -	$ -	$ 114,432	$ 605,435	$ 915,795

City of Fort Atkinson

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	Capital Projects Funds			
	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9
Assets				
Cash and investments	$ 652,363	$ 4,560	$ 1,323,027	$ -
Receivables (net):				
Taxes	150,651	453,726	970,153	-
Accounts	3,647	-	1,692	-
Lease	29,359	-	-	-
Loans	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 836,020	$ 458,286	$ 2,294,872	$ -
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ -	$ 927	$ 18,390	$ -
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	1,472,315	-	-	17,751
Total liabilities	1,472,315	927	18,390	17,751
Deferred Inflows of Resources				
Unearned revenues	180,010	453,726	970,153	-
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	180,010	453,726	970,153	-
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	-	3,633	1,306,329	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	(816,305)	-	-	(17,751)
Total fund balances (deficit)	(816,305)	3,633	1,306,329	(17,751)
Total liabilities, deferred inflows of resources and fund balances	$ 836,020	$ 458,286	$ 2,294,872	$ -

Capital Projects Funds		
TIF District No. 10	Capital Improvements Project	Total Nonmajor Governmental Funds
$ -	$ 683,563	$ 6,305,481
-	201,500	2,392,030
-	-	327,498
-	-	29,359
-	-	412,049
-	9,816	24,791
$ -	$ 894,879	$ 9,491,208
$ -	$ 53,345	$ 132,203
-	-	40,703
-	-	865,981
17,308	-	1,740,771
17,308	53,345	2,779,658
-	201,500	2,421,389
-	-	238,902
-	201,500	2,660,291
-	9,816	24,791
-	86,698	3,955,369
-	-	2,092
-	543,520	1,170,386
(17,308)	-	(1,101,379)
(17,308)	640,034	4,051,259
$ -	$ 894,879	$ 9,491,208

City of Fort Atkinson

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2023

	Special Revenue Funds			
	Wisconsin Development Fund	Library Trust	Museum Trust	EMS
Revenues				
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Public charges for services	-	-	-	609,305
Investment income	3,702	102,677	94,565	-
Miscellaneous	-	2,890	-	242,805
Total revenues	3,702	105,567	94,565	852,110
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	649,315
Public works	-	-	-	-
Culture, recreation and education	-	31,901	37,353	-
Conservation and development	2,500	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,500	31,901	37,353	649,315
Excess (deficiency) of revenues over expenditures	1,202	73,666	57,212	202,795
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Property sales	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,202	73,666	57,212	202,795
Fund Balances (Deficit), Beginning	517,265	723,537	879,711	(200,678)
Fund Balances (Deficit), Ending	$ 518,467	$ 797,203	$ 936,923	$ 2,117

Special Revenue Funds						
Lodging Room Tax	Dwight Foster Public Library	Subsidized Taxi Program	CDBG	Municipal Airport	Capital Catalyst Grant	ARPA
$ 54,044	$ 616,511	$ -	$ -	$ -	$ -	$ -
-	290,621	203,344	635,768	32,000	-	136,570
-	8,576	-	-	123,554	1,501	-
-	-	-	-	-	5,046	40,639
-	54,396	-	-	-	-	-
54,044	970,104	203,344	635,768	155,554	6,547	177,209
27,852	-	-	-	107,142	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,828	-
-	908,693	-	-	-	-	-
8,500	-	185,797	-	-	2,085	-
-	26,166	-	374,239	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
36,352	934,859	185,797	374,239	107,142	4,913	-
17,692	35,245	17,547	261,529	48,412	1,634	177,209
-	-	-	-	-	-	-
-	-	-	-	-	-	(136,570)
-	-	-	-	-	-	-
-	-	-	-	-	-	(136,570)
17,692	35,245	17,547	261,529	48,412	1,634	40,639
104,179	23,963	(61,834)	(467,257)	66,020	600,973	9,175
$ 121,871	$ 59,208	$ (44,287)	$ (205,728)	$ 114,432	$ 602,607	$ 49,814

City of Fort Atkinson

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2023

	Capital Projects Funds			
	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9
Revenues				
Taxes	$ 166,372	$ 512,578	$ 1,075,602	$ -
Intergovernmental	1,720	3,539	6,127	-
Public charges for services	-	-	-	-
Investment income	30,348	264	49,028	-
Miscellaneous	13,289	-	-	-
Total revenues	211,729	516,381	1,130,757	-
Expenditures				
Current:				
General government	-	-	3	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	13,108	9,330	42,881	8,558
Capital outlay	-	7,558	-	-
Debt service:				
Principal	280,000	240,000	118,200	-
Interest and fiscal charges	8,663	3,600	28,688	-
Total expenditures	301,771	260,488	189,772	8,558
Excess (deficiency) of revenues over expenditures	(90,042)	255,893	940,985	(8,558)
Other Financing Sources (Uses)				
Transfers in	737,044	-	-	-
Transfers out	-	(252,260)	(484,784)	-
Property sales	88,517	-	-	-
Total other financing sources (uses)	825,561	(252,260)	(484,784)	-
Net change in fund balances	735,519	3,633	456,201	(8,558)
Fund Balances (Deficit), Beginning	(1,551,824)	-	850,128	(9,193)
Fund Balances (Deficit), Ending	$ (816,305)	$ 3,633	$ 1,306,329	$ (17,751)

Capital Projects Funds		
TIF District No. 10	Capital Improvements Project	Total Nonmajor Governmental Funds
$ -	$ 211,400	$ 2,636,507
-	4,209	1,313,898
-	-	742,936
-	8,239	334,508
-	163,955	477,335
-	387,803	5,505,184
-	-	134,997
-	-	649,315
-	-	2,828
-	-	977,947
8,558	-	281,317
-	1,050,873	1,458,836
-	-	638,200
-	-	40,951
8,558	1,050,873	4,184,391
(8,558)	(663,070)	1,320,793
-	306,251	1,043,295
-	-	(873,614)
-	-	88,517
-	306,251	258,198
(8,558)	(356,819)	1,578,991
(8,750)	996,853	2,472,268
$ (17,308)	$ 640,034	$ 4,051,259