

City of Waukesha

Financial Statements and
Supplementary Information

December 31, 2024

City of Waukesha, Wisconsin

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Independent Auditors' Report

To the Common Council of
City of Waukesha, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Waukesha, 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 Waukesha's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Waukesha, 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Waukesha 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.

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 Waukesha's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 and GAS, 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 Waukesha'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 Waukesha's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2025, on our consideration of the City of Waukesha's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Waukesha's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Waukesha's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Milwaukee, Wisconsin
July 29, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Waukesha, Wisconsin
Management's Discussion and Analysis
(Unaudited)

The Management Discussion and Analysis (MD&A) provides the reader of the Comprehensive Annual Financial Report (CAFR) with analysis and insight to the City of Waukesha's financial activities and performance for the fiscal year ended December 31, 2024. Please consider it in conjunction with the City's letter of transmittal and financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Waukesha exceeded its liabilities and deferred inflows by \$410,394,171 (net position) as of December 31, 2024. Of this amount, \$99,505,373 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental funds reported, as of December 31, 2024, combined ending fund balances of \$73,280,075. The combined unassigned fund balance was \$30,260,739 which represents 36.6% of the 2025 General Fund Budget. Management had committed or assigned \$30,938,437 for specific purposes. The remaining balances of \$12,081,259 was restricted or nonspendable due to constraints from external factors such as grants or prepaid expenditures.
- The City has made improvements in the unassigned deficit to the Debt Service TIF Districts over the past several years. At the end of 2019 there was a deficit of \$690,115. To illustrate how things have changed, 2024 ended with a balance of \$184,544. These districts have long lives and are closely monitored for cash flow. The City had 17 open districts as of the end of the year.

Overview of the Financial Statements

The City of Waukesha's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. These financial statements also contain other supplementary information in addition to the basic financial statements, themselves.

Government-Wide Financial Statements

The two government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business entities utilizing full accrual accounting.

The Statement of Net Position presents information on all of the City of Waukesha's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between those being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City'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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish those functions of the municipality that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and service charges, called business-type activities. The governmental activities of the City of Waukesha include general government, public safety, public works, sanitation, culture and recreation, conservation and development and interest and fiscal charges. The business-type activities of the City include a water utility, transit system utility, parking utility, clean water utility and the Prairie Home cemetery.

The government-wide financial statements are presented on pages 13-15 of this report.

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 of Waukesha, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance related legal requirements. All of the funds of the City of Waukesha can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide 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 the City's near-term financing requirements.

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 municipality'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 of Waukesha maintains 44 governmental funds. 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, Debt Service-General, Debt Service-TIF Districts, Capital-Public Works Improvements and Capital-Municipal Facilities, all of which are considered to be major funds. Data from the 39 other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Waukesha adopts annual budgets for its various funds in accordance with state statutes. Budgetary comparison statements and schedules are included in the basic financial statements for the general fund and all other governmental funds. These statements demonstrate compliance with the City's adopted and final revised budgets.

The governmental fund financial statements are presented on pages 16-20 of this report.

Proprietary Funds maintained by the City of Waukesha are of two different types: enterprise funds and internal service funds. Enterprise funds are used to report those functions presented as business-type activities in the government-wide financial statements. The City's fund financial statements present separate enterprise fund information for the water utility, transit system utility, parking utility, clean water utility and the city's only non-major enterprise fund (Prairie Home cemetery). Internal service funds are used to account for enterprise-like operations that provide services, on a user fee basis, primarily or exclusively to departmental customers within the governmental entity itself, rather than to external customers. The City of Waukesha uses internal service funds to account for its dental and life insurance, health insurance, property and liability insurance and printing. These internal functions are reported in a single, aggregated proprietary fund statement presentation and included with other governmental activities in the government-wide financial statements.

The proprietary fund financial statements are presented on pages 22-29 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 31-90 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) and other supplementary information. The RSI includes information pertaining to the General Funds Budget and Actual, Other Post-Employment Plan (OPEB) and Pension. The RSI information is presented on pages 91-96. The other supplementary information includes combining statements for the non-major governmental and internal service, along with budget to actual comparison schedules for all governmental funds. The other supplementary information section of the report is presented on pages 97-144.

Government-wide Financial Analysis

Over time, as financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the City of Waukesha. The City's net position was \$410,394,171 and \$370,870,177 in 2024 and 2023, respectively. The net position is summarized in the table below.

City of Waukesha, Wisconsin

Net Position

December 31, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 250,091,334	\$ 244,027,995	\$ 122,399,569	\$ 112,022,342	\$ 372,490,903	\$ 356,050,337
Capital assets	316,647,413	312,941,478	517,365,399	509,682,347	834,012,812	822,623,825
Total Assets	566,738,747	556,969,473	639,764,968	621,704,689	1,206,503,715	1,178,674,162
Deferred Outflows of Resources	53,979,271	76,228,900	5,222,663	9,829,226	59,201,934	86,058,126
Current and other liabilities	107,981,637	116,795,415	25,706,071	28,615,973	133,687,708	145,411,388
Non-current liabilities	199,496,141	223,684,979	385,235,313	379,969,966	584,731,454	603,654,945
Total Liabilities	307,477,778	340,480,394	410,941,384	408,585,939	718,419,162	749,066,333
Deferred Inflows of Resources	127,966,680	132,610,011	8,925,636	12,185,767	136,892,316	144,795,778
Net Position:						
Net investment in capital assets	169,119,192	155,066,376	126,411,782	123,017,204	295,530,974	278,083,580
Restricted	8,995,712	9,101,740	6,362,112	6,104,231	15,357,824	15,205,971
Unrestricted (deficit)	7,158,656	(4,060,148)	92,346,717	81,640,774	99,505,373	77,580,626
Total Net Position	\$ 185,273,560	\$ 160,107,968	\$ 225,120,611	\$ 210,762,209	\$ 410,394,171	\$ 370,870,177

Changes in Net Position

A portion of the City's overall net position represents resources that are subject to external restrictions on how they may be used. The total net position increased \$39,523,994.

The following is a summary of the changes in net position for the City of Waukesha:

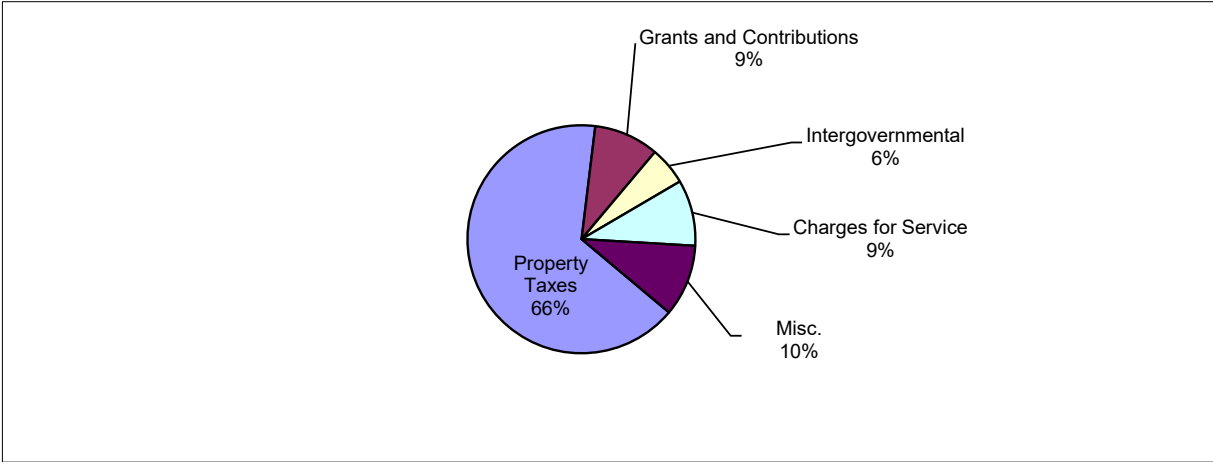
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for service	\$ 12,009,643	\$ 10,744,090	\$ 53,332,249	\$ 47,553,601	\$ 65,341,892	\$ 58,297,691
Operating grants and contributions	10,152,211	10,634,449	6,484,397	5,497,786	16,636,608	16,132,235
Capital grants and contributions	1,583,243	17,092	990,325	3,612,486	2,573,568	3,629,578
General Revenues						
Property taxes	84,284,712	81,772,312	101,748	245,759	84,386,460	82,018,071
Other taxes	2,504,065	2,473,168	-	-	2,504,065	2,473,168
Intergovernmental revenues	6,957,019	8,594,719	-	-	6,957,019	8,594,719
Investment income	7,495,363	7,118,371	5,024,258	4,587,581	12,519,621	11,705,952
Miscellaneous	3,009,452	1,966,328	(180,517)	251,735	2,828,935	2,218,063
Total revenues	127,995,708	123,320,529	65,752,460	61,748,948	193,748,168	185,069,477
Expenses						
General government	13,758,357	13,717,830	-	-	13,758,357	13,717,830
Public safety	44,802,909	46,506,577	-	-	44,802,909	46,506,577
Public works	16,904,210	19,004,588	-	-	16,904,210	19,004,588
Sanitation	3,401,631	3,322,931	-	-	3,401,631	3,322,931
Culture and recreation	14,915,266	15,256,425	-	-	14,915,266	15,256,425
Conservation and development	4,480,534	6,522,638	-	-	4,480,534	6,522,638
Interest and fiscal charges	5,127,215	4,725,544	-	-	5,127,215	4,725,544
Water Utility	-	-	17,335,106	22,370,522	17,335,106	22,370,522
Transit System Utility	-	-	8,993,048	9,251,951	8,993,048	9,251,951
Parking Utility	-	-	1,118,515	1,180,734	1,118,515	1,180,734
Clean Water Utility	-	-	22,469,953	20,595,366	22,469,953	20,595,366
Prairie Home Cemetery	-	-	917,430	945,514	917,430	945,514
Total expenses	103,390,122	109,056,533	50,834,052	54,344,087	154,224,174	163,400,620
Increase (decrease) in net position before transfers	24,605,586	14,263,996	14,918,408	7,404,861	39,523,994	21,668,857
Transfers	560,006	502,030	(560,006)	(502,030)	-	-
Change in Net Position	25,165,592	14,766,026	14,358,402	6,902,831	39,523,994	21,668,857
Net position - beginning	160,107,968	145,341,942	210,762,209	203,859,378	370,870,177	349,201,320
Net position - ending	\$ 185,273,560	\$ 160,107,968	\$ 225,120,611	\$ 210,762,209	\$ 410,394,171	\$ 370,870,177

The governmental activities net position increased by \$25.2 million. Contributing factors to the increase were increases in charges for services, property taxes and economic development loans issued and a decrease in expenses associated with pension and other post-employment liabilities from 2023 to 2024.

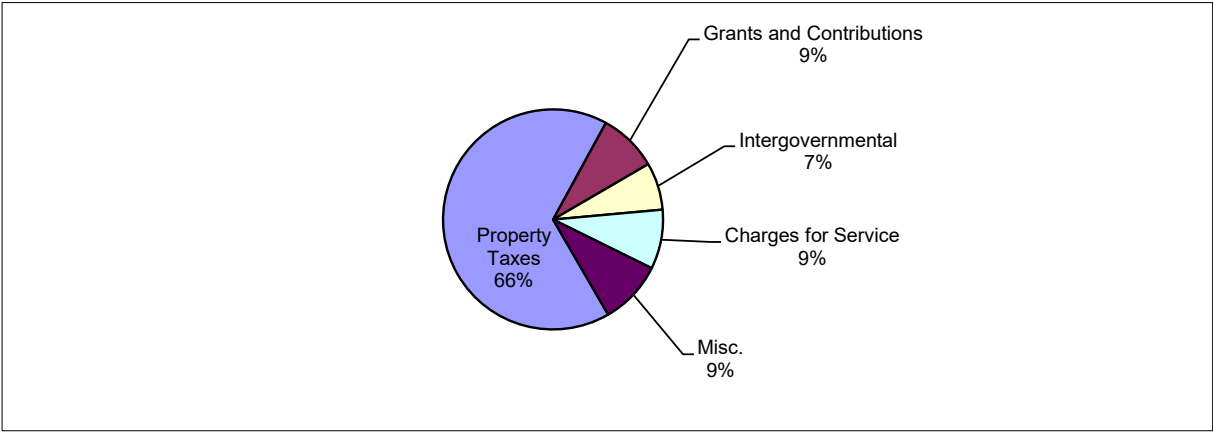
An examination of the statement of activities can provide a concise picture of how the various activities of the City are funded. The following pie charts draw data from the statement of activities. For governmental services, the City is highly dependent upon property taxes for funding. The graphs show that revenues in the five categories was consistent.

Governmental Activities
Revenues by Source

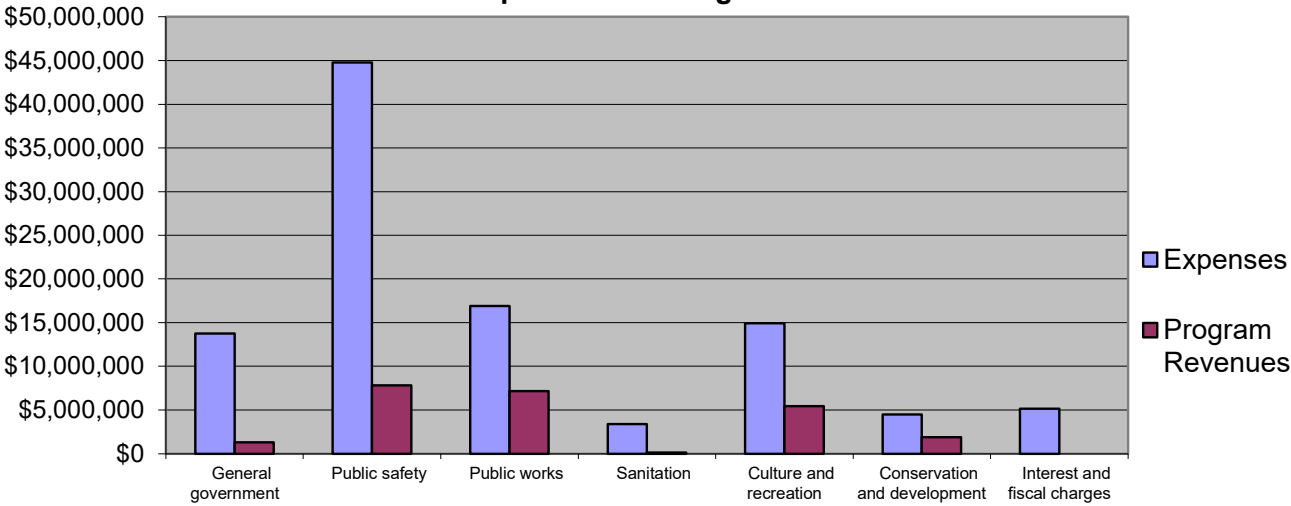
2024



2023



2024 Expenses and Program Revenues

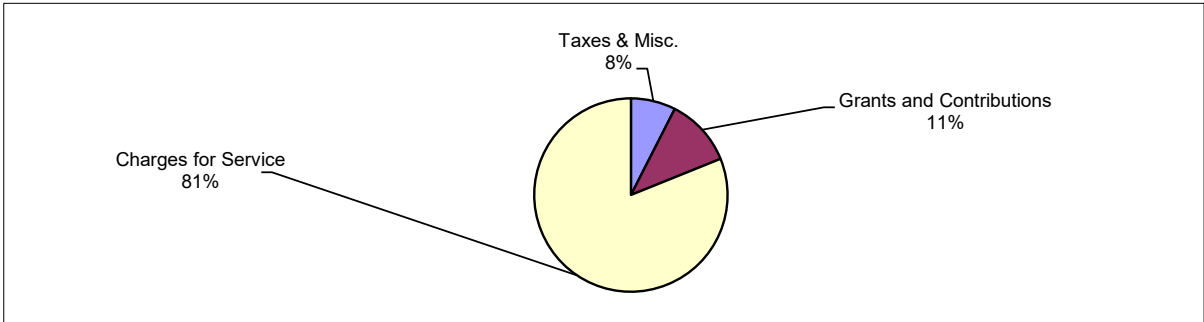


The business-type activities net position increased by \$14.4 million which was expected with increasing rates to cover impending water and clean water projects.

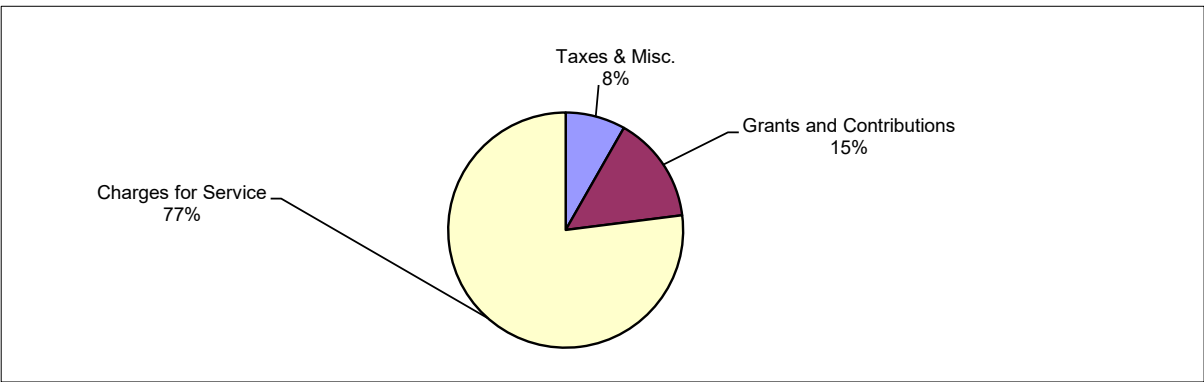
In the case of business-type activities, the data shows a considerably different picture. Charges for services replace property taxes as the primary revenue.

Business-Type Activities
Revenues by Source

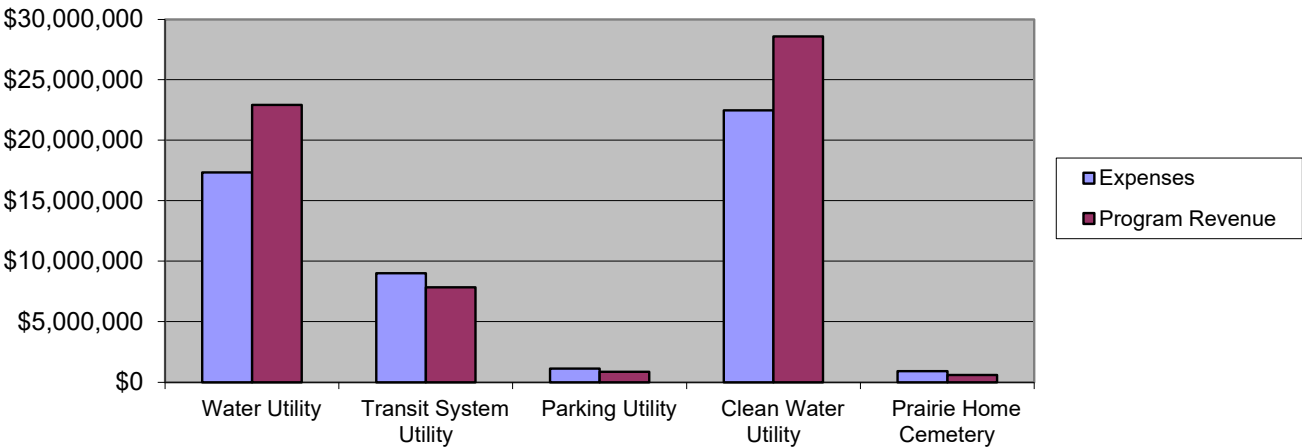
2024



2023



2024 Expenses and Program Revenues



FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

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

As of December 31, 2024, the City of Waukesha's governmental funds reported combined ending fund balances of approximately \$73.3 million, an increase of \$9.97 million from the previous year. Of the total fund balance for 2024, \$43.0 million is categorized as Nonspendable, Restricted, Committed or Assigned for specific legal requirements and other commitments. However, this does not significantly limit the availability of fund resources for future use. The remaining \$30.3 million of unassigned fund balance is available for spending at the discretion of the City's Common Council. The unassigned fund balance increased by \$4.6 million in 2024.

General Fund: The general fund is the primary governmental fund of the city. As of December 31, 2024 the total fund balance for the general fund was \$31,843,781 of which \$1,505,996 was nonspendable, \$77,406 was assigned and \$30,260,379 was unassigned. This represents an overall increase of \$4.9 million. On the revenue side, the general fund revenues ended \$5.0 million more than budgeted. On the expenditure side, expenditures ended under budget due mainly to savings in salaries and wages due to position vacancies during the year. The net difference resulted in the overall increase to the fund balance.

General Debt Service: The general debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The ending fund balance for 2024 was \$1,699,366, which was an decrease of \$1,254,841 from the 2023 balance. This was due primarily to use of debt premium that was recognized in the past years that was applied towards current year debt payments. Most of the fund balance is comprised of debt premium from debt issued in the current year which will be used to fund future debt payments.

Tax Incremental Financing Debt Service: The TIF debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs associated with the open tax incremental districts of the City. The TIF debt service fund balance shifted from a deficit position in 2019 to a fund balance of \$184,544 in 2024. The fluctuation in total fund balance is due to the long-term nature of cash flows within the districts. The City carefully monitors all the districts and related developer agreements. Furthermore, the City has continued the approach to be more conservative in projecting TIF financial outcomes.

Public Works Improvements / Municipal Facilities: The public works improvements and municipal facilities funds account for the accumulation of resources for the cost of infrastructure improvements, such as streets, storm sewers, traffic signals and facilities of the City. In an effort to consolidate all City governmental capital project activity, the public works improvements and municipal facilities funds transferred \$4.8 million and \$10.4 million, respectively, to the capital projects, general improvement fund. These funds will be used to complete projects in 2025.

Other Governmental Funds: The aggregated other governmental funds column includes various special revenue, revolving loan, grant, endowment and capital project funds used to account for the proceeds of specific revenue sources that are legally restricted or locally committed to expenditures for specific purposes. The accumulated fund balances of these funds increased by \$21,312,604 during 2024. The majority of that was due to transfers in for the consolidation of governmental capital project activity into a single fund.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. The net position of the enterprise-type proprietary funds at the end of 2024 totaled \$225.1 million, which is an increase from last year of \$14.4 million. This was mainly due to the increasing revenues in the water and clean water utility's to cover operating costs and debt payments relating to the great lakes water project.

The net position of the City's internal service-type proprietary funds decreased during the year by \$762,464. The decrease was attributable to the City's self insured health insurance program. Claims exceeded revenues and transfers in during the year by \$686,958.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the "Schedule of Revenues, Expenditures and Changes in Fund Balance", the original 2024 general fund budget authorized expenditures and other financing uses of \$80,387,349 funded by anticipated revenues and other financing sources in of the same amount. During the year, the Common Council increased expenditure and transfers out budget appropriations by \$98,014 to accommodate carryovers from 2023.

The City ended the year with a net favorable general fund budget variance. While revenues were \$5.0 million or 6.6% over the final amended budget, expenditures came in \$0.8 million, or 1.6%, below the final budget amount. Overall the General Fund ended the year on a positive note as revenues and other financing sources exceeding expenditures and other financing uses by \$4.9 million.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024 amounts to \$834,012,812 (net of accumulated depreciation). This investment includes land, utility plant in service, construction in progress, intangible assets, buildings and improvements, machinery and equipment and infrastructure.

Total accumulated depreciation at the end of the year was \$325,431,433 or approximately 28.1% of the historical asset cost.

