CITY OF CEDARBURG
A MEETING OF THE FINANCE COMMITTEE
THURSDAY, JULY 16, 2026 – 10:00 AM

A meeting of the Finance Committee, City of Cedarburg, Wisconsin, will be held on Thursday, July 16, 2026 at 10:00 AM. This meeting will be held in-person at City Hall, W63 N645 Washington Avenue, Cedarburg, WI., on the second floor, Council Chambers.

AGENDA

1. CALL TO ORDER
2. ROLL CALL
   A. Council Member Fitzpatrick, Jack Arnett, Mary Kay Bourbulas, Michael Bradburn, Jeff Slater, Tim Voeller, Allan Lorge
3. STATEMENT OF PUBLIC NOTICE
4. COMMENTS AND SUGGESTIONS FROM CITIZENS
5. APPROVAL OF MINUTES
   A. March 19, 2026 Finance Committee minutes.
6. REPORTS
   A. Quarterly Reports
7. NEW BUSINESS
   A. Discussion on 2025 audit results.
   B. Discussion on TID #4 financials.
   C. Discussion on the Financial Management Plan (FMP).
   D. Discussion and possible action on annual certification of the Ethics Code.
8. ADJOURNMENT

   City of Cedarburg is an affirmative action and equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, disability, age, sexual orientation, gender identity, national origin, veteran status, or genetic information.

   City of Cedarburg is committed to providing access, equal opportunity and reasonable accommodation for individuals with disabilities in employment, its services, programs, and activities. To request reasonable accommodation, contact the Clerk's Office, (262) 375-7606, email: cityhall@cityofcedarburg.wi.gov.

MEMBERS – PLEASE NOTIFY CITY CLERK'S OFFICE IF UNABLE TO ATTEND THIS MEETING.

CITY OF CEDARBURG
Finance Committee
March 19, 2026
Minutes

1. CALL TO ORDER

Council Member Fitzpatrick called the meeting to order at 10:03 a.m.

2. ROLL CALL

Present: Council Member Fitzpatrick, Allan Lorge, Jack Arnett, Michael Bradburn, Mary Kay Bourbulas, Jeff Slater, and Tim Voeller (joined 10:20 a.m.)

Also Present: City Administrator Mikko Hilvo and Deputy Treasurer Maureen Hartjes

3. STATEMENT OF PUBLIC NOTICE

Deputy Treasurer Hartjes confirmed proper legal notice of the meeting had been given.

4. COMMENTS AND SUGGESTIONS FROM CITIZENS

None

5. APPROVAL OF MINUTES

A. Approval of February 19, 2026, Finance Committee minutes

A motion was made by Ms. Bourbulas to approve the minutes of February 19, 2026. The motion was seconded by Mr. Slater. Motion carried unanimously.

6. UNFINISHED BUSINESS

A. Discussion and possible action on the informational document explaining the impact development has on city finances.

The Finance Committee reviewed the latest draft of the informational document outlining how development impacts City finances. Administrator Hilvo confirmed the purpose of the meeting was to determine whether the document was ready for presentation to the Common Council, where it would be shared as an informational item before being

DRAFT

distributed to residents.

Mr. Arnett recommended clarifying that “net new construction” includes both commercial and residential development, since many residents may assume it refers only to housing. He also raised concerns about formatting and minor errors, recommending a cleanup and spell check. Administrator Hilvo agreed that staff could refine the document’s appearance.

The Finance Committee updated the scenario language to “limited new construction,” and changed the historical reference of 2006 to 2011. The Finance Committee Members felt the overall tone of the document is balanced and fact-based, slightly pro-growth, and clear that moderate, thoughtful development is needed to maintain services while acknowledging trade-offs.

A motion was made by Mr. Slater to send the informational document to Common Council and was seconded by Mr. Arnett. Motion passed unanimously.

7. <u>NEW BUSINESS</u>

A. Discussion and possible action on a memo to Common Council members on "Understanding the Fiscal Impacts of New Developments".

Administrator Hilvo said the document will likely be presented at the last April meeting after new members are seated.

