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AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

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December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Whitewater
Whitewater, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Whitewater, Wisconsin's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of December 31, 2024, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Whitewater, Wisconsin, 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 audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective January 1, 2024, the City of Whitewater, Wisconsin adopted the provisions of the Governmental Accounting Standards Board Statement No. 100, Accounting Changes and Error Corrections, and Governmental Accounting Standards Board Statement No. 101, Compensated Absences. Our opinions are not modified with respect to these matters.

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 of Whitewater, Wisconsin'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.

Auditor's 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 auditor's 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 of Whitewater, Wisconsin'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 of Whitewater, Wisconsin'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 management's discussion and analysis, the budgetary comparison information, the Wisconsin Retirement System schedules, the Local Retiree Life Insurance Fund schedules, and Schedule of Changes in the City's Total Health Insurance OPEB Liability and Related Ratios as identified 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 of Whitewater, Wisconsin's basic financial statements. The accompanying combining and individual non-major and component unit fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major and component unit fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major and component unit fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Johnson Block & Company, Inc.

DATE XX, 2025

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MANAGEMENT'S DISCUSSION

AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024



CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

DRAFT

The management of the City of Whitewater ("City") offers all persons interested in the financial condition of the City to review this narrative overview and analysis of the City's financial performance during the fiscal year ending December 31, 2024. This section should be read in conjunction with the financial statements and the accompanying notes that follow. It should also be noted that the information contained here will focus primarily on the governmental operations of the City.

FINANCIAL HIGHLIGHTS

The City's total net position increased \$5,971,190, or 8.2% from the prior year. The net position for governmental activities increased \$1,904,670, while net position of the business-type activities increased by \$4,066,520. The Community Development Authority's ("CDA"), a component unit of the City, net position decreased by \$200,307.

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2024 by \$78,579,842 (net position). Of this amount, \$10,751,850 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The breakout of the unrestricted net position is \$5,646,629 and \$5,105,221 for governmental and business-type activities, respectively.

As of December 31, 2024, the City's governmental funds reported combined ending fund balances of \$13,632,312, an increase of \$4,410,875 in comparison with the prior year. Approximately 23% of this total, or \$3,125,931 (unassigned fund balance), is available for spending at the government's discretion.

The City's Water Utility had an operating income in 2024 of \$944,713. Unrestricted net position was \$1,988,971. The Water Utility's total net position increased by \$1,678,652 to \$13,040,767. For 2024, the Rate of Return equaled 5.00%. The City filed an application with the PSC in 2022 and new rates went effective April 28, 2023. Rates increased approximately 30%.

The Wastewater Utility had an operating income of \$1,245,282 in 2024. The Utility's total net position increased by \$2,562,162. A major upgrade to the wastewater treatment plant was completed in early 2019 representing \$24.358 million in plant improvements. In anticipation of this project, Wastewater rates were increased effective June 27, 2019 that increased the average residential user by 18%.

This annual report consists 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 overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. The governmental fund statements tell how general government services like public safety and public works were financed in the short-term as well as what remains for future spending.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements also include notes that explain some of the information in the financial statements and provide more detail data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section (Management's Discussion and Analysis) explains the structure and contents of each of the statements.

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 and deferred outflows and 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 and deferred outflows and 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 infrastructure.

The government-wide financial statements include not only the City of Whitewater itself (known as the primary government), but also the City of Whitewater Community Development Authority (component unit). The CDA does not issue separate financial statements.

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.

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 – 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, as well as on balances 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.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

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 of 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.

The City maintains 23 individual governmental funds. Several other funds are included with the General Fund. 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, the Capital Projects Fund, and Fire and EMS Fund, which are considered to be major funds. Data from the other governmental funds are split between the non-major special revenue funds and the non-major capital project funds. 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 all of its funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains 3 different types of proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Proprietary Funds are the Water, Wastewater, and Stormwater Utilities. The Stormwater Utility was established in the 4th quarter of 2007.

Fiduciary Funds – 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 City is a trustee, or fiduciary, for the collection of all property taxes within the City for all taxing jurisdictions including the Whitewater Unified School District, Walworth and Jefferson counties, Gateway and Madison Area Technical College, and the State of Wisconsin. The accounting used for fiduciary funds is much like that used for proprietary funds.

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 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.

The largest portion of the City's (governmental and business-type activities) net position (approximately 73%) represents its investments in capital assets, less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's net investment in 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.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

CITY OF WHITEWATER'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 22,563,357	\$ 17,043,409	\$ 9,667,919	\$ 12,243,635	\$ 32,231,276	\$ 29,287,044
Capital Assets	<u>42,425,022</u>	<u>39,816,047</u>	<u>65,772,438</u>	<u>60,113,075</u>	<u>108,197,460</u>	<u>99,929,122</u>
Total Assets	<u>\$ 64,988,379</u>	<u>\$ 56,859,456</u>	<u>\$ 75,440,357</u>	<u>\$ 72,356,710</u>	<u>\$ 140,428,736</u>	<u>\$ 129,216,166</u>
Deferred Outflows of Resources	<u>\$ 5,310,532</u>	<u>\$ 7,284,758</u>	<u>\$ 752,809</u>	<u>\$ 1,085,657</u>	<u>\$ 6,063,341</u>	<u>\$ 8,370,415</u>
Non-Current Liabilities	\$ 18,298,660	\$ 14,565,803	\$ 31,995,310	\$ 32,725,565	\$ 50,293,970	\$ 47,291,368
Other Liabilities	<u>3,220,443</u>	<u>1,926,427</u>	<u>3,389,467</u>	<u>3,835,008</u>	<u>6,609,910</u>	<u>5,761,435</u>
Total Liabilities	<u>\$ 21,519,103</u>	<u>\$ 16,492,230</u>	<u>\$ 35,384,777</u>	<u>\$ 36,560,573</u>	<u>\$ 56,903,880</u>	<u>\$ 53,052,803</u>
Deferred Inflows of Resources	<u>\$ 10,530,874</u>	<u>\$ 11,024,810</u>	<u>\$ 477,481</u>	<u>\$ 617,406</u>	<u>\$ 11,008,355</u>	<u>\$ 11,642,216</u>
Net Position:						
Net Investment in Capital Assets	\$ 26,931,571	\$ 27,438,434	\$ 32,307,950	\$ 27,061,595	\$ 59,239,521	\$ 54,500,029
Restricted	5,670,734	3,977,261	2,917,737	2,787,496	8,588,471	6,764,757
Unrestricted	<u>5,646,629</u>	<u>5,211,479</u>	<u>5,105,221</u>	<u>6,415,297</u>	<u>10,751,850</u>	<u>11,626,776</u>
TOTAL NET POSITION	<u>\$ 38,248,934</u>	<u>\$ 36,627,174</u>	<u>\$ 40,330,908</u>	<u>\$ 36,264,388</u>	<u>\$ 78,579,842</u>	<u>\$ 72,891,562</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION	<u>\$ 70,298,911</u>	<u>\$ 64,144,214</u>	<u>\$ 76,193,166</u>	<u>\$ 73,442,367</u>	<u>\$ 146,492,077</u>	<u>\$ 137,586,581</u>

NET POSITION: The City's combined net position increased 8.2% between fiscal years 2023 and 2024 to \$78,579,842. 51.3% of the 2024 net position are business-type activities of the City's Water, Wastewater, and Stormwater Utilities. The governmental activities had an increase in net position of \$1,904,670 for the year, while the business-type activities experienced an increase of \$4,066,520.

ASSETS: Governmental Activities: Taxes Receivable increased by \$585,126. Accounts Receivables and Other Receivables increased by \$272,010. Due from Other Governmental Units increased by \$6,819. Net Capital Assets increased by \$2,608,975 to a total of \$42,425,022. Deferred outflows of resources decreased by \$1,974,226 between years due to the reporting for employee pensions and other postemployment benefits.

LIABILITIES: Governmental Activities: Non-Current Liabilities increased by \$3,732,857 with the reporting of new debt issuances. Deferred inflows of resources decreased by \$493,936 mainly due to a decrease in pension inflows.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

CITY OF WHITEWATER
CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-type Activities		Combined-Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,536,879	\$ 2,147,258	\$ 7,681,201	\$ 7,331,530	\$ 10,218,080	\$ 9,478,788
Operating grants and contributions	1,625,780	1,637,004	-	-	1,625,780	1,637,004
Capital grants and contributions	1,942,415	294,732	2,934,084	175,018	4,876,499	469,750
General Revenues:						
Property Taxes	6,737,184	5,868,240	-	-	6,737,184	5,868,240
Other Taxes	305,514	331,063	-	-	305,514	331,063
Intergovernmental	3,991,264	3,539,656	-	-	3,991,264	3,539,656
Investment Income	1,044,270	964,210	269,873	139,726	1,314,143	1,103,936
Miscellaneous	191,717	308,069	67,801	73,102	259,518	381,171
Total Revenues	\$ 18,375,023	\$ 15,090,232	\$ 10,952,959	\$ 7,719,376	\$ 29,327,982	\$ 22,809,608
Expenses:						
General government	\$ 2,230,006	\$ 1,983,617	\$ -	\$ -	\$ 2,230,006	\$ 1,983,617
Public Safety	6,994,743	6,851,409	-	-	6,994,743	6,851,409
Public Works	3,120,496	3,061,508	-	-	3,120,496	3,061,508
Leisure activities	2,914,542	2,853,290	-	-	2,914,542	2,853,290
Conservation and Development	200,975	67,462	-	-	200,975	67,462
Interest and fiscal charges	615,397	331,518	1,075,156	996,053	1,690,553	1,327,571
Water Utility	-	-	2,032,989	2,171,694	2,032,989	2,171,694
Sewer Utility	-	-	2,904,958	2,875,448	2,904,958	2,875,448
Stormwater Utility	-	-	615,118	560,891	615,118	560,891
Total Expenses	\$ 16,076,159	\$ 15,148,804	\$ 6,628,221	\$ 6,604,086	\$ 22,704,380	\$ 21,752,890
Increases in net position before transfers	\$ 2,298,864	\$ (58,572)	\$ 4,324,738	\$ 1,115,290	\$ 6,623,602	\$ 1,056,718
Special items	(472,412)	(152,801)	-	-	(472,412)	(152,801)
Transfers	78,218	229,732	(258,218)	(327,232)	(180,000)	(97,500)
Increase in net position	\$ 1,904,670	\$ 18,359	\$ 4,066,520	\$ 788,058	\$ 5,971,190	\$ 806,417
Net Position-January 1	\$ 36,344,264	\$ 36,325,905	\$ 36,264,388	\$ 35,476,330	\$ 72,608,652	\$ 71,802,235
Net Position-December 31	\$ 38,248,934	\$ 36,344,264	\$ 40,330,908	\$ 36,264,388	\$ 78,579,842	\$ 72,608,652

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

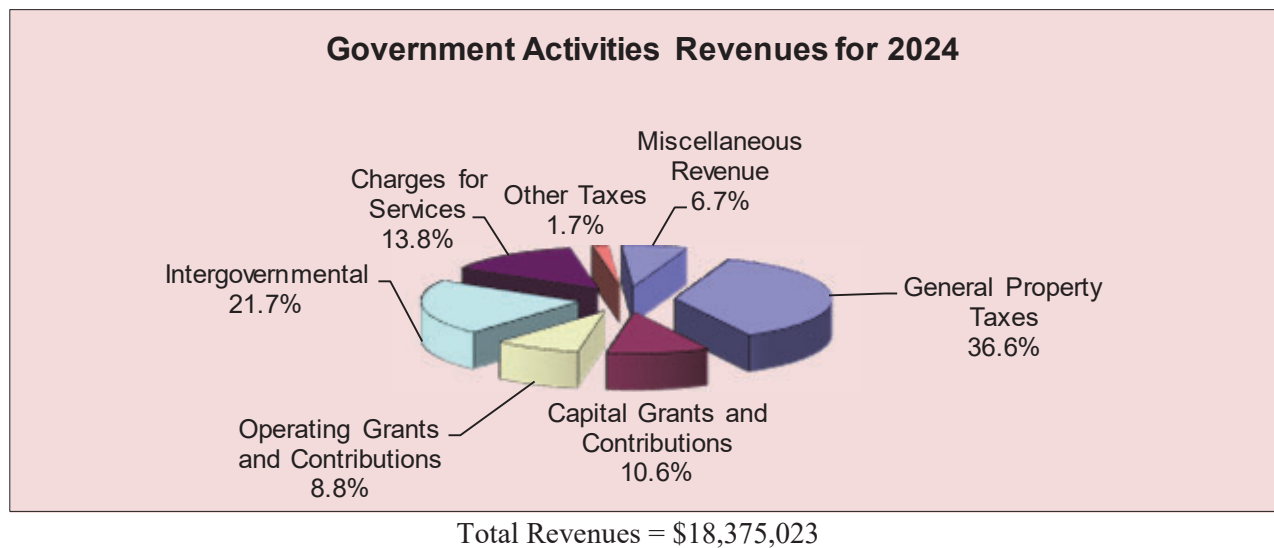
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FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities

Change in Net Position: The City's 2024 revenues for both governmental and business-type activities total \$29,327,982 and expenses total \$22,704,380. These totals plus transfers and special items resulted in an increase in net position of \$5,671,190. Net position increased by \$1,904,670 for governmental activities. This growth in net position is driven by several factors. First, each year, funds are budgeted to be set aside in special revenue or sinking funds for large or infrequent needs. Secondly, revenues were favorable compared to 2023 budget due mainly to higher interest income.

Revenues for the City's governmental activities total \$18,375,023 with intergovernmental revenues (largely state shared-revenues) accounting for 21.7% (\$3,991,264) of total revenues. Taxes have been broken out into two categories, debt service property taxes and general property taxes. The tax collected for debt service property taxes, which is 7.1% (\$1,313,714) of total revenues, were collected to pay for the principal and interest due in 2024. General property taxes accounted for 24.7% (\$4,538,648) of governmental revenues in 2024. Charges for services contributed 13.8% (\$2,536,879) and increased modestly in 2024; operating contributed 8.8% (\$1,625,780) of the total revenues. Capital grants were \$1,942,415 and increased mainly because of a donations for the library expansion and from the Whitewater Fire Department, Inc. for fire equipment purchases.

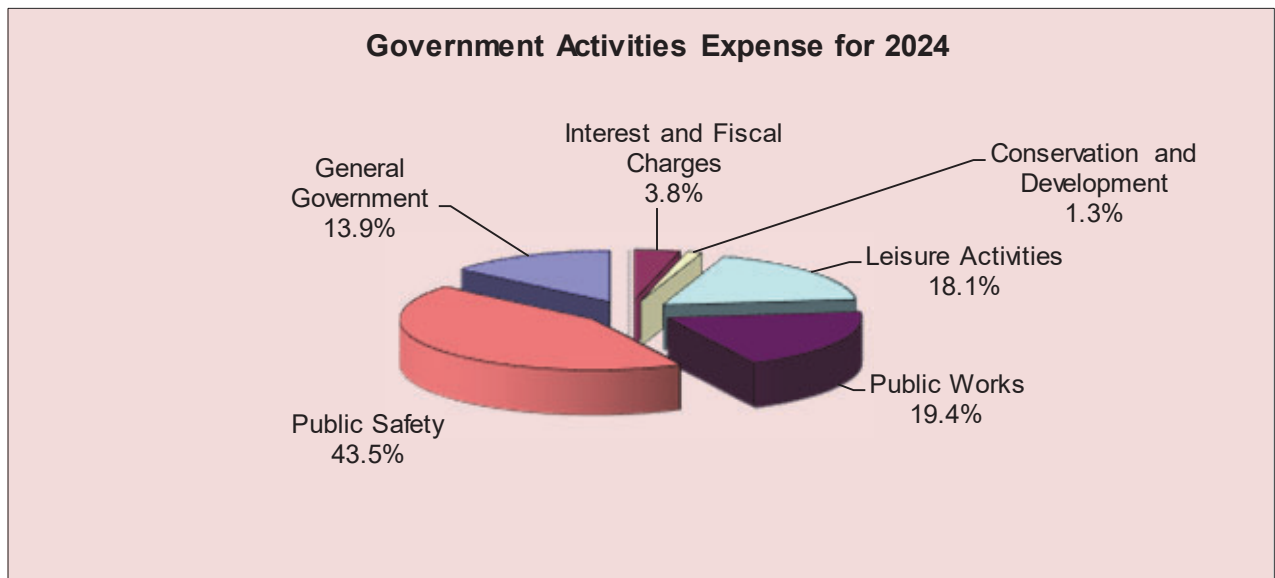


CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

Governmental activities expenditures total \$16,076,159. Public Safety activities amount for 43.5% (\$6,994,743), or the largest single portion of expenditures. Public Safety includes Police, Fire, Rescue, Crash and Building Inspections. Public Works, General Government and Leisure activities account for 19.4% (\$3,120,496), 13.9% (\$2,230,006), and 18.1% (\$2,914,542), respectively, of total expenditures for 2024. Conservation/Development—1.3% (\$200,975); Interest/Fiscal Charges—3.8% (\$615,397).