City of Waukesha, Wisconsin Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 32,984,870	\$ 32,933,896	\$ 4,221,573	\$ 3,417,977	\$ 37,206,443	\$ 36,351,873
Utility plant in service (at cost)	-	-	278,746,423	271,385,054	278,746,423	271,385,054
Construction in Progress	6,931,456	7,601,191	23,076,562	12,617,565	30,008,018	20,218,756
Intangible asset - easements	141,686	141,686	9,085	242,882	150,771	384,568
Intangible asset - other	949,908	937,558	-	-	949,908	937,558
Buildings	112,510,629	111,270,603	102,846,687	102,710,524	215,357,316	213,981,127
Improvements other than buildings	30,877,064	28,077,372	850,494	850,494	31,727,558	28,927,866
Machinery and equipment	69,684,550	63,720,256	40,118,520	39,724,316	109,803,070	103,444,572
Infrastructure	221,975,478	214,190,192	233,519,260	228,273,941	455,494,738	442,464,133
Total Capital Assets	476,055,641	458,872,754	683,388,604	659,222,753	1,159,444,245	1,118,095,507
Less: Accumulated Depreciation	(159,408,228)	(145,931,276)	(166,023,205)	(150,344,210)	(325,431,433)	(296,275,486)
Capital Assets net of depreciation	\$ 316,647,413	\$ 312,941,478	\$ 517,365,399	\$ 508,878,543	\$ 834,012,812	\$ 821,820,021

Some of the most significant additions to the City's capital assets during 2024 include:

Description	Approx. \$ Amount	Category	Activity
Public safety equipment & vehicles	2.8 million	Machinery and equipment	Governmental
Parks projects	1.1 million	Improv. other than buildings	Governmental
Equipment & vehicles	2.9 million	Machinery and equipment	Governmental
Asphalt roads	2.1 million	Infrastructure	Governmental
Concrete roads	3.9 million	Infrastructure	Governmental
Water Plant improvements	11.0 million	Plant, Construction in Prog.	Business-Type
Sewer Plant improvements	10.7 million	Construction in Progress	Business-Type

Additional information related to the City of Waukesha's capital assets is reported on pages 48-53 in the notes following the financial statements.

Long-Term Debt

On December 31, 2024, the City of Waukesha had \$559,187,292 of long-term notes, bonds and revenue bonds outstanding as summarized in the following table:

City of Waukesha, Wisconsin Outstanding Debt						
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds and Notes	\$ 170,857,552	\$ 177,293,544	\$ 46,601,098	\$ 53,536,614	\$ 217,458,650	\$ 230,830,158
Revenue Bonds	-	-	341,728,642	331,423,780	341,728,642	331,423,780
Total outstanding debt	\$ 170,857,552	\$ 177,293,544	\$ 388,329,740	\$ 384,960,394	\$ 559,187,292	\$ 562,253,938

The governmental activities outstanding general obligation bond and note debt decreased \$6.4 million based scheduled principal payments, less additional debt issued for regular capital projects such as major and minor street reconstruction, storm water mitigation and park improvements during 2024.

The business-type activities outstanding general obligation bond and note debt decreased \$6.9 million. The outstanding revenue bond debt increased by \$10.3 million based on increased investment in water and clean water utility infrastructure.

Under Wisconsin State Statutes, the total general obligation outstanding long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The general obligation debt of the City totaled \$217,458,650 which is 44.06% of the maximum legal limit of \$493,515,170.

For more information on the city’s long-term obligations refer to pages 57-65 in the notes.

ECONOMIC FACTORS, TAX RATES and NEXT YEAR'S BUDGETS

The City of Waukesha has maintained a steady population of nearly 72,000 people. The unemployment rate for Wisconsin averaged 3.1% which is below the national average of 4.1% for 2024. The 2024 assessed value in the City is approximately \$9.8 billion. The City tax rate increased roughly \$0.34 per \$1,000 of value from \$8.88 to \$9.22 comparing the 2024 and 2025 budgets. The largest factors influencing the 2025 budget will be levy limits imposed by the State of Wisconsin and the Consumer Price Index which affects the expenditure restraint program (ERP) in which the City participates. The State of Wisconsin, which administers the ERP, provides financial incentives to communities that limit the annual percentage increase in expenditures in their general fund.

REQUESTS FOR FINANCIAL INFORMATION

This report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City’s finances and to provide accountability for the financial resources the City receives. If you have questions about the information contained in this report or need additional financial information concerning the City of Waukesha, WI, please contact the City Finance Office, 201 Delafield St., Waukesha, Wisconsin, 53188. Our telephone number is 262-524-3560 and our e-mail address is Finance@waukesha-wi.gov.

BASIC FINANCIAL STATEMENTS

City of Waukesha, Wisconsin

Statement of Net Position

December 31, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 138,628,842	\$ 97,791,941	\$ 236,420,783
Receivables (net of allowance for uncollectibles):			
Taxes	79,900,443	-	79,900,443
Accounts	6,327,067	7,737,832	14,064,899
Long-term loans	4,579,693	-	4,579,693
Lease receivable	-	3,344,161	3,344,161
Prepaid items and inventories	1,430,371	1,706,552	3,136,923
Other assets	-	435,711	435,711
Internal balances	(976,351)	976,351	-
Due from other governmental units	16,183,882	-	16,183,882
Restricted assets:			
Cash and investments	4,344,387	10,080,021	14,424,408
Advances	(327,000)	327,000	-
Capital assets:			
Land	32,984,870	4,221,573	37,206,443
Utility plant in service (at cost)	-	278,746,423	278,746,423
Construction in progress	6,931,456	23,076,562	30,008,018
Intangible asset, easements	141,686	9,085	150,771
Intangible asset, software	949,908	-	949,908
Buildings	112,510,629	102,846,687	215,357,316
Improvements other than buildings	30,877,064	850,494	31,727,558
Machinery and equipment	69,684,550	40,118,520	109,803,070
Infrastructure	221,975,478	233,519,260	455,494,738
Less accumulated depreciation/amortization	(159,408,228)	(166,023,205)	(325,431,433)
Total assets	566,738,747	639,764,968	1,206,503,715
Deferred Outflows of Resources			
Deferred charge on refunding	307,335	358,168	665,503
OPEB related amounts	8,234,218	1,250,604	9,484,822
Pension related amounts	45,437,718	3,613,891	49,051,609
Total deferred outflows of resources	53,979,271	5,222,663	59,201,934
Liabilities			
Accounts payable and accrued expenses	7,645,989	7,824,711	15,470,700
Accrued interest	1,579,551	1,195,698	2,775,249
Due to other governmental units	67,319,867	1,639,541	68,959,408
Deposits	1,230,354	119,297	1,349,651
Unearned revenues	2,709,465	86,062	2,795,527
Noncurrent liabilities:			
Due within one year	27,496,411	14,840,762	42,337,173
Due in more than one year	199,496,141	385,235,313	584,731,454
Total liabilities	307,477,778	410,941,384	718,419,162
Deferred Inflows of Resources			
Pension related amounts	27,210,709	2,286,943	29,497,652
OPEB related amounts	10,598,470	1,464,824	12,063,294
Unearned revenues	90,157,501	5,173,869	95,331,370
Total deferred outflows of resources	127,966,680	8,925,636	136,892,316
Net Position			
Net investment in capital assets	169,119,192	126,411,782	295,530,974
Restricted:			
Debt service	119,815	2,627,183	2,746,998
Impact fees	497,195	-	497,195
TIF Districts	265,433	-	265,433
Confiscated property	265,414	-	265,414
Grants	652,108	-	652,108
Loan programs	3,027,525	-	3,027,525
Trust donations	636,344	-	636,344
Library	111,002	-	111,002
Cemetery	3,455,349	-	3,455,349
Equipment replacement	-	3,734,929	3,734,929
Unrestricted	7,158,656	92,346,717	99,505,373
Total net position	\$ 185,308,033	\$ 225,120,611	\$ 410,428,644

See notes to financial statements

City of Waukesha, Wisconsin

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 13,758,357	\$ 1,296,546	\$ -	\$ -
Public safety	44,802,909	5,385,741	2,066,226	346,014
Public works	16,904,210	2,011,099	4,932,982	224,598
Sanitation	3,401,631	136,274	-	-
Culture and recreation	14,915,266	3,023,834	1,407,693	1,012,631
Conservation and development	4,480,534	156,149	1,745,310	-
Interest and fiscal charges	5,127,215	-	-	-
Total governmental activities	103,390,122	12,009,643	10,152,211	1,583,243
Business-type activities:				
Water utility	17,335,106	22,534,972	-	379,065
Transit system utility	8,993,048	757,283	6,484,397	611,260
Parking utility	1,118,515	858,535	-	-
Clean Water utility	22,469,953	28,583,257	-	-
Prairie Home Cemetery	917,430	598,202	-	-
Total business-type activities	50,834,052	53,332,249	6,484,397	990,325
Total primary government	\$ 154,224,174	\$ 65,341,892	\$ 16,636,608	\$ 2,573,568

General Revenue and Transfers

Taxes:

Property taxes levied for general purposes

Property taxes levied for debt service

Property taxes levied for TIF

Franchise fees and other taxes

Intergovernmental revenues not restricted for specific programs

Investment income

Miscellaneous

Transfers

Total general revenue and transfers

Change in net position

Net Position, Beginning
Net Position, Ending

See notes to financial statements

**Net (Expense) Revenues and Changes in Net Position
Primary Government**

Government Activities	Business-Type Activities	Total
\$ (12,461,811)	\$ -	\$ (12,461,811)
(37,004,928)	-	(37,004,928)
(9,735,531)	-	(9,735,531)
(3,265,357)	-	(3,265,357)
(9,471,108)	-	(9,471,108)
(2,579,075)	-	(2,579,075)
(5,127,215)	-	(5,127,215)
(79,645,025)	-	(79,645,025)
-	5,578,931	5,578,931
-	(1,140,108)	(1,140,108)
-	(259,980)	(259,980)
-	6,113,304	6,113,304
-	(319,228)	(319,228)
-	9,972,919	9,972,919
(79,645,025)	9,972,919	(69,672,106)
52,300,000	101,748	52,401,748
25,546,830	-	25,546,830
6,437,882	-	6,437,882
2,504,065	-	2,504,065
6,957,019	-	6,957,019
7,495,363	5,024,258	12,519,621
3,009,452	(180,517)	2,828,935
560,006	(560,006)	-
104,810,617	4,385,483	109,196,100
25,165,592	14,358,402	39,523,994
160,142,441	210,762,209	370,904,650
\$ 185,308,033	\$ 225,120,611	\$ 410,428,644

See notes to financial statements

City of Waukesha, Wisconsin

Balance Sheet -
Governmental Funds
December 31, 2024

	General	Debt Service, General	Debt Service, TIF Districts
Assets			
Cash and investments	\$ 90,121,569	\$ 1,699,366	\$ -
Receivables:			
Taxes	45,045,781	26,698,329	6,864,604
Accounts (net)	913,267	-	-
Loans (net)	5,209	-	-
Other	1,875,448	-	528,890
Due from other funds	2,799,577	-	-
Due from other governmental units	15,895,684	-	-
Restricted cash	-	-	-
Inventories	633,609	-	-
Prepaid items	775,446	-	-
Total assets	<u>\$ 158,065,590</u>	<u>\$ 28,397,695</u>	<u>\$ 7,393,494</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 1,577,412	\$ -	\$ 92,628
Accrued liabilities	1,970,604	-	-
Compensated absences	865,472	-	-
Due to other governmental units	67,319,867	-	-
Due to other funds	2,984,914	-	251,718
Deposits	51,287	-	-
Unearned revenues	-	-	-
Advances from other funds	-	-	-
Total liabilities	<u>74,769,556</u>	<u>-</u>	<u>344,346</u>
Deferred Inflows of Resources			
Unavailable revenues	-	-	-
Unearned revenues	51,452,253	26,698,329	6,864,604
Total deferred inflows of resources	<u>51,452,253</u>	<u>26,698,329</u>	<u>6,864,604</u>
Fund Balances			
Nonspendable	1,505,996	-	-
Restricted	-	1,699,366	219,017
Committed	-	-	-
Assigned	77,046	-	-
Unassigned	30,260,739	-	-
Total fund balances	<u>31,843,781</u>	<u>1,699,366</u>	<u>219,017</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 158,065,590</u>	<u>\$ 28,397,695</u>	<u>\$ 7,427,967</u>

See notes to financial statements

Capital Projects, Public Works Improvements	Capital Projects, Municipal Facilities	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 40,828,020	\$ 132,648,955
-	-	1,291,729	79,900,443
-	-	254,831	1,168,098
-	-	4,574,484	4,579,693
-	-	1,648,128	4,052,466
-	-	-	2,799,577
-	-	288,198	16,183,882
-	-	4,344,387	4,344,387
-	-	-	633,609
-	-	3,747	779,193
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,233,524</u>	<u>\$ 247,090,303</u>
\$ -	\$ -	\$ 2,054,282	\$ 3,724,322
-	-	21,753	1,992,357
-	-	-	865,472
-	-	-	67,319,867
-	-	443,920	3,680,552
-	-	1,179,067	1,230,354
-	-	2,709,465	2,709,465
-	-	327,000	327,000
<u>-</u>	<u>-</u>	<u>6,735,487</u>	<u>81,849,389</u>
-	-	1,803,338	1,803,338
-	-	5,142,315	90,157,501
<u>-</u>	<u>-</u>	<u>6,945,653</u>	<u>91,960,839</u>
-	-	-	1,505,996
-	-	8,691,353	10,609,736
-	-	30,861,031	30,861,031
-	-	-	77,046
-	-	-	30,260,739
<u>-</u>	<u>-</u>	<u>39,552,384</u>	<u>73,314,548</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,233,524</u>	<u>\$ 247,124,776</u>

See notes to financial statements

City of Waukesha, Wisconsin

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

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balance from previous page:		\$ 73,314,548	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds (less internal service fund assets of \$199,954)			316,472,525
Some receivables that are not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements			
Special assessments			422,364
Loan receivables			1,380,974
Deferred charge of refunding is not available to pay for current period expenditures and are deferred outflows			307,335
Deferred outflows of resources related to pension and OPEBs do not relate to current financial resources and are not reported in the governmental funds			53,671,936
Deferred inflows of resources related to pension and OPEBs are applicable to future periods and, therefore, are not reported in fund statements			(37,809,179)
Internal service funds are reported in the Statement of Net Position as governmental funds			6,119,633
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds			
Long-term debt	\$ (170,857,552)		
Accrued interest	(1,579,551)		
Compensated absences	(6,325,848)		
OPEB liability, health	(29,725,083)		
OPEB liability, life	(3,083,941)		
Net pension liability	(5,108,349)		
Long-term disability payable	(253,733)		
Premium on debt issued	(11,638,046)		
			<u>(228,572,103)</u>
Net Position of Governmental Activities			<u>\$ 185,308,033</u>

See notes to financial statements

City of Waukesha, Wisconsin**Statement of Revenues, Expenditures and Changes in Fund Balances -****Governmental Funds**

Year Ended December 31, 2024

	General	Debt Service, General	Debt Service, TIF District
Revenues			
Taxes	\$ 53,716,722	\$ 25,546,830	\$ 6,995,645
Intergovernmental	13,434,536	-	179,091
Licenses and permits	2,360,496	-	-
Fines, forfeitures and penalties	716,015	-	-
Public charges for services	4,961,288	-	-
Interdepartmental charges	1,722,397	-	-
Special assessments	-	-	-
Investment income	4,205,746	519,742	65,729
Miscellaneous revenues	477,912	-	547,500
Total revenues	81,595,112	26,066,572	7,787,965
Expenditures			
Current:			
General government	11,940,718	-	62,700
Public safety	40,122,555	-	-
Public works	9,371,539	-	8,350
Sanitation	3,401,980	-	-
Culture and recreation	10,240,411	-	-
Conservation and development	2,214,915	-	2,447,012
Capital outlay	212,074	-	107,375
Debt service:			
Principal retirement	-	21,514,717	4,870,000
Interest and fiscal charges	-	5,892,917	636,714
Total expenditures	77,504,192	27,407,634	8,132,151
Excess (deficiency) of revenues over (under) expenditures	4,090,920	(1,341,062)	(344,186)
Other Financing Sources (Uses)			
Long-term debt issued	-	-	1,027,000
Refunding long-term debt issued	-	-	-
Premium on debt issued	-	515,112	-
Proceeds from sale of capital assets	224,559	-	-
Transfers in	2,427,505	-	-
Transfers out	(1,873,381)	(428,891)	(463,797)
Total other financing sources (uses)	778,683	86,221	563,203
Net changes in fund balances	4,869,603	(1,254,841)	219,017
Fund Balance, Beginning	26,974,178	2,954,207	-
Fund Balance (Deficit), Ending	\$ 31,843,781	\$ 1,699,366	\$ 219,017

See notes to financial statements

Capital Project Public Works Improvements	Capital Project Municipal Facilities	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 86,259,197
5,888	128,962	4,487,334	18,235,811
-	-	545,424	2,905,920
-	-	172,218	888,233
50,000	-	1,611,787	6,623,075
-	-	11,863	1,734,260
169	-	27,814	27,983
381,780	544,135	1,484,141	7,201,273
21,181	407,500	409,248	1,863,341
<u>459,018</u>	<u>1,080,597</u>	<u>8,749,829</u>	<u>125,739,093</u>
-	-	150	12,003,568
-	-	157,055	40,279,610
-	-	-	9,379,889
-	-	-	3,401,980
-	-	1,978,903	12,219,314
-	-	1,908,881	6,570,808
8,106,325	4,708,351	6,132,338	19,266,463
-	-	-	26,384,717
213,570	-	-	6,743,201
<u>8,319,895</u>	<u>4,708,351</u>	<u>10,177,327</u>	<u>136,249,550</u>
<u>(7,860,877)</u>	<u>(3,627,754)</u>	<u>(1,427,498)</u>	<u>(10,510,457)</u>
10,795,443	4,212,588	2,738,694	18,773,725
-	-	-	-
213,570	-	-	728,682
-	5,151	462,708	692,418
-	50,974	22,837,667	25,316,146
<u>(7,949,428)</u>	<u>(11,019,062)</u>	<u>(3,298,967)</u>	<u>(25,033,526)</u>
<u>3,059,585</u>	<u>(6,750,349)</u>	<u>22,740,102</u>	<u>20,477,445</u>
(4,801,292)	(10,378,103)	21,312,604	9,966,988
<u>4,801,292</u>	<u>10,378,103</u>	<u>18,239,780</u>	<u>63,347,560</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,552,384</u>	<u>\$ 73,314,548</u>

See notes to financial statements

City of Waukesha, Wisconsin

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

Net Change in Fund Balances, From Previous Page **\$ 9,966,988**

Amounts reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expenses in the Statement of Activities.

Capital outlay is reported in governmental fund statements	\$ 19,266,463	
Some items reported as capital outlay expenditures in the fund financial statements are operating expenses in the government-wide financial statements	(806,784)	
Depreciation reported in the government-wide statements (less internal service fund depreciation of \$31,369)	(14,542,860)	
Net book value of assets retired	(185,818)	3,731,001

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

1,270,107

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Debt issued	(18,773,725)	
Principal repaid	26,384,717	
Principal forgiven	2,150,779	9,761,771

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

Compensated absences	802,602	
Long-term disability	5,421	
OPEB liabilities	433,789	
Net pension asset/liability	13,374,989	
Deferred outflows of resources related to pension and OPEBs	(22,166,158)	
Deferred inflows of resources related to pension and OPEBs	7,860,242	
Accrued interest on debt	(52,578)	258,307

Governmental funds report premiums associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the Statement of Activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds but amortized over the life of the debt issue on the Statement of Activities.

Premium on debt issued	(728,684)	
Amortization of premium	1,752,037	
Amortization of refunding loss	(83,471)	939,882

Internal service funds are used by management to charge the costs of workers compensation, liability insurance, employee benefits and motor equipment center costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.

(762,464)

Changes in Net Position of Governmental Activities

\$ 25,165,592

See notes to financial statements

City of Waukesha, Wisconsin

Statement of Net Position -

Proprietary Funds

December 31, 2024

	Business-Type Enterprise Funds		
	Water Utility	Transit System Utility	Parking Utility
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and investments	\$ 42,690,890	\$ -	\$ 635,418
Restricted assets:			
Redemption account	2,881,083	-	-
Accounts receivable	3,548,446	1,397,505	56,465
Unbilled revenue	2,500,273		-
Due from other funds	589,809	2,984,914	-
Advance to other funds	-	-	-
Inventories	510,935	203,818	-
Prepaid items	216,923	427,082	-
Current portion of lease receivable	300,909	-	-
Total current assets	<u>53,239,268</u>	<u>5,013,319</u>	<u>691,883</u>
Noncurrent Assets			
Restricted assets:			
Revenue bond reserve	-	-	-
Equipment replacement	-	-	-
Total restricted assets	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets:			
Land	803,596	1,683,701	668,744
Utility plant in service (at cost)	252,285,215	26,461,208	-
Construction work in progress	3,649,849	-	-
Buildings	-	-	14,057,436
Improvements other than buildings	-	-	423,580
Machinery and equipment	-	-	309,025
Infrastructure	-	-	-
Intangible assets	-	-	-
Less accumulated depreciation	(50,136,893)	(15,419,873)	(8,181,390)
Net capital assets	<u>206,601,767</u>	<u>12,725,036</u>	<u>7,277,395</u>
Other assets:			
Preliminary survey and investigation	621	-	-
Lease receivable	3,043,252	-	-
Property held for future use	435,090	-	-
Advance to other funds	-	-	-
Total other assets	<u>3,478,963</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>210,080,730</u>	<u>12,725,036</u>	<u>7,277,395</u>
Total assets	<u>263,319,998</u>	<u>17,738,355</u>	<u>7,969,278</u>
Deferred Outflows of Resources			
Deferred charge on refunding	358,168	-	-
Pension related items	1,693,598	82,418	189,804
OPEB related items	792,513	2,145	3,741
Total deferred outflows	<u>2,844,279</u>	<u>84,563</u>	<u>193,545</u>

See notes to financial statements

Business-Type Enterprise Funds			Governmental
Clean Water Utility	Nonmajor Prairie Home Cemetery	Total	Activities Internal Service Funds
\$ 52,938,405	\$ 1,527,228	\$ 97,791,941	\$ 5,979,887
-	-	2,881,083	-
230,606	4,537	5,237,559	1,106,503
-	-	2,500,273	-
3,789,782	155,916	7,520,421	-
163,500	-	163,500	-
-	347,794	1,062,547	3,766
-	-	644,005	13,803
-	-	300,909	-
57,122,293	2,035,475	118,102,238	7,103,959
3,464,009	-	3,464,009	-
3,734,929	-	3,734,929	-
7,198,938	-	7,198,938	-
971,555	93,977	4,221,573	-
-	-	278,746,423	-
19,426,713	-	23,076,562	-
88,530,960	258,291	102,846,687	-
-	426,914	850,494	-
39,402,946	406,549	40,118,520	339,342
233,519,260	-	233,519,260	-
-	9,085	9,085	-
(91,791,162)	(493,887)	(166,023,205)	(164,454)
290,060,272	700,929	517,365,399	174,888
-	-	621	-
-	-	3,043,252	-
-	-	435,090	-
163,500	-	163,500	-
163,500	-	3,642,463	-
297,422,710	700,929	528,206,800	174,888
354,545,003	2,736,404	646,309,038	7,278,847
-	-	358,168	-
1,408,938	239,133	3,613,891	-
445,906	6,299	1,250,604	-
1,854,844	245,432	5,222,663	-