During public comment, Mr. Terry King stated the document appears pro-development and frames the issue as only two choices: develop the remaining land or cut services. He suggested the City pursue additional strategies, including stronger lobbying to change state levy limit laws, partnering with other landlocked communities, and conducting deeper financial analyses of major projects to avoid future infrastructure costs. Mr. King stated the public will challenge the document if it presents development and service cuts as the only options.

The Finance Committee members responded that long-term financial analysis has already been completed and that development projections exist. Council Member Fitzpatrick stated that the City ultimately has only two levers, revenues and costs, and both must be managed.

The Finance Committee reviewed a more detailed companion document for educating current and incoming Council members. Administrator Hilvo described updates already made and noted that meaningful state-level levy limit changes are unlikely until after the upcoming election cycle. The Finance Committee members suggested adding relatable examples, such as rising health insurance costs, to illustrate how City expenses grow faster than inflation.

Council Member Fitzpatrick said the expanded Council-focused document was well-

DRAFT

balanced and useful, noting it clearly lays out the trade-offs involved in development decisions and would have been valuable when he first joined the Council. Mr. Slater suggested adding another example, borrowing for road repairs, to show how levy limits force the City to take on debt for basic infrastructure. Administrator Hilvo and others agreed and noted that rising costs, such as health insurance, illustrate how expenses outpace allowable revenue growth. The Finance Committee also emphasized that commercial development should be part of the discussion because it adds tax base with fewer service demands.

Mr. Bradburn asked whether the City could quantify the net financial impact of specific developments, and Council Member Fitzpatrick responded that while the concept is important, the City doesn't have the detailed cost accounting systems needed to calculate precise project-level costs and revenues. He explained that while the City can't precisely calculate project-level costs and revenues, new subdivisions generally create strong operating leverage; each additional home adds more revenue than incremental service cost. Mr. Bradburn noted that growth can trigger "cliffs," such as needing an additional police officer once the population crosses a threshold, but still believed growth typically outweighs added expenses. Mr. Arnett illustrated the concept with rough math from a large development, showing it would generate far more revenue than its associated costs.

The Finance Committee also discussed developer impact fees, which help offset infrastructure and public safety expenses. Administrator Hilvo suggested creating a one-page financial snapshot for major developments, including impact fees and school implications. Mr. Arnett emphasized incorporating school district projections showing that a full build-out would not significantly increase student enrollment. Mr. Arnett stated that nearby districts are cutting teachers due to declining enrollment and warned that Cedarburg could face the same issue without continued growth. He suggested highlighting school capacity and demographic trends when educating new Council members. He also recommended referencing the United Way ALICE data to show how many residents struggle with basic costs, emphasizing that tax increases disproportionately affect those on fixed incomes. Mr. Slater added that rising sewer and water rates, especially with a new treatment plant coming, function like a tax and will further strain residents, particularly retirees. Administrator Hilvo confirmed that the City's financial plan already accounts for these increases.

Mr. Arnett noted that other nearby communities, like Grafton, have seen major water rate increases, underscoring that rising utility costs are a regional issue. The Finance Committee agreed on adding clear, relatable examples, such as health insurance spikes and sharply rising construction costs, to better illustrate how City expenses outpace inflation. Council Member Fitzpatrick emphasized that standard CPI understates the City's true cost pressures, especially given recent construction inflation.

The Finance Committee agreed that Administrator Hilvo had enough direction to proceed.

DRAFT

B. Identify future agenda items and confirm next meeting date (April 16, 2026, at 10:00 a.m.)

Next meeting scheduled for April 16, 2026, at 10:00 a.m.

8. ADJOURNMENT

Motion made by Mr. Arnett, seconded by Ms. Bourbulas to adjourn the meeting at 10:42 a.m. Motion passed unanimously.