Total Expenses = \$16,359,069

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

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FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

The following table presents the total cost of each of the City's activities as well as their net cost. The net costs are the total costs less fees generated by the activities plus operating and capital grants and contributions. The net cost shows the financial burden placed on City taxpayers or indirect revenue sources by each of these activities. The cost of all governmental activities during 2024 was \$9,971,085. However, the amount paid through the City's property tax was only \$6,737,184. Intergovernmental revenues make up most of the additional revenue sources along with investment earnings, transfers and other revenue.

	<u>Cost of Services</u>	<u>Charges for Services, Operating & Capital Grants, Contributions</u>	<u>Net Cost of Services</u>
General Government	\$ 2,230,006	\$ 267,257	\$ 1,962,749
Public Safety	6,994,743	2,341,382	4,653,361
Public Works	3,120,496	824,998	2,295,498
Culture and Recreation	2,914,542	1,188,230	1,726,312
Conservation and Development	200,975	1,483,207	(1,282,232)
Interest and Fiscal Charges	615,397	-	615,397
Total	<u>\$ 16,076,159</u>	<u>\$ 6,105,074</u>	<u>\$ 9,971,085</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Fund – Is the primary operating fund of the City. The General Fund's fund balance increased \$288,621 to \$5,772,038. Of that amount, \$3,147,116, is unassigned, which represents 24.9% of the expenditures and transfers out for calendar/budget year 2024.

Fire and EMS Fund – Accounts for revenues and expenditures related to the City's Fire and EMS department.

Capital Projects Fund – Accounts for revenues and expenditures related to the City's capital projects undertaken during the year.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

WATER, WASTEWATER, AND STORMWATER UTILITY

The **Water Utility** earned a 5.00% return on its rate base in 2024 compared to 3.25% in 2023. The Water Utility's (GAAP Basis) operating revenues increased by \$245,093 to \$2,977,702 and the operating expenses decreased by \$138,705 to \$2,032,989. The Utility filed a rate increase in 2023 and had new rates effective in 2023.

The **Wastewater Utility** operating revenue increased by \$102,490 in 2024 to \$4,150,240. Operating expenses increased by \$29,510 to \$2,904,958. Wastewater rates were adjusted by 17.6% (average residential user) on June 27, 2019. The increase provided funding for the debt service costs of the wastewater treatment plant project.

The **Stormwater Utility** operating revenues increased by \$2,088 to \$553,259. The operating loss was \$61,859 in 2024. The monthly charge is \$6.17 per ERU (Equivalent Runoff Unit), which was increased as of December 29, 2015, to provide funding for the debt service costs of George Street and Center Street reconstruction projects. Most residential properties equal 1.0 ERU.

	Operating Revenues		Operating Expenses		Operating Income (Loss)	
	2024	2023	2024	2023	2024	2023
Water Utility	\$ 2,977,702	2,732,609	\$ 2,032,989	\$ 2,171,694	\$ 944,713	\$ 560,915
Wastewater Utility	4,150,240	4,047,750	2,904,958	2,875,448	1,245,282	1,172,302
Stormwater Utility	553,259	551,171	615,118	560,891	(61,859)	(9,720)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental Activities

	2024	2023	Total Change
Land/Right of Way/Improvements	\$ 9,456,100	\$ 9,456,100	\$ -
Construction in Progress	3,519,382	1,392,186	2,127,196
Traffic and street lights	1,471,875	1,471,875	-
Buildings and Improvements	15,220,754	15,083,187	137,567
Machinery & Equipment	9,941,413	8,902,079	1,039,334
Streets/Sidewalks/Curb & Gutter	31,870,785	32,066,941	(196,156)
Accumulated depreciation	<u>(29,055,287)</u>	<u>(28,556,321)</u>	<u>(498,966)</u>
Capital Assets,			
Net of Depreciation	<u>\$ 42,425,022</u>	<u>\$ 39,816,047</u>	<u>\$ 2,608,975</u>

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

In the governmental-wide financial statement, fixed assets are accounted for as capital assets. Capital assets are defined as assets with an initial cost of more than \$5,000 for general assets and infrastructure assets. Prior to January 2003, infrastructure assets of the City's governmental activities were not capitalized. The City has retroactively reported significant infrastructure networks acquired by its governmental activities for streets (including curb and gutter) and sidewalks, lighting and easements. The dams were considered to be immaterial to the government-wide financial statements. Storm sewers have been retroactively reported in 2007.

The City (Primary Government) had capital assets of \$42,425,022 in the governmental activities and \$65,772,438 in the business-like activities for a total of \$108,197,460 at the end of 2024. The largest investment in capital assets was infrastructure, including streets, curb & gutter, sidewalks, storm sewers, sewer mains, sewer laterals, water mains and hydrants. Of the total City of Whitewater capital assets, the governmental activities account for 39.2% and the business-type activities total 60.8%. The business-type activities represent the Water Utility with 31.6%, the Wastewater Utility having 57.9%, and the Stormwater Utility 10.5% of the capital assets.

<u>BUSINESS-TYPE ACTIVITIES</u>			
	<u>2024</u>	<u>2023</u>	<u>Change</u>
Water			
Land and Land Rights	\$ 224,506	\$ 224,506	\$ -
Source of Supply	1,713,632	705,364	1,008,268
Pumping	1,171,485	987,932	183,553
Water Treatment	1,595,440	1,458,742	136,698
Transmission and Distribution	24,148,651	22,458,161	1,690,490
General	1,063,232	1,051,182	12,050
Construction in Progress	369,343	672,739	(303,396)
Less: Accumulated Depreciation	<u>(9,483,190)</u>	<u>(9,056,719)</u>	<u>(426,471)</u>
Net Assets-Water Utility Plant	<u>20,803,099</u>	<u>18,501,907</u>	<u>2,301,192</u>
Wastewater			
Land and Land Rights	4,498,925	4,498,925	-
Collection System	18,232,083	17,335,824	896,259
Treatment and Disposal	37,645,225	37,645,225	-
General	1,880,187	1,845,187	35,000
Construction in Progress	3,387,900	236,469	3,151,431
Less: Accumulated Depreciation	<u>(27,578,100)</u>	<u>(26,379,327)</u>	<u>(1,198,773)</u>
Net Assets-Wastewater Utility Plant	<u>38,066,220</u>	<u>35,182,303</u>	<u>2,883,917</u>
Stormwater			
Capital Assets	8,075,745	7,402,354	673,391
Construction in Progress	6,974	75,680	(68,706)
Less: Accumulated Depreciation	<u>(1,179,600)</u>	<u>(1,049,169)</u>	<u>(130,431)</u>
Net Assets-Stormwater Utility Plant	<u>6,903,119</u>	<u>6,428,865</u>	<u>474,254</u>
Total Utility's Capital Assets	<u>\$ 65,772,438</u>	<u>\$ 60,113,075</u>	<u>\$ 5,659,363</u>

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Long-term Debt

All general obligation notes and bonds payable are backed by full faith and credit of the City. Notes and bonds payable by the governmental funds will be retired by future property tax levies or TID tax increments accumulated by the Debt Service Fund or from the utility portion of the State Shared Revenues. Business-type activities debt is payable by revenues from user fees of those funds. 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, 2024 was \$52,083,825. Total general obligation debt outstanding at year end was \$25,561,315, which represents 49.1% of the allowable debt limit.

Comparison of Outstanding Debt by Activity						
	Governmental Activities		Business-type Activities		TOTAL	
	2024	2023	2024	2023	2024	2023
General Obligation						
Bonds and Notes	\$ 17,112,315	\$ 12,087,915	\$ 8,449,000	\$ 8,694,500	\$ 25,561,315	\$ 20,782,415
Revenue Bond/Notes	-	-	25,300,627	24,741,721	25,300,627	24,741,721
Total Outstanding	\$ 17,112,315	\$ 12,087,915	\$ 33,749,627	\$ 33,436,221	\$ 50,861,942	\$ 45,524,136

The total outstanding general obligation debt of \$25,561,315 is distributed:

City	\$17,112,315
Utility (Water/Sewer/Storm)	\$ 8,449,000

AMOUNTS DUE WITHIN ONE YEAR			
	Governmental Activities	Business-type Activities	Amounts Due Within One Year
General Obligation			
Bonds and Notes	\$ 1,261,406	\$ 628,800	\$ 1,890,206
Revenue Bonds	-	1,785,787	1,785,787
Totals	\$ 1,261,406	\$ 2,414,587	\$ 3,675,993

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

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GENERAL FUND BUDGETARY HIGHLIGHTS

Budgets are adopted at the function level of expenditures. General Fund revenues were greater than the final budget by \$542,897. Expenditures were \$353,797 higher than the final budget of \$7,847,848. General Government was over by \$46,553; Public Safety was over by \$323,536; Culture, Recreation and Education was over by \$45,729. Public Works was under by \$62,021. The actual change in Fund Balance was an increase of \$60,530 to a balance of \$3,189,354. This includes only Fund 100 and none of the other assigned general fund balances.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's strategic location between Milwaukee and Madison and the success of the business park, developed by the City of Whitewater under the direction of the Community Development Authority, has contributed to both growth in tax base and population. The City's tax base, currently \$1,042 million, has shown steady growth over the past two decades. For 2024, the equalized value increased by \$66 million.

All recreational fees, fines, licenses, and permits are reviewed on a yearly basis. Solid Waste/Recycling costs are paid by the General Fund and State of Wisconsin grants.

For 2024, the monthly cost for one household is \$13.52. The distribution of this cost is \$9.25 for Solid Waste and \$4.27 for Recycling. Solid Waste monthly household fee increased \$0.25 per month and recycling increased \$.12 per month in 2024.

For 2025, the monthly cost for one household is \$13.94. The distribution of this cost is \$9.47 for Solid Waste and \$4.47 for Recycling. Solid Waste monthly household fee increased \$0.22 per month and recycling increased \$0.20 per month in 2025.

There was no change in the S&P Global rating of "A+" for GO debt and "A-" for revenue debt in 2025.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money and resources it receives. If you have questions about this report or need additional information, please contact the City of Whitewater, Finance Director, P.O. Box 690, Whitewater, WI 53190.

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BASIC FINANCIAL STATEMENTS

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
December 31, 2024**

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	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Primary Government</u>	<u>Component Unit</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 16,831,886	\$ 5,162,660	\$ 21,994,546	\$ 1,008,956
Receivables				
Taxes and Special Assessments	4,706,750	-	4,706,750	-
Accounts, Net	506,225	657,496	1,163,721	-
Other	354,367	435	354,802	2,122
Due from Other Governments	6,819	-	6,819	-
Leases-current portion	8,757	6,226	14,983	135,057
Internal Balances	15,204	(15,204)	-	-
Due From Tax Collection Fund	6,875	-	6,875	-
Due From Component Unit/City	4,840	-	4,840	-
Inventories	-	22,500	22,500	-
Prepaid Expenses	39,996	-	39,996	-
Total Current Assets	<u>22,481,719</u>	<u>5,834,113</u>	<u>28,315,832</u>	<u>1,146,135</u>
Noncurrent Assets:				
Restricted Assets				
Cash and Cash Equivalents	-	3,752,157	3,752,157	-
Other Assets				
Special Assessment Receivable	6,445	59,700	66,145	-
Loans Receivable	-	-	-	968,702
Lease Receivable- Long-Term	75,193	21,949	97,142	509,610
Capital Assets				
Land, Improvements, and Construction in Progress	12,975,482	8,487,648	21,463,130	565,797
Other Capital Assets, net of depreciation	29,449,540	57,284,790	86,734,330	4,419,362
Net Capital Assets	<u>42,425,022</u>	<u>65,772,438</u>	<u>108,197,460</u>	<u>4,985,159</u>
Total Noncurrent Assets	<u>42,506,660</u>	<u>69,606,244</u>	<u>112,112,904</u>	<u>6,463,471</u>
Total Assets	<u>64,988,379</u>	<u>75,440,357</u>	<u>140,428,736</u>	<u>7,609,606</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	5,178,875	752,809	5,931,684	73,918
Deferred Life Insurance OPEB Outflows	121,537	-	121,537	-
Deferred Health Insurance OPEB Outflows	10,120	-	10,120	-
Total Deferred Outflows of Resources	<u>5,310,532</u>	<u>752,809</u>	<u>6,063,341</u>	<u>73,918</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 70,298,911</u>	<u>\$ 76,193,166</u>	<u>\$ 146,492,077</u>	<u>\$ 7,683,524</u>

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Statement of Net Position
December 31, 2024

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	Governmental Activities	Business-type Activities	Primary Government	Component Unit
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 1,612,833	\$ 550,438	\$ 2,163,271	\$ 30,618
Due to City	-	-	-	4,840
Accrued Interest	200,108	192,889	392,997	-
Unearned Grant Advance	-	203,800	203,800	-
Current Portion of Long-Term Liabilities	1,407,502	2,442,340	3,849,842	-
Total Current Liabilities	3,220,443	3,389,467	6,609,910	35,458
Noncurrent Liabilities:				
Unamortized Debt Premium	591,861	484,547	1,076,408	-
Net OPEB Liability - Life Insurance	366,548	-	366,548	-
Net Pension Liability	567,454	82,485	649,939	8,100
Net OPEB Liability - Health Insurance	176,878	-	176,878	-
Bonds and Direct Borrowings	15,850,909	31,335,040	47,185,949	-
Compensated Absences	745,010	93,238	838,248	-
Total Noncurrent Liabilities	18,298,660	31,995,310	50,293,970	8,100
Total Liabilities	21,519,103	35,384,777	56,903,880	43,558
DEFERRED INFLOWS OF RESOURCES				
Tax Apportionment	6,844,635	-	6,844,635	-
Deferred Pension Inflows	3,031,362	440,643	3,472,005	43,267
Deferred Health Insurance OPEB Inflows	209,938	-	209,938	-
Deferred Life Insurance OPEB Inflows	363,308	-	363,308	-
Other Deferred Inflows	81,631	36,838	118,469	603,871
Total Deferred Inflows of Resources	10,530,874	477,481	11,008,355	647,138
NET POSITION				
Net Investment in Capital Assets	26,931,571	32,307,950	59,239,521	4,985,159
Restricted				
CDA Programs	-	-	-	1,874,476
Debt Service	-	148,816	148,816	-
Capital	4,365,203	2,768,921	7,134,124	-
Special Revenue Activity	1,305,531	-	1,305,531	-
Unrestricted	5,646,629	5,105,221	10,751,850	133,193
Total Net Position	38,248,934	40,330,908	78,579,842	6,992,828
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 70,298,911	\$ 76,193,166	\$ 146,492,077	\$ 7,683,524

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Activities
For the Year Ended December 31, 2024**

Functions/Programs Primary Government	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Primary Government	
Governmental Activities								
General Government	\$ 2,230,006	\$ 267,257	\$ -	\$ -	\$ (1,962,749)	\$ (1,962,749)		
Public Safety	6,994,743	1,619,327	310,503	411,552	(4,653,361)	(4,653,361)		
Public Works	3,120,496	-	824,998	-	(2,295,498)	(2,295,498)		
Culture and Recreation	2,914,542	650,295	487,675	50,260	(1,726,312)	(1,726,312)		
Conservation and Development	200,975	-	2,604	1,480,603	1,282,232	1,282,232		
Interest on Long-Term Debt	615,397	-	-	-	(615,397)	(615,397)		
Total Governmental Activities	16,076,159	2,536,879	1,625,780	1,942,415	(9,971,085)	(9,971,085)		
Business-Type Activities								
Water	2,515,789	2,977,702	-	1,269,629	-	\$ 1,731,542	\$ 1,731,542	
Wastewater	3,405,032	4,150,240	-	1,664,455	-	2,409,663	2,409,663	
Storm Sewer	707,400	553,259	-	-	-	(154,141)	(154,141)	
Total Business-Type Activities	6,628,221	7,681,201	-	2,934,084	-	3,987,064	3,987,064	
Total Primary Government	\$ 22,704,380	\$ 10,218,080	\$ 1,625,780	\$ 4,876,499	(9,971,085)		(5,984,021)	
Component Unit								\$ (503,576)
Community Development Authority	\$ 752,288	\$ 248,712	\$ -	\$ -				(503,576)
Total Component Units	\$ 752,288	\$ 248,712	\$ -	\$ -				
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes								
Property Taxes, Levied for Debt Service								
Other Taxes								
Grants and Contributions Not Restricted to Specific Programs								
Unrestricted Investment Earnings								
Miscellaneous								
Special Item - Gain (Loss) on Retirement of Asset(s)								
Transfers to/from CDA								
Transfers								
Total General Revenues, Transfers, and Special Items								
Change in Net Position								
Net Position - Beginning of Year, as Previously Presented								
Restatement for Change in Accounting Principle								
Net Position - Beginning of Year, Restated								
Net Position - End of Year								