See notes to financial statements

City of Waukesha, Wisconsin

Statement of Net Position -

Proprietary Funds

December 31, 2024

	Business-Type Enterprise Funds		
	Water Utility	Transit System Utility	Parking Utility
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	\$ 1,016,578	\$ 770,539	\$ 97,126
Accrued liabilities	101,376	104,815	11,241
Claims payable	-	-	-
Accrued interest	349,440	-	22,019
Current portion of long-term debt, GO debt	2,850,000	-	361,902
Current portion of long-term debt, NAN's	-	-	-
Current portion of lease liability	39,924	-	-
Due to other governmental units	-	1,638,694	-
Due to other funds	5,954,261	-	-
Deposits	119,297	-	-
Unearned revenue	86,062	-	-
Compensated absences	222,035	86,745	67,945
Current liabilities payable from restricted assets:	-	-	-
Current portion of revenue bonds	758,437	-	-
Accrued interest	253,900	-	-
Total current liabilities	11,751,310	2,600,793	560,233
Noncurrent Liabilities			
Revenue bonds	124,258,207	-	-
Unamortized debt premium	1,398,948	-	172,141
Other liabilities	207,547	280,763	-
Compensated absences	419,748	332,692	-
OPEB liability, health insurance	3,639,152	-	-
OPEB liability, life insurance	238,760	5,111	10,466
Net pension liability	184,612	8,393	17,499
Lease liability	27,455	-	-
General obligation debt	38,690,000	-	1,829,171
Total noncurrent liabilities	169,064,429	626,959	2,029,277
Total liabilities	180,815,739	3,227,752	2,589,510
Deferred Inflows of Resources			
Pension related items	1,069,723	50,177	106,569
OPEB related items	894,596	2,837	5,544
Unearned revenue	3,344,161	-	-
Total deferred inflows of resources	5,308,480	53,014	112,113
Net Position			
Net investment in capital assets	39,372,675	12,725,036	5,021,618
Restricted for:			
Equipment replacement	-	-	-
Debt service	2,627,183	-	-
Unrestricted (deficit)	38,040,200	1,817,116	439,582
Total net position	\$ 80,040,058	\$ 14,542,152	\$ 5,461,200

See notes to financial statements

Business-Type Enterprise Funds			Governmental Activities Internal Service Funds
Clean Water Utility	Nonmajor Prairie Home Cemetery	Total	
\$ 5,354,846	\$ 41,981	\$ 7,281,070	\$ 152,536
61,695	10,614	289,741	-
-	-	-	911,302
819,767	4,472	1,195,698	-
213,990	76,133	3,502,025	-
-	-	-	-
-	-	39,924	-
-	847	1,639,541	-
589,809	-	6,544,070	95,376
-	-	119,297	-
-	-	86,062	-
382,083	108,407	867,215	-
9,673,161	-	10,431,598	-
-	-	253,900	-
17,095,351	242,454	32,250,141	1,159,214
207,038,837	-	331,297,044	-
1,979,117	24,018	3,574,224	-
-	-	488,310	-
-	-	752,440	-
1,583,885	-	5,223,037	-
99,545	16,794	370,676	-
164,772	27,778	403,054	-
-	-	27,455	-
2,197,660	382,242	43,099,073	-
213,063,816	450,832	385,235,313	-
230,159,167	693,286	417,485,454	1,159,214
917,226	143,248	2,286,943	-
553,300	8,547	1,464,824	-
-	1,829,708	5,173,869	-
1,470,526	1,981,503	8,925,636	-
68,957,507	334,946	126,411,782	174,888
3,734,929	-	3,734,929	-
-	-	2,627,183	-
52,077,718	(27,899)	92,346,717	5,944,745
\$ 124,770,154	\$ 307,047	\$ 225,120,611	\$ 6,119,633

See notes to financial statements

City of Waukesha, Wisconsin

Statement of Revenues, Expenses and Changes in Net Position -

Proprietary Funds

Year Ended December 31, 2024

	Business-Type Enterprise Funds		
	Water Utility	Transit System Utility	Parking Utility
Operating Revenues			
Charges for services	\$ 21,474,923	\$ 480,541	\$ 98,845
Parking fines	-	-	758,815
Sales of crypts and niches	-	-	-
Sales of lots	-	-	-
Other revenue	1,060,049	276,742	875
Total operating revenues	22,534,972	757,283	858,535
Operating Expenses			
Operation and maintenance	8,921,191	7,475,528	660,957
Depreciation	5,294,848	1,517,520	394,312
Total operating expenses	14,216,039	8,993,048	1,055,269
Operating income (loss)	8,318,933	(8,235,765)	(196,734)
Nonoperating Revenues (Expenses)			
Investment income	2,541,825	-	16,503
Miscellaneous	9,998	(305,886)	(79)
Interest and fiscal charges	(2,950,129)	-	(63,246)
General property taxes	-	101,748	-
Amortization of debt premium	111,319	-	-
Amortization of loss on refunding	(97,809)	-	-
Debt issuance costs	(17,714)	-	(3,009)
Sale of capital assets (loss)	-	-	-
Intergovernmental revenue	-	6,484,397	-
Lobbying expense	(71,129)	-	-
Total nonoperating revenues (expenses)	(473,639)	6,280,259	(49,831)
Income (loss) before transfers and contributions	7,845,294	(1,955,506)	(246,565)
Transfers in	-	1,060,515	370,118
Transfers out	(2,164,479)	-	(7,496)
Capital contributions	379,065	305,376	-
Capital contributions, municipality	-	305,884	-
	(1,785,414)	1,671,775	362,622
Changes in net position	6,059,880	(283,731)	116,057
Total Net Position, Beginning	73,980,178	14,825,883	5,345,143
Total Net Position, Ending	\$ 80,040,058	\$ 14,542,152	\$ 5,461,200

See notes to financial statements

Business-Type Enterprise Funds			Governmental Activities Internal Service Funds
Clean Water Utility	Nonmajor Prairie Home Cemetery	Total	
\$ 28,583,257	\$ 274,762	\$ 50,912,328	\$ 19,242,753
-	-	758,815	-
-	147,980	147,980	-
-	175,460	175,460	-
-	-	1,337,666	-
<u>28,583,257</u>	<u>598,202</u>	<u>53,332,249</u>	<u>19,242,753</u>
8,020,298	845,918	25,923,892	20,551,627
9,613,428	36,268	16,856,376	25,066
<u>17,633,726</u>	<u>882,186</u>	<u>42,780,268</u>	<u>20,576,693</u>
<u>10,949,531</u>	<u>(283,984)</u>	<u>10,551,981</u>	<u>(1,333,940)</u>
2,445,314	20,616	5,024,258	294,090
1,398	2,151	(292,418)	-
(4,836,227)	(14,521)	(7,864,123)	-
-	-	101,748	-
-	-	111,319	-
-	-	(97,809)	-
-	-	(20,723)	-
-	582	582	-
-	-	6,484,397	-
-	-	(71,129)	-
<u>(2,389,515)</u>	<u>8,828</u>	<u>3,376,102</u>	<u>294,090</u>
<u>8,560,016</u>	<u>(275,156)</u>	<u>13,928,083</u>	<u>(1,039,850)</u>
-	276,076	1,706,709	277,386
(37,153)	(57,587)	(2,266,715)	-
-	-	684,441	-
-	-	305,884	-
<u>(37,153)</u>	<u>218,489</u>	<u>430,319</u>	<u>277,386</u>
8,522,863	(56,667)	14,358,402	(762,464)
<u>116,247,291</u>	<u>363,714</u>	<u>210,762,209</u>	<u>6,882,097</u>
<u>\$ 124,770,154</u>	<u>\$ 307,047</u>	<u>\$ 225,120,611</u>	<u>\$ 6,119,633</u>

See notes to financial statements

City of Waukesha, Wisconsin

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

	Business-Type Enterprise Funds						Governmental Activities Internal Service Funds
	Water Utility	Transit System Utility	Parking Utility	Clean Water Utility	Nonmajor Prairie Home Cemetery	Total	
Cash Flows From Operating Activities							
Received from customers	\$ 21,733,881	\$ 782,500	\$ 857,904	\$ 28,944,645	\$ 1,000,015	\$ 53,318,945	\$ -
Received from interfund services provided	-	-	-	-	-	-	18,826,448
Paid to suppliers for goods and services	(6,051,783)	(3,654,128)	(332,897)	(5,782,550)	(379,732)	(16,201,090)	(20,784,224)
Payments to employees	(2,017,087)	(3,201,792)	(345,670)	(2,079,511)	(440,806)	(8,084,866)	-
Net cash flows from operating activities	13,665,011	(6,073,420)	179,337	21,082,584	179,477	29,032,989	(1,957,776)
Cash Flows From Noncapital Financing Activities							
Operating grants received	-	6,356,835	-	-	-	6,356,835	-
Advances to other funds	-	-	-	163,500	-	163,500	-
Tax equivalent paid	(2,355,094)	-	-	-	-	(2,355,094)	-
Transfers in	-	-	370,118	-	276,076	646,194	277,386
Transfers out	-	(233,031)	(7,496)	(37,153)	(57,587)	(335,267)	-
Net cash flows from noncapital financing activities	(2,355,094)	6,123,804	362,622	126,347	218,489	4,476,168	277,386
Cash Flows From Capital and Related Financing Activities							
Debt retired	(2,716,410)	-	(323,910)	(13,811,725)	(51,372)	(16,903,417)	-
Premium on new debt	-	-	10,265	239,128	9,578	258,971	-
Proceeds from debt issue	5,852,406	-	250,000	13,937,081	233,276	20,272,763	-
Interest paid	(2,950,773)	-	(94,060)	(4,950,241)	(17,048)	(8,012,122)	-
Lease payments	(38,321)	-	-	-	-	(38,321)	-
Debt issuance costs	(17,714)	-	(3,009)	-	-	(20,723)	-
Capital contributions	4,777,412	554,290	-	-	-	5,331,702	-
Acquisition and construction of capital assets	(10,880,921)	(604,674)	(76,684)	(13,933,804)	(98,784)	(25,594,867)	-
Salvage on retirement of plant	49,377	-	-	-	-	49,377	-
Cost of removal of property retired	(54,284)	-	-	-	-	(54,284)	-
Net cash flows from capital and financing activities	(5,979,228)	(50,384)	(237,398)	(18,519,561)	75,650	(24,710,921)	-
Cash Flows From Investing Activities							
Investment income	2,541,825	-	16,503	2,445,314	20,616	5,024,258	294,090
Net cash flows from investing activities	2,541,825	-	16,503	2,445,314	20,616	5,024,258	294,090
Net change in cash and cash equivalents	7,872,514	-	321,064	5,134,684	494,232	13,822,494	(1,386,300)
Cash and Cash Equivalents, Beginning	37,699,459	-	314,354	55,002,659	1,032,996	94,049,468	7,366,187
Cash and Cash Equivalents, Ending	\$ 45,571,973	\$ -	\$ 635,418	\$ 60,137,343	\$ 1,527,228	\$ 107,871,962	\$ 5,979,887

See notes to financial statements

City of Waukesha, Wisconsin

Statement of Cash Flows -

Proprietary Funds

Year Ended December 31, 2024

	Business-Type Enterprise Funds						Governmental Activities Internal Service Funds
	Water Utility	Transit System Utility	Parking Utility	Clean Water Utility	Nonmajor Prairie Home Cemetery	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities							
Operating income (loss)	\$ 8,318,933	\$ (8,235,765)	\$ (196,734)	\$ 10,949,531	\$ (283,984)	\$ 10,551,981	\$ (1,333,940)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:							
Nonoperating income (expense):							
Miscellaneous	(61,131)	-	(79)	1,398	2,733	(57,079)	-
Depreciation	5,294,848	1,517,520	394,312	9,613,428	36,268	16,856,376	25,066
Depreciation charged to operating accounts	191,278	-	-	-	-	191,278	-
Other operating amortization expenses	958,332	-	-	-	-	958,332	-
Changes in assets, deferred outflows and liabilities:							
Accounts receivable	(844,250)	25,217	(552)	398,013	(3,373)	(424,945)	(416,305)
Due from other funds	(25,633)	-	-	(38,023)	149,402	85,746	-
Inventories	41,649	7,206	-	-	-	48,855	-
Prepaid items	(74,066)	(14,099)	-	-	-	(88,165)	9,858
Accounts payable	71,954	462,764	(5,721)	59,798	18,114	606,909	(293,596)
Due to other funds	-	-	-	-	-	-	51,141
Customer deposits	(12,457)	-	-	-	-	(12,457)	-
Unearned revenue	(26,410)	-	-	-	245,510	219,100	-
Compensated absences	-	84,658	(7,732)	(13,007)	13,788	77,707	-
Pension and OPEB related assets, liabilities and deferrals	(257,940)	(2,473)	(3,627)	100,787	1,307	(161,946)	-
Other current liabilities	89,904	81,552	(530)	10,659	(288)	181,297	-
Net cash flows from operating activities	<u>\$ 13,665,011</u>	<u>\$ (6,073,420)</u>	<u>\$ 179,337</u>	<u>\$ 21,082,584</u>	<u>\$ 179,477</u>	<u>\$ 29,032,989</u>	<u>\$ (1,957,776)</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds							
Cash and investments	\$ 42,690,890	\$ -	\$ 635,418	\$ 52,938,405	\$ 1,527,228	\$ 97,791,941	\$ 5,979,887
Restricted cash and investments	<u>2,881,083</u>	<u>-</u>	<u>-</u>	<u>7,198,938</u>	<u>-</u>	<u>10,080,021</u>	<u>-</u>
Cash and cash equivalents end of year	<u>\$ 45,571,973</u>	<u>\$ -</u>	<u>\$ 635,418</u>	<u>\$ 60,137,343</u>	<u>\$ 1,527,228</u>	<u>\$ 107,871,962</u>	<u>\$ 5,979,887</u>
Noncash Investing, Capital and Financing Activities							
Change in receivables/payables	<u>\$ -</u>	<u>\$ 501,069</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 501,069</u>	<u>\$ -</u>
Amortization of premium	<u>\$ 111,319</u>	<u>\$ -</u>	<u>\$ 30,412</u>	<u>\$ 139,602</u>	<u>\$ 3,503</u>	<u>\$ 284,836</u>	<u>\$ -</u>

See notes to financial statements

City of Waukesha, Wisconsin

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December 31, 2024

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1. Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024. The impact of implementation was not material.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

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

Debt Service Fund - TIF Districts - is used to account for and report financial resources that are restricted, committed, assigned or negative unassigned to expenditure for the payment of general long-term debt principal, interest and related costs on TIF debt.

Capital Projects Fund - Public Works Improvements - is used to account for and report financial resources that are committed to expenditure for City infrastructure (streets, storm sewers, traffic signals, etc.).

Capital Projects Fund - Municipal Facilities - is used to account for and report financial resources that are committed to expenditure for improvements to City infrastructure.

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system.

Transit System Utility accounts for the operations of the transit system.

Parking Utility accounts for operations of the parking facilities.

Clean Water Utility accounts for operations of the clean water system.

The City reports the following nonmajor governmental and enterprise funds:

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

Fire Historical Preservation	Housing Development Grant
Citywide Fiber Maintenance	Library Café
Lead Abatement Grant	Festival and Special Activities
Lighted Dome	Police Crime Prevention
Park and Recreation Sponsorship	WHEDA Loan Program
Program	Home Rental Rehab
Public Works Impact Fees	Energy Rental Rehab
Park Development Impact Fees	Paramedics
Library Impact Fees	Confiscated Property
Police Impact Fees	State Confiscated Property
Civic Band Donation	Cemetery Trust Fund C
Community Development Programming	American Rescue Plan Act
Community Development Block Grant	Affordable Housing Rehabilitation
Development Construction Services	Small Business Loan Program
Stabilization	
K9 Program	
Public Safety Memorial	
Affordable Housing Development	

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

General Improvement	TIF Districts
Fleet Replacement	

Permanent Funds is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Cemetery Lot Maintenance	H.B. Mills Recreation
Cemetery Specific Endowment	Cemetery Trust Fund K
Library Endowment	

Enterprise Fund is used to account for and report any activity for which a fee is charged to external uses for goods or services and must be used for activities which meet certain debt or cost recovery criteria.

Prairie Home Cemetery

In addition, the City reports the following fund types:

Internal Service Funds is used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Printing
Dental/Life/Vision Insurance

Health Insurance
Property and Liability Insurance

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements. Exceptions to this general rule are charges between the City's Water Utility, Clean Water Utility, Transit System, Parking Utility and Prairie Home Cemetery and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for intergovernmental grants, for which available is defined as 180 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

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

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

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

All Financial Statements

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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

Deposits and Investments

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

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

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

Investment of most trust funds including the Cemetery Perpetual Care Fund, are regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds are regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

No policy exists for the following risks:

- Interest rate risk
- Concentration of credit risk
- Investments highly sensitive to interest rate changes
- Foreign currency risk

The City's investment policy does address custodial credit risk. Full collateralization is required on deposits and repurchase agreements with banking institutions in excess of \$500,000 at authorized financial institutions. Collateral shall be with U.S. Government guaranteed securities specifically pledged to the City (not part of a pooled fund) and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank or through another financial institution. At December 31, 2024, the City was not in compliance with its custodial credit risk policy as detailed in Note 3.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

City of Waukesha, Wisconsin

Notes to Financial Statements
December 31, 2024

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	March 31, 2025
Third installment due	May 31, 2025
Tax sale - 2024 delinquent real estate taxes	October 2027

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the Water and Clean Water Utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as *Due To and From Other Funds*. Long-term interfund loans (noncurrent portion) are reported as *Advances From and To Other Funds*. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the Governmental-Wide Financial Statements as Internal Balances.

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

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has been reduced by an allowance for uncollectible accounts of \$103,960.

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Restricted Assets

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

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaids are accounted for using the consumption method.

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the Government-Wide Financial Statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$25,000 for 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 capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Utility plant in service	4-77 Years
Buildings	20-70 Years
Improvements other than buildings	20 Years
Machinery and equipment	2-20 Years
Infrastructure	15-70 Years

Fund Financial Statements

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

Leases

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

The City is a lessee because it leases capital assets from other entities. As a lessee, the City reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the City recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

Other Assets

The balance represents initial project engineering costs related to Water Utility plant construction. The balance will be capitalized upon commencement of the project or is amortized over a useful life established by the PSCW. The Water Utility amortized \$958,332 in 2024.

Deferred Outflows of Resources

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

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

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts.

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024 are determined on the basis of current salary rates and include salary related payments.

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 bonds payable, accrued compensated absences, pension and other postemployment benefits liability.

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year-end is shown as an increase or decrease in the liability section of the Statement of Net Position.

The City has 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 approximately \$22,394,952 made up of five issues.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

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

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

Information about the fiduciary net position of the LRLIF and additions to/deductions from 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.

Pension

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

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

Information about the fiduciary net position of the WRS and additions to/deductions from the 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.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net positions that do not meet the definitions of *restricted* or *net investment in capital assets*.

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Finance Committee to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal minimum fund balance policy. That policy is to maintain a working capital fund of no less than 10% nor more than 20% of subsequent year General Fund budgeted expenditures. The general fund unassigned fund balance at year-end was \$30,260,379 or 31.97% of subsequent year General Fund budgeted expenditures.

See Note 3 for further information.

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin effective October 1, 2024.

Clean Water Utility

Current clean water rates were approved by the City Council effective January 1, 2023.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the General Fund, certain special revenue funds, all debt service funds, certain capital projects funds and all permanent funds. A budget has not been formally adopted for Lead Abatement Grant, Lighted Dome, Housing Development Grant, Affordable Housing Rehabilitation, Affordable Housing Development, K9 Program, Police Crime Prevention, WHEDA Loan Program, Home Rental Rehab, Energy Rental Rehab and all TIF District capital project funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

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

Deficit Balances

Generally Accepted Accounting Principles require disclosure of individual funds that have deficit balances at year-end.

As of December 31, 2024, the following individual funds held a deficit balance:

Fund	Amount	Reason
Internal Service Fund -Dental/Life/Vision Insurance	\$ 86,853	Insufficient funds to cover costs

The deficits will be funded by future charges for service, grant revenue, premiums or investment income.

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally, the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to net new construction or 0%. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

City of Waukesha, Wisconsin

Notes to Financial Statements
December 31, 2024

3. Detailed Notes on All Funds

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the Statement of Net Position and Balance Sheet as cash and investments. The City's deposits and investments at year-end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Demand deposits	\$ 26,531,544	\$ 17,615,717	Custodial credit risk
Equity securities/stocks	5,263,552	5,263,552	Custodial credit risk, credit risk, concentration of credit risk
Repurchase agreement	59,400,414	59,400,414	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
U.S. agencies, implicitly guaranteed	22,578,697	22,578,697	Custodial credit risk, credit risk, interest rate risk, concentration of credit risk
Corporate bonds	3,224,679	3,224,679	Custodial credit risk, credit risk, interest rate risk
U.S. treasuries	127,420	127,420	Custodial credit risk, interest rate risk
Mutual funds, other than bonds	245,519	245,519	N/A
Mutual funds, bonds	265,412	265,412	Credit risk, interest rate risk, highly sensitive to interest rate changes
LGIP	131,334,122	131,334,122	Credit risk
Petty cash	6,634	-	N/A
U.S. agencies, explicitly guaranteed	1,867,201	1,867,201	Custodial credit risk, interest rate risk, concentration of credit risk
Total deposits and investments	<u>\$ 250,845,191</u>	<u>\$ 241,922,732</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 236,420,783		
Restricted cash and investments	<u>14,424,408</u>		
Total deposits and investments	<u>\$ 250,845,191</u>		

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

Custodial Credit Risk
Deposits

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

As of December 31, 2024, \$6,338,349 of the City's total bank balances were exposed to custodial credit risk as uninsured and uncollateralized.

Investments

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

Repurchase agreements:

Neither insured nor registered and held by counterparty	<u>\$ 59,400,414</u>
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U.S. agencies, implicitly guaranteed:

Neither insured nor registered and held by counterparty	<u>\$ 22,578,697</u>
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U.S. agencies, explicitly guaranteed:

Neither insured nor registered and held by counterparty	<u>\$ 1,867,201</u>
---	---------------------

Equity securities/stocks:

Neither insured nor registered and held by counterparty	<u>\$ 5,263,552</u>
---	---------------------

U.S. treasuries:

Neither insured nor registered and held by counterparty	<u>\$ 127,420</u>
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Corporate bonds:

Neither insured nor registered and held by counterparty	<u>\$ 3,224,679</u>
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Credit Risk

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

As of December 31, 2024, the City's investments were rated as follows:

Investment Type	Standard & Poor	Moody's Investors Services	Not Rated
U.S. agencies, implicitly guaranteed	AA+	Aaa	
Corporate bonds	AAA to BBB-	Aa2 to Baa3	
Equity securities/stocks	BB+ to BBB-	A1 to Baa3	
Repurchase agreements			X
Mutual funds/fixed income			X

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

Wisconsin Local Government Investment Pool (LGIP)

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At December 31, 2024, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Net Position
Various	Repurchase agreements	65.66 %
Federal Home Loan Mortgage	U.S. agencies, implicitly guaranteed	10.33
FNMA	U.S. agencies, implicitly guaranteed	7.43

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2024, the City's investments were as follows:

	Fair Value	Maturity (in Years)		
		Less Than 1	1-5	5 or More
Repurchase agreements	\$ 59,400,414	\$ -	\$ -	\$ 59,400,414
U.S. agencies, implicitly guaranteed	22,578,697	397,839	6,111,303	16,069,555
U.S. agencies, explicitly guaranteed	1,867,201	-	-	1,867,201
U.S. treasuries	127,420	-	127,420	-
Corporate bonds	3,224,679	147,755	3,054,640	22,284
Mutual funds/fixed income	265,412	232,547	32,865	-
Total	<u>\$ 87,463,823</u>	<u>\$ 778,141</u>	<u>\$ 9,326,228</u>	<u>\$ 77,359,454</u>

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The valuation method for recurring fair value measurements of investments is the quoted market prices approach. The City's investments are categorized as follows:

Investment Type	As of December 31, 2024			Total
	Level 1	Level 2	Level 3	
Repurchase agreements	\$ -	\$ 59,400,414	\$ -	\$ 59,400,414
U.S. agencies, implicitly guaranteed	6,509,142	16,069,555	-	22,578,697
U.S. agencies, explicitly guaranteed	1,867,201	-	-	1,867,201
Equity securities/stocks	3,871,938	1,391,614	-	5,263,552
U.S. treasuries	127,420	-	-	127,420
Corporate bonds	3,224,679	-	-	3,224,679
Mutual funds/fixed income	265,412	-	-	265,412
Total	<u>\$ 15,865,792</u>	<u>\$ 76,861,583</u>	<u>\$ -</u>	<u>\$ 92,727,375</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Receivables

All of the receivables on the balance sheet are expected to be collected within one year except for long-term loans of \$4,579,693 and delinquent personal property taxes of \$96,941.