Maureen Hartjes
Deputy Treasurer

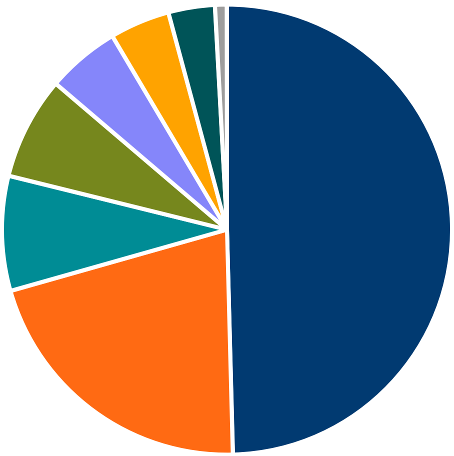
DRAFT

CASH & INVESTMENTS							
Bank	ACCOUNT	3/31/2025	6/30/2025	9/30/2025	12/31/2025	3/31/2026	CURRENT INTEREST RATE
CASH							
BMO	Money Market	$ 25,495	$ 20,553	$ 15,593	$ 10,626	$ 10,652	0.995%
	Online/Credit Card	$ 3,382	$ 1,923	$ 1,862	$ 7,856	$ 27,606	
	TOTAL BMO	**$ 28,877**	**$ 22,476**	**$ 17,455**	**$ 18,482**	**$ 38,258**	
PWSB	Money Market	$ 4,982,618	$ 2,221,652	$ 3,790,876	$ 2,643,567	$ 3,028,237	3.76%
	ARPA	$ 55,900	$ 50,493	$ 24,711	$ 18,648	$ 18,822	3.76%
	Tax	$ 22,169	$ 145,223	$ 146,836	$ 12,001,199	$ 223,088	3.76%
	Payroll	$ 1,408	$ 546	$ 805	$ 700	$ 11,393	1.00%
	General Checking	$ 745,161	$ 471,229	$ 707,244	$ 787,310	$ 956,511	1.00%
	Internal Service Money Market	$ 379,277	$ 383,443	$ 387,702	$ 391,841	$ 395,484	3.76%
	Parks and Rec Credit Card	$ 1,661	$ 7,306	$ 2,026	$ 4,442	$ 2,664	-
	EMS Receivables	$ 845	$ 19,320	$ 107	$ 7,816	$ 1,365	0.05%
	LEAD PIPE	$ 94,982	$ 138,142	$ 813,444	$ 357,958	$ 71,472	-
	TOTAL PWSB	**$ 6,284,021**	**$ 3,437,354**	**$ 5,873,750**	**$ 16,213,481**	**$ 4,709,036**	
LGIP	Capital Improvement	$ 2,848,882	$ 2,880,029	$ 2,910,855	$ 2,940,463	$ 954,767	3.69%
	General	$ 3,501,037	$ 3,639,630	$ 1,638,183	$ 9,296,048	$ 11,825,940	3.69%
	EMS - Equipment Replacement	$ 1,552,458	$ 1,872,239	$ 883,543	$ 892,529	$ 313,838	3.69%
	Parks and Playground	$ 191,867	$ 198,989	$ 201,183	$ 203,229	$ 205,086	3.69%
	Swimming Pool Impact	$ 49,555	$ 50,097	$ 50,649	$ 51,164	$ 51,632	3.69%
	CI-Economic Development	$ 15,916	$ 16,090	$ 16,267	$ 16,433	$ 16,583	3.69%
	Sewer	$ 6,023,889	$ 6,089,749	$ 3,128,876	$ 3,160,701	$ 3,189,574	3.69%
	Cemetery	$ 157,228	$ 158,946	$ 160,699	$ 162,334	$ 163,817	3.69%
	FD Referendum Funds	$ 853,106	$ 862,433	$ 871,942	$ 880,811	$ 1,475,702	3.69%
	2025 Borrowing	$ -	$ -	$ -	$ 4,571,139	$ 4,612,896	3.69%
	LEAD SERVICE	$ -	$ -	$ -	$ -	$ 347,545	3.69%
	TOTAL LGIP	**$ 15,193,937**	**$ 15,768,202**	**$ 9,862,197**	**$ 22,174,851**	**$ 23,157,380**	
TOTAL CASH		**$ 21,506,834**	**$ 19,228,032**	**$ 15,753,402**	**$ 38,406,814**	**$ 27,904,674**	
INVESTMENTS							
EHLERS	General	$ 2,488,082	$ 2,520,644	$ 2,555,011	$ 2,582,917	$ 2,593,023	
	Capital Improvement	$ 513,195	$ 518,675	$ 524,356	$ 529,254	$ 531,066	
	Sewer	$ 2,987,585	$ 3,020,803	$ 6,078,719	$ 6,104,476	$ 6,119,495	
	Risk Management	$ 876,597	$ 889,157	$ 897,844	$ 908,851	$ 910,489	
	Special Revenue Fund - Cemetery	$ 101,731	$ 102,706	$ 103,967	$ 104,813	$ 105,776	
	2023A	$ 773,802	$ 780,780	$ 788,194	$ 643,472	$ 648,247	
	Public Safety Impact Fees	$ 395,872	$ 397,713	$ 405,206	$ 409,059	$ 412,184	
	Fire Department	$ -	$ -	$ 1,008,346	$ 1,015,691	$ 1,018,357	
TOTAL INVESTMENTS		**$ 8,136,864**	**$ 8,230,478**	**$ 12,361,642**	**$ 12,298,533**	**$ 12,338,637**	