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Capital Projects Funds	Fire and EMS Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 8,303,637	\$ 4,765,449	\$ 139,323	\$ 3,623,477	\$ 16,831,886
Receivables:					
Taxes	4,397,573	-	-	256,296	4,653,869
Delinquent Personal Property Taxes	2,242	-	-	-	2,242
Special Assessments	57,084	-	-	-	57,084
Accounts, net of Allowance	-	-	506,225	-	506,225
Leases	83,950	-	-	-	83,950
Other	122,207	48,995	-	183,165	354,367
Due from Other Governments	-	-	-	6,819	6,819
Due from Other Funds	104,942	-	-	-	104,942
Due from CDA	4,840	-	-	-	4,840
Prepaid Expenses	39,996	-	-	-	39,996
Total Assets	\$ 13,116,471	\$ 4,814,444	\$ 645,548	\$ 4,069,757	\$ 22,646,220
LIABILITIES					
Accounts Payable	\$ 244,637	\$ 593,876	\$ 29,024	\$ 51,408	\$ 918,945
Accrued Liabilities	545,905	-	82,399	65,584	693,888
Due to Other Funds	1,990	-	-	80,873	82,863
Total Liabilities	792,532	593,876	111,423	197,865	1,695,696
DEFERRED INFLOWS OF RESOURCES					
	6,551,901	-	378,595	387,716	7,318,212
FUND BALANCES					
Nonspendable	42,238	-	-	-	42,238
Restricted	-	4,220,568	155,530	3,505,361	7,881,459
Assigned	2,582,684	-	-	-	2,582,684
Unassigned (Deficit)	3,147,116	-	-	(21,185)	3,125,931
Total Fund Balances	5,772,038	4,220,568	155,530	3,484,176	13,632,312
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,116,471	\$ 4,814,444	\$ 645,548	\$ 4,069,757	\$ 22,646,220

See accompanying notes to the basic financial statements

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2024**

Total fund balance, governmental funds	\$	13,632,312
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		42,425,022
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The net pension asset (liability) is not a current financial resource and is, therefore, not reported in the fund statements.		(567,454)
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The net OPEB asset (liability) is not a current financial obligation and is, therefore, not reported in the fund statements.		
Life Insurance		(366,548)
Health Insurance		(176,878)

Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension and OPEB expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund financial statements.		1,705,924
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Deferred inflows of resources are reported in the fund financial statement but are already recognized as earned in the Statement of Position. This represents EMS revenues recognized on the Statement of Activities but not in the fund financials.		391,945
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Some liabilities (such as General Obligation Debt, Long-Term Compensated Absences, and Leases Payable) are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.

Long-term debt current portion	1,407,502		
Long-term debt non-current portion	15,850,909		
Unamortized premium on debt	591,861		
Compensated absences long-term portion	745,010		
Accrued interest	200,108		(18,795,390)
Rounding			1

Net Position of Governmental Activities in the Statement of Net Position		\$ 38,248,934
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See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Capital Projects Fund	Fire and EMS Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 4,538,648	\$ -	\$ -	\$ 2,198,536	\$ 6,737,184
Other Taxes	343,939	-	-	-	343,939
Special Assessment Revenue	2,725	-	-	-	2,725
Intergovernmental	4,865,277	18,043	561,088	709,893	6,154,301
License and Permits	147,578	-	-	-	147,578
Fines, Forfeits and Penalties	284,290	-	-	-	284,290
Public Charges for Services	62,162	-	807,540	665,437	1,535,139
Interest Income	893,836	81,457	-	30,816	1,006,109
Miscellaneous Income	481,990	1,480,602	133,052	56,288	2,151,932
Total Revenues	11,620,445	1,580,102	1,501,680	3,660,970	18,363,197

EXPENDITURES

Current:					
General Government	2,076,177	-	-	-	2,076,177
Public Safety	5,267,879	-	2,162,627	27,787	7,458,293
Public Works	1,888,503	-	-	286,444	2,174,947
Culture, Recreation and Education	492,627	-	-	2,321,955	2,814,582
Conservation and Development	-	-	-	199,176	199,176
Capital Outlay	116,632	3,929,453	100,574	-	4,146,659
Debt Service:					
Principal Repayment	-	-	-	975,600	975,600
Interest Expense	12,642	156,141	-	356,864	525,647
Total Expenditures	9,854,460	4,085,594	2,263,201	4,167,826	20,371,081
Excess (Deficiency) of Revenues Over Expenditures	1,765,985	(2,505,492)	(761,521)	(506,856)	(2,007,884)

OTHER FINANCING SOURCES (USES)

Proceeds from Long-Term Debt	449,383	5,550,617	-	-	6,000,000
Premium on Long-Term Debt	25,505	315,036	-	-	340,541
Transfers In	808,285	492,068	1,402,794	1,369,393	4,072,540
Transfers Out	(2,728,037)	(23,000)	(385,000)	(750,785)	(3,886,822)
Transfers Out to CDA	(32,500)	-	-	(75,000)	(107,500)
Total Other Financing Sources (Uses)	(1,477,364)	6,334,721	1,017,794	543,608	6,418,759
Net Change in Fund Balances	288,621	3,829,229	256,273	36,752	4,410,875
Fund Balances (Deficits) - Beginning of Year	5,483,417	-	(100,743)	3,838,763	9,221,437
Change within Financial Reporting Entity (nonmajor to major)	-	391,339	-	(391,339)	-
Fund Balances (Deficit) - Beginning of Year, as Restated	5,483,417	391,339	(100,743)	3,447,424	9,221,437
Fund Balances - End of Year	\$ 5,772,038	\$ 4,220,568	\$ 155,530	\$ 3,484,176	\$ 13,632,312

See accompanying notes to the basic financial statements

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**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024**

Net change in fund balances - total governmental funds: \$ 4,410,875

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital additions \$4,995,996 were greater than depreciation of \$1,819,403 in the current period. 3,176,593

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports the gain or (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. (567,618)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. This represents revenues which were recorded on the government-wide financial statements in the current year but not yet recognized in the fund financial statements. 107,032

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. The following is a summary of the debt activity for the year.

Proceeds of general obligation debt (6,000,000)
Debt repayment - general obligation 975,600

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Adjustment for accrued interest not reflected on Governmental Funds (128,129)
Adjustment for decrease in compensated absences 19,280
Adjustment for premium amortization (302,163)

Pension and OPEB expense reported in the governmental funds represents current year required contributions into the defined benefit pension and OPEB plans. Pension and OPEB expense in the Statement of Activities are actuarially determined by the defined benefit pension and OPEB plans as differences between net pension asset/net OPEB liability from the prior year to the current year, with some adjustments.

Change in net position of governmental activities \$ 1,904,670

See accompanying notes to the basic financial statements

Statement of Net Position
Proprietary Funds
December 31, 2024

	Enterprise Funds			
	Water	Wastewater	Stormwater	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,800,760	\$ 3,361,900	\$ -	\$ 5,162,660
Receivables				
Accounts	234,748	373,386	49,362	657,496
Interest	435	-	-	435
Leases- Current portion	6,226	-	-	6,226
Due from Other Funds	1,990	-	-	1,990
Inventories	22,500	-	-	22,500
Total Current Assets	2,066,659	3,735,286	49,362	5,851,307
Restricted Assets:				
Restricted Cash	767,550	2,984,607	-	3,752,157
Total Restricted Assets	767,550	2,984,607	-	3,752,157
Capital Assets:				
Construction Work-In-Progress	369,343	3,387,900	6,974	3,764,217
Land	224,506	4,498,925	-	4,723,431
Utility Plant	29,692,440	57,757,495	8,075,745	95,525,680
Less Accumulated Depreciation	(9,483,190)	(27,578,100)	(1,179,600)	(38,240,890)
Net Capital Assets	20,803,099	38,066,220	6,903,119	65,772,438
Noncurrent Assets:				
Special Assessments	59,700	-	-	59,700
Long-Term Lease Receivable	21,949	-	-	21,949
Total Noncurrent Assets	81,649	-	-	81,649
Total Assets	23,718,957	44,786,113	6,952,481	75,457,551
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	298,452	341,658	112,699	752,809
Total Deferred Outflows of Resources	298,452	341,658	112,699	752,809
Total Assets and Deferred Outflows of Resources	\$ 24,017,409	\$ 45,127,771	\$ 7,065,180	\$ 76,210,360

See accompanying notes to the basic financial statements

Statement of Net Position
Proprietary Funds
December 31, 2024

	Enterprise Funds			
	Water	Wastewater	Stormwater	Total
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 89,563	\$ 345,751	\$ 35,883	\$ 471,197
Accrued Liabilities	35,314	35,052	8,875	79,241
Accrued Interest Payable	85,916	85,118	21,855	192,889
Due to Other Funds	-	-	17,194	17,194
Unearned Grant Advance	-	203,800	-	203,800
Compensated Absences	8,151	12,254	7,348	27,753
Current Portion of Long-Term Debt	491,300	1,713,287	210,000	2,414,587
Total Current Liabilities	<u>710,244</u>	<u>2,395,262</u>	<u>301,155</u>	<u>3,406,661</u>
Non-Current Liabilities:				
Long-Term Debt				
Notes Payable	125,200	50,000	180,000	355,200
Bonds and Loans Payable	9,600,000	19,204,840	2,175,000	30,979,840
Unamortized Debt Premium	273,987	136,806	73,754	484,547
Total Long-Term Debt	<u>9,999,187</u>	<u>19,391,646</u>	<u>2,428,754</u>	<u>31,819,587</u>
Other Liabilities:				
Compensated Absences	22,977	33,424	36,837	93,238
Net Pension Liability	32,702	37,435	12,348	82,485
Total Other Liabilities	<u>55,679</u>	<u>70,859</u>	<u>49,185</u>	<u>175,723</u>
Total Non-Current Liabilities	<u>10,054,866</u>	<u>19,462,505</u>	<u>2,477,939</u>	<u>31,995,310</u>
Total Liabilities	<u>10,765,110</u>	<u>21,857,767</u>	<u>2,779,094</u>	<u>35,401,971</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	174,694	199,983	65,966	440,643
Deferred Leases Inflows	36,838	-	-	36,838
Total Deferred Inflows of Resources	<u>211,532</u>	<u>199,983</u>	<u>65,966</u>	<u>477,481</u>
NET POSITION				
Net Investment in Capital Assets	11,030,963	17,012,622	4,264,365	32,307,950
Restricted				
Debt	20,833	127,983	-	148,816
Capital	-	2,768,921	-	2,768,921
Unrestricted	1,988,971	3,160,495	(44,245)	5,105,221
Total Net Position	<u>13,040,767</u>	<u>23,070,021</u>	<u>4,220,120</u>	<u>40,330,908</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 24,017,409</u>	<u>\$ 45,127,771</u>	<u>\$ 7,065,180</u>	<u>\$ 76,210,360</u>

See accompanying notes to the basic financial statements

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024**

	Enterprise Funds			
	Water	Wastewater	Stormwater	Total
OPERATING REVENUES				
Charges for Services	\$ 2,977,702	\$ 4,150,240	\$ 536,259	\$ 7,664,201
Other Operating Revenues	-	-	17,000	17,000
Total Operating Revenues	<u>2,977,702</u>	<u>4,150,240</u>	<u>553,259</u>	<u>7,681,201</u>
OPERATING EXPENSES				
Operation and Maintenance	1,497,768	1,644,345	484,687	3,626,800
Depreciation	535,221	1,260,613	130,431	1,926,265
Total Operating Expenses	<u>2,032,989</u>	<u>2,904,958</u>	<u>615,118</u>	<u>5,553,065</u>
Operating Income (Loss)	<u>944,713</u>	<u>1,245,282</u>	<u>(61,859)</u>	<u>2,128,136</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest and Investment Revenue	47,679	222,194	-	269,873
Miscellaneous Non-Operating Revenues	58,024	4,930	4,847	67,801
Capital Grants	-	1,629,799	-	1,629,799
Interest Expense	(482,800)	(500,074)	(92,282)	(1,075,156)
Total Non-Operating Revenue (Expenses)	<u>(377,097)</u>	<u>1,356,849</u>	<u>(87,435)</u>	<u>892,317</u>
Income (Loss) Before Contributions and Transfers	567,616	2,602,131	(149,294)	3,020,453
Capital Contributions	1,269,629	34,656	-	1,304,285
Transfers In	204,342	-	-	204,342
Transfers Out	(362,935)	(74,625)	(25,000)	(462,560)
Change in Net Position	1,678,652	2,562,162	(174,294)	4,066,520
Total Net Position - Beginning of Year	11,362,115	20,507,859	4,394,414	36,264,388
Total Net Position - End of Year	<u>\$ 13,040,767</u>	<u>\$ 23,070,021</u>	<u>\$ 4,220,120</u>	<u>\$ 40,330,908</u>

See accompanying notes to the basic financial statements

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Enterprise Funds			
	Water	Wastewater	Stormwater	Totals
<u>Cash Flows From Operating Activities:</u>				
Receipts from customers	\$ 2,954,672	\$ 4,127,640	\$ 553,220	\$ 7,635,532
Payments to suppliers	(908,762)	(824,968)	(162,352)	(1,896,082)
Payments to employees	(756,976)	(891,403)	(324,327)	(1,972,706)
Taxes paid	(362,935)	-	-	(362,935)
Net cash provided (used) by operating activities	925,999	2,411,269	66,541	3,403,809
<u>Cash Flows From Capital and Related Financing Activities:</u>				
Acquisition and construction of plant assets	(2,390,972)	(3,832,215)	(576,300)	(6,799,487)
Proceeds of debt	1,275,000	1,056,699	350,000	2,681,699
Principal payments on long-term debt	(511,300)	(1,676,993)	(180,000)	(2,368,293)
Interest and debt issuance costs paid	(454,653)	(509,129)	(74,093)	(1,037,875)
Transfers in	204,342	-	-	204,342
Proceeds from capital grants	-	966,699	-	966,699
Net cash provided (used) by capital and related financing activities	(1,877,583)	(3,994,939)	(480,393)	(6,352,915)
<u>Cash Flows From Investing Activities:</u>				
Interest on investments	47,433	222,194	-	269,627
Net cash provided (used) by investing activities	47,433	222,194	-	269,627
Net increase (decrease) in cash and equivalents	(904,151)	(1,361,476)	(413,852)	(2,679,479)
Cash and equivalents - beginning of year	3,472,461	7,707,983	413,852	11,594,296
Cash and equivalents - end of year	\$ 2,568,310	\$ 6,346,507	\$ -	\$ 8,914,817

See accompanying notes to basic financial statements

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024**

	Enterprise Funds			
	Water	Wastewater	Stormwater	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 944,713	\$ 1,245,282	\$ (61,859)	\$ 2,128,136
Adjustments to Reconcile Operating Income (Loss):				
Depreciation	535,221	1,260,613	130,431	1,926,265
Pension expense	(13,412)	(10,948)	(4,148)	(28,508)
Joint meter	25,350	(25,350)	-	-
Tax equivalent	(362,935)	-	-	(362,935)
Other income (expense)	55,886	4,930	4,847	65,663
Transfer out	-	-	(25,000)	(25,000)
Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Customer accounts receivable	(23,030)	(22,600)	(39)	(45,669)
Other accounts receivable	(59,700)	-	-	(59,700)
Due from/to other funds	4,813	-	17,194	22,007
Accounts payable	(204,911)	(69,397)	(22,674)	(296,982)
Accrued liabilities	24,004	28,739	27,789	80,532
Net cash provided (used) by operating activities	<u>\$ 925,999</u>	<u>\$ 2,411,269</u>	<u>\$ 66,541</u>	<u>\$ 3,403,809</u>
Noncash Activity				
Plant financed through accounts payable	\$ 53,028	\$ 326,934	\$ 28,385	\$ 408,347
Net noncash activity	<u>\$ 53,028</u>	<u>\$ 326,934</u>	<u>\$ 28,385</u>	<u>\$ 408,347</u>
Reconciliation of cash and cash equivalents to statement of net position accounts				
Cash and cash equivalents	\$ 1,800,760	\$ 3,361,900	\$ -	\$ 5,162,660
Restricted cash	767,550	2,984,607	-	3,752,157
Total cash and cash equivalents	<u>\$ 2,568,310</u>	<u>\$ 6,346,507</u>	<u>\$ -</u>	<u>\$ 8,914,817</u>

See accompanying notes to basic financial statements

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	Tax Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 3,314,261
Receivables:	
Taxes Receivable	7,057,588
Other Receivables	302
Total Assets	<u>\$ 10,372,151</u>
LIABILITIES	
Due to Other Funds	\$ 6,875
Due to Other Governments	10,365,276
Total Liabilities	<u>\$ 10,372,151</u>

See accompanying notes to the basic financial statements

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2024

	Tax Custodial Fund
ADDITIONS	
Property tax collections for other governments	\$ 6,458,572
Total additions	6,458,572
DEDUCTIONS	
Payments of taxes to other governments	6,458,572
Total deductions	6,458,572
Net increase (decrease) in fiduciary net position	-
Net position - Beginning of Year	-
Net position - End of Year	\$ -

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

The accounting policies of the City of Whitewater, Wisconsin, conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of the City of Whitewater (the “City”). The reporting entity for the City consists of the primary government, organizations for which the primary government is financially accountable and 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 or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity 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 is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

Discretely Presented Component Unit

The government-wide financial statements include the City of Whitewater Community Development Authority (“CDA”) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the city council. Wisconsin Statutes provide for circumstances whereby the City can impose their will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 15. As a component unit, the CDA’s financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended 2024. The CDA does not issue separate financial statements.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

“Government-wide” financial statements are basic financial statements required for all governmental units. The statement of net position and the statement of activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

In addition, all funds in the government-wide financial statements are reported as business-type activities, governmental activities or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note 1.