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 85,343,898	\$ -
Special assessment not yet due	-	422,364
Impact and other fees	4,813,603	-
Loans receivable	-	1,380,974
ARPA funds received in advance	2,709,465	-
	<u>\$ 92,866,966</u>	<u>\$ 1,803,338</u>
Total unearned/unavailable revenue for governmental funds		
	<u>\$ 92,866,966</u>	<u>\$ 1,803,338</u>
Unearned revenue included in liabilities	\$ 2,709,465	
Unearned revenue included in deferred inflows	<u>90,157,501</u>	
Total unearned revenue for governmental funds	<u>\$ 92,866,966</u>	

There is \$5,173,869 of unearned revenue in the business-type activities. \$1,829,708 of this balance is related to cemetery revenues received in advance. The remaining balance of \$3,344,161 is related to lease revenue to be received in future years by the Water Utility.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Restricted Assets

The following describes the types of the restricted assets:

Long-Term Debt Accounts

Bond Redemption - Used to segregate resources accumulated for debt service payments over the next 12 months.

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

Impact Fee Account

The City has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

Equipment Replacement Account

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

Following is a list of the balances of the restricted assets at December 31, 2024:

	Restricted Assets	Liabilities Payable From Restricted Assets	Restricted Net Position
Bond redemption account	\$ 2,881,083	\$ 253,900	\$ 2,627,183
Bond reserve account	3,464,009	3,464,009	N/A
Impact fee account	4,344,387	3,847,192	497,195
Equipment replacement account	3,734,929	-	3,734,929
Total	<u>\$ 14,424,408</u>	<u>\$ 7,565,101</u>	<u>\$ 6,859,307</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized:				
Land	\$ 32,933,896	\$ 50,974	\$ -	\$ 32,984,870
Construction in progress	7,601,191	4,037,063	4,706,798	6,931,456
Intangible asset, easements	141,686	-	-	141,686
Total capital assets not being depreciated/ amortized	40,676,773	4,088,037	4,706,798	40,058,012
Capital assets being depreciated/amortized:				
Buildings	111,270,603	1,240,026	-	112,510,629
Improvements other than buildings	28,077,372	2,900,913	101,221	30,877,064
Intangible assets, software	937,558	12,350	-	949,908
Machinery and equipment	63,720,256	7,114,799	1,150,505	69,684,550
Infrastructure	214,190,192	7,785,286	-	221,975,478
Total capital assets being depreciated/amortized	418,195,981	19,053,374	1,251,726	435,997,629
Total capital assets	458,872,754	23,141,411	5,958,524	476,055,641
Less accumulated depreciation/amortization for:				
Buildings	(31,667,236)	(2,409,270)	-	(34,076,506)
Improvements other than buildings	(8,370,984)	(1,320,554)	101,221	(9,590,317)
Intangible assets, software	(578,938)	(131,377)	-	(710,315)
Machinery and equipment	(37,050,916)	(4,951,900)	964,687	(41,038,129)
Infrastructure	(68,263,202)	(5,729,759)	-	(73,992,961)
Total accumulated depreciation/ amortization	(145,931,276)	(14,542,860)	1,065,908	(159,408,228)
Net capital assets being depreciated/ amortized	272,264,705	4,510,514	185,818	276,589,401
Total governmental activities capital assets, net of accumulated depreciation/ amortization	\$ 312,941,478	\$ 8,598,551	\$ 4,892,616	\$ 316,647,413

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 1,426,747
Public safety	3,602,220
Public works	1,404,514
Infrastructure	5,729,759
Culture and recreation	<u>2,382,620</u>

Total governmental activities depreciation/amortization expense	<u>\$ 14,542,860</u>
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Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water Utility				
Capital assets not being depreciated/amortized:				
Land	\$ 803,804	\$ -	\$ 208	\$ 803,596
Construction in progress	1,162,804	2,487,045	-	3,649,849
Intangible asset, easements	<u>233,797</u>	<u>5,738</u>	<u>-</u>	<u>239,535</u>
Total capital assets not being depreciated/amortized	<u>2,200,405</u>	<u>2,492,783</u>	<u>208</u>	<u>4,692,980</u>
Capital assets being depreciated/amortized:				
Lease assets	212,994	-	-	212,994
Source of supply	53,027,080	-	795,463	52,231,617
Pumping	31,960,727	1,440,786	53,500	33,348,013
Water treatment	6,340,073	238,454	11,151	6,567,376
Transmission and distribution	145,336,772	6,037,245	801,719	150,572,298
General	<u>8,650,874</u>	<u>783,080</u>	<u>320,572</u>	<u>9,113,382</u>
Total capital assets being depreciated/amortized	<u>245,528,520</u>	<u>8,499,565</u>	<u>1,982,405</u>	<u>252,045,680</u>
Total capital assets	<u>247,728,925</u>	<u>10,992,348</u>	<u>1,982,613</u>	<u>256,738,660</u>
Less accumulated depreciation/amortization:				
Lease assets*	(32,126)	(38,321)	-	(145,615)
Source of supply	(2,327,615)	(920,191)	-	(3,247,806)
Pumping	(5,001,355)	(1,173,823)	53,501	(6,121,677)
Water treatment	(3,409,517)	(282,724)	11,151	(3,681,090)
Transmission and distribution	(30,020,186)	(2,636,064)	618,559	(32,037,691)
General	<u>(4,775,985)</u>	<u>(522,769)</u>	<u>320,572</u>	<u>(4,903,014)</u>
Total accumulated depreciation/amortization	<u>(45,566,784)</u>	<u>(5,573,892)</u>	<u>1,003,783</u>	<u>(50,136,893)</u>
Net capital assets being depreciated/amortized	<u>199,961,736</u>	<u>2,925,673</u>	<u>978,622</u>	<u>201,908,787</u>
Net water capital assets	<u>\$ 202,162,141</u>	<u>\$ 5,418,456</u>	<u>\$ 978,830</u>	<u>\$ 206,601,767</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Transit System</u>				
Capital assets not being depreciated:				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Capital assets being depreciated:				
Transit terminal:				
Building	12,382,294	363,838	-	12,746,132
Vehicles	10,792,905	56,151	-	10,849,056
Shop equipment	1,633,145	172,952	-	1,806,097
Office equipment	1,048,190	11,733	-	1,059,923
Total capital assets being depreciated	25,856,534	604,674	-	26,461,208
Total capital assets	27,540,235	604,674	-	28,144,909
Less accumulated depreciation:				
Building	(7,061,500)	(315,158)	-	(7,376,658)
Vehicles	(4,959,834)	(944,961)	-	(5,904,795)
Shop equipment	(1,127,975)	(155,435)	-	(1,283,410)
Office equipment	(753,044)	(101,966)	-	(855,010)
Total accumulated depreciation	(13,902,353)	(1,517,520)	-	(15,419,873)
Net transit system plant	\$ 13,637,882	\$ (912,846)	\$ -	\$ 12,725,036

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Parking Utilities</u>				
Capital assets not being depreciated:				
Land	\$ 668,744	\$ -	\$ -	\$ 668,744
Construction in progress	46,081	24,062	70,143	-
Total capital assets not being depreciated	714,825	24,062	70,143	668,744
Capital assets being depreciated:				
Buildings and improvements	13,974,888	82,548	-	14,057,436
Improvements other than buildings	423,580	-	-	423,580
Machinery and equipment	292,107	99,987	83,069	309,025
Total capital assets being depreciated	14,690,575	182,535	83,069	14,790,041
Total capital assets	15,405,400	206,597	153,212	15,458,785
Less accumulated depreciation:				
Buildings and improvements	(7,392,515)	(355,156)	-	(7,747,671)
Improvements other than buildings	(274,397)	(16,678)	-	(291,075)
Machinery and equipment	(203,234)	(22,478)	83,068	(142,644)
Total accumulated depreciation	(7,870,146)	(394,312)	83,068	(8,181,390)
Net capital assets being depreciated	6,820,429	(211,777)	1	6,608,651
Net parking capital assets	\$ 7,535,254	\$ (187,715)	\$ 70,144	\$ 7,277,395

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Clean Water Utility</u>				
Capital assets not being depreciated:				
Land	\$ 971,555	\$ -	\$ -	\$ 971,555
Construction in progress	11,408,680	10,686,417	2,668,384	19,426,713
Total capital assets not being depreciated	12,380,235	10,686,417	2,668,384	20,398,268
Capital assets being depreciated:				
Buildings and improvements	88,477,345	53,615	-	88,530,960
Machinery and equipment	39,077,745	648,077	322,876	39,402,946
Infrastructure	228,273,941	5,245,319	-	233,519,260
Total capital assets being depreciated	355,829,031	5,947,011	322,876	361,453,166
Total capital assets	368,209,266	16,633,428	2,991,260	381,851,434
Less accumulated depreciation:				
Buildings and improvements	(35,221,386)	(2,064,646)	-	(37,286,032)
Machinery and equipment	(18,102,091)	(1,888,372)	277,052	(19,713,411)
Infrastructure	(29,177,132)	(5,614,587)	-	(34,791,719)
Total accumulated depreciation	(82,500,609)	(9,567,605)	277,052	91,791,162
Net capital assets being depreciated	273,328,422	(3,620,594)	45,824	289,088,717
Net clean water capital assets	<u>\$ 285,708,657</u>	<u>\$ 7,065,823</u>	<u>\$ 2,714,208</u>	<u>\$ 290,060,272</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Prairie Home Cemetery</u>				
Capital assets not being depreciated:				
Land	\$ 93,977	\$ -	\$ -	\$ 93,977
Intangible assets	9,085	-	-	9,085
Total capital assets not being depreciated	103,062	-	-	103,062
Capital assets being depreciated:				
Buildings and improvements	258,291	-	-	258,291
Improvements other than buildings	426,914	-	-	426,914
Machinery and equipment	354,464	116,865	64,780	406,549
Total capital assets being depreciated	1,039,669	116,865	64,780	1,091,754
Total capital assets	1,142,731	116,865	64,780	1,194,816
Less accumulated depreciation:				
Buildings and improvements	(133,478)	(4,292)	-	(137,770)
Improvements other than buildings	(174,779)	(11,410)	-	(186,189)
Machinery and equipment	(196,061)	(35,587)	61,720	(169,928)
Total accumulated depreciation	(504,318)	(51,289)	61,720	493,887
Net capital assets being depreciated	535,351	65,576	3,060	597,867
Net cemetery capital assets	\$ 638,413	\$ 65,576	\$ 3,060	\$ 700,929

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water utility	\$ 5,294,848
Transit system utility	1,517,520
Parking utility	394,312
Clean water utility	9,613,428
Prairie Home Cemetery	36,268

Total business-type activities depreciation expense \$ 16,856,376

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

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Transit Utility	General Fund	\$ 2,984,914	\$ -
General Fund	Permanent Funds, H.B. Mills	1,522	-
Clean Water Utility	Water Utility	3,789,782	-
General Fund	Water Utility	2,164,479	-
Water Utility	Clean Water Utility	589,809	-
	Permanent Fund, Cemetery Lot Maintenance & Cemetery		
Prairie Home Cemetery	Specific Endowment	155,916	-
	Special Revenue Fund, Community Development Block Grant		
General Fund	Grant	286,482	-
General Fund	Debt Service, TIF Districts	251,718	
	Internal Service Fund, Dental/Life/Vision Insurance		
General Fund		95,376	-
Total, financial statements		10,319,998	
Less fund eliminations		(3,061,987)	
Less government-wide eliminations		(6,281,660)	
Total internal balances, government-wide statement of net position		\$ 976,351	
Receivable Fund	Payable Fund	Amount	
Governmental activities	Business-type activities	\$ 2,164,479	
Business-type activities	Governmental activities	(3,140,830)	
Total government-wide financial statement		\$ 976,351	

The principal purpose of these interfunds is to clear any fund cash deficits. 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. For the Statement of Net Position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

City of Waukesha, Wisconsin

Notes to Financial Statements
December 31, 2024

Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Clean water utility	Capital projects, Fleet Replacement	\$ 327,000	\$ 163,500
Total, fund financial statements		327,000	
Less fund eliminations		-	
Total interfund advances, government-wide statement of net position		<u>\$ 327,000</u>	

The principal purpose of this interfund advance is to fund fleet replacement. A repayment schedule for the advance between Clean Water and Fleet Replacement Fund was established and will require a payment of \$163,500 per year until 2026 at a 0% interest rate.

For the Statement of Net Position, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

Transfers

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.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Water Utility	\$ 2,164,479	Water Utility PILOT payment
General Fund	Special Revenue, American Rescue Plan Act	248,081	American Rescue Plan Act funding
General Fund	Special Revenue, Police Impact Fees	13,423	Police capital projects
General Fund	Permanent Fund, H.B. Mills Recreation	1,522	Interest on H.B. Mills Trust
Special Revenue, Park and Recreation Sponsorship	Capital Projects, Municipal Facilities	10,000	Park and recreation capital projects
Special Revenue, Stabilization	Debt Service Fund, TIF Districts	463,797	TID closeout
Special Revenue, General Improvements	Capital Projects, PW Improvements	7,949,428	Capital Projects Consolidation
Capital Projects, General Improvements	Capital Projects, Municipal Facilities	11,009,062	Capital Projects Consolidation
Capital Projects, General Improvements	Capital Projects, Fleet Replacement	2,856,325	Capital Projects Consolidation
Capital Projects, Municipal Facilities	Special Revenue, Park development Impact Fees	50,974	Capital Purchases
Capital Projects, Fleet Replacement	General Fund	473,000	Capital purchases
Permanent Fund, Cemetery Lot Maintenance	Prairie Home Cemetery	55,247	Perpetual care, expense recovery
State Confiscated Property	General Fund	20,809	Prior year funding
Transit System Utility	General Fund	1,060,515	Tax levy transferred to Transit Utility
Parking Utility	Debt Service Fund, General	370,118	Parking capital projects
Prairie Home Cemetery	Debt Service Fund, General	58,773	Cemetery debt service
Prairie Home Cemetery	General Fund	88,661	Tax levy for cemetery
Prairie Home Cemetery	Permanent Fund, Cemetery Lot Maintenance	65,000	Perpetual care, expense recovery
Prairie Home Cemetery	Permanent Fund, Cemetery Specific Endowment	50,000	Perpetual care, expense recovery
Prairie Home Cemetery	Permanent Fund, Cemetery Trust Fund K	13,642	Perpetual care, new sales (PC graves)
Internal Service Fund, Health Insurance	Parking Utility	7,496	Sick leave contribution
Internal Service Fund, Health Insurance	General Fund	230,397	Sick leave contribution
Internal Service Fund, Health Insurance	Clean Water Utility	37,153	Sick leave contribution
Internal Service Fund, Health Insurance	Prairie Home Cemetery	2,340	Sick leave contribution
Total, fund financial statements		27,300,242	
Less fund eliminations		(23,326,818)	
Less government-wide eliminations		(3,413,418)	
Total transfers, government-wide statement of activities		\$ 560,006	

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 2,226,715
Business-type activities	Governmental activities	(1,706,709)
		<u>\$ 560,006</u>

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 177,293,544	\$ 18,773,725	\$ 26,384,717	\$ 169,682,552	\$ 24,979,416
General obligation debt from direct borrowings and direct placements	1,175,000	-	-	1,175,000	87,549
Promissory notes	2,150,779	-	2,150,779	-	-
Add unamortized premium	12,661,399	728,684	1,752,037	11,638,046	-
Subtotal	<u>193,280,722</u>	<u>19,502,409</u>	<u>30,287,533</u>	<u>182,495,598</u>	<u>25,066,965</u>
Other liabilities:					
Compensated absences	7,128,450	2,359,621	3,162,223	6,325,848	2,410,396
Long-term disability	259,154	13,629	19,050	253,733	19,050
Net pension liability	18,483,338	-	13,374,989	5,108,349	-
OPEB liability, health insurance	30,573,970	-	848,887	29,725,083	-
OPEB liability, life insurance	2,668,843	415,098	-	3,083,941	-
Total other liabilities	<u>59,113,755</u>	<u>2,788,348</u>	<u>17,405,149</u>	<u>44,496,954</u>	<u>2,429,446</u>
Total governmental activities long-term liabilities	<u>\$ 252,394,477</u>	<u>\$ 22,290,757</u>	<u>47,692,682</u>	<u>\$ 226,992,552</u>	<u>\$ 27,496,411</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 48,786,614	\$ 483,275	\$ 2,686,791	\$ 46,601,098	\$ 3,502,025
Revenue bonds, direct	331,423,780	19,789,488	9,484,626	341,728,642	10,431,598
Note anticipation notes, direct	4,750,000	-	4,750,000	-	-
Add unamortized premium	3,601,048	258,971	285,795	3,574,224	-
Subtotal	388,561,442	20,531,734	17,189,212	391,903,964	13,933,623
Other liabilities:					
Customer advances	-	207,547	-	207,547	-
Other liabilities	166,925	113,838	-	280,763	-
Lease payable*	105,700	-	38,321	67,379	39,924
Compensated absences	1,501,763	201,710	83,818	1,619,655	867,215
Net pension liability	1,429,763	-	1,026,709	403,054	-
OPEB liability, health insurance	5,693,869	147,517	618,349	5,223,037	-
OPEB liability, life insurance	312,922	57,754	-	370,676	-
Total other liabilities	9,210,942	728,366	1,767,197	8,172,121	907,139
Total business-type activities long-term liabilities	<u>\$ 397,772,384</u>	<u>\$ 21,260,100</u>	<u>\$ 18,956,409</u>	<u>\$ 400,076,075</u>	<u>\$ 14,840,762</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2024, was \$493,515,170. Total general obligation debt outstanding at year-end was \$217,458,650.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

General Obligation Debt

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

General Obligation Debt	Date of Issue	Final Maturity	Interest Rate %	Original Indebtedness	Balance December 31, 2024
GO Debt	05/10/16	10/01/25	2.00-3.00 %	\$ 17,980,000	\$ 1,465,000
GO Debt	05/10/16	10/01/25	1.10-2.40	1,200,000	160,000
GO Debt	05/23/17	10/01/24	2.00-3.00	12,760,000	3,095,000
GO Debt	05/23/17	10/01/27	2.00-4.00	4,360,000	2,610,000
GO Debt	05/08/18	10/01/27	4.00-5.00	12,495,000	4,360,000
GO Debt	05/08/18	04/01/27	2.45-3.45	1,020,000	390,000
GO Debt	05/08/18	10/01/33	3.00-4.00	3,150,000	2,080,000
GO Debt	02/05/19	10/01/30	2.80-3.60	12,250,000	7,690,000
GO Debt	05/07/19	10/01/28	3.00-4.00	15,850,000	6,430,000
GO Debt	05/14/20	10/01/29	3.00-4.00	23,255,000	13,760,000
GO Debt	05/14/20	10/01/35	2.50-5.00	11,060,000	7,130,000
GO Debt	12/03/20	10/01/28	0.23-2.10	13,080,000	1,820,000
GO Debt	04/20/21	10/01/30	2.00	31,470,000	21,600,000
GO Debt	04/20/21	10/01/36	2.13-5.00	22,455,000	19,940,000
GO Debt	04/18/22	10/01/31	4.00-5.00	22,751,534	18,729,798
GO Debt	04/18/22	10/01/37	4.00-5.00	15,345,000	14,550,000
GO Debt	04/18/22	10/01/39	2.80-4.00	5,185,000	5,185,000
GO Debt	04/19/23	10/01/32	3.00-5.00	22,825,000	19,914,028
State Trust Fund Loan*	12/27/23	03/15/33	6.25	1,175,000	1,175,000
GO Debt	04/24/24	10/01/33	3.00-5.00	17,746,725	17,746,725
GO Debt	12/19/24	10/01/33	5.90	1,027,000	1,027,000
Total governmental activities, general obligation debt					<u>\$ 170,857,552</u>

* General obligation debt from direct borrowings and direct placements.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

General Obligation Debt	Date of Issue	Final Maturity	Interest Rate %	Original Indebtedness	Balance December 31, 2024
GO Debt	06/25/14	05/01/34	2.63 %	\$ 4,107,000	\$ 2,411,650
GO Debt	05/12/15	10/01/34	2.00-4.00	5,415,000	3,750,000
GO Debt	05/10/16	10/01/25	2.00-3.00	45,000	5,000
GO Debt	05/10/16	04/01/34	3.00-4.00	6,280,000	4,920,000
GO Debt	05/07/19	10/01/28	3.00-4.00	365,000	165,000
GO Debt	05/07/19	10/01/28	3.00-4.00	1,400,000	635,000
GO Debt	12/03/20	10/01/28	0.23-2.10	9,050,000	7,475,000
GO Debt	05/14/20	10/01/29	3.00-4.00	690,000	375,000
GO Debt	04/20/21	10/01/40	0.23-2.10	8,120,000	7,920,000
GO Debt	04/20/21	10/01/30	2.00	75,000	60,000
GO Debt	04/18/22	10/01/31	4.00-5.00	1,008,466	830,202
GO Debt	10/20/22	10/01/42	5.00	17,475,000	17,475,000
GO Debt	04/19/23	10/01/32	3.00-5.00	110,000	95,971
GO Debt	04/24/24	10/01/33	3.00-5.00	483,275	483,275

Total business-type activities, general obligation debt

\$ 46,601,098

Debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2025	\$ 24,979,416	\$ 6,395,355	\$ 3,502,025	\$ 1,564,312
2026	22,751,219	5,161,163	3,589,481	1,467,258
2027	21,736,511	4,338,290	3,698,156	1,360,915
2028	20,549,367	3,488,438	3,027,139	1,218,954
2029	19,381,652	2,748,241	2,571,113	1,111,028
2030-2034	49,934,387	5,712,102	12,838,184	4,306,408
2035-2039	10,350,000	652,935	13,095,000	2,128,581
2040-2042	-	-	4,280,000	243,919
Total	<u>\$ 169,682,552</u>	<u>\$ 28,496,524</u>	<u>\$ 46,601,098</u>	<u>\$ 13,401,375</u>

Debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Debt From Direct Borrowings and Direct Placements	
	Principal	Interest
2025	\$ 87,549	\$ 89,332
2026	108,916	67,965
2027	115,723	61,158
2028	122,808	54,073
2029	130,631	46,250
2030-2033	609,373	98,154
Total	<u>\$ 1,175,000</u>	<u>\$ 416,932</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the Water and Clean Water Utilities.

The City has pledged future water revenues to repay revenue bonds issued in 2013, 2018, 2019 and 2020. Proceeds from the bonds provided financing for the refunding of old revenue bonds and capital projects. The bonds are payable solely from water revenues and are payable through 2058. Annual principal and interest payments on the bonds are expected to require 24.0% of gross revenues on average. The total principal and interest remaining to be paid on the bonds is \$156,733,780. Principal and interest paid for the current year and total customer gross revenues were \$2,130,978 and \$25,086,795, respectively.

The City has pledged future Clean Water Utility revenues, net of specified operating expenses, to repay revenue bonds issued in 2014 through 2024. Proceeds from the bonds provided financing for the sewer infrastructure project. The bonds are payable solely from sewer revenues and are payable through 2052. Annual principal and interest payments on the bonds are expected to require 41.6% of net revenues on average. The total principal and interest remaining to be paid on the bonds is \$267,842,308. Principal and interest paid for the current year and total customer net revenues were \$13,564,834 and \$23,009,671, respectively.