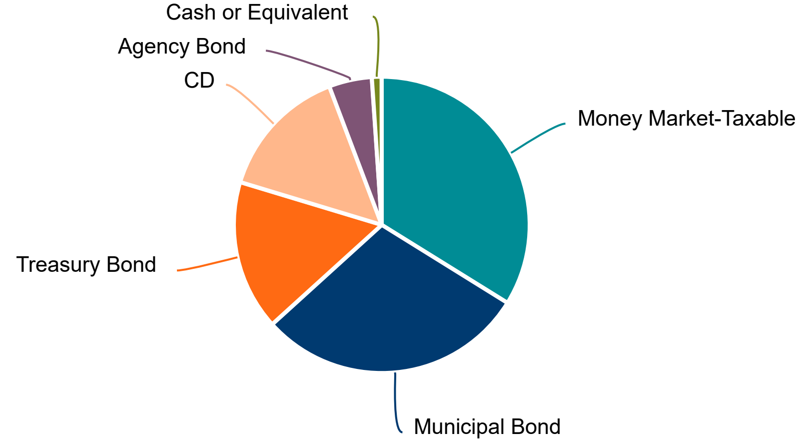
Portfolio Appraisal

City of Cedarburg
3/31/2026

Account Overview



Asset Class Allocation



Accounts Overview

Account	Market Value	Allocation
City of Cedarburg - Sewer Utility	$6,119,495.47	49.60 %
City of Cedarburg - General Fund	$2,593,023.40	21.02 %
City of Cedarburg - Fire Department	$1,018,356.51	8.25 %
City of Cedarburg - Risk Management	$910,489.23	7.38 %
City of Cedarburg - 2023A	$648,246.81	5.25 %
City of Cedarburg - Capital Improvements	$531,065.89	4.30 %
City of Cedarburg - Public Safety Impact Fees	$412,183.61	3.34 %
City of Cedarburg - Special Revenue	$105,776.41	0.86 %
Table Total	**$12,338,637.33**	**100.00 %**

Asset Class Allocation

Asset Class	Market Value	Allocation
Money Market-Taxable	$4,175,410.94	33.84 %
Municipal Bond	$3,634,378.50	29.46 %
Treasury Bond	$2,021,107.90	16.38 %
CD	$1,796,570.40	14.56 %
Agency Bond	$578,542.45	4.69 %
Cash or Equivalent	$132,627.14	1.07 %
Table Total	**$12,338,637.33**	**100.00 %**