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 is 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 instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into individual 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, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental, proprietary, 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.

Finally, all non-fiduciary funds are further classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Funds are identified as major funds or non-major 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:

1. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
2. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Major Governmental Funds

The City reports the following major governmental funds:

General Fund – Accounts for the City’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund – Accounts for the acquisition or construction of major capital facilities and infrastructure.

Fire and EMS Fund – Accounts for revenues and expenditures related to the City’s Fire and EMS department.

Major and Non-Major Enterprise Funds

The City reports the following major enterprise funds:

Enterprise Funds – Used to account for operations (1) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following enterprise funds are included in these statements:

Water Utility – Accounts for the operations of the water system. (Major Fund)

Wastewater Utility – Accounts for the operations of the sewer system. (Major Fund)

Stormwater Utility – Accounts for the operations of the stormwater system (Major Fund)

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Non-Major Governmental Funds

The City reports the following non-major governmental funds:

Debt Service Fund – Accounts for resources accumulated and payments made for principal and interest on long-term debt other than TID or enterprise debt.

Special Revenue Funds – Used to account for the proceeds of specific revenue sources (other than major capital projects) that is legally restricted to expenditures for specific purposes. Non-major special revenue funds included in these statements are the following:

- Cable TV Fund
- Library Special Revenue Fund
- Taxicab Grant Program Fund
- Parkland Acquisition Fund
- Parkland Development Fund
- Forestry Fund
- Rescue Squad Equipment/Education Fund
- Parking Permit Fund
- Police Department Trust Fund
- Parks and Recreation Fund
- Field of Dreams Fund
- Aquatic Center Fund
- Aquatic Center Capital Fund

Capital Projects Funds – Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Non-major capital projects funds included in these statements are the following:

- Tax Incremental District No's. 10-14
- Housing Fund

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government *controls* the assets that finance the activity, b) Assets are *not* generated from the *government's own-source revenues* or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a *qualifying trust* or the government does *not* have *administrative involvement* and the assets are *not* generated from the *government's delivery of goods or services* to the beneficiaries, *or* the assets are for the benefit of *entities that are not part of the government's reporting entity*.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

The City reports the following fiduciary funds:

Custodial Funds – Used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The City accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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. Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. 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 of resources. Grants and similar items are recognized as revenue when earned.

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 Water, Wastewater, and Stormwater 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. "Measurable" means the amount of the transaction can be determined. "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 sixty 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. 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 deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources.

Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the General Fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, and 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.

The City reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds follow all pronouncements of the Governmental Accounting Standards Board ("GASB"). 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, Wastewater, and Stormwater utilities are charges to customers for sales and services. 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

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

D. Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents/Investments

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

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State if the time deposits mature in not more than three years.
- (2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- (3) Bonds or securities of any county, drainage district, technical college district, village, city, town, or school district of this State.
- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investor Service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- (5) Bonds or securities issued under the authority of the municipality.
- (6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes.
- (7) Agreements in which a public depository agrees to repay funds advanced to it by the City plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- (8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (9) Repurchase agreements with public depositories, with certain conditions.
- (10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority and the Wisconsin Aerospace Authority.

The City has adopted an investment policy. That policy follows the State statute for allowable investments, but does not specifically address the risk described in Note 2.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Cash and Cash Equivalents/Investments (Continued)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in-transit. See Note 2 for additional information.

Proprietary Cash and Equivalents

For purposes of the proprietary fund statement of cash flows, the City considers all highly liquid investments, with a maturity of less than three months, when purchased, to be cash equivalents. This consists of current cash and investments.

Taxes Receivable

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The City's portion of taxes is recorded as a receivable in the General Fund. The County acts as the collecting agency for all City taxes. Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2024 tax roll

Lien date and levy date	December, 2024
Tax Bills mailed	December, 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	July 31, 2025

Allowance for Uncollectible Accounts

General Fund accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year-end. Accounts receivable related to Fire/EMS charges have been shown net of an allowance for uncollectible accounts of \$277,622 in the Fire and EMS Fund.

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 delinquent Water and Wastewater billings because the utilities have the right by law to place delinquent bills on tax roll and other delinquent bills are not significant.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Leases as Lessor

The City's lease receivables are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Interfund Transactions

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 government-wide financial statements as "internal balances".

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred inflows of resources for special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection. Deferred inflows of resources for special assessments, those not subject to collection, are recorded as other liability until such time they are subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by the County and are remitted to the City upon collection by the County. These delinquent installments are financed by the General Fund.

Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction, operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

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 also 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 Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets including infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Prior to January 2003, infrastructure assets of governmental funds were not capitalized. The City has retroactively reported all infrastructure acquired by its governmental fund types.

General Fixed Assets – Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at acquisition value at the time received. Interest incurred during construction is not capitalized.

Depreciation on governmental fixed assets is calculated straight-line based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB.

Proprietary Fund Fixed Assets – Assets in the enterprise fund are capitalized at cost or fair value at date of contribution or acquisition. Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates ranging from 8 to 77 years for the Water Utility and 4 to 100 years for the Wastewater Utility, depending on the various classes of property, in the respective utilities. The Stormwater Utility assets are depreciated straight-line over useful lives ranging from 65 to 85 years.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Capital Assets (Continued)

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.

Debt Issuance Costs

Debt issuance costs are recognized in the current period for the government-wide, proprietary, and governmental fund statements.

Deferred charges are recorded in the enterprise fund for extraordinary repairs. Costs are amortized over the estimated life of repair.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Benefits considered more likely than not to be used or settled at termination are recognized in the financial statements.

Amounts of accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the statement of net position. A liability is also recorded for accumulating rights to receive sick pay benefits for the portion more likely than not to be used by employees. Additionally, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will more likely than not be paid out by cash or non-cash means upon termination. The City accrues salary-related payments associated with payments of compensated absences.

Long-Term Obligations/Conduit Debt

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 bond payable, and accrued compensated absences.

All short term and long-term obligations expected to be financed from proprietary fund type operations are accounted for as those fund liabilities.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as “Other Financing Sources” in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Long-Term Obligations/Conduit Debt (Continued)

For the government-wide statements and the proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for both premiums/discounts and gains/losses, as applicable, is shown in the deferred outflows of resources or inflows of resources sections of the balance sheet.

The City had approved the issuance of industrial revenue bonds (“IRB”) for the benefit of private business enterprises. IRB’s are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB’s outstanding at the end of the year is zero.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of GASB pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end requiring accrual.

Equity Classifications

Government-Wide Statements

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

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – Consists of net assets 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.
3. Unrestricted – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

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

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Equity Classifications (Continued)

Fund Financial Statements

Government fund equity is classified as fund balance.

In the fund financial statements, governmental fund balance is presented in five possible categories:

1. Nonspendable – Resources which cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
2. Restricted – Resources with constraints placed on the use of resources are either (1) externally imposed by the creditors (such as through debt covenants), grantors, contributors, or law and regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
3. Committed – Resources which are subject to limitations the government imposes upon itself through formal action of the City Council, and that remain binding unless removed in the same manner.
4. Assigned – Resources neither restricted nor committed for which a government has stated intended use for a specific purpose. This intent can be expressed through the City Council or through the City Council delegating this responsibility to the City Finance Director through the budgetary process.
5. Unassigned – Resources which cannot be properly classified in one of the other four categories. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

E. Utility Rates

Current water rates were approved by the City, as regulated by the Wisconsin Public Service Commission, effective April 28, 2023. Current wastewater rates were approved by the City Council on June 27, 2019 and stormwater rates were approved by the City Council on December 29, 2015.

F. Income Taxes

The City of Whitewater Water, Wastewater, and Stormwater Utilities are municipal utilities. Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

G. Deficit Balances

Generally accepted accounting principles require disclosure of individual non-major funds that have deficit balances at year-end. As of December 31, 2024, the following individual funds held a deficit balance:

Taxicab Grant Program Fund	\$	(20,372)
TID 13	\$	(813)

The TIF deficits are anticipated to be replenished with future increments. The Taxicab Grant Program Fund deficit is financed internally and will be monitored over the next few years.

H. Tax Incremental Financing District

The City has 5 active Tax Incremental Districts (“TIF’s”). TIFs 10-14 are in existence. TIF’s are authorized by Section 66.1105 of the Wisconsin Statutes. It is a method by which the City can recover its project costs in the designated district of the City. Those costs are recovered through tax increments, which are placed on the tax rolls.

I. Capital Contributions

Capital contributions represent the value of infrastructure contributed or paid by developers for plant. They are recorded as additions to net position in the government-wide statements and proprietary fund statements. These amounts are not subject to repayment.

J. Pensions

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,
- 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

K. Other Post-Employment Benefits

Group Life Insurance Plan

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 the following:

- Net Other Postemployment Benefits (“OPEB”) Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs, and
- OPEB Expense (Revenue).

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

City Health Insurance Plan

For purposes of measuring the OPEB Health Insurance liability and OPEB expense, information of the City’s OPEB plan has been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with benefit terms.

L. Deferred Outflows of Resources and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The City has two items that qualify for reporting in this category. The deferred outflows of resources are for the WRS pension system and the LRLIF.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element represents an acquisition of net position which applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The City has items that qualify for reporting in the category. The deferred inflows of resources are related to the deferred property tax revenue to be received in 2025, and deferred inflows related to lease accounting, the WRS pension system, health insurance, and the LRLIF.

The net position of the City is significantly impacted by the combined effect of deferred outflows and inflows of resources from the pension and OPEB plans.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

M. Change in Accounting Principles

Effective January 1, 2024, the City adopted GASB Statement No. 100 ("GASB 100"), *Accounting Changes and Error Corrections*. GASB 100 was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The City did have a change in its reporting entity that required disclosure in the financial statements. See Note 20 for additional information.

Effective January 1, 2024, the City adopted GASB Statement No. 101 ("GASB 101"), *Compensated Absences*. GASB 101 was issued to provide guidance on the accounting and financial reporting for compensated absences. As a result of adopting GASB 101, the City made changes to the way it recognizes and measures its compensated absences liabilities and an adjustment to beginning net position was required for the governmental activities. See Note 20 for additional information.

2. Cash and Cash Equivalents/Investments

As previously discussed, cash for all City funds is pooled for investment purposes. At December 31, 2024, the cash and investments consist of the following:

	Carrying Value	Bank Balance	Associated Risk
Deposits in financial institutions - City	\$ 24,654,672	\$ 24,838,322	Custodial credit risk, interest rate risk
Deposits in financial institutions - CDA	919,721	919,721	Custodial credit risk, interest rate risk
LGIP	<u>4,495,527</u>	<u>4,495,527</u>	Credit risk, interest rate risk
Total Cash and Investments	<u>\$ 30,069,920</u>	<u>\$ 30,253,570</u>	

Reconciliation to Financial Statements

Per Statement of Net Position

Primary Government

Cash and Cash Equivalents \$ 21,994,546

Restricted Cash and Cash Equivalents 3,752,157

Component Unit 1,008,956

Fiduciary Funds

Tax Custodial Fund 3,314,261

Total Cash and Cash Equivalents \$ 30,069,920

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

2. Cash and Cash Equivalents/Investments (Continued)

A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of December 31, 2024, the Local Government Investment Pool (“LGIP”) investments have an average maturity of 9 days and a fair value of \$4,495,527.

B. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City has no investment policy that would further limit its investments choices.

The LGIP is part of the State Investment Fund (“SIF”), and is managed by the State of Wisconsin Investment Board (“SWIB”). 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. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool’s investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Participants in the LGIP have the right to withdraw their funds in total on one day’s notice. At December 31, 2024, the fair value of the City’s share of the LGIP’s assets was substantially equal to the amount reported above. Information on derivatives was not available to the City.

Investment allocation in the LGIP as of December 31, 2024 was: 97% in U.S. Government Securities and 3% in Certificates of Deposits, Commercial Paper, and Time Deposits. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the City would not be able to recover the value of its investment of collateral securities that are in the possession of another party.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings deposit accounts and \$250,000 for demand deposit accounts. Deposits in credit unions are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts, and \$250,000 for all share certificate and regular share accounts.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

2. Cash and Cash Equivalents/Investments (Continued)

C. Custodial Credit Risk (Continued)

Bank accounts, credit union accounts, and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual municipalities. This has been considered when determining custodial credit risk.

The City's uninsured deposits in financial institutions are collateralized by various instruments. These include depository bonds and collateralized investments.

As of December 31, 2024, the City's deposits with financial institutions in excess of federal depository insurance limits that were exposed to custodial credit risk are listed below:

Uninsured and collateral held by the pledging financial institution's trust department or agent not in the City's name	<u>\$ 11,618,037</u>
Uninsured and uncollateralized	<u>\$ 4,942,024</u>

D. Concentration of Credit Risk

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

3. Receivables

The following accounts receivable amounts are not expected to be collected within one year:

	<u>General</u>
Delinquent personal property taxes	\$ 2,242
Delinquent special charges	<u>6,445</u>
Total	<u>\$ 8,687</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

3. Receivables (Continued)

The City has entered into lease agreements where the City leases office space and space on its water tower for telecommunication equipment. In the statement of activities, lease revenue for the year ended December 31, 2024 was as follows:

	For the Year Ended December 31, 2024			
	Governmental Activities	Business-type Activities	Component Unit	Total
Lease-related Revenue				
Lease Revenue				
Land and Equipment	\$ (21,480)	\$ (17,158)	\$ -	\$ (38,638)
Office Space	(5,718)	-	(179,258)	(184,976)
Total Lease Revenue	(27,198)	(17,158)	(179,258)	(223,614)
Interest Revenue	(1,570)	(572)	(28,476)	(30,618)
Total	<u>\$ (28,768)</u>	<u>\$ (17,730)</u>	<u>\$ (207,734)</u>	<u>\$ (254,232)</u>

Aggregate future cash flows for the revenue generated by the lease receivables and interest for the City as of December 31, 2024 were as follows:

Year Ended December 31,	Governmental Activities		Business-type Activities		Component Unit		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ (8,757)	\$ (3,643)	\$ (6,226)	\$ (1,054)	\$ (135,057)	\$ (23,064)	\$ (150,040)	\$ (27,761)
2026	(13,537)	(2,963)	(6,750)	(821)	(127,271)	(17,834)	(147,558)	(21,618)
2027	(14,440)	(2,360)	(7,305)	(569)	(112,988)	(13,242)	(134,733)	(16,171)
2028	(15,071)	(1,729)	(7,894)	(296)	(83,750)	(9,250)	(106,715)	(11,275)
2029	(15,729)	(1,071)	-	-	(87,162)	(5,838)	(102,891)	(6,909)
2030-2031	(16,416)	(384)	-	-	(98,438)	(2,310)	(114,854)	(2,694)
Total	<u>\$ (83,950)</u>	<u>\$ (12,150)</u>	<u>\$ (28,175)</u>	<u>\$ (2,740)</u>	<u>\$ (644,666)</u>	<u>\$ (71,538)</u>	<u>\$ (756,791)</u>	<u>\$ (86,428)</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

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3. Receivables (Continued)

Governmental funds report deferred inflows of resources 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 deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Unearned	Total
Property taxes for subsequent year	\$ 6,834,668	\$ 6,834,668
In lieu of taxes for subsequent year	9,968	9,968
Tournament entry fees	13,350	13,350
Leases	81,631	81,631
Fire & EMS revenue	378,595	378,595
Total Deferred Inflows of Resources For Governmental Funds	<u>\$ 7,318,212</u>	<u>\$ 7,318,212</u>

4. Restricted Assets

The following represent the balances of the restricted cash and cash equivalents as of December 31, 2024:

	Water Utility	Wastewater Utility	Totals
Restricted Assets			
Redemption account	\$ 49,199	\$ 164,351	\$ 213,550
Reserve account	718,351	51,335	769,686
Connection account	-	397,022	397,022
DNR Replacement account	-	2,371,899	2,371,899
Total Restricted Assets	<u>\$ 767,550</u>	<u>\$ 2,984,607</u>	<u>\$ 3,752,157</u>

Long-Term Debt Accounts

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

Reserve – Used to report resources set aside to make up potential future deficiencies in the redemption account.