Directly placed revenue debt payable at December 31, 2024, consists of the following:

Business-Type Activities Revenue Debt Direct Placement					
	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance December 31, 2024
<u>Water Utility</u>					
Series 2013	05/07/13	05/01/33	1.93 %	\$ 1,117,601	\$ 557,174
Series 2018	06/26/18	05/01/38	1.87	679,774	501,575
Series 2019	03/27/19	05/01/38	1.98	8,863,261	6,840,845
Series 2019	12/11/19	05/01/39	1.65	2,333,344	2,118,788
Series 2020	08/06/20	05/01/58	1.16	137,100,000	114,998,262
Total water utility					<u>\$ 125,016,644</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Business-Type Activities Revenue Debt Direct Placement					
	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance December 31, 2024
<u>Clean Water Utility</u>					
Series 2014	04/08/14	11/01/34	2.00-4.10 %	\$ 7,455,000	\$ 4,515,000
Series 2014	06/25/14	05/01/34	2.63	31,627,844	16,335,197
Series 2015	07/08/15	05/01/34	2.254	15,025,669	9,084,876
Series 2016	05/10/16	05/01/36	2.00-4.00	3,610,000	2,495,000
Series 2017	05/23/17	05/01/37	2.00-5.00	6,395,000	4,685,000
Series 2018	05/08/18	05/01/38	3.00-4.00	5,550,000	4,285,000
Series 2018	10/24/18	05/01/38	1.87	19,180,958	14,798,394
Series 2019	05/07/19	05/01/39	-	2,980,000	2,420,000
Series 2020	05/14/20	05/01/40	-	4,785,000	4,045,000
Series 2020	08/26/20	05/01/40	1.76	9,767,096 (2)	9,289,702
Series 2020	08/26/20	05/01/50	1.931	55,549,871	51,124,685
Series 2021	04/20/21	05/01/41	2.00	4,380,000	3,870,000
Series 2021	10/27/21	05/01/51	1.65	60,052,000 (1)	58,346,631
Series 2022	02/23/22	05/01/41	1.49	5,729,296	4,973,785
Series 2022	04/18/22	05/01/42	4.00-5.00	6,050,000	5,660,000
Series 2022	10/26/22	05/01/52	2.26	1,993,140	1,943,705
Series 2023	04/19/23	05/01/43	4.00-5.00	3,800,000	3,685,000
Series 2023	11/22/23	05/01/52	2.26	1,680,584 (3)	10,275,021
Series 2024	04/24/24	05/01/44	4.00-5.00	4,880,000	4,880,000
Total clean water utility					216,711,998
Total business-type activities, revenue debt					<u>\$ 341,728,642</u>

- (1) During 2021, the Clean Water Utility was authorized to issue \$60,052,000 of clean water system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2024. The repayment schedule is for the amount issued.
- (2) During 2020, the Clean Water Utility was authorized to issue \$10,409,006 of clean water system Clean Water Fund revenue bonds. The original amount reported above has not been issued as of December 31, 2024. The repayment schedule is for the amount issued.
- (3) During 2023, the Clean Water Utility was authorized to issue \$10,520,000 of clean water system Clean Water Fund revenue bonds. The original amount reported above has not been issued as of December 31, 2024. The repayment schedule is for the amount issued.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Debt service requirements to maturity are as follows:

Years:	Business-Type Activities Revenue Debt, Direct Placements	
	Principal	Interest
2025	\$ 10,431,598	6,282,799
2026	10,702,636	6,055,551
2027	10,962,098	5,792,690
2028	12,025,043	5,520,169
2029	12,641,567	5,233,594
2030-2034	68,013,126	21,585,734
2035-2039	55,931,495	14,576,148
2040-2044	52,396,181	9,492,288
2045-2049	50,070,370	5,497,488
2050-2054	35,336,379	2,267,854
2055-2058	23,218,149	543,130
Total	\$ 341,728,642	\$ 82,847,445

Default Provisions

The utility's outstanding revenue debt noted previously contain provision that (1) any delinquent payments can be deducted from any state payments that are due to the City or a special charge may be added to the taxes apportioned to and levied upon the county in which the City is located and (2) in an event of default, outstanding amounts become immediately due and payable or the interest rate may be increased to the market interest rate and (3) any delinquent payments may be intercepted from the revenue of the water system or any business entity utilizing revenue debt proceeds.

The City's outstanding notes from direct borrowings and / or direct placements related to governmental activities of \$1,175,000 contain a provision that in an event of default, outstanding amounts become immediately due and payable.

Other Debt Information

Estimated payments of long-term disability, net pension liability and total and net OPEB liabilities are not included in the debt service requirement schedules. The long-term disability, net pension liability and total and net OPEB liabilities attributable to governmental activities will be liquidated primarily by the General Fund.

The City has entered into an agreement with a developer whereby the City agrees to pay to the developer certain amounts necessary for completion of a project for Tax Incremental District No. 13 (TID No. 13). The note will be repaid with tax increments generated by TID No. 13. Should TID No. 13 not generate sufficient revenues over its life to repay the note, any remaining balance will be forgiven by the developer. As of December 31, 2024 the entire balance has been forgiven.

WIFIA Loan

On August 6, 2020, the Water Utility closed on a \$137,100,000 revenue debt issue through the Water Infrastructure Financing and Innovation Act (WIFIA) with the U.S. Environmental Agency. The loan will finance capital assets that will bring a new water supply to Waukesha, as noted in Note 10. For the year ended December 31, 2024, the total amount of loan available for future project costs was reported at \$22,101,738.

Bond Covenant Disclosures**Insurance**

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

The Water Utility is covered under the following insurance policies at December 31, 2024:

Type	Coverage	Expiration
General liability	\$10,000,000 each occurrence	07/01/25
Automobile	\$10,000,000	07/01/25

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Debt Coverage, Water

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.10 times the subsequent year debt service. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2024 as follows:

Operating revenues	\$ 22,534,972
Investment income	2,541,825
Miscellaneous nonoperating income	2,177
Other nonoperating revenues	7,821
Less operation and maintenance expenses	<u>(8,921,191)</u>
Net defined earnings	<u>\$ 16,165,604</u>
Minimum required earnings per resolution:	
2013 SDWLP rev. bonds subsequent year debt service	\$ 67,467
2018 SDWLP rev. bonds subsequent year debt service	40,757
2019B SDWLP rev. bonds subsequent year debt service	560,027
2019E SDWLP rev. bonds subsequent year debt service	159,573
2020 WIFIA rev. bonds subsequent year debt service	<u>1,488,796</u>
Subtotal	2,276,620
Coverage factor	<u>1.10</u>
Minimum required earnings	<u>\$ 2,504,282</u>
Actual debt coverage	<u>7.10</u>

Debt Coverage, Clean Water

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2024 as follows:

Operating revenues	\$ 28,583,257
Investment income	2,445,314
Miscellaneous nonoperating income	1,398
Less operation and maintenance expenses	<u>(8,020,298)</u>
Net defined earnings	<u>\$ 23,009,671</u>
Minimum required earnings per resolution:	
Highest annual debt service	\$ 14,482,837
Coverage factor	<u>1.25</u>
Minimum required earnings	<u>\$ 18,103,546</u>
Actual debt coverage	<u>1.58</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Number of Customers and Billed Volumes, Water

The utility has the following number of customers and billed volumes during 2024 for:

	<u>Customers</u>	<u>Sales (000 gals)</u>
Residential	18,338	794,426
Multifamily residential	947	340,635
Commercial	1,271	317,790
Industrial	143	136,073
Public authority	112	54,143
Irrigation	174	5,520
Total	<u>20,985</u>	<u>1,648,587</u>

Lease Disclosures

Lessee - Lease Liabilities

Business-Type Activities

<u>Lease Liabilities Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Balance December 31, 2024</u>
Water tower easement	2012	2027	2.15%	\$ 46,719
Water tower easement	2011	2025	2.15	<u>20,660</u>
Total business-type activities				<u>\$ 67,379</u>

Years Ending December 31:

	<u>Business-Type Activities Lease Liabilities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 39,924	\$ 1,447
2026	20,488	590
2027	<u>6,967</u>	<u>150</u>
Total	<u>\$ 67,379</u>	<u>\$ 2,187</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Lessor - Lease Receivables

Business-Type Activities

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance December 31, 2024</u>
Water tower lease	2015	2044	2.15%	\$ 1,255,989
Water tower lease	2012	2026	2.15	86,515
Water tower lease	2012	2027	2.15	116,796
Water tower lease	2015	2030	2.15	271,324
Water tower lease	2015	2030	2.15	265,195
Water tower lease	2015	2030	2.15	265,195
Water tower lease	2011	2025	2.15	51,651
				<u>1,031,496</u>
Total business-type activities				<u>\$ 3,344,161</u>

The Utility recognized \$274,708 of lease revenue during 2024.

The Utility recognized \$86,907 of interest revenue during 2024.

Net Position/Fund Balances

Net position reported on the Government-Wide Statement of Net Position at December 31, 2024, includes the following:

Net investment in capital assets:

Land	\$ 32,984,870
Construction in progress	6,931,456
Intangible asset	1,091,594
Other capital assets, net of accumulated depreciation/amortization	275,639,493
Less long-term debt outstanding	(170,857,552)
Plus unspent capital related debt proceeds	17,133,499
Plus noncapital debt proceeds	17,526,543
Plus unamortized loss on refunding	307,335
Less unamortized debt premium	<u>(11,638,046)</u>

Total net investment in capital assets \$ 169,119,192

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2024, include the following:

Nonspendable

Major Funds:

General Fund:

Delinquent personal property taxes	\$ 96,941
Prepaid items	775,446
Inventories	<u>633,609</u>
Total	<u>\$ 1,505,996</u>

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Restricted

Major Funds:

Debt service, general	\$ 1,699,336
Debt service, TIF districts	184,544
Total	\$ 1,883,910

Nonmajor Funds:

Special Revenue Fund:

Lead abatement grant	\$ 225,568
Public works impact fees	221,011
Park development impact fees	244,815
Library impact fees	19,152
Police impact fees	12,217
Community development block grant	862,211
Housing development grant	1,054,254
American Rescue Plan Act	426,540
WHEDA loan program	1,012,243
Home rental rehab	76,184
Energy rental rehab	22,633
Confiscated property	142,996
State confiscated property	122,418

Subtotal	4,442,242
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Capital Projects Funds:

TIF Districts	46,416
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Permanent Funds:

Cemetery lot maintenance	2,078,227
Cemetery specific endowment	1,377,122
Library endowment	111,002
H.B. Mills recreation	28,417
Cemetery trust fund K	607,927

Subtotal	4,202,695
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Total	\$ 8,691,353
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City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Committed

Nonmajor Funds:

Special Revenue Fund:

Fire historical preservation	\$ 5,376
Citywide fiber maintenance	284,888
Lighted dome	7,339
Civic band donation	15,728
Development construction services	130,908
Community development programming	29,831
Affordable Housing Rehabilitation	759,754
Affordable Housing Development	1,113,745
Small Business Loan Program	50,266
Stabilization	4,853,999
Festival and special	21,117
Park and recreation Sponsorship Program	413,956
Library Café	6,235
K9 Program	40,534
Public Safety Memorial	1,651
Police crime prevention	5,004
Paramedics	8,413
Cemetery Trust Fund C	38,146

Subtotal	<u>7,786,890</u>
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Capital Projects Funds:

General improvement	<u>23,074,141</u>
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Total	<u>\$ 30,861,031</u>
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Assigned

Major Funds

General Fund:

Recruitment	\$ 36,574
Honor Guard	6,360
Body Armor	16,909
Library Books/Materials	12,989
Hazmat grant funding	2,154
Materials, Buildings and Grounds	2,450

Total	<u>\$ 77,046</u>
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Unassigned

Major Funds:

General Fund	<u>\$ 30,260,379</u>
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Total	<u>\$ 30,260,379</u>
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City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Business-Type Activities

Net investment in capital assets:	
Land	\$ 4,221,573
Construction in progress	23,076,562
Intangible asset	248,620
Other capital assets, net of accumulated depreciation/amortization	489,818,644
Property held for future use	435,090
Less long-term debt outstanding	(388,397,119)
Plus unspent capital related debt proceeds	223,847
Plus noncapital debt proceeds	621
Plus unamortized loss on refunding	358,168
Less unamortized debt premium	<u>(3,574,224)</u>
Total net investment in capital assets	<u>126,411,782</u>
Restricted:	
Equipment replacement	3,734,929
Debt service	<u>2,627,183</u>
Total restricted	<u>6,362,112</u>
Unrestricted	<u>92,346,717</u>
Total business-type activities net position	<u><u>\$ 225,120,611</u></u>

4. Other Information

Employees' Retirement System

General Information About the Pension Plan

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 1,200 hours a year 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, which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before December 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 period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

Year	Core Fund Adjustment %	Variable Fund Adjustment %
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)

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

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 and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category 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 \$4,832,485 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2024 are:

Employee Category	Employee	Employer
General (Executives and Elected Officials)	6.90 %	6.90 %
Protective with Social Security	6.90	14.30
Protective without Social Security	6.90	19.10

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

At December 31, 2024, the City reported a liability of \$5,511,403 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability 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 was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the City's proportion was 0.37068742%, which was an decrease of 0.00519433% from its proportion reported as of December 31, 2024.

For the year ended December 31, 2024, the City recognized pension expense (revenue) of \$3,460,688.

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 projected and actual experience	\$ 22,221,921	\$ 29,433,071
Changes in assumptions	2,402,262	-
Net difference between projected and actual investment earnings on pension plan investment	19,206,343	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	32,858	64,581
Employer contributions subsequent to the measurement date	5,188,225	-
Total	\$ 49,051,609	\$ 29,497,652

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

\$5,188,225 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 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:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ 2,938,203
2026	3,074,780
2027	12,049,017
2028	(3,696,268)

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:	Frozen Entry Age
Asset valuation method:	5-Year smoothed value
Long-term expected rate of return:	6.8%
Discount rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement adjustments*:	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

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.

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns* as of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
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***	(12)	3.7	1.0
Total Core Fund***	100	7.4	4.6
Variable Fund Asset			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

** New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.7%

*** The 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%.

Single Discount Rate

A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% 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 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's proportionate share of the net pension liability (asset)	\$ 53,270,370	\$ 5,511,403	\$ (27,907,567)

Pension Plan Fiduciary Net Position

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

At December 31, 2024, the City reported a payable to the pension plan of \$744,402, which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City purchases commercial insurance to provide coverage for losses from torts; theft of, damage to or destruction of assets; errors and omission; and workers compensation. However, other risks, such as healthcare and dental are accounted for and financed by the City in internal service funds.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Self-Insurance

For dental claims, the uninsured risk of loss is \$1,000 per incident and \$1,000 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

For health claims, the uninsured risk of loss is \$100,000 per incident and \$100,000 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the City participate in the risk management program. Amounts payable are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

	Dental	Health	Total
Unpaid claims, December 31, 2022	\$ 8,009	\$ 713,535	\$ 721,544
Current year claims in and changes in estimates	604,413	9,888,817	10,493,230
Claim payments	(597,931)	(9,387,182)	(9,985,113)
Unpaid claims, December 31, 2023	14,491	1,215,170	1,229,661
Current year claims in and changes in estimates	608,713	9,884,009	10,492,722
Claim payments	(616,953)	(10,194,128)	(10,811,081)
Unpaid claims, December 31, 2024	<u>\$ 6,251</u>	<u>\$ 905,051</u>	<u>\$ 911,302</u>

Commitments and Contingencies

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

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations. The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

The City has active construction projects as of December 31, 2024. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

The City has the following open contracts outstanding at year-end expected to be honored upon performance by the vendor:

Clean water utility	\$ 3,328,467
Capital Projects, public works improvement	1,327,127
Capital Projects, municipal improvements	102,739
General fund	6,311
Special Revenue, ARPA	2,095,000
Transit utility	55,720

Waukesha Water

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

On April 12, 1992, the state of Wisconsin commenced a legal action against the utility entitled State of Wisconsin, Department of Natural Resources vs. City of Waukesha Water Utility. Case No. 91-CV-1027 Circuit Court, Waukesha County, Wisconsin. case number 92-2530, Court of Appeals and Supreme Court of the State of Wisconsin. In that case the State requested judgment against the Utility for (1) an injunction requiring the Utility to bring its water supply system into compliance with Wisconsin Administrative Code No 109.50(1); (2) the forfeitures provided for in sections 144.99 Stats., for past violations of Wisconsin Administrative Code Sec. NR 109.50 and (3) a penalty assessment pursuant to Sect. 165.87(2) (Stats.).

Although the Federal legislation underpinning EPA regulations of radionuclides has been renewed, the EPA has examined the 1996 amendments to the Safe Drinking Water Act and taken the position that the contaminant level (MCL) of 5 pCi/L of radium in drinking water for Ra 226 and Ra 228, combined. The EPA conducted a new rulemaking proceeding and published a Notice of Data Availability and concluded the rulemaking in 2000.

In December 2000, the EPA finalized its rule for radium 226 and 228. In response to this rule, the City of Waukesha, doing business as the City of Waukesha Water Utility, petitioned the United States Court of Appeals, District of Columbia Circuit, in Washington, D.C. to review the rule promulgated by the EPA. The case City of Waukesha, et al. v. EPA, 01-1028, was heard on November 20, 2002. On February 25, 2003 the United States Court of Appeals ruled in favor of the EPA. As such, the municipality terminated the legal process and began negotiation with the Wisconsin Department of Natural Resources (WDNR) to develop a consent order/compliance agreement to bring the water supply into compliance with the radium standard. The municipality entered into a consent order/compliance agreement with the WDNR on December 19, 2003 and immediately began working towards compliance.

The agreement required the utility to develop new shallow wells, install treatment at some of the existing wells and blend the noncompliant water with the compliant water to bring the water supply into compliance with the radium standards. The estimated cost of the improvements is approximately \$13,500,000. The utility is balancing the radium compliance projects with the other projects that will become part of the long-term water supply strategy.

On September 22, 2008 the City of Waukesha was referred to the Department of Justice for Alleged Violations of Consent Order #2003-SEEE-107, by not meeting the December 8, 2006 timeline for providing drinking water that meets the Safe Drinking Water Standards for Radium. The Waukesha Water Utility worked with its legal counsel and the City of Waukesha Attorney to negotiate a settlement with the Department of Justice.

A settlement was successfully negotiated and was filed with the Clerk of Circuit Court in Waukesha County on March 30, 2009. The agreement required the City of Waukesha Water Utility to pay a judgment comprised of forfeitures and fees in the amount of fifty-five thousand (\$55,000). It also recognizes the efforts the utility has undertaken in regard to capital projects and water conservation. In addition, the utility is allowed to operate under strict operating conditions until June 30, 2018. At that date, the City must be in complete compliance with all federal and state drinking water radionuclide standards which require that the radionuclide-compliant water can be provided in the event of failure of the system's largest well. This may be accomplished by some combination of obtaining a new source of compliant water and by treating for radionuclide-removal and/or new sources of water. If the City fails to meet the strict operating guidelines before final compliance is accomplished, the City will be required to discontinue the supply of nonradionuclide-compliant water to the distribution system and shall meet state and federal radionuclide standards within three (3) years of such failure.

As a solution to the radionuclide issue, the City of Waukesha started an investigation of water supply alternatives. As a result of the investigation of water supply alternatives, the City of Waukesha has submitted an Application for Great Lakes Water with the WDNR. This application was updated in October 2013.

In January 2016, the WDNR concluded that Waukesha has no reasonable water supply alternative and qualifies for water under the Great Lakes Compact. It submitted the City of Waukesha's proposal to borrow Lake Michigan water to the governors and premieres of other Great Lakes states and provinces. On June 21, 2016 the Great Lakes-St. Lawrence River Basin Water Resources Council approved the City of Waukesha's application to secure water from Lake Michigan.

On August 19, 2016, Great Lakes and St. Lawrence Cities Initiative submitted a request for a hearing and Compact Council consideration of their Final Decision in the matter of Application by the City of Waukesha, Wisconsin for a diversion of Great Lakes water.

In July 2017, the City of Waukesha and Wisconsin Department of Justice reached an agreement to extend its deadline for compliance with radium standards in drinking water to September 1, 2023.

Since then, the Utility hired a Program Manager to complete the related permitting and design, a Construction Manager to perform constructability reviews and manage construction activities and a construction audit firm to review the resulting financial transactions. Additionally, the Utility entered into three contracts for construction of water infrastructure associated with the project. Construction began in January 2021.

Substantial completion for construction was issued in 2023 and on October 9, 2023, the Utility began the transition from ground water to surface water from Lake Michigan through Milwaukee Water Works. All customers were transitioned by the end of the day on October 14, 2023.

The DOJ and the Utility filed a satisfaction of judgment with the Clerk of Circuit Court on February 9, 2024. The judgment was listed as fully satisfied which means the Utility is now in compliance with all State and Federal drinking water radionuclide standards.

Construction Contract Dispute

S.J. Louis Construction, Inc., v. City of Waukesha, U.S. District Court, Eastern District of Wisconsin, case number 24-CV-272, filed February 29, 2024. Plaintiff seeks damages arising from numerous disputes in the construction of the return-flow pipeline and water supply pipeline for the Great Lakes water project. The Utility is not responsible for the return flow pipeline dispute, which is the larger portion of the construction dispute. Defense is being provided by an outside law firm with assistance from the City Attorney's office. The City will vigorously defend this lawsuit, and will assert any and all possible counterclaims. Although the City believes the claims have no merit, it is too early in the litigation to reliably evaluate any potential material adverse impact on the City.

Tax Incremental Financing

In 2014, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$600,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 22.

Payments are scheduled through the year 2030 and carry an interest rate of 1.00-3.00%. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$600,000. In 2025, it is anticipated that the developer will have met its obligations to the City. Correspondingly, it is expected that the City will make the \$600,000 payment to the developer fulfilling its obligation to the development.

In 2015, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$1,725,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 25.

Payments are scheduled through the year 2030. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$790,513.

In 2019, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was for \$1,786,421 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 24.

Payments are scheduled through the year 2045. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amounts of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$1,581,612.

In 2020, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was for \$3,700,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 27.

Payments are scheduled through the year 2048. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amounts of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$2,814,324.

In 2021, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was for \$6,825,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 28.

Payments are scheduled through the year 2041. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amounts of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$6,311,518.

In 2021, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was for \$3,562,212 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 30.

Payments are scheduled through the year 2049. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amounts of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was for \$3,512,333.

In 2022, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was for \$4,750,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 26.

Payments are scheduled through the year 2047. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amounts of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. In 2022, the City committed an incentive grant, as part of the development agreement. The amount of the incentive grants was for \$1,000,000 payable upon issuance of occupancy permit for the development. In 2024, the occupancy obligation was met by the developer and the \$1,000,000 incentive grant was paid to the developer. The balance outstanding at year-end was \$4,750,000.

The City, through its Tax Incremental Financing Districts (TIDs) has entered into tax abatement agreements with developers in the form of a tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plans and related development agreements. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid. The incentives are calculated based on tax increment earned less specific annual obligations of the TID. Incentives are considered due and payable only after those other annual obligations of the TID have been satisfied. The developer commitments include construction of private development which must meet specific valuation benchmarks and be maintained throughout the life of the TIDs. Aggregate incentive payments for the year ended December 31, 2024 were \$2,018,802.

Other Postemployment Benefits**General Information About The OPEB Plan****Plan Description**

The City administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance contributions for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive lifetime healthcare insurance at established contribution rates. The City Water Utility administers a defined benefit OPEB plan that provides OPEB for all permanent full-time employees of the Utility. The City and Utility have no assets that are accumulated in a trust that meet the criteria in paragraph 4 of Statement 75. The Retiree Health Plan does not issue a publicly available financial report.