Single Account Breakdown

Account	Market Value
City of Cedarburg - 2023A	**$648,246.81**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - 2023A									
Pershing Money Market	Money Market-Taxable	PERSHCASH		648,246.81	3.37 %	N/A	$648,246.81	N/A	N/A
City of Cedarburg - 2023A Total:						**N/A**	**$648,246.81**		
Total:						**N/A**	**$648,246.81**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - General Fund	**$2,593,023.40**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - General Fund									
Pershing Money Market	Money Market-Taxable	PERSHCASH		662,217.50	3.37 %	N/A	$662,217.50	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		2,131.25	0.00 %	N/A	$2,131.25	N/A	N/A
US Treasury Note 0.75% 5/31/2026	Treasury Bond	91282CCF6	5/31/2026	10,000.00	0.75 %	$9,961.33	$9,949.60	0.83 %	1.77 %
FFCB Bond 0.60% 8/18/2026	Agency Bond	3133EL4F8	8/18/2026	200,000.00	0.60 %	$200,416.01	$197,572.00	0.56 %	3.07 %
US Treasury Note 2.00% 11/15/2026	Treasury Bond	912828U24	11/15/2026	100,000.00	2.00 %	$95,007.81	$98,919.00	3.20 %	3.11 %
Dort Finl Cr Un Grand Blanc Mi Sh Ctf 3.80% 6/1/2027	CD	25844MCL0	6/1/2027	200,000.00	3.80 %	$199,960.00	$199,828.00	3.81 %	3.87 %
FNMA 0.75% 10/8/2027	Agency Bond	3135G05Y5	10/8/2027	100,000.00	0.75 %	$99,768.00	$95,497.00	0.78 %	3.09 %
Ornl Fed Cr Un Oak Ridge Tenn Sh Ctf 3.75% 11/29/2027	CD	67121MAA2	11/29/2027	200,000.00	3.75 %	$199,910.00	$199,546.00	3.77 %	3.89 %
Federal Farm Cr Bks Cons Systemwide Bds 0.75% 12/2/2027	Agency Bond	3133EMJJ2	12/2/2027	75,000.00	0.75 %	$75,000.00	$71,379.75	0.75 %	3.26 %
US Treasury Note 1.125% 2/29/2028	Treasury Bond	91282CBP5	2/29/2028	160,000.00	1.13 %	$159,100.00	$152,100.80	1.21 %	3.71 %
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	80,000.00	1.25 %	$80,513.07	$75,606.40	1.15 %	3.57 %
Texas St Dept Hsg & Cmnty Affairs Residential Mtg Rev Taxable Bds 2024 B 4.746% 7/1/2028	Municipal Bond	882750WD0	7/1/2028	60,000.00	4.75 %	$60,096.00	$60,882.60	4.71 %	4.12 %
Msd Southwest Allen Cnty Ind Taxable Go Bds 2024 B 4.76% 7/15/2028	Municipal Bond	55353RCN5	7/15/2028	150,000.00	4.76 %	$150,010.00	$151,726.50	4.76 %	4.27 %
US Treasury Note 1.50% 11/30/2028	Treasury Bond	91282CDL2	11/30/2028	100,000.00	1.50 %	$98,964.84	$94,156.00	1.66 %	3.57 %
US Treasury Note 2.625% 2/15/2029	Treasury Bond	9128286B1	2/15/2029	65,000.00	2.63 %	$63,890.43	$62,884.90	2.90 %	3.78 %
US Treasury Bond K-2029 2.875% 4/30/2029	Treasury Bond	91282CEM9	4/30/2029	100,000.00	2.88 %	$99,261.72	$97,211.00	2.99 %	3.73 %
US Treasury Bond 3.875% 9/30/2029	Treasury Bond	91282CFL0	9/30/2029	110,000.00	3.88 %	$108,745.31	$110,017.60	4.06 %	3.87 %
FFCB Bond 4.38 4.375% 10/24/2029	Agency Bond	3133ENV64	10/24/2029	100,000.00	4.38 %	$103,541.40	$101,474.00	3.79 %	3.97 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - General Fund									
US Treasury Note 3.875% 12/31/2029	Treasury Bond	91282CGB1	12/31/2029	150,000.00	3.88 %	$147,544.92	$149,923.50	4.15 %	3.89 %
City of Cedarburg - General Fund Total:						**$1,951,690.84**	**$2,593,023.40**		
Total:						**$1,951,690.84**	**$2,593,023.40**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Special Revenue	**$105,776.41**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Special Revenue									