Equipment Replacement Account

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

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

5. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2024, was as follows:

	1/1/2024 Beginning Balance	Additions	Deletions	12/31/2024 Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated				
Construction in Progress	\$ 1,392,186	\$ 2,160,453	\$ 33,257	\$ 3,519,382
Land	2,735,526	-	-	2,735,526
Right of Way	1,879,406	-	-	1,879,406
Land Improvements	4,841,168	-	-	4,841,168
Total Capital Assets Not Being Depreciated	10,848,286	2,160,453	33,257	12,975,482
Capital Assets Being Depreciated				
Land Improvements	2,617,377	51,000	-	2,668,377
Buildings	12,465,810	86,567	-	12,552,377
Traffic and Street Lights	1,471,875	-	-	1,471,875
Machinery and Equipment	8,902,079	1,039,334	-	9,941,413
Streets	29,753,694	912,917	1,888,055	28,778,556
Sidewalks	1,257,134	543,444	-	1,800,578
Curb and Gutter	1,056,113	235,538	-	1,291,651
Total Capital Assets Being Depreciated	57,524,082	2,868,800	1,888,055	58,504,827
Accumulated Depreciation				
Total Accumulated Depreciation	28,556,321	1,819,403	1,320,437	29,055,287
Capital Assets, Net of Depreciation	\$ 39,816,047	\$ 3,209,850	\$ 600,875	\$ 42,425,022

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

5. Capital Assets (Continued)

Depreciation expense for the governmental activities is as follows:

Government Activities	
General Government	\$ 171,709
Public Safety	273,505
Public Works, which includes the depreciation of streets (including curb and gutter) and sidewalks	1,149,838
Culture, Recreation and Education	224,351
Total Governmental Activities Depreciation Expense	<u>\$ 1,819,403</u>

Capital asset activity in the business-type activities for the year ended December 31, 2024, was as follows:

	1/1/2024 Beginning Balance	Additions	Deletions	12/31/2024 Ending Balance
<u>Water</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ 672,739	\$ 365,696	\$ 669,092	\$ 369,343
Land and land rights	224,506	-	-	224,506
Total Capital Assets Not Being Depreciated	<u>897,245</u>	<u>365,696</u>	<u>669,092</u>	<u>593,849</u>
Capital Assets Being Depreciated				
Source of supply	705,364	1,008,268	-	1,713,632
Pumping	987,932	183,553	-	1,171,485
Water treatment	1,458,742	136,698	-	1,595,440
Transmission and distribution	22,458,161	1,824,590	134,100	24,148,651
Administrative and general assets	1,051,182	12,050	-	1,063,232
Total Capital Assets Being Depreciated	<u>26,661,381</u>	<u>3,165,159</u>	<u>134,100</u>	<u>29,692,440</u>
Total Capital Assets	<u>27,558,626</u>	<u>3,530,855</u>	<u>803,192</u>	<u>30,286,289</u>
Less: Accumulated depreciation	<u>(9,056,719)</u>	<u>(560,571)</u>	<u>(134,100)</u>	<u>(9,483,190)</u>
Net Capital Assets	<u>\$ 18,501,907</u>	<u>\$ 2,970,284</u>	<u>\$ 669,092</u>	<u>\$ 20,803,099</u>

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CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

5. Capital Assets (Continued)

	1/1/2024 Beginning Balance	Additions	Deletions	12/31/2024 Ending Balance
<u>Wastewater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ 236,469	\$ 3,191,250	\$ 39,819	\$ 3,387,900
Land and land rights	4,498,925	-	-	4,498,925
Total Capital Assets Not Being Depreciated	4,735,394	3,191,250	39,819	7,886,825
Capital Assets Being Depreciated				
Collection system	17,335,824	932,749	36,490	18,232,083
Treatment and disposal	37,645,225	-	-	37,645,225
General	1,845,187	35,000	-	1,880,187
Total Capital Assets Being Depreciated	56,826,236	967,749	36,490	57,757,495
Total Capital Assets	61,561,630	4,158,999	76,309	65,644,320
Less: Accumulated depreciation	(26,379,327)	(1,235,263)	(36,490)	(27,578,100)
Net Capital Assets	\$ 35,182,303	\$ 2,923,736	\$ 39,819	\$ 38,066,220
	1/1/2024 Beginning Balance	Additions	Deletions	12/31/2024 Ending Balance
<u>Stormwater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ 75,680	\$ 3,327	\$ 72,033	\$ 6,974
Total Capital Assets Not Being Depreciated	75,680	3,327	72,033	6,974
Capital Assets Being Depreciated				
Infrastructure	7,402,354	673,391	-	8,075,745
Less: Accumulated depreciation	(1,049,169)	(130,431)	-	(1,179,600)
Net Capital Assets	\$ 6,428,865	\$ 546,287	\$ 72,033	\$ 6,903,119

Listed below is the depreciation expense for the utilities.

Business Type Activities

Water Utility	\$ 535,221
Wastewater Utility	1,260,613
Stormwater Utility	130,431
Total Business-Type Activities Depreciation Expense	<u>\$ 1,926,265</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

6. Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Taxicab Grant Program Fund	\$ 79,038
General Fund	Police Department Trust Fund	1,022
General Fund	Tax Custodial Fund	6,875
General Fund	TIFs 10, 12, and 13	813
General Fund	Stormwater Utility	17,194
Subtotal - General Fund		<u>104,942</u>
Water Utility	General Fund	1,990
Subtotal - Proprietary Funds		<u>1,990</u>
Subtotal - Fund Financial Statements		106,932
Less: Fund Eliminations		<u>(91,728)</u>
Total - Government-Wide Statements		<u>\$ 15,204</u>
Receivable Fund	Payable Fund	Amount
Governmental Activities	Tax Collection Fund	\$ 6,875
Governmental Activities	Component Unit Activities	4,840
Governmental Activities	Business-Type Activities	15,204
	Total	<u>\$ 26,919</u>

The principal purpose of these interfunds is due to commingled cash. All remaining 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. All amounts are due within one year.

For the statement of net position, interfund balances which are owed within the governmental activities, and business-type activities are netted and eliminated.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

6. Interfund Receivables/Payables and Transfers (Continued)

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Parking Permit Fund	\$ 35,350	Administrative
General Fund	Fire and EMS Fund	385,000	Administrative
General Fund	Water and Wastewater	362,935	Tax equivalent
General Fund	Stormwater Utility	25,000	Capital equipment
Subtotal - General Fund		<u>808,285</u>	
Capital Projects Funds	General Fund	500	Appropriation
Capital Projects Funds	Library Special Revenue Fund	491,568	Appropriation
Subtotal - Capital Projects Fund		<u>492,068</u>	
Fire and EMS Fund	General Fund	<u>1,402,794</u>	Appropriation
Aquatic Center Fund	General Fund	50,260	Capital improvements
Aquatic Center Fund	General Fund	323,764	Appropriation
Aquatic Center Fund	Capital Projects Funds	23,000	Appropriation
Aquatic Center Capital Fund	Aquatic Center Fund	49,740	Capital improvements
Parks and Recreation Fund	General Fund	261,271	Appropriation
Library Special Revenue Fund	General Fund	627,558	Appropriation
Forestry Fund	General Fund	10,000	Appropriation
Parks and Recreation Fund	Field of Dreams Fund	5,050	Appropriation
Debt Service Fund	General Fund	2,150	Debt service payment
Debt Service Fund	TIF 12	16,600	Debt service payment
Subtotal - Non-Major Funds		<u>1,369,393</u>	
Water Utility	TIFs 10, 11, and 13	129,717	Debt Service Payments
Water Utility	Wastewater Utility	74,625	Water mains
Subtotal - Enterprise Funds		<u>204,342</u>	
Sub-Total – Fund Financial Statements		4,276,882	
Less: Fund Eliminations		<u>(4,018,664)</u>	
Total – Government-Wide Statement of Activities - Primary Government		<u>\$ 258,218</u>	
CDA	Housing	\$ 50,000	Economic development
CDA	TIFs 10, 11, and 12	97,500	Economic development
CDA	General Fund	32,500	Economic development
Total – Government-Wide Statement of Activities - Component Unit		<u>\$ 180,000</u>	

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

6. Interfund Receivables/Payables and Transfers (Continued)

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.

7. Long-Term Obligations

The following is a summary of long-term debt transactions of the City for the year ended December 31, 2024.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General Obligation Notes and Bonds	\$ 11,480,000	\$ 6,000,000	\$ 860,000	\$ 16,620,000	\$ 1,150,000
Notes from Direct Borrowings	607,915	-	115,600	492,315	111,406
Total Bonds and Notes Payable	<u>12,087,915</u>	<u>6,000,000</u>	<u>975,600</u>	<u>17,112,315</u>	<u>1,261,406</u>
Other Liabilities					
Vested Compensated Absences	910,386	-	19,280	891,106	146,096
Total Other Liabilities	<u>910,386</u>	<u>-</u>	<u>19,280</u>	<u>891,106</u>	<u>146,096</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 12,998,301</u>	<u>\$ 6,000,000</u>	<u>\$ 994,880</u>	<u>\$ 18,003,421</u>	<u>\$ 1,407,502</u>
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General Obligation Notes and Bonds	\$ 8,430,000	\$ 350,000	\$ 550,000	\$ 8,230,000	\$ 585,000
Bonds from Direct Borrowings	17,056,221	966,699	1,388,293	16,634,627	1,454,587
Revenue Bonds	7,950,000	1,365,000	430,000	8,885,000	375,000
Total Bonds and Notes Payable	<u>33,436,221</u>	<u>2,681,699</u>	<u>2,368,293</u>	<u>33,749,627</u>	<u>2,414,587</u>
Other Liabilities					
Vested Compensated Absences	71,485	49,506	-	120,991	27,752
Total Other Liabilities	<u>71,485</u>	<u>49,506</u>	<u>-</u>	<u>120,991</u>	<u>27,752</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 33,507,706</u>	<u>\$ 2,731,205</u>	<u>\$ 2,368,293</u>	<u>\$ 33,870,618</u>	<u>\$ 2,442,339</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds will be retired by future property tax levies. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

The City's general obligation debt limit is equal to 5% of the City's total equalized value. The City's debt limit as of December 31, 2024, is \$52,083,825. Debt subject to the limit is \$25,561,315.

The following table outlines the governmental debt:

	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/24</u>	<u>Current Portion</u>
Governmental Activities						
2012 GO Refunding						
Bonds	5/17/2012	9/1/2031	.85-3.25%	\$ 5,020,000	\$ 2,220,000	\$ 295,000
2014 GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 2,645,000	1,390,000	285,000
2018 GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 2,535,000	2,115,000	-
2019 GO Promissory						
Notes	7/23/2019	7/23/2029	2.49%	\$ 703,500	288,750	57,750
2020 GO Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,450,000	870,000	175,000
2022 GO Bonds	3/30/2022	6/1/2041	3.0-4.0%	\$ 4,165,000	4,025,000	90,000
2022 GO Promissory						
Notes	12/9/2022	12/15/2032	3.99%	\$ 304,500	203,565	53,656
2024 GO Promissory						
Notes	7/17/2024	6/1/2044	4.0-5.0%	\$ 6,000,000	6,000,000	305,000
Total Governmental Activities -- General Obligation Debt					<u>\$ 17,112,315</u>	<u>\$ 1,261,406</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt (Continued)

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds and</u>		<u>Notes from Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,150,000	\$ 692,587	\$ 111,406	\$ 14,781
2026	1,220,000	550,383	113,568	11,180
2027	985,000	515,005	115,817	7,493
2028	1,085,000	481,990	64,526	4,258
2029	1,165,000	443,565	64,803	2,535
2030-2034	5,210,000	1,544,610	22,195	1,540
2035-2039	3,655,000	722,021	-	-
2040-2044	2,150,000	175,526	-	-
Totals	<u>\$ 16,620,000</u>	<u>\$ 5,125,687</u>	<u>\$ 492,315</u>	<u>\$ 41,787</u>

B. Business-Type Debt

The following is business-type debt outstanding:

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/24</u>	<u>Current Portion</u>
<u>Water Utility</u>						
2022 Mortgage Revenue Bonds	6/9/2022	5/1/2042	4.0-5.0%	\$ 4,625,000	\$ 5,780,000	\$ 225,000
2024 Revenue Bonds	7/17/2024	5/1/2044	4.0-5.0%	\$ 1,275,000	1,275,000	25,000
					<u>7,055,000</u>	<u>250,000</u>
2014 GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 510,000	195,000	35,000
2018 GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,850,000	1,370,000	95,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 313,000	156,500	31,300
2020 GO Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,730,000	1,440,000	80,000
				Total Water Utility G.O. Debt	<u>3,161,500</u>	<u>241,300</u>
				Total Water Utility Long-Term Debt	<u>10,216,500</u>	<u>491,300</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

	Date of Issuance	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/24	Current Portion
<u>Wastewater Utility</u>						
2009 Clean Water Fund Loan	12/9/2009	5/1/2029	2.91%	\$ 2,766,890	\$ 898,986	\$ 169,633
2011 Clean Water Fund Loan	7/27/2011	5/1/2031	2.40%	\$ 614,198	257,938	34,279
2016 Clean Water Fund Loan	4/13/2016	5/1/2035	2.10%	\$ 20,799,553	14,292,004	1,168,515
2022 Mortgage Revenue Bonds	6/9/2022	5/1/2042	4.0-5.0%	\$ 3,565,000	1,740,000	120,000
2024 Clean Water Fund Loan	8/14/2024	5/1/2044	2.365%	\$ 966,699	966,699	38,360
2024 Revenue Bonds	7/17/2024	5/1/2034	4.0-5.0%	\$ 90,000	90,000	5,000
Total Wastewater Utility Revenue Bonds					18,245,627	1,535,787
2014 GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 220,000	80,000	15,000
2018 GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,355,000	1,085,000	65,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 133,500	62,500	12,500
2020 GO Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,795,000	1,495,000	85,000
Total Wastewater Utility G.O. Debt					2,722,500	177,500
Total Wastewater Utility Long-Term Debt					20,968,127	1,713,287
<u>Stormwater Utility</u>						
2012 GO Refunding Bonds	5/17/2012	9/1/2031	.85-3.25%	\$ 455,000	210,000	30,000
2014 GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 905,000	345,000	65,000
2018 GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 800,000	595,000	35,000
2020 GO Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 220,000	180,000	10,000
2022 GO Bonds	3/30/2022	6/1/2041	3.0-4.0%	\$ 965,000	885,000	45,000
2024 GO Promissory Notes	7/17/2024	6/1/2044	4.0-5.0%	\$ 350,000	350,000	25,000
Total Stormwater Utility G.O. Debt					2,565,000	210,000
Total Business-type Activities Long-Term Debt					\$ 33,749,627	\$ 2,414,587

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

Debt service requirements on business-type debt to maturity are as follows:

Years	<u>General Obligation Bonds and</u>		<u>Business-Type Activities</u>			
	<u>Notes</u>		<u>Bonds from Direct Borrowings</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 585,000	\$ 239,049	\$ 1,454,587	\$ 344,355	\$ 375,000	\$ 396,526
2026	585,000	213,747	1,485,792	312,551	390,000	360,169
2027	605,000	194,048	1,517,697	279,197	325,000	342,294
2028	620,000	177,483	1,550,319	245,124	260,000	327,669
2029	630,000	160,400	1,583,673	210,299	285,000	314,044
2030-2034	2,580,000	560,679	7,064,533	591,162	2,135,000	1,293,887
2035-2039	2,244,999	197,027	1,692,484	64,170	2,880,000	769,794
2040-2044	380,001	17,769	285,542	17,198	2,235,000	160,559
Totals	<u>\$ 8,230,000</u>	<u>\$ 1,760,202</u>	<u>\$ 16,634,627</u>	<u>\$ 2,064,056</u>	<u>\$ 8,885,000</u>	<u>\$ 3,964,942</u>

C. Other Debt

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

A statutory mortgage lien upon the utility's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

D. Bond Covenant Disclosures

The information on the following page is provided in compliance with the resolution creating the City's revenue bonds and Clean Water Fund loans.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

7. Long-Term Obligations (Continued)

D. Bond Covenant Disclosures (Continued)

Insurance

The utilities are 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 resolution providing for the issue of revenue bonds, revenue less operating expenses excluding depreciation (defined net earnings) must exceed 1.10 or 1.20 times the highest annual debt service of the bonds. The coverage only include revenue debt and does not include general obligation or other debt. The debt coverage requirements on the revenue bonds and Clean Water Fund loans are associated with the water utility only. The coverage requirements were met in 2024 as follows:

	Water Revenue Bonds	Sewer Clean Water Fund Loan and Revenue Bonds
Operating revenues	\$ 2,977,702	\$ 4,150,240
Investment income	47,679	222,194
Less: Operation and maintenance expenses	(1,497,768)	(1,644,345)
Net Earnings	<u>\$ 1,527,613</u>	<u>\$ 2,728,089</u>
Minimum Required Earnings per Resolution:		
Highest annual debt service revenue bonds	\$ 600,297	\$ 1,956,970
Coverage factor	<u>1.20</u>	<u>1.20</u>
Minimum Required Earnings	<u>\$ 720,356</u>	<u>\$ 2,348,364</u>