Benefits Provided

The City offers postemployment medical benefits for employees who retire with a minimum of 15 years of continuous service for sworn police and fire services and 10 years of employment for general employees. For police and fire retirees, the City will pay 50% of the premium until the retiree ceases to pay their portion of the premium or until they become eligible for Medicare. All other retirees are required to pay 100% of the premium after any applicable accrued sick leave balance is exhausted. The police and fire benefits were established through collective bargaining and may only be amended through negotiations between the City and the unions. The general employees' benefits are governed by City Human Resources Policy and can be amended by the Common Council. The Water Utility offers postemployment medical benefits for retirees and their dependents that retired with 20 years of service and were hired and were on the payroll as of January 1, 1994. The portion of the premiums paid by the utility will be in accordance with the utility policy language governing premium payment in effect for active employees. Employees hired after January 1, 1994 can choose to stay on the utility's policy on their own expense until they reached age 65. The current benefit structure is determined by the commission through contract negotiations.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	113
Inactive plan members entitled to but not yet receiving benefit payments	
Active plan members	461
Total plan members	574

Total OPEB Liability

The City's total OPEB liability of \$34,948,120 was measured as of December 31, 2024 and was determined by an actuarial valuation as of January 1, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Discount rate	4.08%
Salary increases	2% annual salary increase
Health cost trend rates	8.0% for 2024, decreasing by 1.4% for 2024 then decreasing to an ultimate rate of 5.0% for 2033 and later years
Retirees' share of benefit-related costs	City PPO, \$500 per member, \$1,000 per family City NonPPO \$1,350 per member, \$2,700 per family Water PPO, \$1,500 per member, \$3,000 per family Water NonPPO, \$2,250 per member, \$4,500 per family

The discount rate was based on a calculation performed by the actuary.

Mortality rates were based on rates from the *Wisconsin Retirement System Experience Study Report* dated November 19, 2021 with the MP-2018 generational improvement scale (multiplied by 50%).

The actuarial assumptions used in the January 1, 2024 valuation were based on rates from the *Wisconsin Retirement System Experience Study Report* dated November 19, 2021.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance December 31, 2023	\$ 36,267,839
Changes for the year:	
Service cost	1,785,950
Interest	1,160,476
Effect of assumption changes	(2,925,349)
Difference between expected and actual experience	-
Benefits payments	<u>(1,340,796)</u>
Net changes	<u>(1,319,719)</u>
Balance December 31, 2024	<u>\$ 34,948,120</u>

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 (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$ 38,555,478	\$ 34,948,120	\$ 31,754,743

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0%)	Discount Rate (8.0%)	1% Increase (9.0%)
Total OPEB liability	\$ 30,720,806	\$ 34,948,120	\$ 39,973,689

OPEB Expense

For the year ended December 31, 2024, the City recognized OPEB expense of \$2,797,002.

City of Waukesha, Wisconsin

Notes to Financial Statements

December 31, 2024

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 1,938,650	\$ 2,277,168
Changes in actuarial assumptions	6,208,246	7,948,505
Total	<u>\$ 8,146,896</u>	<u>\$ 10,225,673</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ (149,424)
2026	(149,424)
2027	(149,424)
2027	(149,424)
2029	(149,424)
Thereafter	(1,331,657)

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

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

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

Benefits Provided

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

Contributions

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

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

Contribution rates for the plan year reported as of December 31, 2024 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees 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 plan year are as listed below:

Life Insurance Member Contribution Rates for the Plan Year		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

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

During the reporting period, the LRLIF recognized \$15,302 in contributions from the employer.

OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2024, the City reported a liability of \$3,454,617 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023 and the total OPEB liability used to calculate the net OPEB liability 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 was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2024, the City's proportion was 0.75089700%, which was an decrease of 0.03175400% from its proportion reported as of December 31, 2023.

For the year ended December 31, 2024, the City recognized OPEB expense of \$256,517.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 305,743
Changes of actuarial assumptions	1,080,633	1,360,354
Net differences between projected and investment earnings on plan investments	46,671	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	195,738	171,524
Employer contributions subsequent to the measurement date	14,884	-
Total	<u>\$ 1,337,926</u>	<u>\$ 1,837,621</u>

\$14,884 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability 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 as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ (19,029)
2026	25,806
2027	(111,386)
2028	(208,180)
2029	(221,692)
Thereafter	19,902

Actuarial Assumptions

The net 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:	December 31, 2023
	January 1, 2018 - December 31, 2020
Experience Study:	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:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

* Based on the Bond Buyers 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.

Long-Term Expected Return on Plan Assets

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

**State OPEB Life Insurance Asset Allocation Targets and
Expected Returns as of December 31, 2023**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return Percent
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	40 %	2.32 %
U.S. Mortgages	Bloomberg U.S. MBS	60	2.52
Inflation			2.30
Long-term expected rate of return			4.25

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.

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

The following presents the utility's proportionate share of the net OPEB liability calculated using the discount rate of 3.32%, as well as what the utility's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
The City's proportionate share of the net OPEB liability	\$ 4,641,760	\$ 3,454,617	\$ 2,548,443

Subsequent Events

On May 20, 2025, the City issued General Obligation Promissory Notes (Series 2025A) in the amount of \$10,900,000 with an interest rate of 3.50-5.00% for capital projects including the City's Community Investment Program.

Related Organizations

Housing Authority

The City's officials are responsible for appointing the board members of the Waukesha Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

Effect of New Accounting Standards on Current-Period Financial Statements

The GASB has approved the following:

- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -**

General Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Taxes	\$ 53,531,646	\$ 53,531,646	\$ 53,716,722	\$ 185,076
Intergovernmental	13,004,154	13,004,154	13,434,536	430,382
Licenses and permits	1,998,330	1,998,330	2,360,496	362,166
Fines, forfeitures and penalties	515,500	515,500	716,015	200,515
Public charges for services	4,659,128	4,659,128	4,961,288	302,160
Interdepartmental charges	1,544,526	1,604,526	1,722,397	117,871
Investment income	951,610	951,610	4,205,746	3,254,136
Miscellaneous revenues	297,438	297,438	477,912	180,474
	<u>76,502,332</u>	<u>76,562,332</u>	<u>81,595,112</u>	<u>5,032,780</u>
Expenditures				
Current:				
General government	12,040,793	12,045,363	11,940,718	104,645
Public safety	40,108,212	40,122,798	40,122,555	243
Public works	10,012,114	10,021,402	9,371,539	649,863
Sanitation	3,451,998	3,451,998	3,401,980	50,018
Culture and recreation	10,416,436	10,465,197	10,240,411	224,786
Conservation and development	2,186,135	2,186,135	2,214,915	(28,780)
Capital outlay	54,000	54,000	212,074	(158,074)
	<u>78,269,688</u>	<u>78,346,893</u>	<u>77,504,192</u>	<u>842,701</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,767,356)</u>	<u>(1,784,561)</u>	<u>4,090,920</u>	<u>5,875,481</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	1,000	1,000	224,559	223,559
Transfers in	3,884,017	3,824,017	2,427,505	(1,396,512)
Transfers out	(2,117,661)	(2,138,470)	(1,873,381)	265,089
	<u>1,767,356</u>	<u>1,686,547</u>	<u>778,683</u>	<u>(907,864)</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ (98,014)</u>	<u>4,869,603</u>	<u>\$ 4,967,617</u>
Fund Balance, Beginning			<u>26,974,178</u>	
Fund Balance, Ending			<u>\$ 31,843,781</u>	

See notes to required supplementary information

City of Waukesha, Wisconsin

Schedule of Changes in the Total OPEB Liability
and Related Ratios
Year Ended December 31, 2024

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service cost	\$ 1,409,074	\$ 1,374,488	\$ 1,539,881	\$ 1,489,703	\$ 1,487,207	\$ 2,142,015	\$ 1,359,026	\$ 1,785,950
Interest	1,011,812	1,050,207	850,493	937,893	886,178	825,671	1,248,050	1,160,476
Effect of assumption changes	-	-	2,091,155	-	3,802,690	(7,951,561)	3,783,105	(2,925,349)
Difference between expected and actual	-	-	144,897	-	3,253,718	-	(2,889,310)	-
Benefit payments	(1,453,822)	(1,504,488)	(1,662,257)	(1,745,665)	(1,617,162)	(1,529,466)	(1,565,543)	(1,340,796)
Net Change in Total OPEB Liability	967,064	920,207	2,964,169	681,931	7,812,631	(6,513,341)	1,935,328	(1,319,719)
Total OPEB Liability, Beginning	<u>27,499,850</u>	<u>28,466,914</u>	<u>29,387,121</u>	<u>32,351,290</u>	<u>33,033,221</u>	<u>40,845,852</u>	<u>34,332,511</u>	<u>36,267,839</u>
Total OPEB Liability, Ending	<u>\$ 28,466,914</u>	<u>\$ 29,387,121</u>	<u>\$ 32,351,290</u>	<u>\$ 33,033,221</u>	<u>\$ 40,845,852</u>	<u>\$ 34,332,511</u>	<u>\$ 36,267,839</u>	<u>\$ 34,948,120</u>
Covered-employee payroll	<u>\$ 37,756,537</u>	<u>\$ 39,442,981</u>	<u>\$ 43,435,315</u>	<u>\$ 44,372,491</u>	<u>\$ 45,338,530</u>	<u>\$ 46,531,749</u>	<u>\$ 47,462,384</u>	<u>\$ 48,411,632</u>
Total OPEB Liability as a Percentage of Covered-Employee Payroll	75.40%	74.51%	74.48%	74.45%	90.09%	73.78%	76.41%	72.19%

Notes to schedule:

Valuation date:

Actuarial valuation date for December 31, 2023 is as of January 1, 2024.

Actuarial assumptions and other inputs. The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.08%
Inflation	2.25%
Health cost trend rates	8.0% for 2024, decreasing by 1.4% for 2024 then decreasing to an ultimate rate of 5.0% for 2033 and later years
Retirees' share of benefit-related costs	City PPO - \$500 per Member, \$1,000 per Family City Non-PPO \$1,350 per Member, \$2,700 per Family Water PPO - \$1,500 per Member, \$3,000 per Family Water Non-PPO \$2,250 per Member, \$4,500 per Family

The discount rate was based on a calculation performed by the actuary.

Mortality rates were based on the Wisconsin Retirement System Experience Study Report dated November 19, 2021 with 50% of the MP-2021 Improvement Scale.

The actuarial assumptions used in the January 1, 2024 valuation were based on rates from the Wisconsin Retirement System Experience Study Report dated November 19, 2021.

See notes to required supplementary information

City of Waukesha, Wisconsin

Schedule of Proportionate Share of the Net OPEB Liability -
Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2024

LRLIF Year End Date	Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Net OPEB Liability
12/31/2017	0.72034700 %	\$ 2,167,222	\$ 30,292,652	7.15 %	44.81 %
12/31/2018	0.73424800 %	1,894,608	36,345,000	5.21 %	48.69 %
12/31/2019	0.72975400 %	3,107,435	37,637,000	8.26 %	37.58 %
12/31/2020	0.70803600 %	3,894,709	38,029,000	10.24 %	31.36 %
12/31/2021	0.76090200 %	4,497,212	40,501,000	11.10 %	29.57 %
12/31/2022	0.78265100 %	2,981,765	40,098,000	7.44 %	38.81 %
12/31/2023	0.75089700 %	3,454,617	40,094,000	8.62 %	33.90 %

Schedule of Employer Contributions
Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2024

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
12/31/2018	\$ 14,194	\$ 14,194	\$ -	\$ 39,442,981	0.04 %
12/31/2019	14,470	14,470	-	40,833,125	0.04 %
12/31/2020	14,139	14,139	-	42,565,268	0.03 %
12/31/2021	15,353	15,353	-	42,758,611	0.04 %
12/31/2022	15,895	15,895	-	43,696,027	0.04 %
12/31/2023	15,443	15,443	-	43,972,950	0.04 %
12/31/2024	14,884	14,884	-	44,425,961	0.03 %

See notes to required supplementary information

City of Waukesha, Wisconsin

Schedule of Proportionate Share of the Net Pension Liability (Asset) -

Wisconsin Retirement System

Year Ended December 31, 2024

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2014	0.33058285 %	\$ 8,120,019	\$ 35,230,655	23.05 %	102.74 %
12/31/2015	0.33038575 %	5,368,704	36,421,255	14.74 %	98.20 %
12/31/2016	0.33494529 %	2,760,749	37,036,490	7.45 %	99.12 %
12/31/2017	0.34296598 %	(10,183,066)	37,756,537	26.97 %	102.93 %
12/31/2018	0.35375569 %	12,585,518	39,442,981	31.91 %	96.45 %
12/31/2019	0.36307909 %	(11,707,327)	40,833,125	28.67 %	102.96 %
12/31/2020	0.37138155 %	(23,185,865)	42,565,267	54.47 %	105.26 %
12/31/2021	0.37307520 %	(30,070,547)	42,758,610	70.33 %	106.02 %
12/31/2022	0.37588175 %	19,913,101	43,693,026	45.58 %	95.72 %
12/31/2023	0.37068742 %	5,511,403	43,972,924	12.53 %	98.85 %

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2024

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
12/31/2016	\$ 3,206,552	\$ 3,206,552	\$ -	\$ 36,421,255	8.80 %
12/31/2016	3,271,236	3,271,236	-	37,036,490	8.83 %
12/31/2017	3,684,428	3,684,428	-	37,756,537	9.76 %
12/31/2018	3,851,536	3,851,536	-	39,442,981	9.76 %
12/31/2019	3,949,363	3,949,363	-	40,833,125	9.67 %
12/31/2020	4,333,405	4,333,405	-	42,565,268	10.18 %
12/31/2021	4,360,020	4,360,020	-	42,758,611	10.20 %
12/31/2022	4,444,827	4,444,827	-	43,693,027	10.17 %
12/31/2023	4,839,420	4,839,420	-	43,972,950	11.01 %
12/31/2024	5,188,225	5,188,225	-	44,425,961	11.68 %

See notes to required supplementary information

1. Budgetary Information

Budgetary information is derived from the Annual Operating Budget and is presented using the same basis of accounting for each fund as described in Note 1.

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

Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$77,046. Budgets are adopted at the department level of expenditure.

2. Wisconsin Retirement System

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

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 postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

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

3. Local Retiree Life Insurance Fund (LRLIF)

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

Changes of benefit terms. There were no recent changes in benefit terms.

Changes of 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 5.0% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

City of Waukesha, Wisconsin**Schedule of Revenues and Other Financing Sources - Budget and Actual -**

General Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Taxes				
General property taxes	\$ 52,300,000	\$ 52,300,000	\$ 52,300,000	\$ -
Omitted taxes	5,000	5,000	8,070	3,070
Delinquent taxes and interest	144,000	144,000	126,056	(17,944)
Mobile home taxes	29,000	29,000	32,246	3,246
Occupancy (room) tax	923,646	923,646	1,100,577	176,931
Payment in lieu of taxes	130,000	130,000	149,773	19,773
Total taxes	53,531,646	53,531,646	53,716,722	185,076
Intergovernmental Revenues				
Federal aid, OCDETF	-	-	41,378	41,378
Federal aid, secret service	-	-	19,108	19,108
Federal aid, law enforcement	16,000	16,000	176,988	160,988
State shared revenues	1,919,459	1,919,459	1,844,825	(74,634)
State shared revenues-expenditure restraint	2,576,578	2,576,578	2,576,578	-
State fire insurance tax	315,785	315,785	348,430	32,645
State payment for municipal services	284,297	284,297	261,567	(22,730)
State aid, law enforcement	-	-	27,360	27,360
State aid, general highway	4,800,000	4,800,000	4,932,982	132,982
State aid, ambulance	50,000	50,000	10,415	(39,585)
State aid, exempt computer	680,275	680,275	679,927	(348)
State aid, other	164,814	164,814	164,815	1
Other state payments	300,000	300,000	410,025	110,025
County aid, library	1,218,701	1,218,701	1,218,701	-
Other grants	678,245	678,245	721,437	43,192
Total intergovernmental revenues	13,004,154	13,004,154	13,434,536	430,382
Licenses and Permits				
Licenses	165,080	165,080	180,557	15,477
Nonbusiness licenses	14,600	14,600	16,994	2,394
Building permits and inspection fees	1,062,000	1,062,000	1,465,069	403,069
Cable TV franchise fee	600,000	600,000	529,580	(70,420)
Property tax exemption fees	1,250	1,250	1,175	(75)
Other permits and inspection fees	155,400	155,400	167,121	11,721
Total licenses and permits	1,998,330	1,998,330	2,360,496	362,166
Fines, Forfeitures and Penalties				
Law and ordinance violations	515,500	515,500	716,015	200,515

City of Waukesha, Wisconsin

Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Public Charges for Services				
General government fees	\$ 75,180	\$ 75,180	\$ 84,849	\$ 9,669
Law enforcement fees	65,000	65,000	79,991	14,991
Fire department fees	39,221	39,221	48,720	9,499
Ambulance	2,556,772	2,556,772	2,663,394	106,622
Safety inspections	284,000	284,000	278,410	(5,590)
Public works	800	800	315	(485)
Engineering	31,000	31,000	43,232	12,232
Snow and ice control	7,500	7,500	5,523	(1,977)
Library	72,000	72,000	72,671	671
Recreation	1,515,055	1,515,055	1,645,819	130,764
Weed, tall grass and inspection fees	5,600	5,600	15,669	10,069
Trees	7,000	7,000	22,695	15,695
Total public charges for services	<u>4,659,128</u>	<u>4,659,128</u>	<u>4,961,288</u>	<u>302,160</u>
Interdepartmental Charges				
General government services	582,026	642,026	676,971	34,945
Planning and zoning	119,000	119,000	110,700	(8,300)
Public works	40,000	40,000	177,342	137,342
Engineering	803,500	803,500	757,384	(46,116)
Total interdepartmental charges	<u>1,544,526</u>	<u>1,604,526</u>	<u>1,722,397</u>	<u>117,871</u>
Investment Income				
Investment income	<u>951,610</u>	<u>951,610</u>	<u>4,205,746</u>	<u>3,254,136</u>
Miscellaneous Revenues				
Insurance recoveries	58,000	58,000	142,305	84,305
Property rental	35,788	35,788	40,687	4,899
Donations	4,000	4,000	14,140	10,140
Miscellaneous	199,650	199,650	280,780	81,130
Total miscellaneous revenues	<u>297,438</u>	<u>297,438</u>	<u>477,912</u>	<u>180,474</u>
Total revenues	<u>76,502,332</u>	<u>76,562,332</u>	<u>81,595,112</u>	<u>5,032,780</u>
Other Financing Sources				
Proceeds from sale of capital assets	1,000	1,000	224,559	223,559
Transfers in	3,884,017	3,824,017	2,427,505	(1,396,512)
Total other financing sources	<u>3,885,017</u>	<u>3,825,017</u>	<u>2,652,064</u>	<u>(1,172,953)</u>
Total revenues and other financing sources	<u>\$ 80,387,349</u>	<u>\$ 80,387,349</u>	<u>\$ 84,247,176</u>	<u>\$ 3,859,827</u>

City of Waukesha, Wisconsin

Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
General Government				
City council	\$ 111,330	\$ 111,330	\$ 107,679	\$ 3,651
Municipal court	401,807	401,807	386,854	14,953
Legal	750,710	750,710	610,290	140,420
Mayor's office	249,034	249,034	226,158	22,876
City administrator	752,723	761,952	844,559	(82,607)
Personnel	475,960	475,960	423,179	52,781
Elections	207,819	207,819	149,290	58,529
Labor relations	35,000	68,141	31,967	36,174
Data processing	3,750,169	3,750,169	3,717,274	32,895
Accounting	1,040,275	1,040,275	998,212	42,063
Clerk/treasurer	748,205	748,205	609,868	138,337
Assessor	588,611	550,811	492,979	57,832
Illegal taxes and refunds	20,000	20,000	200,718	(180,718)
City hall	368,150	368,150	391,634	(23,484)
Property and liability insurance	1,214,000	1,214,000	1,291,293	(77,293)
Other insurance	782,000	782,000	730,019	51,981
Other general government	520,000	520,000	696,884	(176,884)
Contingency	25,000	25,000	31,861	(6,861)
Total general government	<u>12,040,793</u>	<u>12,045,363</u>	<u>11,940,718</u>	<u>104,645</u>
Public Safety				
Police department	21,856,309	21,870,895	21,659,671	211,224
Emergency government	15,797	15,797	16,549	(752)
Fire department	16,523,251	16,523,251	16,634,147	(110,896)
Building inspections	1,152,921	1,152,921	1,154,708	(1,787)
Other	559,934	559,934	657,480	(97,546)
Total public safety	<u>40,108,212</u>	<u>40,122,798</u>	<u>40,122,555</u>	<u>243</u>

City of Waukesha, Wisconsin

Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Public Works				
Roadway and streets maintenance	\$ 473,156	\$ 482,444	\$ 447,074	\$ 35,370
Engineering	3,026,317	3,026,317	2,566,323	459,994
General public works	4,240,161	4,240,161	4,018,326	221,835
Storm sewers	60,000	60,000	62,136	(2,136)
Snow and ice removal	651,500	651,500	618,200	33,300
Fleet maintenance	990,059	990,059	1,083,233	(93,174)
Street lighting	557,240	557,240	556,074	1,166
Weed and tall grass cutting	13,681	13,681	20,173	(6,492)
Total public works	<u>10,012,114</u>	<u>10,021,402</u>	<u>9,371,539</u>	<u>649,863</u>
Sanitation				
Solid waste disposal	<u>3,451,998</u>	<u>3,451,998</u>	<u>3,401,980</u>	<u>50,018</u>
Culture and Recreation				
Public library	4,483,637	4,532,398	4,458,706	73,692
Pools	672,431	672,431	662,906	9,525
Recreation programs	1,221,028	1,221,028	1,306,879	(85,851)
Parks administration	763,041	763,041	699,085	63,956
Parks maintenance	3,226,907	3,226,907	3,057,341	169,566
Festivals	49,392	49,392	55,494	(6,102)
Total culture and recreation	<u>10,416,436</u>	<u>10,465,197</u>	<u>10,240,411</u>	<u>224,786</u>
Conservation and Development				
Forestry	1,285,346	1,285,346	1,284,403	943
Planning commission	<u>900,789</u>	<u>900,789</u>	<u>930,512</u>	<u>(29,723)</u>
Total conservation and development	<u>2,186,135</u>	<u>2,186,135</u>	<u>2,214,915</u>	<u>(28,780)</u>
Capital Outlay				
Capital outlay	<u>54,000</u>	<u>54,000</u>	<u>212,074</u>	<u>(158,074)</u>
Total expenditures	<u>78,269,688</u>	<u>78,346,893</u>	<u>77,504,192</u>	<u>842,701</u>
Other Financing Uses				
Transfers out	<u>2,117,661</u>	<u>2,138,470</u>	<u>1,873,381</u>	<u>265,089</u>
Total expenditures and other financing uses	<u>\$ 80,387,349</u>	<u>\$ 80,485,363</u>	<u>\$ 79,377,573</u>	<u>\$ 1,107,790</u>

City of Waukesha, Wisconsin

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2024

	Special Revenue Funds			
	Fire Historical Preservation	Citywide Fiber Maintenance	Lead Abatement Grant	Lighted Dome
Assets				
Cash and investments	\$ 5,376	\$ 271,414	\$ 225,568	\$ 7,339
Receivables:				
Taxes	-	-	-	-
Accounts (net)	-	55,017	-	-
Loans (net)	-	-	-	-
Other	-	-	-	-
Due from other governmental units	-	-	-	-
Restricted cash	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 5,376</u>	<u>\$ 326,431</u>	<u>\$ 225,568</u>	<u>\$ 7,339</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)				
Liabilities				
Accounts payable	\$ -	\$ 41,543	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>41,543</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	-	-	225,568	-
Committed	5,376	284,888	-	7,339
Total fund balances	<u>5,376</u>	<u>284,888</u>	<u>225,568</u>	<u>7,339</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,376</u>	<u>\$ 326,431</u>	<u>\$ 225,568</u>	<u>\$ 7,339</u>