8. Commitments

Construction

The City has committed up to \$3 million for a library expansion. The total costs anticipated are \$5.057 million. As of December 31, 2024, library renovations totaling \$2,020,471 were completed and are reported as construction work-in-progress on the Statement of Financial Position.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

9. Fund Balances

Fund balances as of December 31, 2024, include the items in the following tables:

Major Funds

<u>General Fund</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Delinquent personal property tax	\$ 2,242	\$ -	\$ -	\$ -
Prepaid expenses	39,996	-	-	-
Fire Department Equipment	-	-	1,591,676	-
DPW Equipment Revolving Fund	-	-	339,680	-
Police Vehicle Revolving Fund	-	-	32,723	-
Building Repair Fund	-	-	46,152	-
Skate Park Fund	-	-	5,433	-
Solid Waste/Recycling Fund	-	-	14,760	-
Sick Leave Severance Fund	-	-	38,692	-
Lakes Improvements Fund	-	-	22	-
Street Repair Revolving Fund	-	-	400,813	-
Insurance Fund	-	-	96,681	-
Elections Fund	-	-	16,052	-
Unassigned	-	-	-	3,147,116
Total General Fund	<u>\$ 42,238</u>	<u>\$ -</u>	<u>\$ 2,582,684</u>	<u>\$ 3,147,116</u>

Fire and EMS

Fund balance	<u>\$ 155,530</u>
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Capital Projects

Fund balance	<u>\$ 4,220,568</u>
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CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

9. Fund Balances (Continued)

<u>Non-Major Funds</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Special Revenue Funds				
Cable TV Fund	\$ -	\$ 37,103	\$ -	\$ -
Library Special Revenue Fund	-	594,244	-	-
Taxicab Grant Program Fund (deficit)	-	-	-	(20,372)
Parkland Acquisition Fund	-	61,233	-	-
Parkland Development Fund	-	19,506	-	-
Forestry Fund	-	4,210	-	-
Rescue Squad Equipment/Education Fund	-	129,503	-	-
Parking Permit Fund	-	69,132	-	-
Police Dept. Trust Fund	-	81,949	-	-
Parks and Recreation Fund	-	51,347	-	-
Field of Dreams Fund	-	52,034	-	-
Aquatic Center Capital Fund	-	49,740	-	-
Capital Projects Funds				
TID 10	-	138,500	-	-
TID 11	-	15,343	-	-
TID 12	-	39,786	-	-
TID 13 (deficit)	-	-	-	(813)
TID 14	-	230,926	-	-
Housing	-	1,930,805	-	-
Total Non-Major Funds	<u>\$ -</u>	<u>\$ 3,505,361</u>	<u>\$ -</u>	<u>\$ (21,185)</u>

See Note 1. G. for an explanation of fund deficits.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan

A. 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, and expected to work at least 1200 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.

B. 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.

C. Benefits Provided

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

Final average earnings is the average of the participant's three highest annual earnings periods. 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 or after 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan (Continued)

D. Post-Retirement Adjustments

The ETF 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 (%)
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
2023	1.6	(21.0)

E. 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 \$655,682 in contributions from the municipality.

Contribution rates as of December 31, 2024, are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan (Continued)

F. Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported a liability (asset) of \$658,039 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023. 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 (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.04425858%, which was an increase of 0.00313132% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense of \$455,444.

Pension amounts have been allocated to the proprietary and CDA funds. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary and CDA funds relative to the total contributions made by the City.

At December 31, 2024, 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 expected and actual experience	\$ 2,653,207	\$ (3,514,189)
Net differences between projected and actual earnings on pension plan investments	2,293,161	-
Changes in assumptions	286,820	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,296	(1,083)
Employer contributions subsequent to the measurement date	766,118	-
Total	\$ 6,005,602	\$ (3,515,272)

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan (Continued)

F. Pension Liabilities, Pension Expense Revenue, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$766,118 reported as deferred outflows of resources related to pension resulting from the WRS Member'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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2025	\$ 353,461
2026	371,706
2027	1,440,357
2028	(441,312)
Total	\$ 1,724,212

G. Actuarial Assumptions

The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
	January 1, 2018 - December 31 2020
Experience Study:	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
Post-Retirement Adjustments*	1.7%

*No post-retirement 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 post-retirement discount rate.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan (Continued)

G. Actuarial Assumptions (Continued)

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, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

H. 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 Returns¹
As of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
Variable Fund Asset Class			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

¹Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

²New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%.

³The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

10. Defined Benefit Pension Plan (Continued)

I. Single Discount Rate

A single discount rate of 6.8% was used to measure the Total Pension Liability for the current year and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (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, 2023. 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 6.80% expected rate of return implies that a dividend of approximately 1.70% 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

J. 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 percent, 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 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's proportionate share of the net pension liability (asset)	\$ 6,360,266	\$ 658,039	\$ (3,332,050)

K. 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>.

L. Allocation of Pension Plan

Pension amounts are allocated between the General Fund, Proprietary Funds and CDA based upon the required contributions of each fund to the whole.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan

A. 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 ETF and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides Postemployment life insurance benefits for all eligible members.

B. OPEB Plan Fiduciary Net Position

ETF issues a standalone 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 also be found using the link above.

C. Benefits Provided

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

D. 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 post-retirement benefit.

Employers are required to pay the following contributions based on member 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 as of December 31, 2024, are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of Member Contribution

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

D. Contributions (Continued)

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 employee contribution rates in effect for the year ended December 31, 2023 are as listed below:

Life Insurance Member Contribution Rates* For the year ended December 31, 2023		
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 \$1,623 in contributions from the employer.

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

At December 31, 2024, the City reported a liability (asset) of \$366,548 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2023 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2023, rolled forward to December 31, 2023. 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 (asset) was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.079673%, which was a decrease of 0.001801% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2024, the City recognized OPEB expense of \$18,529.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

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

At December 31, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (32,441)
Net differences between projected and actual earnings on plan investments	4,952	-
Changes in actuarial assumptions	114,659	(144,339)
Changes in proportion and differences between employer contributions and proportionate share of contributions	316	(33,158)
Employer contributions subsequent to the measurement date	1,610	-
Totals	<u>\$ 121,537</u>	<u>\$ (209,938)</u>

\$1,610 reported as deferred outflows related to OPEB resulting from the City 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense(revenue) as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2025	\$ (12,822)
2026	(5,908)
2027	(20,145)
2028	(29,127)
2029	(25,102)
Thereafter	3,093
Total	<u>\$ (90,011)</u>

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

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**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

F. Actuarial Assumptions

The total OPEB liability in the January 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset)	December 31, 2023
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*:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
*Based on the Bond Buyer GO 20-Bond Municipal index.	

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, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

G. 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

G. Long-Term Expected Return on Plan Assets (Continued)

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2023

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interim Credit	40%	2.32%
US Mortgages	Bloomberg US MBS	60%	2.52%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

H. Single Discount Rate

A single discount rate of 3.32% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. 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.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

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**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

I. 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 3.32 percent, 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 (2.32 percent) or 1-percentage-point higher (4.32 percent) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
City's proportionate share of the net OPEB liability (asset)	\$ 492,508	\$ 366,548	\$ 270,399

12. Other Post-Employment Benefits Plan – Single-Employer Health Insurance Plan

A. Plan Description

The City operates a single-employer retiree benefit plan that provides postemployment health insurance benefits to eligible employees and their spouses. There are 74 active members and 11 retired members in the plan. Benefits and eligibility are established and amended by the governing body. The plan does not issue stand-alone financial statements.

B. Benefits

Upon retirement, those retirees eligible for the Wisconsin Retirement System may choose to remain on the City’s group medical plan indefinitely provided that they self-pay the full premiums. This is typically done with the use of accumulated sick and vacation pay.

C. Funding Policy

The City will fund the OPEB on a pay-as-you-go basis.

D. Employees Covered by Benefit Terms

At December 31, 2023, 74 active employees were eligible for the benefit terms.

E. Total OPEB Liability

The City’s total OPEB liability of \$176,878 was measured at December 31, 2023, and was determined by an actuarial valuation as of December 31, 2023.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**12. Other Post-Employment Benefits Plan – Single-Employer Health Insurance Plan
(Continued)**

F. Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 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 percent
Salary increases:	3.0 percent, average, including inflation
Discount rate	4.00 percent
Healthcare cost trend rates	Actual first year trend decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter
Retirees' share of benefit-related costs	Retirees are responsible for the full (100%) amount of premiums

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index as of the measurement date.

Mortality rates were based on the Wisconsin 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2023 valuation were Based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20.

G. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 12/31/2022	\$ 439,559
Changes for the year:	
Service cost	39,294
Interest	19,792
Differences between expected and actual experience	(332,899)
Changes in assumptions or other inputs	11,132
Net Changes	<u>(262,681)</u>
Balance at 12/31/2023	<u>\$ 176,878</u>

Changes in assumptions were related to updated WRS decrement assumptions, assumed discount, and assumed health care trend. There were no changes to benefit terms.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**12. Other Post-Employment Benefits Plan – Single-Employer Health Insurance Plan
(Continued)**

H. 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 (3.00 percent) or 1-percentage-point higher (5.00 percent) than the current discount rate:

		1% Decrease 3.00%	Current Discount Rate 4.00%	1% Increase 5.00%
Total OPEB Liability	12/31/2023	<u>\$ 192,362</u>	<u>\$ 176,878</u>	<u>\$ 162,614</u>

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

The following represents 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 (actual first year trend, then 5.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (actual first year trend, then 7.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

		1% Decrease (Actual - 1.0%, then 5.5% decreasing to 3.5%)	Healthcare Cost Trend Rates (Actual, then 6.5% decreasing to 4.5%)	1% Increase (Actual + 1.0%, then 7.5% decreasing to 5.5%)
Total OPEB Liability	12/31/2023	<u>\$ 158,454</u>	<u>\$ 176,878</u>	<u>\$ 198,790</u>

**J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB**

For the year ended December 31, 2024, the City recognized OPEB expense of \$22,250. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources on the next page:

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

**12. Other Post-Employment Benefits Plan – Single-Employer Health Insurance Plan
(Continued)**

**J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB (Continued)**

Gain/Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (302,635)
Changes of assumptions or other input	10,120	(60,673)
Total	\$ 10,120	\$ (363,308)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB that will be recognized in OPEB expense in future years is as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2025	\$ (36,836)
2026	(36,836)
2027	(36,836)
2028	(36,836)
2029	(36,836)
Thereafter	(169,008)
Total	\$ (353,188)

13. 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 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.

14. Aquatic Center Lease and Operating Agreement

The City and the Whitewater Unified School District (the “District”) have a lease and operating agreement for the Aquatic Center (the “Center”). The Center is owned by the District and leased by the City for \$1 annually. The agreement provides for the City of Whitewater Park Board to assume responsibility for the operation and management of the Center. The effective date is July 1, 2016 for an initial five-year term expiring June 30, 2021. In May 2024, a new agreement was enacted between the City and the District.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

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14. Aquatic Center Lease and Operating Agreement (Continued)

The City budgets and accounts for this activity separately in the Aquatic Center Fund (Fund 247) and is included as a Non-Major Special Revenue Fund within this document.

Under the agreement, the parties will split all Center expenses equally to the extent they are not covered by revenues generated by the Park Board. The City contributed \$397,024 toward the Center costs in 2024 and the District contributed \$267,194 in 2024 for Center costs.

15. Component Unit

This report contains the CDA which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and the statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

A. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

B. Deposits and Investments

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

	Carrying Value	Bank Balance	Associated Risk
			Custodial credit risk, Interest rate risk
Demand deposits	<u>\$ 919,721</u>	<u>\$ 919,721</u>	

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for demand deposit accounts and \$250,000 for time and savings deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities.

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the CDA's deposits may not be returned to the CDA. As of December 31, 2024, the CDA did not have any total bank balances exposed to custodial credit as outlined in Note 2.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

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15. Component Unit (Continued)

C. Economic Development and Housing Rehabilitation Loans Receivable

The CDA has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The CDA records a loan receivable when the loan has been made and funds have been disbursed. It is the CDA's policy to record revenue when the initial loan is made from the federal and state grant funds. Interest received from loan repayments is recognized as revenue when received in cash. The following receivable amounts are not expected to be collected within one year:

Loan receivable, net \$968,702

D. Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Useful Lives (Years)</u>
Land	\$ 446,740	\$ 134,963	\$ 15,906	\$ 565,797	N/A
Buildings	6,128,544	-	-	6,128,544	35-40
Accumulated Depreciation					
Buildings	<u>(1,585,395)</u>	<u>(123,787)</u>	<u>-</u>	<u>(1,709,182)</u>	
Totals	<u>\$4,989,889</u>	<u>\$ 11,176</u>	<u>\$ 15,906</u>	<u>\$4,985,159</u>	

E. Employee Retirement System

All eligible authority employees participate in the WRS, a cost-sharing defined benefit multiple-employer public employee retirement system ("PERS"). Activity related to the CDA's involvement in the system is included with the City in Note 10.

F. Transfers In

The CDA recorded net transfers recorded from the City of \$180,000.

G. Due to and from City

The CDA Program fund owes the City \$4,840.

H. Leases Receivable

The CDA is a lessor for building space. As of December 31, 2024, the CDA had leases receivable of \$644,667. A schedule of lease repayments to the CDA is on the following page 33. See Note 3 for additional information.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

15. Component Unit (Continued)

H. Leases Receivable (Continued)

Year Ending December 31,	Component Unit	
	Principal	Interest
2025	\$ (135,058)	\$ (23,064)
2026	(127,271)	(17,834)
2027	(112,988)	(13,242)
2028	(83,750)	(9,250)
20209	(87,162)	(5,838)
2030-2031	(98,438)	(2,310)
Total	<u>\$ (644,667)</u>	<u>\$ (71,538)</u>

16. Developer Commitments

The City has developer incentive commitments of \$1,079,000 as of December 31, 2024. This amount represents City commitments provided that either or both of construction conditions and tax base incentives are met. These conditions and incentives have not been met as of December 31, 2024.

17. Economic Dependency

One of the City's Water Utility customers provides approximately 22% of the water revenue. Another provides 11% of water revenue and 24% of wastewater revenue.

18. Contingencies

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management 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.

19. Effect of New Accounting Standards on Current Period Financial Statements

The GASB has adopted GASB Statement No. 102, *Certain Risk Disclosures*, effective for periods beginning after June 15, 2024, GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for periods beginning after June 15, 2025 and GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for periods beginning after June 15, 2025. When these become effective, application of these standards may restate portions of these financial statements.