Special Revenue Funds

Park and Recreation Sponsorship Program	Development Construction Services	Public Works Impact Fees	Park Development Impact Fees	Library Impact Fees	Police Impact Fees
\$ 339,385	\$ 135,808	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
99,241	-	-	-	-	-
-	-	1,883,315	2,102,270	176,581	182,221
-	-	-	-	-	-
<u>\$ 438,626</u>	<u>\$ 135,808</u>	<u>\$ 1,883,315</u>	<u>\$ 2,102,270</u>	<u>\$ 176,581</u>	<u>\$ 182,221</u>
\$ 2,263	\$ 4,900	\$ -	\$ -	\$ -	\$ -
19,322	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>21,585</u>	<u>4,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
3,085	-	1,662,304	1,857,455	157,429	170,004
<u>3,085</u>	<u>-</u>	<u>1,662,304</u>	<u>1,857,455</u>	<u>157,429</u>	<u>170,004</u>
-	-	221,011	244,815	19,152	12,217
413,956	130,908	-	-	-	-
<u>413,956</u>	<u>130,908</u>	<u>221,011</u>	<u>244,815</u>	<u>19,152</u>	<u>12,217</u>
\$ 438,626	\$ 135,808	\$ 1,883,315	\$ 2,102,270	\$ 176,581	\$ 182,221

City of Waukesha, Wisconsin

Combining Balance Sheet -
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Special Revenue Funds			
	Civic Band Donation	Community Development Programming	Community Development Block Grant	Housing Development Grant
Assets				
Cash and investments	\$ 15,728	\$ 29,831	\$ -	\$ 272,180
Receivables:				
Taxes	-	-	-	-
Accounts (net)	-	-	25,684	-
Special assessments	-	-	-	-
Loans (net)	-	-	940,032	782,074
Other	-	-	-	-
Due from other governmental units	-	-	188,957	-
Restricted cash	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 15,728</u>	<u>\$ 29,831</u>	<u>\$ 1,154,673</u>	<u>\$ 1,054,254</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 5,922	\$ -
Accrued liabilities	-	-	58	-
Due to other funds	-	-	286,482	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>292,462</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	-	-	862,211	1,054,254
Committed	15,728	29,831	-	-
Total fund balances	<u>15,728</u>	<u>29,831</u>	<u>862,211</u>	<u>1,054,254</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,728</u>	<u>\$ 29,831</u>	<u>\$ 1,154,673</u>	<u>\$ 1,054,254</u>

Special Revenue Funds					
Affordable Housing Rehabilitation	Affordable Housing Development	Small Business Loan Program	Stabilization	Library Café	American Rescue Plan Act
\$ 101,453	\$ 963,685	\$ 50,266	\$ 4,853,999	\$ 9,085	\$ 3,186,180
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
666,022	150,060	1,380,974	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 767,475</u>	<u>\$ 1,113,745</u>	<u>\$ 1,431,240</u>	<u>\$ 4,853,999</u>	<u>\$ 9,085</u>	<u>\$ 3,186,180</u>
\$ 7,721	\$ -	\$ -	\$ -	\$ 168	\$ 50,175
-	-	-	-	2,373	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,709,465
-	-	-	-	-	-
<u>7,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,541</u>	<u>2,759,640</u>
-	-	1,380,974	-	-	-
-	-	-	-	309	-
-	-	1,380,974	-	309	-
-	-	-	-	-	426,540
<u>759,754</u>	<u>1,113,745</u>	<u>50,266</u>	<u>4,853,999</u>	<u>6,235</u>	<u>-</u>
<u>759,754</u>	<u>1,113,745</u>	<u>50,266</u>	<u>4,853,999</u>	<u>6,235</u>	<u>426,540</u>
<u>\$ 767,475</u>	<u>\$ 1,113,745</u>	<u>\$ 1,431,240</u>	<u>\$ 4,853,999</u>	<u>\$ 9,085</u>	<u>\$ 3,186,180</u>

City of Waukesha, Wisconsin

Combining Balance Sheet -
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Special Revenue Funds			
	Festival and Special Activities	K9 Program	Public Safety Memorial	Police Crime Prevention
Assets				
Cash and investments	\$ 24,922	\$ 44,537	\$ 1,651	\$ 5,004
Receivables:				
Taxes	-	-	-	-
Accounts (net)	-	-	-	-
Loans (net)	-	-	-	-
Other	-	-	-	-
Due from other governmental units	-	-	-	-
Restricted cash	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 24,922</u>	<u>\$ 44,537</u>	<u>\$ 1,651</u>	<u>\$ 5,004</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)				
Liabilities				
Accounts payable	\$ 3,805	\$ 4,003	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>3,805</u>	<u>4,003</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	-	-	-	-
Committed	<u>21,117</u>	<u>40,534</u>	<u>1,651</u>	<u>5,004</u>
Total fund balances	<u>21,117</u>	<u>40,534</u>	<u>1,651</u>	<u>5,004</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 24,922</u>	<u>\$ 44,537</u>	<u>\$ 1,651</u>	<u>\$ 5,004</u>

Special Revenue Funds					
WHEDA Loan Program	Home Rental Rehab	Energy Rental Rehab	Paramedics	Confiscated Property	State Confiscated Property
\$ 374,960	\$ 61,184	\$ 22,133	\$ 12,393	\$ 142,996	\$ 124,017
-	-	-	-	-	-
-	-	-	-	-	-
637,283	15,000	500	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,012,243</u>	<u>\$ 76,184</u>	<u>\$ 22,633</u>	<u>\$ 12,393</u>	<u>\$ 142,996</u>	<u>\$ 124,017</u>
\$ -	\$ -	\$ -	\$ 3,980	\$ -	\$ 1,599
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,980	-	1,599
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,012,243	76,184	22,633	-	142,996	122,418
-	-	-	8,413	-	-
<u>1,012,243</u>	<u>76,184</u>	<u>22,633</u>	<u>8,413</u>	<u>142,996</u>	<u>122,418</u>
<u>\$ 1,012,243</u>	<u>\$ 76,184</u>	<u>\$ 22,633</u>	<u>\$ 12,393</u>	<u>\$ 142,996</u>	<u>\$ 124,017</u>

City of Waukesha, Wisconsin

Combining Balance Sheet -
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Special Revenue Fund	Capital Projects Funds		
	Cemetery Trust Fund C	General Improvement	Fleet Replacement	TIF Districts
Assets				
Cash and investments	\$ 38,146	\$ 25,099,861	\$ -	\$ 43,877
Receivables:				
Taxes	-	1,291,729	-	-
Accounts (net)	-	174,130	-	-
Loans (net)	-	-	-	2,539
Other	-	1,648,128	-	-
Due from other governmental units	-	-	-	-
Restricted cash	-	-	-	-
Prepaid items	-	3,747	-	-
Total assets	<u>\$ 38,146</u>	<u>\$ 28,217,595</u>	<u>\$ -</u>	<u>\$ 46,416</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)				
Liabilities				
Accounts payable	\$ -	\$ 1,923,294	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deposits	-	1,179,067	-	-
Unearned revenues	-	-	-	-
Advances from other funds	-	327,000	-	-
Total liabilities	<u>-</u>	<u>3,429,361</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	-	422,364	-	-
Unearned revenues	-	1,291,729	-	-
Total deferred inflows of resources	<u>-</u>	<u>1,714,093</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	-	-	-	46,416
Committed	38,146	23,074,141	-	-
Total fund balances	<u>38,146</u>	<u>23,074,141</u>	<u>-</u>	<u>46,416</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 38,146</u>	<u>\$ 28,217,595</u>	<u>\$ -</u>	<u>\$ 46,416</u>

Permanent Funds					Total Nonmajor Governmental Funds
Cemetery Lot Maintenance	Cemetery Specific Endowment	Library Endowment	H.B. Mills Recreation	Cemetery Trust Fund K	
\$ 2,135,191	\$ 1,476,074	\$ 115,911	\$ 29,939	\$ 607,927	\$ 40,828,020
-	-	-	-	-	1,291,729
-	-	-	-	-	254,831
-	-	-	-	-	4,574,484
-	-	-	-	-	1,648,128
-	-	-	-	-	288,198
-	-	-	-	-	4,344,387
-	-	-	-	-	3,747
<u>\$ 2,135,191</u>	<u>\$ 1,476,074</u>	<u>\$ 115,911</u>	<u>\$ 29,939</u>	<u>\$ 607,927</u>	<u>\$ 53,233,524</u>
\$ -	\$ -	\$ 4,909	\$ -	\$ -	\$ 2,054,282
-	-	-	-	-	21,753
56,964	98,952	-	1,522	-	443,920
-	-	-	-	-	1,179,067
-	-	-	-	-	2,709,465
-	-	-	-	-	327,000
<u>56,964</u>	<u>98,952</u>	<u>4,909</u>	<u>1,522</u>	<u>-</u>	<u>6,735,487</u>
-	-	-	-	-	1,803,338
-	-	-	-	-	5,142,315
-	-	-	-	-	6,945,653
2,078,227	1,377,122	111,002	28,417	607,927	8,691,353
-	-	-	-	-	30,861,031
<u>2,078,227</u>	<u>1,377,122</u>	<u>111,002</u>	<u>28,417</u>	<u>607,927</u>	<u>39,552,384</u>
<u>\$ 2,135,191</u>	<u>\$ 1,476,074</u>	<u>\$ 115,911</u>	<u>\$ 29,939</u>	<u>\$ 607,927</u>	<u>\$ 53,233,524</u>

City of Waukesha, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

Nonmajor Governmental Funds

Year Ended December 31, 2024

	Special Revenue Funds			
	Fire Historical Preservation	Citywide Fiber Maintenance	Lead Abatement Grant	Lighted Dome
Revenues				
Intergovernmental	\$ -	\$ 91,489	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	-	-	-	-
Interdepartmental charges	-	11,863	-	-
Special assessments	-	-	-	-
Investment income	238	13,375	-	324
Miscellaneous revenues	1,000	-	-	-
Total revenues	1,238	116,727	-	324
Expenditures				
Current:				
General government	-	-	-	-
Public safety	781	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	133,268	-	-
Total expenditures	781	133,268	-	-
Excess (deficiency) of revenues over (under) expenditures	457	(16,541)	-	324
Other Financing Sources (Uses)				
Long-term debt issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	457	(16,541)	-	324
Fund Balance, Beginning	4,919	301,429	225,568	7,015
Fund Balance, Ending	\$ 5,376	\$ 284,888	\$ 225,568	\$ 7,339

Special Revenue Funds

Park and Recreation Sponsorship Program	Development Construction Services	Public Works Impact Fees	Park Development Impact Fees	Library Impact Fees	Police Impact Fees
\$ 175,624	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,419,536	100,000	-	50,974	-	13,423
-	-	-	-	-	-
-	-	-	-	-	-
17,329	-	71,970	74,571	7,149	5,461
181,195	-	-	-	-	-
<u>1,793,684</u>	<u>100,000</u>	<u>71,970</u>	<u>125,545</u>	<u>7,149</u>	<u>18,884</u>
-	-	-	-	-	-
542	-	-	-	-	-
1,758,313	-	-	-	-	-
-	58,630	-	-	-	-
-	-	-	-	-	-
<u>1,758,855</u>	<u>58,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>34,829</u>	<u>41,370</u>	<u>71,970</u>	<u>125,545</u>	<u>7,149</u>	<u>18,884</u>
-	-	-	-	-	-
-	-	-	-	-	-
10,000	-	-	-	-	-
-	-	-	(50,974)	-	(13,423)
<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(50,974)</u>	<u>-</u>	<u>(13,423)</u>
44,829	41,370	71,970	74,571	7,149	5,461
<u>369,127</u>	<u>89,538</u>	<u>149,041</u>	<u>170,244</u>	<u>12,003</u>	<u>6,756</u>
<u>\$ 413,956</u>	<u>\$ 130,908</u>	<u>\$ 221,011</u>	<u>\$ 244,815</u>	<u>\$ 19,152</u>	<u>\$ 12,217</u>

City of Waukesha, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

Nonmajor Governmental Funds

Year Ended December 31, 2024

	Special Revenue Funds			
	Civic Band Donation	Community Development Programming	Community Development Block Grant	Housing Development Grant
Revenues				
Intergovernmental	\$ -	\$ -	\$ 133,400	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	-	-	-	-
Interdepartmental charges	-	-	-	-
Special assessments	-	-	-	-
Investment income	679	1,095	-	9,624
Miscellaneous revenues	16,500	24,463	-	-
Total revenues	17,179	25,558	133,400	9,624
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Culture, recreation and education	11,301	16,382	-	-
Conservation and development	-	-	94,442	-
Capital outlay	-	-	45,396	-
Total expenditures	11,301	16,382	139,838	-
Excess (deficiency) of revenues over (under) expenditures	5,878	9,176	(6,438)	9,624
Other Financing Sources (Uses)				
Long-term debt issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	5,878	9,176	(6,438)	9,624
Fund Balance, Beginning	9,850	20,655	868,649	1,044,630
Fund Balance, Ending	\$ 15,728	\$ 29,831	\$ 862,211	\$ 1,054,254

Special Revenue Funds					
Affordable Housing Rehabilitation	Affordable Housing Development	Small Business Loan Program	Stabilization	Library Café	American Rescue Plan Act
\$ -	\$ -	\$ -	\$ -	\$ 111,897	\$ 3,118,706
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	7,277	197,636	-	296,974
-	-	41,066	-	-	-
-	-	48,343	197,636	111,897	3,415,680
-	-	-	-	-	-
-	-	-	-	-	697
-	-	-	-	111,447	-
4,999	5,500	-	-	-	1,745,310
-	-	-	-	-	1,124,617
4,999	5,500	-	-	111,447	2,870,624
(4,999)	(5,500)	48,343	197,636	450	545,056
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	463,797	-	-
-	-	-	-	-	(248,081)
-	-	-	463,797	-	(248,081)
(4,999)	(5,500)	48,343	661,433	450	296,975
764,753	1,119,245	1,923	4,192,566	5,785	129,565
\$ 759,754	\$ 1,113,745	\$ 50,266	\$ 4,853,999	\$ 6,235	\$ 426,540

City of Waukesha, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

Nonmajor Governmental Funds

Year Ended December 31, 2024

	Special Revenue Funds			
	Festival and Special Activities	K9 Program	Public Safety Memorial	Police Crime Prevention
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ 199,078
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	27,176	-	-	-
Interdepartmental charges	-	-	-	-
Special assessments	-	-	-	-
Investment income	1,664	2,160	74	-
Miscellaneous revenues	-	50	190	8,700
Total revenues	28,840	2,210	264	207,778
Expenditures				
Current:				
General government	-	-	150	-
Public safety	-	8,953	-	84,948
Culture, recreation and education	47,148	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	-	-	119,283
Total expenditures	47,148	8,953	150	204,231
Excess (deficiency) of revenues over (under) expenditures	(18,308)	(6,743)	114	3,547
Other Financing Sources (Uses)				
Long-term debt issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	(18,308)	(6,743)	114	3,547
Fund Balance, Beginning	39,425	47,277	1,537	1,457
Fund Balance, Ending	\$ 21,117	\$ 40,534	\$ 1,651	\$ 5,004

Special Revenue Funds					
WHEDA Loan Program	Home Rental Rehab	Energy Rental Rehab	Paramedics	Confiscated Property	State Confiscated Property
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	149,906	22,312
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,035	-	-	595	5,266	4,880
-	-	-	451	-	-
5,035	-	-	1,046	155,172	27,192
-	-	-	-	-	-
-	-	-	-	21,128	40,006
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,052	85,703	-
-	-	-	6,052	106,831	40,006
5,035	-	-	(5,006)	48,341	(12,814)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	20,809
-	-	-	-	-	-
-	-	-	-	-	20,809
5,035	-	-	(5,006)	48,341	7,995
1,007,208	76,184	22,633	13,419	94,655	114,423
\$ 1,012,243	\$ 76,184	\$ 22,633	\$ 8,413	\$ 142,996	\$ 122,418

City of Waukesha, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

Nonmajor Governmental Funds

Year Ended December 31, 2024

	Special Revenue Fund	Capital Projects Funds		
	Cemetery Trust Fund C	General Improvement	Fleet Replacement	TIF Districts
Revenues				
Intergovernmental	\$ -	\$ 657,140	\$ -	\$ -
Licenses and permits	-	545,424	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	-	-	-	-
Interdepartmental charges	-	-	-	-
Special assessments	-	27,814	-	-
Investment income	20	49,449	153,844	1,864
Miscellaneous revenues	-	-	88,370	-
Total revenues	20	1,279,827	242,214	1,864
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	1,021,429	3,596,590	-
Total expenditures	-	1,021,429	3,596,590	-
Excess (deficiency) of revenues over (under) expenditures	20	258,398	(3,354,376)	1,864
Other Financing Sources (Uses)				
Long-term debt issued	-	-	2,738,694	-
Proceeds from sale of capital assets	-	-	462,708	-
Transfers in	-	21,814,814	473,000	-
Transfers out	-	-	(2,856,325)	-
Total other financing sources (uses)	-	21,814,814	818,077	-
Net changes in fund balances	20	22,073,212	(2,536,299)	1,864
Fund Balance, Beginning	38,126	1,000,929	2,536,299	44,552
Fund Balance, Ending	\$ 38,146	\$ 23,074,141	\$ -	\$ 46,416

Permanent Funds					Total Nonmajor Governmental Funds
Cemetery Lot Maintenance	Cemetery Specific Endowment	Library Endowment	H.B. Mills Recreation	Cemetery Trust Fund K	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,487,334
-	-	-	-	-	545,424
-	-	-	-	-	172,218
-	-	678	-	-	1,611,787
-	-	-	-	-	11,863
-	-	-	-	-	27,814
275,645	200,648	4,477	1,522	73,296	1,484,141
-	-	47,263	-	-	409,248
275,645	200,648	52,418	1,522	73,296	8,749,829
-	-	-	-	-	150
-	-	-	-	-	157,055
-	-	34,312	-	-	1,978,903
-	-	-	-	-	1,908,881
-	-	-	-	-	6,132,338
-	-	34,312	-	-	10,177,327
275,645	200,648	18,106	1,522	73,296	(1,427,498)
-	-	-	-	-	2,738,694
-	-	-	-	-	462,708
55,247	-	-	-	-	22,837,667
(65,000)	(50,000)	-	(1,522)	(13,642)	(3,298,967)
(9,753)	(50,000)	-	(1,522)	(13,642)	22,740,102
265,892	150,648	18,106	-	59,654	21,312,604
1,812,335	1,226,474	92,896	28,417	548,273	18,239,780
\$ 2,078,227	\$ 1,377,122	\$ 111,002	\$ 28,417	\$ 607,927	\$ 39,552,384

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Fire Historical Preservation Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 238	\$ 238
Miscellaneous revenues	100	100	1,000	900
Total revenues	100	100	1,238	1,138
Expenditures				
Current:				
Public safety	868	868	781	87
Total expenditures	868	868	781	87
Net change in fund balance	<u>\$ (768)</u>	<u>\$ (768)</u>	457	<u>\$ 1,225</u>
Fund Balance, Beginning			4,919	
Fund Balance, Ending			<u>\$ 5,376</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Citywide Fiber Maintenance Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 95,357	\$ 95,357	\$ 91,489	\$ (3,868)
Interdepartmental charges	11,862	11,862	11,863	1
Investment income	-	-	13,375	13,375
Total revenues	107,219	107,219	116,727	9,508
Expenditures				
Capital outlay	107,219	107,219	133,268	(26,049)
Total expenditures	107,219	107,219	133,268	(26,049)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(16,541)	<u>\$ (16,541)</u>
Fund Balance, Beginning			301,429	
Fund Balance, Ending			<u>\$ 284,888</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Lead Abatement Grant Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Sanitation	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund Balance, Beginning			225,568	
Fund Balance, Ending			\$ 225,568	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Lighted Dome Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 324	\$ 324
Total revenues	-	-	324	324
Expenditures				
Current:				
Culture, recreation and education	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	324	\$ 324
Fund Balance, Beginning			7,015	
Fund Balance, Ending			\$ 7,339	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Park and Recreation Sponsorship Program Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 195,000	\$ 166,383	\$ 175,624	\$ 9,241
Public charges for services	1,282,900	1,282,900	1,419,536	136,636
Investment income	970	970	17,329	16,359
Miscellaneous revenues	115,400	115,400	181,195	65,795
Total revenues	1,594,270	1,565,653	1,793,684	228,031
Expenditures				
Current:				
Public safety	-	-	542	(542)
Culture, recreation and education	1,594,090	1,565,473	1,758,313	(192,840)
Total expenditures	1,594,090	1,565,473	1,758,855	(193,382)
Excess of revenues over expenditures	180	180	34,829	34,649
Other Financing Sources				
Transfers in	-	-	10,000	10,000
Total other financing sources	-	-	10,000	10,000
Net change in fund balance	\$ 180	\$ 180	44,829	\$ 44,649
Fund Balance, Beginning			369,127	
Fund Balance, Ending			\$ 413,956	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Development Construction Services Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Public charges for services	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Total revenues	100,000	100,000	100,000	-
Expenditures				
Current:				
Conservation and development	100,000	100,000	58,630	41,370
Total expenditures	100,000	100,000	58,630	41,370
Net change in fund balance	\$ -	\$ -	41,370	\$ 41,370
Fund Balance, Beginning			89,538	
Fund Balance, Ending			\$ 130,908	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Public Works Impact Fees Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ 5,000	\$ 5,000	\$ 71,970	\$ 66,970
Total revenues	5,000	5,000	71,970	66,970
Expenditures				
Current:				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 5,000	\$ 5,000	71,970	\$ 66,970
Fund Balance, Beginning			149,041	
Fund Balance, Ending			\$ 221,011	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Park Development Impact Fees Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Public charges for services	\$ -	\$ -	\$ 50,974	\$ 50,974
Investment income	3,000	3,000	74,571	71,571
Total revenues	3,000	3,000	125,545	122,545
Expenditures				
Current:				
Culture, recreation and education	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	3,000	3,000	125,545	122,545
Other Financing Uses				
Transfers out	(3,500)	(3,500)	(50,974)	(47,474)
Total other financing uses	(3,500)	(3,500)	(50,974)	(47,474)
Net change in fund balance	\$ (500)	\$ (500)	74,571	\$ 75,071
Fund Balance, Beginning			170,244	
Fund Balance, Ending			\$ 244,815	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Library Impact Fees Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ 350	\$ 350	\$ 7,149	\$ 6,799
Total revenues	350	350	7,149	6,799
Expenditures				
Current:				
Culture, recreation and education	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 350	\$ 350	7,149	\$ 6,799
Fund Balance, Beginning			12,003	
Fund Balance, Ending			\$ 19,152	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Police Impact Fees Special Revenue Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Public charges for services	\$ -	\$ -	\$ 13,423	\$ 13,423
Investment income	200	200	5,461	5,261
Total revenues	200	200	18,884	18,684
Expenditures				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	200	200	18,884	18,684
Other Financing Uses				
Transfers out	-	-	(13,423)	(13,423)
Total other financing uses	-	-	(13,423)	(13,423)
Net change in fund balance	\$ 200	\$ 200	5,461	\$ 5,261
Fund Balance, Beginning			6,756	
Fund Balance, Ending			\$ 12,217	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Civic Band Donation Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ 110	\$ 110	\$ 679	\$ 569
Miscellaneous revenues	10,950	10,950	16,500	5,550
Total revenues	11,060	11,060	17,179	6,119
Expenditures				
Current:				
Culture, recreation and education	11,060	11,060	11,301	(241)
Total expenditures	11,060	11,060	11,301	(241)
Net change in fund balance	\$ -	\$ -	5,878	\$ 5,878
Fund Balance, Beginning			9,850	
Fund Balance, Ending			\$ 15,728	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Community Development Programming Special Revenue Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Investment income	100	100	1,095	995
Miscellaneous revenues	18,500	18,500	24,463	5,963
Total revenues	268,600	268,600	25,558	(243,042)
Expenditures				
Current:				
Culture, recreation and education	265,000	265,000	16,382	248,618
Total expenditures	265,000	265,000	16,382	248,618
Net change in fund balance	\$ 3,600	\$ 3,600	9,176	\$ 5,576
Fund Balance, Beginning			20,655	
Fund Balance, Ending			\$ 29,831	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Community Development Block Grant Special Revenue Fund
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 154,144	\$ 133,400	\$ (20,744)
Total revenues	-	154,144	133,400	(20,744)
Expenditures				
Current:				
Conservation and development	-	99,144	94,442	4,702
Capital outlay	-	55,000	45,396	9,604
Total expenditures	-	154,144	139,838	14,306
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(6,438)	<u>\$ (6,438)</u>
Fund Balance, Beginning			868,649	
Fund Balance, Ending			<u>\$ 862,211</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Housing Development Grant Special Revenue Fund
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ 9,624	\$ 9,624
Total revenues	-	-	9,624	9,624
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	9,624	<u>\$ 9,624</u>
Fund Balance, Beginning			1,044,630	
Fund Balance, Ending			<u>\$ 1,054,254</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Affordable Housing Rehabilitation Fund Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Miscellaneous revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Conservation and development	-	-	4,999	(4,999)
Total expenditures	-	-	4,999	(4,999)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(4,999)	<u>\$ (4,999)</u>
Fund Balance, Beginning			764,753	
Fund Balance, Ending			<u>\$ 759,754</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Affordable Housing Development Fund Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Miscellaneous revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Conservation and development	-	-	5,500	(5,500)
Total expenditures	-	-	5,500	(5,500)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(5,500)	<u>\$ (5,500)</u>
Fund Balance, Beginning			1,119,245	
Fund Balance, Ending			<u>\$ 1,113,745</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Small Business Loan Program Fund Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 7,277	\$ 7,277
Miscellaneous revenues	-	-	41,066	41,066
Total revenues	-	-	48,343	48,343
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	48,343	\$ 48,343
Fund Balance, Beginning			1,923	
Fund Balance, Ending			\$ 50,266	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Stabilization Fund Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ 100,000	\$ 100,000	\$ 197,636	\$ 97,636
Total revenues	100,000	100,000	197,636	97,636
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	100,000	100,000	197,636	97,636
Other Financing Sources (Uses)				
Transfers in	-	-	463,797	463,797
Transfers out	(1,554,734)	(1,554,734)	-	1,554,734
Total other financing sources (uses)	(1,554,734)	(1,554,734)	463,797	2,018,531
Net change in fund balance	\$ (1,454,734)	\$ (1,454,734)	661,433	\$ 2,116,167
Fund Balance, Beginning			4,192,566	
Fund Balance, Ending			\$ 4,853,999	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Library Cafe Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 110,712	\$ 110,712	\$ 111,897	\$ 1,185
Public charges for services	1,097	1,097	-	(1,097)
Total revenues	111,809	111,809	111,897	88
Expenditures				
Current:				
Culture, recreation and education	111,809	111,809	111,447	362
Total expenditures	111,809	111,809	111,447	362
Net change in fund balance	\$ -	\$ -	450	\$ 450
Fund Balance, Beginning			5,785	
Fund Balance, Ending			\$ 6,235	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

American Rescue Plan Act Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 2,010,000	\$ -	\$ 3,118,706	\$ 3,118,706
Investment income	25,000	25,000	296,974	271,974
Total revenues	2,035,000	25,000	3,415,680	3,390,680
Expenditures				
Current:				
Public safety	-	190,000	697	189,303
Conservation and development	-	2,199,475	1,745,310	454,165
Capital outlay	1,845,000	3,270,990	1,124,617	2,146,373
Total expenditures	1,845,000	5,660,465	2,870,624	2,789,841
Excess (deficiency) of revenues over (under) expenditures	190,000	(5,635,465)	545,056	6,180,521
Other Financing Uses				
Transfers out	(165,000)	(169,669)	(248,081)	(78,412)
Total other financing uses	(165,000)	(169,669)	(248,081)	(78,412)
Net change in fund balance	\$ 25,000	\$ (5,805,134)	296,975	\$ 6,102,109
Fund Balance, Beginning			129,565	
Fund Balance, Ending			\$ 426,540	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Festival and Special Activities Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Public charges for services	\$ 17,330	\$ 17,330	\$ 27,176	\$ 9,846
Investment income	250	250	1,664	1,414
Total revenues	17,580	17,580	28,840	11,260
Expenditures				
Current:				
Culture, recreation and education	32,580	32,580	47,148	(14,568)
Total expenditures	32,580	32,580	47,148	(14,568)
Net change in fund balance	<u>\$ (15,000)</u>	<u>\$ (15,000)</u>	(18,308)	<u>\$ (3,308)</u>
Fund Balance, Beginning			39,425	
Fund Balance, Ending			<u>\$ 21,117</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

K9 Program Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 2,160	\$ 2,160
Miscellaneous revenues	-	-	50	50
Total revenues	-	-	2,210	2,210
Expenditures				
Current:				
Public safety	-	-	8,953	(8,953)
Total expenditures	-	-	8,953	(8,953)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(6,743)	<u>\$ (6,743)</u>
Fund Balance, Beginning			47,277	
Fund Balance, Ending			<u>\$ 40,534</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Public Safety Memorial Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 74	\$ 74
Miscellaneous revenues	1,000	1,000	190	(810)
Total revenues	1,000	1,000	264	(736)
Expenditures				
Current:				
General government	10,400	10,400	150	10,250
Total expenditures	10,400	10,400	150	10,250
Net change in fund balance	<u>\$ (9,400)</u>	<u>\$ (9,400)</u>	114	<u>\$ 9,514</u>
Fund Balance, Beginning			1,537	
Fund Balance, Ending			<u>\$ 1,651</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Police Crime Prevention Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 375,244	\$ 199,078	\$ (176,166)
Miscellaneous revenues	-	-	8,700	8,700
Total revenues	-	375,244	207,778	(167,466)
Expenditures				
Current:				
Public safety	-	255,244	84,948	170,296
Capital outlay	-	120,000	119,283	717
Total expenditures	-	375,244	204,231	171,013
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	3,547	<u>\$ 3,547</u>
Fund Balance, Beginning			1,457	
Fund Balance, Ending			<u>\$ 5,004</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

WHEDA Loan Program Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ 5,035	\$ 5,035
Total revenues	-	-	5,035	5,035
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	5,035	<u>\$ 5,035</u>
Fund Balance, Beginning			1,007,208	
Fund Balance, Ending			<u>\$ 1,012,243</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Home Rental Rehab Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, Beginning			76,184	
Fund Balance, Ending			<u>\$ 76,184</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Energy Rental Rehab Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, Beginning			22,633	
Fund Balance, Ending			<u>\$ 22,633</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Paramedics Special Revenue Fund

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Positive (Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ 595	\$ 595
Miscellaneous revenues	500	500	451	(49)
Total revenues	<u>500</u>	<u>500</u>	<u>1,046</u>	<u>546</u>
Expenditures				
Capital outlay	<u>7,500</u>	<u>7,500</u>	<u>6,052</u>	<u>1,448</u>
Total expenditures	<u>7,500</u>	<u>7,500</u>	<u>6,052</u>	<u>1,448</u>
Net change in fund balance	<u>\$ (7,000)</u>	<u>\$ (7,000)</u>	<u>(5,006)</u>	<u>\$ 1,994</u>
Fund Balance, Beginning			13,419	
Fund Balance, Ending			<u>\$ 8,413</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Confiscated Property Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Fines, forfeitures and penalties	\$ 10,000	\$ 10,000	\$ 149,906	\$ 139,906
Investment income	-	-	5,266	5,266
Total revenues	10,000	10,000	155,172	145,172
Expenditures				
Current:				
Public safety	-	-	21,128	(21,128)
Capital outlay	-	-	85,703	(85,703)
Total expenditures	-	-	106,831	(106,831)
Net change in fund balance	\$ 10,000	\$ 10,000	48,341	\$ 38,341
Fund Balance, Beginning			94,655	
Fund Balance, Ending			\$ 142,996	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

State Confiscated Property Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Fines, forfeitures and penalties	\$ 5,000	\$ 5,000	\$ 22,312	\$ 17,312
Investment income	-	-	4,880	4,880
Total revenues	5,000	5,000	27,192	22,192
Expenditures				
Current:				
Public safety	8,000	8,000	40,006	(32,006)
Total expenditures	8,000	8,000	40,006	(32,006)
Excess (deficiency) of revenues over (under) expenditures	(3,000)	(3,000)	(12,814)	(9,814)
Other Financing Uses				
Transfers in	-	-	20,809	20,809
Total other financing uses	-	-	20,809	20,809
Net change in fund balance	\$ (3,000)	\$ (3,000)	7,995	\$ 10,995
Fund Balance, Beginning			114,423	
Fund Balance, Ending			\$ 122,418	

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -**

Cemetery Trust Fund C Special Revenue Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 20	\$ 20
Total revenues	-	-	20	20
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	20	<u>\$ 20</u>
Fund Balance, Beginning			38,126	
Fund Balance, Ending			<u>\$ 38,146</u>	

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -****General Debt Service Fund (Major Fund)**

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 25,546,830	\$ 25,546,830	\$ 25,546,830	\$ -
Investment income	100,000	100,000	519,742	419,742
Total revenues	25,646,830	25,646,830	26,066,572	419,742
Expenditures				
Current:				
Principal retirement	21,514,717	21,514,717	21,514,717	-
Interest and fiscal charges	5,582,092	5,582,092	5,892,917	(310,825)
Total expenditures	27,096,809	27,096,809	27,407,634	(310,825)
Excess (deficiency) of revenues over (under) expenditures	(1,449,979)	(1,449,979)	(1,341,062)	108,917
Other Financing Sources (Uses)				
Premium on debt issued	-	-	515,112	515,112
Transfers out	(428,891)	(428,891)	(428,891)	-
Total other financing sources (uses)	(428,891)	(428,891)	86,221	515,112
Net change in fund balance	<u>\$ (1,878,870)</u>	<u>\$ (1,878,870)</u>	(1,254,841)	<u>\$ 624,029</u>
Fund Balance, Beginning			2,954,207	
Fund Balance, Ending			<u>\$ 1,699,366</u>	

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -**

TIF District Debt Service Fund (Major Fund)

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 6,459,427	\$ 6,459,427	\$ 6,995,645	\$ 536,218
Intergovernmental	179,092	179,092	179,091	(1)
Investment income	47,330	47,330	65,729	18,399
Miscellaneous revenues	-	-	547,500	547,500
Total revenues	<u>6,685,849</u>	<u>6,685,849</u>	<u>7,787,965</u>	<u>1,102,116</u>
Expenditures				
Current:				
General government	61,800	61,800	62,700	(900)
Public works	7,927	7,927	8,350	(423)
Conservation and development	2,458,881	2,458,881	2,447,012	11,869
Capital outlay	-	-	107,375	(107,375)
Debt service:				-
Principal retirement	4,870,000	4,870,000	4,870,000	-
Interest and fiscal charges	613,334	613,334	636,714	(23,380)
Total expenditures	<u>8,011,942</u>	<u>8,011,942</u>	<u>8,132,151</u>	<u>(120,209)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,326,093)</u>	<u>(1,326,093)</u>	<u>(344,186)</u>	<u>981,907</u>
Other Financing Sources (Uses)				
Long-term debt issued	-	-	1,027,000	1,027,000
Transfers out	-	-	(463,797)	(463,797)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>563,203</u>	<u>563,203</u>
Net change in fund balance	<u>\$ (1,326,093)</u>	<u>\$ (1,326,093)</u>	<u>219,017</u>	<u>\$ 1,545,110</u>
Fund Balance (Deficit), Beginning			<u>(34,473)</u>	
Fund Balance, Ending			<u>\$ 184,544</u>	

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -****General Improvement Capital Projects Fund**

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 657,140	\$ 657,140	\$ 657,140	\$ -
Licenses and permits	400,000	400,000	545,424	145,424
Special assessments	20,000	20,000	27,814	7,814
Investment income	-	-	49,449	49,449
Total revenues	<u>1,077,140</u>	<u>1,077,140</u>	<u>1,279,827</u>	<u>202,687</u>
Expenditures				
Capital outlay	<u>1,077,140</u>	<u>1,808,847</u>	<u>1,021,429</u>	<u>787,418</u>
Total expenditures	<u>1,077,140</u>	<u>1,808,847</u>	<u>1,021,429</u>	<u>787,418</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(731,707)</u>	<u>258,398</u>	<u>(473,309)</u>
Other Financing Sources				
Transfers in	<u>-</u>	<u>-</u>	<u>21,814,814</u>	<u>21,814,814</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>21,814,814</u>	<u>21,814,814</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>\$ (731,707)</u></u>	<u>22,073,212</u>	<u><u>\$ 21,341,505</u></u>
Fund Balance, Beginning			<u>1,000,929</u>	
Fund Balance, Ending			<u><u>\$ 23,074,141</u></u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Public Works Improvements Capital Projects Fund (Major Fund)

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 5,888	\$ 5,888
Public charges for services	50,000	50,000	50,000	-
Special assessments	-	-	169	169
Investment income	-	-	381,780	381,780
Miscellaneous revenues	-	-	21,181	21,181
Total revenues	50,000	50,000	459,018	409,018
Expenditures				
Capital outlay	11,439,100	15,467,072	8,106,325	7,360,747
Debt service:				
Interest and fiscal charges	-	-	213,570	(213,570)
Total expenditures	11,439,100	15,467,072	8,319,895	7,147,177
Excess (deficiency) of revenues over (under) expenditures	(11,389,100)	(15,417,072)	(7,860,877)	(7,556,195)
Other Financing Sources (Uses)				
Long-term debt issued	11,389,100	11,389,100	10,795,443	(593,657)
Premium on debt issued	-	-	213,570	213,570
Transfers out	-	-	(7,949,428)	(7,949,428)
Total other financing sources (uses)	11,389,100	11,389,100	3,059,585	(8,329,515)
Net change in fund balance	\$ -	\$ (4,027,972)	(4,801,292)	\$ (15,885,710)
Fund Balance, Beginning			4,801,292	
Fund Balance, Ending			\$ -	

City of Waukesha, Wisconsin**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -****Municipal Facilities Capital Projects Fund (Major Fund)**

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 128,962	\$ 128,962	\$ 128,962	\$ -
Investment income	-	-	544,135	544,135
Miscellaneous revenues	125,000	125,000	407,500	282,500
Total revenues	253,962	253,962	1,080,597	826,635
Expenditures				
Capital outlay	4,485,050	14,021,969	4,708,351	9,313,618
Total expenditures	4,485,050	14,021,969	4,708,351	9,313,618
Excess (deficiency) of revenues over (under) expenditures	(4,231,088)	(13,768,007)	(3,627,754)	(8,486,983)
Other Financing Sources (Uses)				
Long-term debt issued	4,212,588	4,212,588	4,212,588	-
Proceeds from sale of capital assets	-	-	5,151	5,151
Transfers in	18,500	18,500	50,974	32,474
Transfers out	-	-	(11,019,062)	(11,019,062)
Total other financing sources (uses)	4,231,088	4,231,088	(6,750,349)	(10,981,437)
Net change in fund balance	\$ -	\$ (9,536,919)	(10,378,103)	\$ (19,468,420)
Fund Balance, Beginning			10,378,103	
Fund Balance, Ending			\$ -	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Fleet Replacement Capital Projects Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 153,844	\$ 153,844
Miscellaneous revenues	-	-	88,370	88,370
Total revenues	-	-	242,214	242,214
Expenditures				
Current:				
Capital outlay	3,921,694	5,259,233	3,596,590	1,662,643
Total expenditures	3,921,694	5,259,233	3,596,590	1,662,643
Excess (deficiency) of revenues over (under) expenditures	(3,921,694)	(5,259,233)	(3,354,376)	(1,904,857)
Other Financing Sources (Uses)				
Long-term debt issued	2,738,694	2,738,694	2,738,694	-
Proceeds from sale of capital assets	710,000	710,000	462,708	(247,292)
Transfers in	473,000	473,000	473,000	-
Transfers out	-	-	(2,856,325)	(2,856,325)
Total other financing sources (uses)	3,921,694	3,921,694	818,077	(3,103,617)
Net change in fund balance	\$ -	\$ (1,337,539)	(2,536,299)	\$ (5,008,474)
Fund Balance, Beginning			2,536,299	
Fund Balance, Ending			\$ -	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

TIF Districts Nos. 9 - 22 Capital Projects Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 1,864	\$ 1,864
Total revenues	-	-	1,864	1,864
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	1,864	\$ 1,864
Fund Balance, Beginning			44,552	
Fund Balance, Ending			\$ 46,416	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Cemetery Lot Maintenance Permanent Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 275,645	\$ 275,645
Total revenues	-	-	275,645	275,645
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	275,645	275,645
Other Financing Sources (Uses)				
Transfers in	-	-	55,247	55,247
Transfers out	-	-	(65,000)	(65,000)
Total other financing sources (uses)	-	-	(9,753)	(9,753)
Net change in fund balance	\$ -	\$ -	265,892	\$ 265,892
Fund Balance, Beginning			1,812,335	
Fund Balance, Ending			<u>\$ 2,078,227</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Cemetery Specific Endowment Permanent Fund
 Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 200,648	\$ 200,648
Total revenues	-	-	200,648	200,648
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	200,648	200,648
Other Financing (Uses)				
Transfers out	-	-	(50,000)	(50,000)
Total other financing (uses)	-	-	(50,000)	(50,000)
Net change in fund balance	\$ -	\$ -	150,648	\$ 150,648
Fund Balance, Beginning			1,226,474	
Fund Balance, Ending			<u>\$ 1,377,122</u>	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Library Endowment Permanent Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Public charges for services	\$ 800	\$ 800	\$ 678	\$ (122)
Investment income	1,400	1,400	4,477	3,077
Miscellaneous revenues	18,700	18,700	47,263	28,563
Total revenues	20,900	20,900	52,418	31,518
Expenditures				
Current:				
Culture, recreation and education	19,500	19,500	34,312	(14,812)
Total expenditures	19,500	19,500	34,312	(14,812)
Net change in fund balance	\$ 1,400	\$ 1,400	18,106	\$ 16,706
Fund Balance, Beginning			92,896	
Fund Balance, Ending			\$ 111,002	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
H. B. Mills Recreation Permanent Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	1,400	1,400	1,522	122
Total revenues	1,400	1,400	1,522	122
Expenditures				
Current:				
Culture, recreation and education	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	1,400	1,400	1,522	122
Other Financing (Uses)				
Transfers out	(1,400)	(1,400)	(1,522)	(122)
Total other financing (uses)	(1,400)	(1,400)	(1,522)	(122)
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund Balance, Beginning			28,417	
Fund Balance, Ending			\$ 28,417	

City of Waukesha, Wisconsin

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Cemetery Trust Fund K Permanent Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 73,296	\$ 73,296
Total revenues	-	-	73,296	73,296
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	73,296	73,296
Other Financing (Uses)				
Transfers out	-	-	(13,642)	(13,642)
Total other financing (uses)	-	-	(13,642)	(13,642)
Net change in fund balance	\$ -	\$ -	59,654	\$ 59,654
Fund Balance, Beginning			548,273	
Fund Balance, Ending			\$ 607,927	

City of Waukesha, Wisconsin

Statement of Net Position -
Internal Service Funds
December 31, 2024

	Printing	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Total
Assets					
Current Assets					
Cash and investments	\$ 358,874	\$ -	\$ 5,145,564	\$ 475,449	\$ 5,979,887
Accounts receivable	-	1,724	1,083,944	20,835	1,106,503
Inventories	3,766	-	-	-	3,766
Prepaid items	-	13,050	-	753	13,803
Total current assets	362,640	14,774	6,229,508	497,037	7,103,959
Capital assets:					
Machinery and equipment	339,342	-	-	-	339,342
Less accumulated depreciation	(164,454)	-	-	-	(164,454)
Net capital assets	174,888	-	-	-	174,888
Total noncurrent assets	174,888	-	-	-	174,888
Total assets	537,528	14,774	6,229,508	497,037	7,278,847
Liabilities and Net Position					
Current Liabilities					
Accounts payable	4,998	-	147,538	-	152,536
Claims payable	-	6,251	905,051	-	911,302
Due to other funds	-	95,376	-	-	95,376
Total current liabilities	4,998	101,627	1,052,589	-	1,159,214
Net Position					
Net investment in capital assets	174,888	-	-	-	174,888
Unrestricted (deficit)	357,642	(86,853)	5,176,919	497,037	5,944,745
Total net position	\$ 532,530	\$ (86,853)	\$ 5,176,919	\$ 497,037	\$ 6,119,633

City of Waukesha, Wisconsin

Combining Statement of Revenues, Expenses and Changes in Net Position -

Internal Service Funds

Year Ended December 31, 2024

	Printing	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Total
Operating Revenues					
Charges for services	\$ 135,685	\$ 744,402	\$ 16,763,929	\$ 1,598,737	\$ 19,242,753
Total operating revenues	135,685	744,402	16,763,929	1,598,737	19,242,753
Operating Expenses					
Operation and maintenance	136,789	782,860	18,006,956	1,625,022	20,551,627
Depreciation	25,066	-	-	-	25,066
Total operating expenses	161,855	782,860	18,006,956	1,625,022	20,576,693
Operating income (loss)	(26,170)	(38,458)	(1,243,027)	(26,285)	(1,333,940)
Nonoperating Revenues (Expenses)					
Investment income (loss)	15,784	(4,440)	278,683	4,063	294,090
Total nonoperating revenues (expenses)	15,784	(4,440)	278,683	4,063	294,090
Loss before transfers	(10,386)	(42,898)	(964,344)	(22,222)	(1,039,850)
Transfers in	-	-	277,386	-	277,386
Changes in net position	(10,386)	(42,898)	(686,958)	(22,222)	(762,464)
Total Net Position (Deficit), Beginning	542,916	(43,955)	5,863,877	519,259	6,882,097
Total Net Position (Deficit), Ending	\$ 532,530	\$ (86,853)	\$ 5,176,919	\$ 497,037	\$ 6,119,633

City of Waukesha, Wisconsin

Combining Statement of Cash Flows -

Internal Service Funds

Year Ended December 31, 2024

	Printing	Dental/Life/ Vision Insurance	Health Insurance	Property and Liability Insurance	Total
Cash Flows From Operating Activities					
Received from interfund services provided	\$ 135,685	\$ 744,471	\$ 16,353,134	\$ 1,593,158	\$ 18,826,448
Paid to suppliers for goods and services	(126,826)	(740,031)	(18,282,705)	(1,634,662)	(20,784,224)
Net cash flows from operating activities	8,859	4,440	(1,929,571)	(41,504)	(1,957,776)
Cash Flows From Noncapital Financing Activities					
Transfers in	-	-	277,386	-	277,386
Cash Flows From Investing Activities					
Investment income	15,784	(4,440)	278,683	4,063	294,090
Change in cash and cash equivalents	24,643	-	(1,373,502)	(37,441)	(1,386,300)
Cash and Cash Equivalents, Beginning	334,231	-	6,519,066	512,890	7,366,187
Cash and Cash Equivalents, Ending	<u>\$ 358,874</u>	<u>\$ -</u>	<u>\$ 5,145,564</u>	<u>\$ 475,449</u>	<u>\$ 5,979,887</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ (26,170)	\$ (38,458)	\$ (1,243,027)	\$ (26,285)	\$ (1,333,940)
Adjustments to reconcile operating income (loss) to net cash provided by operations:					
Depreciation	25,066	-	-	-	25,066
Changes in assets and liabilities:					
Accounts receivable	-	69	(410,795)	(5,579)	(416,305)
Prepaid items	9,930	(72)	-	-	9,858
Accounts payable	33	(8,240)	(275,749)	(9,640)	(293,596)
Due to other funds	-	51,141	-	-	51,141
Net cash provided by operating activities	<u>\$ 8,859</u>	<u>\$ 4,440</u>	<u>\$ (1,929,571)</u>	<u>\$ (41,504)</u>	<u>\$ (1,957,776)</u>
Noncash Investing, Capital and Financing Activities					
None					

OTHER AUDITORS' REPORTS

**Report on Internal Control
Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
With *Government Auditing Standards***

Independent Auditors' Report

To the Common Council of
City of Waukesha

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waukesha (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Madison, Wisconsin
July 29, 2025

City of Waukesha

Schedule of Findings and Responses
Year Ended December 31, 2024

Financial Statement Findings Required to Be Reported in Accordance With *Government Auditing Standards*

None noted.