CITY OF WHITEWATER
Notes to the Basic Financial Statements
December 31, 2024

20. Change in Reporting Entity

During the year ended December 31, 2024, changes to the financial reporting entity resulted in restatements of beginning fund balance, as follows:

	Reporting Units Affected by Restatements of Beginning Balances					Government- Wide Financial Statements
	Fund Financial Statements					
	General Fund	Capital Projects Fund	Fire and EMS Fund	Non-Major Governmental Funds	Total	Governmental Activities
12/31/2023, as previously reported	\$ 5,483,417	\$ -	\$ (100,743)	\$ 3,838,763	\$9,221,437	\$ 36,627,174
Change within Finanical Reporting Entity (nonmajor to major fund)	-	391,339	-	(391,339)	-	-
Change in Accounting Principle (implementation of GASB 101)	-	-	-	-	-	(282,910)
12/31/2023, as restated	\$ 5,483,417	\$ 391,339	\$ (100,743)	\$ 3,447,424	\$9,221,437	\$ 36,344,264

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REQUIRED SUPPLEMENTARY INFORMATION

City of Whitewater
Whitewater, WI

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Budget to GAAP Differences)
General Fund
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amounts, GAAP Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
REVENUES						
Taxes	\$ 4,538,657	\$ 4,538,657	\$ 4,538,648	\$ -	\$ 4,538,648	\$ (9)
Other Taxes	342,520	342,520	343,939	-	343,939	1,419
Special Assessment Revenue	-	-	2,725	-	2,725	2,725
Intergovernmental	4,694,945	4,694,945	4,760,085	105,192	4,865,277	65,140
License and Permits	92,233	92,233	147,578	-	147,578	55,345
Fines, Forfeits and Penalties	288,800	288,800	284,290	-	284,290	(4,510)
Public Charges for Services	32,625	32,625	62,162	-	62,162	29,537
Interest Income	552,887	552,887	862,695	31,141	893,836	309,808
Miscellaneous Income	77,043	77,043	160,485	321,505	481,990	83,442
Total Revenues	<u>10,619,710</u>	<u>10,619,710</u>	<u>11,162,607</u>	<u>457,838</u>	<u>11,620,445</u>	<u>542,897</u>
EXPENDITURES						
Current:						
General Government	1,843,619	1,843,619	1,890,172	186,005	2,076,177	(46,553)
Public Safety	4,371,987	4,371,987	4,695,523	572,356	5,267,879	(323,536)
Public Works	1,186,212	1,186,212	1,124,191	764,312	1,888,503	62,021
Culture, Recreation and Education	446,030	446,030	491,759	868	492,627	(45,729)
Capital Outlay	-	-	-	116,632	116,632	-
Debt Service:						
Interest Expense	-	-	-	12,642	12,642	-
Total Expenditures	<u>7,847,848</u>	<u>7,847,848</u>	<u>8,201,645</u>	<u>1,652,815</u>	<u>9,854,460</u>	<u>(353,797)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,771,862</u>	<u>2,771,862</u>	<u>2,960,962</u>	<u>(1,194,977)</u>	<u>1,765,985</u>	<u>189,100</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from Long-Term Debt	-	-	-	449,383	449,383	-
Premium on Long-Term Debt	-	-	-	25,505	25,505	-
Transfers Out to CDA	(32,500)	(32,500)	(32,500)	-	(32,500)	-
Transfers In	431,110	431,110	398,285	410,000	808,285	(32,825)
Transfers Out	(3,225,276)	(3,225,276)	(3,266,217)	538,180	(2,728,037)	(40,941)
Total Other Financing Sources (Uses)	<u>(2,826,666)</u>	<u>(2,826,666)</u>	<u>(2,900,432)</u>	<u>1,423,068</u>	<u>(1,477,364)</u>	<u>(73,766)</u>
Net Change in Fund Balances	(54,804)	(54,804)	60,530	228,091	288,621	115,334
Fund Balances - Beginning of Year	3,128,824	3,128,824	3,128,824	2,354,593	5,483,417	3,128,824
Fund Balances - End of Year	<u>\$ 3,074,020</u>	<u>\$ 3,074,020</u>	<u>\$ 3,189,354</u>	<u>\$ 2,582,684</u>	<u>\$ 5,772,038</u>	<u>\$ 3,244,158</u>

See accompanying notes to the required supplementary information

City of Whitewater
Whitewater, WI

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Variances)
Fire and EMS Fund
For the year ended December 31, 2024**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 551,820	\$ 551,820	\$ 561,088	\$ 9,268
Public Charges for Services	690,014	690,014	807,540	117,526
Miscellaneous Income	200	200	133,052	132,852
Total Revenues	<u>1,242,034</u>	<u>1,242,034</u>	<u>1,501,680</u>	<u>259,646</u>
EXPENDITURES				
Current:				
Public Safety	2,207,328	2,207,328	2,162,627	44,701
Capital Outlay	<u>52,500</u>	<u>52,500</u>	<u>100,574</u>	<u>(48,074)</u>
Total Expenditures	<u>2,259,828</u>	<u>2,259,828</u>	<u>2,263,201</u>	<u>(3,373)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,017,794)</u>	<u>(1,017,794)</u>	<u>(761,521)</u>	<u>256,273</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,402,794	1,402,794	1,402,794	-
Transfers Out	<u>(385,000)</u>	<u>(385,000)</u>	<u>(385,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,017,794</u>	<u>1,017,794</u>	<u>1,017,794</u>	<u>-</u>
Net Change in Fund Balance	-	-	256,273	256,273
Fund Balance (Deficit) - Beginning of Year	<u>(100,743)</u>	<u>(100,743)</u>	<u>(100,743)</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ (100,743)</u>	<u>\$ (100,743)</u>	<u>\$ 155,530</u>	<u>\$ 256,273</u>

See accompanying notes to the required supplementary information

CITY OF WHITEWATER
WISCONSIN RETIREMENT SYSTEM SCHEDULES
December 31, 2024

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2023	0.04425858%	\$ 658,039	\$ 6,853,505	9.60%	98.85%
2022	0.04112726%	2,178,800	5,835,664	37.34%	97.72%
2021	0.04093644%	(3,299,552)	5,614,968	(58.76%)	106.02%
2020	0.04139238%	(2,584,182)	5,494,004	(47.04%)	105.26%
2019	0.04136795%	(1,333,891)	5,512,700	(24.20%)	102.96%
2018	0.04079730%	1,451,440	5,370,806	27.02%	96.45%
2017	(0.00040502)	(1,202,538)	5,085,067	(23.65%)	102.93%
2016	0.04009691%	330,494	5,007,766	6.60%	99.12%
2015	0.04036951%	655,997	5,156,137	12.72%	98.20%
2014	(0.00040724)	(1,000,022)	4,826,161	(20.72%)	102.74%

SCHEDULE OF CITY'S CONTRIBUTIONS
FOR THE YEAR ENDED

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 766,118	\$ (766,118)	\$ -	\$ 7,518,196	10.19%
2023	655,682	(655,682)	-	6,853,505	9.57%
2022	494,319	(494,319)	-	5,835,664	8.47%
2021	474,842	(474,842)	-	5,614,968	8.46%
2020	460,645	(460,645)	-	5,494,004	8.38%
2019	434,659	(434,659)	-	5,512,700	7.88%
2018	431,432	(431,432)	-	5,370,806	8.03%
2017	421,690	(421,690)	-	5,085,067	8.29%
2016	385,047	(385,047)	-	5,007,766	7.69%
2015	435,190	(435,190)	-	5,156,137	8.44%

See accompanying notes to the required supplementary information

CITY OF WHITEWATER
LOCAL RETIREE LIFE INSURANCE FUND SCHEDULES
December 31, 2024

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2023	0.07967300%	\$ 366,548	\$ 4,707,000	7.79%	33.90%
2022	0.08147400%	310,402	4,294,000	7.23%	38.81%
2021	0.08354300%	493,770	4,379,000	11.28%	29.57%
2020	0.08753900%	481,528	4,394,000	10.96%	31.36%
2019	0.09230900%	393,070	4,303,000	9.13%	37.58%
2018	0.09298000%	238,418	4,172,000	5.71%	48.69%
2017	0.09906500%	298,045	4,165,967	7.15%	44.81%

SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 1,610	\$ (1,610)	\$ -	\$ 5,625,687	0.03%
2023	1,623	(1,623)	-	4,707,000	0.03%
2022	1,634	(1,634)	-	4,294,000	0.04%
2021	1,663	(1,663)	-	4,379,000	0.04%
2020	1,736	(1,736)	-	4,394,000	0.04%
2019	1,668	(1,668)	-	4,303,000	0.04%
2018	1,773	(1,773)	-	4,172,000	0.04%

See accompanying notes to the required supplementary information

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CITY OF WHITEWATER
WHITEWATER, WISCONSIN
December 31, 2024

**SCHEDULE OF CHANGES IN THE CITY'S TOTAL HEALTH INSURANCE
OPEB LIABILITY AND RELATED RATIOS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability			
Service cost	\$ 39,294	\$ 52,768	\$ 52,768
Interest	19,792	11,072	10,189
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(332,899)	-	-
Changes in assumptions or other inputs	11,132	(75,841)	-
Benefit payments	-	(28,311)	(19,054)
Net change in total OPEB	(262,681)	(40,312)	43,903
Total OPEB Liability - Beginning	439,559	479,871	435,968
Total OPEB Liability - Ending	<u>\$ 176,878</u>	<u>\$ 439,559</u>	<u>\$ 479,871</u>
 Covered Employee Payroll	 \$ 7,070,100	 \$ 6,005,020	 \$ 6,005,020
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 2.50%	 7.32%	 7.99%

See accompanying notes to the required supplementary information.

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2024

1. Budgetary Information

Budgets

A budget has been adopted for all funds of the City. The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the department level. The budgetary comparison schedule is presented for the General Fund and the Fire and EMS Fund, since it is considered a major special revenue fund. In the General Fund, the debt service levy and transfer out to debt service of \$1,313,705 were eliminated on the fund statements.

Budget amounts include appropriations authorized in the original budget, any council approved amendments, appropriations of restricted resources received for funding specific expenditures and designated portions of the beginning balance of expected to finance expenditures of the current fiscal year. Unused appropriations lapse at year-end unless specifically carried over for financing subsequent year expenditures. The final budget includes an other financing source for anticipated fund balance increase which is not a revenue source under modified accrual accounting. Accordingly there is no actual revenue.

Excess Expenditures over Appropriations

Budgetary expenditure control is exercised 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.

The City's General Fund and Fire and EMS Fund had expenditures in excess of budget as follows:

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final budget
	<u>Original</u>	<u>Final</u>		
General Fund				
General Government	\$ 1,843,619	\$ 1,843,619	\$ 1,890,172	\$ (46,553)
Public Safety	4,371,987	4,371,987	4,695,523	(323,536)
Culture, Recreation and Education	754,496	446,030	491,759	(45,729)
Fire and EMS Fund				
Capital Outlay	52,500	52,500	100,574	(48,074)

Revenues were sufficient to cover the expenditures.

2. Wisconsin Retirement System Schedules

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

Changes of 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 post-retirement 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 post-retirement 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.

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2024

2. Wisconsin Retirement System Schedules (Continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	7.0%	7.0%	7.0%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

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CITY OF WHITEWATER

Notes to the Required Supplementary Information

December 31, 2024

2. Wisconsin Retirement System Schedules (Continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2018	2017	2016	2015	2014
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

3. Local Retiree Life Insurance Fund Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 3 preceding years.

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets):

Benefit Terms: There were no recent changes in benefit terms.

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.

4. Schedule of Changes in the City's Total Health Insurance OPEB Liability and Related Ratios

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 7 preceding years.

Benefit Terms: There were no recent changes in benefit terms.

Assumptions: The discount rate was changed to 4.00% as of December 31, 2023, from 4.31% as of December 31, 2022.

Assets: There were not assets accumulated in a trust that meet the criteria in governmental accounting standards to pay related benefits.

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OTHER SUPPLEMENTARY INFORMATION

City of Whitewater
Whitewater, WI
Balance Sheet
Combining General Fund
December 31, 2024

ASSETS		General Fund	Fire Dept. Equipment Fund	DPW Equipment Revolving Fund	Police Vehicle Revolving Fund	Building Repair Fund	Skate Park Fund	Solid Waste Recycling Fund	Sick Leave Severance Fund	Lakes Improvement Fund	Street Repair Rev. Fund	Insurance Reserve	Elections Fund	Total General Fund
Cash and Cash Equivalents		\$ 5,703,728	\$ 1,598,478	\$ 339,680	\$ 32,723	\$ 46,152	\$ 5,433	\$ 19,703	\$ 38,692	\$ 22	\$ 400,813	\$ 102,016	\$ 16,197	\$ 8,303,637
Receivables:														
Taxes		4,397,573	-	-	-	-	-	-	-	-	-	-	-	4,397,573
Delinquent Personal Property Taxes		2,242	-	-	-	-	-	-	-	-	-	-	-	2,242
Special Assessments		57,084	-	-	-	-	-	-	-	-	-	-	-	57,084
Leases		83,950	-	-	-	-	-	-	-	-	-	-	-	83,950
Other		122,207	-	-	-	-	-	-	-	-	-	-	-	122,207
Due from CDA		4,840	-	-	-	-	-	-	-	-	-	-	-	4,840
Due from Other Funds		104,942	-	-	-	-	-	-	-	-	-	-	-	104,942
Prepaid Expenses		39,996	-	-	-	-	-	-	-	-	-	-	-	39,996
Total Assets		\$ 10,516,562	\$ 1,598,478	\$ 339,680	\$ 32,723	\$ 46,152	\$ 5,433	\$ 19,703	\$ 38,692	\$ 22	\$ 400,813	\$ 102,016	\$ 16,197	\$ 13,116,471
LIABILITIES														
Accounts Payable		\$ 227,412	\$ 6,802	\$ -	\$ -	\$ -	\$ -	\$ 4,943	\$ -	\$ -	\$ -	\$ 5,335	\$ 145	\$ 244,637
Accrued Liabilities		545,905	-	-	-	-	-	-	-	-	-	-	-	545,905
Due to Other Funds		1,990	-	-	-	-	-	-	-	-	-	-	-	1,990
Total Liabilities		775,307	6,802	-	-	-	-	4,943	-	-	-	5,335	145	792,532
DEFERRED INFLOWS OF RESOURCES														
		6,551,901	-	-	-	-	-	-	-	-	-	-	-	6,551,901
FUND BALANCES														
Nonspendable		42,238	-	-	-	-	-	-	-	-	-	-	-	42,238
Assigned		-	1,591,676	339,680	32,723	46,152	5,433	14,760	38,692	22	400,813	96,681	16,052	2,582,684
Unassigned		3,147,116	-	-	-	-	-	-	-	-	-	-	-	3,147,116
Total Fund Balances		3,189,354	1,591,676	339,680	32,723	46,152	5,433	14,760	38,692	22	400,813	96,681	16,052	5,772,038
Total Liabilities, Deferred Inflows of Resources and Fund Balances		\$ 10,516,562	\$ 1,598,478	\$ 339,680	\$ 32,723	\$ 46,152	\$ 5,433	\$ 19,703	\$ 38,692	\$ 22	\$ 400,813	\$ 102,016	\$ 16,197	\$ 13,116,471

City of Whitewater
Whitewater, WI

Statement of Revenues, Expenditures and Changes in Fund Balances
Combining General Fund
For the Year Ended December 31, 2024

	General Fund	Fire Dept. Equipment Fund	DPW Equipment Revolving Fund	Police Vehicle Revolving Fund	Building Repair Fund	Skate Park Fund	Solid Waste Recycling Fund	Sick Leave Severance Fund	Lakes Improvement Fund	Street Repair Rev. Fund	Insurance Reserve	Elections Fund	Total General Fund
REVENUES													
Property Taxes	\$ 4,538,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,538,648
Other Taxes	343,939	-	-	-	-	-	-	-	-	-	-	-	343,939
Special Assessment Revenue	2,725	-	-	-	-	-	-	-	-	-	-	-	2,725
Intergovernmental	4,760,085	73,365	-	-	-	-	31,827	-	-	-	-	-	4,865,277
License and Permits	147,578	-	-	-	-	-	-	-	-	-	-	-	147,578
Fines, Forfeits and Penalties	284,290	-	-	-	-	-	-	-	-	-	-	-	284,290
Public Charges for Services	62,162	-	-	-	-	-	-	-	-	-	-	-	62,162
Interest Income	862,695	3,513	1,760	-	-	-	-	-	-	25,868	-	-	893,836
Miscellaneous Income	160,485	320,145	-	945	-	-	-	-	415	-	-	-	481,990
Total Revenues	11,162,607	397,023	1,760	945	-	-	31,827	-	415	25,868	-	-	11,620,445
EXPENDITURES													
Current:													
General Government	1,890,172	-	-	-	-	-	-	93,697	-	-	39,600	52,708	2,076,177
Public Safety	4,695,523	429,381	-	142,975	-	-	-	-	-	-	-	-	5,267,879
Public Works	1,124,191	-	-	-	-	-	523,021	-	-	241,291	-	-	1,888,503
Culture, Recreation and Education	491,759	-	-	-	-	-	-	-	868	-	-	-	492,627
Capital Outlay	-	-	116,632	-	-	-	-	-	-	-	-	-	116,632
Interest Expense	-	4,881	3,877	3,884	-	-	-	-	-	-	-	-	12,642
Total Expenditures	8,201,645	434,262	120,509	146,859	-	-	523,021	93,697	868	241,291	39,600	52,708	9,854,460
Excess (Deficiency) of Revenues Over Expenditures	2,960,962	(37,239)	(118,749)	(145,914)	-	-	(491,194)	(93,697)	(453)	(215,423)	(39,600)	(52,708)	1,765,985
OTHER FINANCING SOURCES (USES)													
Proceeds from Long-Term Debt	-	173,514	137,806	138,063	-	-	-	-	-	-	-	-	449,383
Premium on Long-Term Debt	-	9,848	7,821	7,836	-	-	-	-	-	-	-	-	25,505
Transfers Out to CDA	(32,500)	-	-	-	-	-	-	-	-	-	-	-	(32,500)
Transfers In	398,285	385,000	25,000	-	-	-	-	-	-	-	-	-	808,285
Transfers Out	(3,266,217)	-	-	-	-	-	488,180	-	-	-	-	50,000	(2,728,037)
Total Other Financing Sources (Uses)	(2,900,432)	568,362	170,627	145,899	-	-	488,180	-	-	-	-	(50,000)	(1,477,364)
Net Change in Fund Balances	60,530	531,123	51,878	(15)	-	-	(3,014)	(93,697)	(453)	(215,423)	(39,600)	(2,708)	288,621
Fund Balances - Beginning of Year	3,128,824	1,060,553	287,802	32,738	46,152	5,433	17,774	132,389	475	616,236	136,281	18,760	5,483,417
Fund Balances - End of Year	\$ 3,189,354	\$ 1,591,676	\$ 339,680	\$ 32,723	\$ 46,152	\$ 5,433	\$ 14,760	\$ 38,692	\$ 22	\$ 400,813	\$ 96,681	\$ 16,052	\$ 5,772,039

Balance Sheet
Non-Major Governmental Funds
December 31, 2024

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,248,726	\$ 2,374,751	\$ 3,623,477
Receivables:			
Taxes	-	256,296	256,296
Other	83,165	100,000	183,165
Due from Other Governments	6,819	-	6,819
Total Assets	<u>\$ 1,338,710</u>	<u>\$ 2,731,047</u>	<u>\$ 4,069,757</u>
LIABILITIES			
Accounts Payable	\$ 50,087	\$ 1,321	\$ 51,408
Accrued Liabilities	65,584	-	65,584
Due to Other Funds	80,060	813	80,873
Total Liabilities	<u>195,731</u>	<u>2,134</u>	<u>197,865</u>
DEFERRED INFLOWS OF RESOURCES	<u>13,350</u>	<u>374,366</u>	<u>387,716</u>
FUND BALANCES			
Restricted	1,150,001	2,355,360	3,505,361
Unassigned (Deficit)	(20,372)	(813)	(21,185)
Total Fund Balances	<u>1,129,629</u>	<u>2,354,547</u>	<u>3,484,176</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,338,710</u>	<u>\$ 2,731,047</u>	<u>\$ 4,069,757</u>

**Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2024**

	Debt Service	Non-Major Special Revenue Funds	Non-Major Capital Project Funds	Non-Major Governmental Funds
REVENUES				
Property Taxes	\$ 1,313,714	\$ -	\$ 884,822	\$ 2,198,536
Intergovernmental	-	709,893	-	709,893
Public Charges for Services	-	665,437	-	665,437
Interest Income	-	30,816	-	30,816
Miscellaneous Income	-	56,288	-	56,288
Total Revenues	<u>1,313,714</u>	<u>1,462,434</u>	<u>884,822</u>	<u>3,660,970</u>
EXPENDITURES				
Current:				
Public Safety	-	27,787	-	27,787
Public Works	-	286,444	-	286,444
Culture, Recreation and Education	-	2,321,955	-	2,321,955
Conservation and Development	-	20,051	179,125	199,176
Capital Outlay	-	-	-	-
Debt Service:				
Principal Repayment	975,600	-	-	975,600
Interest Expense	356,864	-	-	356,864
Total Expenditures	<u>1,332,464</u>	<u>2,656,237</u>	<u>179,125</u>	<u>4,167,826</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,750)</u>	<u>(1,193,803)</u>	<u>705,697</u>	<u>(506,856)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	18,750	1,350,643	-	1,369,393
Transfers Out	-	(531,968)	(218,817)	(750,785)
Transfers Out to CDA	-	-	(75,000)	(75,000)
Total Other Financing Sources (Uses)	<u>18,750</u>	<u>818,675</u>	<u>(293,817)</u>	<u>543,608</u>
Net Change in Fund Balances	-	(375,128)	411,880	36,752
Fund Balances - Beginning of Year	-	1,504,757	2,334,006	3,838,763
Change within Financial Reporting Entity (nonmajor to major)	-	-	(391,339)	(391,339)
Fund Balances - Beginning of Year, as Restated	-	1,504,757	1,942,667	3,447,424
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 1,129,629</u>	<u>\$ 2,354,547</u>	<u>\$ 3,484,176</u>

City of Whitewater
Whitewater, WI

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2024

	Cable TV Fund	Library Special Revenue Fund	Taxicab Grant Program Fund	Parkland Acquisition Fund	Parkland Development Fund	Forestry Fund	Rescue Squad Equipment/ Educ. Fund
ASSETS							
Cash and Cash Equivalents	\$ 42,550	\$ 623,978	\$ -	\$ 61,233	\$ 19,506	\$ 4,210	\$ 129,503
Receivables:							
Other	-	2,500	80,665	-	-	-	-
Total Assets	\$ 42,550	\$ 626,478	\$ 80,665	\$ 61,233	\$ 19,506	\$ 4,210	\$ 129,503
LIABILITIES							
Accounts Payable	\$ 140	\$ 5,798	\$ 21,999	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	5,307	26,436	-	-	-	-	-
Due to Other Funds	-	-	79,038	-	-	-	-
Total Liabilities	5,447	32,234	101,037	-	-	-	-
DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT)							
Restricted	37,103	594,244	-	61,233	19,506	4,210	129,503
Unassigned (Deficit)	-	-	(20,372)	-	-	-	-
Total Fund Balances (Deficit)	37,103	594,244	(20,372)	61,233	19,506	4,210	129,503
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 42,550	\$ 626,478	\$ 80,665	\$ 61,233	\$ 19,506	\$ 4,210	\$ 129,503

City of Whitewater
Whitewater, WI

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2024

	Parking Permit Fund	Police Dept. Trust Fund	Parks and Recreation Fund	Field of Dreams Fund	Aquatic Center Fund	Aquatic Center Capital Fund	Non-Major Special Revenue Funds
ASSETS							
Cash and Cash Equivalents	\$ 69,382	\$ 82,971	\$ 66,398	\$ 70,520	\$ 28,735	\$ 49,740	\$ 1,248,726
Receivables:							
Other	-	-	-	-	-	-	83,165
Due from Other Governments	-	-	-	-	6,819	-	6,819
Total Assets	\$ 69,382	\$ 82,971	\$ 66,398	\$ 70,520	\$ 35,554	\$ 49,740	\$ 1,338,710
LIABILITIES							
Accounts Payable	\$ 250	\$ -	\$ 3,048	\$ 5,136	\$ 13,716	\$ -	\$ 50,087
Accrued Liabilities	-	-	12,003	-	21,838	-	65,584
Due to Other Funds	-	1,022	-	-	-	-	80,060
Total Liabilities	250	1,022	15,051	5,136	35,554	-	195,731
DEFERRED INFLOWS OF RESOURCES	-	-	-	13,350	-	-	13,350
FUND BALANCES (DEFICIT)							
Restricted	69,132	81,949	51,347	52,034	-	49,740	1,150,001
Unassigned (Deficit)	-	-	-	-	-	-	(20,372)
Total Fund Balances (Deficit)	69,132	81,949	51,347	52,034	-	49,740	1,129,629
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 69,382	\$ 82,971	\$ 66,398	\$ 70,520	\$ 35,554	\$ 49,740	\$ 1,338,710

City of Whitewater
Whitewater, WI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2024

	Cable TV Fund	Library Special Revenue Fund	Taxicab Grant Program Fund	Parkland Acquisition Fund	Parkland Development Fund	Forestry Fund	Rescue Squad Equipment/ Educ. Fund
REVENUES							
Intergovernmental	\$ 18,119	\$ 219,770	\$ 204,810	\$ -	\$ -	\$ -	\$ -
Public Charges for Services	73,275	6,447	-	-	-	-	-
Intergovernmental Charges for Services	-	-	-	-	-	-	-
Interest Income	2,952	18,395	-	-	-	83	7,540
Miscellaneous Income	25	20,998	-	1,534	9,830	350	5,268
Total Revenues	94,371	265,610	204,810	1,534	9,830	433	12,808
EXPENDITURES							
Current:							
Public Safety	-	-	-	-	-	-	21,276
Public Works	-	-	286,444	-	-	-	-
Culture, Recreation and Education	144,750	759,487	-	1,534	7,812	-	-
Conservation and Development	-	-	-	-	-	20,051	-
Total Expenditures	144,750	759,487	286,444	1,534	7,812	20,051	21,276
Excess (Deficiency) of Revenues Over Expenditures	(50,379)	(493,877)	(81,634)	-	2,018	(19,618)	(8,468)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	627,558	-	-	-	10,000	-
Transfers Out	-	(491,568)	-	-	-	-	-
Total Other Financing Sources (Uses)	-	135,990	-	-	-	10,000	-
Net Change in Fund Balances	(50,379)	(357,887)	(81,634)	-	2,018	(9,618)	(8,468)
Fund Balances - Beginning of Year	87,482	952,131	61,262	61,233	17,488	13,828	137,971
Fund Balances (Deficit) - End of Year	\$ 37,103	\$ 594,244	\$ (20,372)	\$ 61,233	\$ 19,506	\$ 4,210	\$ 129,503

City of Whitewater
Whitewater, WI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2024

	Parking Permit Fund	Police Dept. Trust Fund	Parks and Recreation Fund	Field of Dreams Fund	Aquatic Center Fund	Aquatic Center Capital Fund	Non-Major Special Revenue Funds
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 267,194	\$ -	\$ 709,893
Public Charges for Services	35,650	-	124,037	16,813	409,215	-	665,437
Interest Income	1,809	37	-	-	-	-	30,816
Miscellaneous Income	-	13,598	-	-	4,685	-	56,288
Total Revenues	37,459	13,635	124,037	16,813	681,094	-	1,462,434
EXPENDITURES							
Current:							
Public Safety	4,836	1,675	-	-	-	-	27,787
Public Works	-	-	-	-	-	-	286,444
Culture, Recreation and Education	-	-	374,992	24,841	1,008,539	-	2,321,955
Conservation and Development	-	-	-	-	-	-	20,051
Total Expenditures	4,836	1,675	374,992	24,841	1,008,539	-	2,656,237
Excess (Deficiency) of Revenues Over Expenditures	32,623	11,960	(250,955)	(8,028)	(327,445)	-	(1,193,803)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	266,321	-	397,024	49,740	1,350,643
Transfers Out	(35,350)	-	-	(5,050)	-	-	(531,968)
Total Other Financing Sources (Uses)	(35,350)	-	266,321	(5,050)	397,024	49,740	818,675
Net Change in Fund Balances	(2,727)	11,960	15,366	(13,078)	69,579	49,740	(375,128)
Fund Balances (Deficit) - Beginning of Year	71,859	69,989	35,981	65,112	(69,579)	-	1,504,757
Fund Balances - End of Year	\$ 69,132	\$ 81,949	\$ 51,347	\$ 52,034	\$ -	\$ 49,740	\$ 1,129,629

City of Whitewater
Whitewater, WI

Combining Balance Sheet
Non-Major Capital Project Funds
December 31, 2024

	Housing	TIF 10	TIF 11	TIF 12	TIF 13	TIF 14	Non-Major Capital Project Funds
ASSETS							
Cash and Cash Equivalents	\$ 1,830,805	\$ 174,564	\$ 29,658	\$ 49,782	\$ 9,143	\$ 280,799	\$ 2,374,751
Receivables:							
Taxes	-	75,417	31,072	21,698	19,848	108,261	256,296
Other	100,000	-	-	-	-	-	100,000
Total Assets	<u>\$ 1,930,805</u>	<u>\$ 249,981</u>	<u>\$ 60,730</u>	<u>\$ 71,480</u>	<u>\$ 28,991</u>	<u>\$ 389,060</u>	<u>\$ 2,731,047</u>
LIABILITIES							
Accounts Payable	\$ -	\$ 1,321	\$ -	\$ -	\$ -	\$ -	\$ 1,321
Due to Other Funds	-	-	-	-	813	-	813
Total Liabilities	<u>-</u>	<u>1,321</u>	<u>-</u>	<u>-</u>	<u>813</u>	<u>-</u>	<u>2,134</u>
DEFERRED INFLOWS OF RESOURCES							
Tax Apportionment	-	110,160	45,387	31,694	28,991	158,134	374,366
FUND BALANCES (DEFICIT)							
Restricted	1,930,805	138,500	15,343	39,786	-	230,926	2,355,360
Unassigned (Deficit)	-	-	-	-	(813)	-	(813)
Total Fund Balances (Deficit)	<u>1,930,805</u>	<u>138,500</u>	<u>15,343</u>	<u>39,786</u>	<u>(813)</u>	<u>230,926</u>	<u>2,354,547</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	<u>\$ 1,930,805</u>	<u>\$ 249,981</u>	<u>\$ 60,730</u>	<u>\$ 71,480</u>	<u>\$ 28,991</u>	<u>\$ 389,060</u>	<u>\$ 2,731,047</u>

City of Whitewater
Whitewater, WI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended December 31, 2024

	Capital Projects Funds	Housing	TIF 10	TIF 11	TIF 12	TIF 13	TIF 14	Non-Major Capital Projects Funds
REVENUES								
Property Taxes	\$ -	\$ -	\$ 238,133	\$ 64,384	\$ 143,987	\$ 88,154	\$ 350,164	\$ 884,822
Total Revenues	-	-	238,133	64,384	143,987	88,154	350,164	884,822
EXPENDITURES								
Current:								
Conservation and Development	-	26,733	23,037	1,850	5,805	1,850	119,850	179,125
Total Expenditures	-	26,733	23,037	1,850	5,805	1,850	119,850	179,125
Excess (Deficiency) of Revenues Over Expenditures	-	(26,733)	215,096	62,534	138,182	86,304	230,314	705,697
OTHER FINANCING SOURCES (USES)								
Transfers Out	-	-	(60,127)	(24,627)	(54,100)	(79,963)	-	(218,817)
Transfers Out to CDA	-	(50,000)	-	(25,000)	-	-	-	(75,000)
Total Other Financing Sources (Uses)	-	(50,000)	(60,127)	(49,627)	(54,100)	(79,963)	-	(293,817)
Net Change in Fund Balances	-	(76,733)	154,969	12,907	84,082	6,341	230,314	411,880
Fund Balances (Deficit) - Beginning of Year	391,339	2,007,538	(16,469)	2,436	(44,296)	(7,154)	612	2,334,006
Change within Financial Reporting Entity (nonmajor to major)	(391,339)	-	-	-	-	-	-	(391,339)
Fund Balances (Deficit) - Beginning of Year, as Restated	-	2,007,538	(16,469)	2,436	(44,296)	(7,154)	612	1,942,667
Fund Balances (Deficit) - End of Year	\$ -	\$ 1,930,805	\$ 138,500	\$ 15,343	\$ 39,786	\$ (813)	\$ 230,926	\$ 2,354,547

Combining Statement of Net Position
Component Unit
December 31, 2024

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 22,428	\$ 910,614	\$ 75,914	\$ 1,008,956
Receivables				
Lease-current portion	-	-	135,057	135,057
Other	-	-	2,122	2,122
Total Current Assets	22,428	910,614	213,093	1,146,135
Noncurrent Assets:				
Lease Receivable - Long-term	-	-	509,610	509,610
Loans Receivable	-	968,702	-	968,702
Capital Assets:				
Land, Improvements and Construction in Progress	-	565,797	-	565,797
Other Capital Assets, Net of Depreciation	-	4,419,362	-	4,419,362
Total Capital Assets	-	4,985,159	-	4,985,159
Total Noncurrent Assets	-	5,953,861	509,610	6,463,471
Total Assets	22,428	6,864,475	722,703	7,609,606
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	66,809	-	7,109	73,918
Total Deferred Outflows of Resources	66,809	-	7,109	73,918
Total Assets and Deferred Outflows of Resources	\$ 89,237	\$ 6,864,475	\$ 729,812	\$ 7,683,524
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 13,987	\$ -	\$ 16,631	\$ 30,618
Due to City General Fund	-	4,840	-	4,840
Total Current Liabilities	13,987	4,840	16,631	35,458
Non-Current Liabilities:				
Net Pension Liability	7,321	-	779	8,100
Total Non-Current Liabilities	7,321	-	779	8,100
Total Liabilities	21,308	4,840	17,410	43,558
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	39,106	-	4,161	43,267
Deferred Lease Inflows	-	-	603,871	603,871
Total Deferred Inflows of Resources	39,106	-	608,032	647,138
NET POSITION				
Net Investment in Capital Assets	-	4,985,159	-	4,985,159
Restricted	-	1,874,476	-	1,874,476
Unrestricted	28,823	-	104,370	133,193
Total Net Position	28,823	6,859,635	104,370	6,992,828
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 89,237	\$ 6,864,475	\$ 729,812	\$ 7,683,524

**Combining Statement of Revenues, Expenses and Changes in Net Position
Component Unit
For the Year Ended December 31, 2024**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
Operating Revenues	\$ -	\$ 12,838	\$ 235,874	\$ 248,712
Operating Expenses				
Operating Expenses	172,928	257,539	198,034	628,501
Depreciation	-	123,787	-	123,787
Total Operating Expenses	172,928	381,326	198,034	752,288
Operating Income (Loss)	(172,928)	(368,488)	37,840	(503,576)
Non-Operating Revenues (Expenses)				
Interest and Investment Income	-	84,477	29,026	113,503
Total Non Operating Revenues	-	84,477	29,026	113,503
Transfer In from City	180,000	-	-	180,000
Gain on Land Sale	-	9,766	-	9,766
Change in Net Position	7,072	(274,245)	66,866	(200,307)
Total Net Position - Beginning of Year	21,751	7,133,880	37,504	7,193,135
Total Net Position - End of Year	\$ 28,823	\$ 6,859,635	\$ 104,370	\$ 6,992,828