Pershing Money Market	Money Market-Taxable	PERSHCASH		82,149.41	3.37 %	N/A	$82,149.41	N/A	N/A
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	25,000.00	1.25 %	$25,159.68	$23,627.00	1.15 %	3.57 %
City of Cedarburg - Special Revenue Total:						**$25,159.68**	**$105,776.41**		
Total:						**$25,159.68**	**$105,776.41**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Sewer Utility	**$6,119,495.47**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Sewer Utility									
Pershing Money Market	Money Market-Taxable	PERSHCASH		8,618.70	3.37 %	N/A	$8,618.70	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		98,802.14	0.00 %	N/A	$98,802.14	N/A	N/A
Dreyfus Money Instl	Money Market-Taxable	DSVXX		1,604,167.42	0.00 %	N/A	$1,604,167.42	N/A	N/A
Wings Finl Cr Un Apple Vy Minn Sh Ctf 4.00% 4/10/2026	CD	97412MAG4	4/10/2026	249,000.00	4.00 %	$248,947.75	$248,950.20	4.01 %	4.04 %
Austin Telco Fed Cr Un Tex Sh Ctf 4.00% 4/13/2026	CD	052392DQ7	4/13/2026	249,000.00	4.00 %	$248,947.75	$248,985.06	4.00 %	4.00 %
US Treasury Note 0.75% 4/30/2026	Treasury Bond	91282CBW0	4/30/2026	75,000.00	0.75 %	$74,610.35	$74,823.00	0.86 %	1.22 %
US Treasury Note DC 0.875% 6/30/2026	Treasury Bond	91282CCJ8	6/30/2026	85,000.00	0.88 %	$85,160.92	$84,400.75	0.84 %	2.30 %
Gesa Credit Unio 5.25% 7/31/2026	CD	37424PAH7	7/31/2026	100,000.00	5.25 %	$99,910.00	$100,454.00	5.28 %	3.88 %
Freedom Northwest Cr Un Kamiah CD 5.35% 9/18/2026	CD	356436AQ8	9/18/2026	105,000.00	5.35 %	$104,905.00	$105,716.10	5.38 %	3.97 %
US Treasury Note 1.25% 11/30/2026	Treasury Bond	91282CDK4	11/30/2026	80,000.00	1.25 %	$79,115.63	$78,691.20	1.48 %	2.92 %
US Treasury Note AH-2026 1.25% 12/31/2026	Treasury Bond	91282CDQ1	12/31/2026	100,000.00	1.25 %	$99,398.44	$98,163.00	1.37 %	3.13 %
US Treasury Note W-2027 2.50% 3/31/2027	Treasury Bond	91282CEF4	3/31/2027	75,000.00	2.50 %	$74,317.38	$74,097.00	2.70 %	3.74 %
US Treasury Note 4.125% 9/30/2027	Treasury Bond	91282CFM8	9/30/2027	100,000.00	4.13 %	$99,910.15	$100,406.00	4.15 %	3.84 %
US Treasury Note 3.875% 12/31/2027	Treasury Bond	91282CGC9	12/31/2027	100,000.00	3.88 %	$101,643.94	$100,063.00	3.51 %	3.84 %
Msd Southwest Allen Cnty Ind Taxable Go Bds 2024A 4.81% 1/15/2029	Municipal Bond	55353RCF2	1/15/2029	125,000.00	4.81 %	$125,010.00	$126,755.00	4.81 %	4.31 %
Columbus Ohio Taxable Var Purp Unltd Tax Gen Oblig Bds 2025 C 3.76% 10/1/2029	Municipal Bond	19951BBQ6	10/1/2029	205,000.00	3.76 %	$205,010.00	$203,886.85	3.76 %	3.91 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.00% 10/1/2029	Municipal Bond	602246EL0	10/1/2029	155,000.00	4.00 %	$156,006.65	$154,961.25	3.82 %	4.01 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Sewer Utility									
New York N Y Gen Oblig Taxable Bds Fiscal 2026 Sub E1 3.944% 10/1/2029	Municipal Bond	64966SRS7	10/1/2029	390,000.00	3.94 %	$390,010.00	$387,309.00	3.94 %	4.13 %
Monroe County IN 4.03% 1/15/2030	Municipal Bond	610597KY1	1/15/2030	100,000.00	4.03 %	$100,010.00	$99,316.00	4.03 %	4.22 %
Columbus Ohio Taxable Var Purp Unltd Tax Gen Oblig Bds 2025 C 3.81% 10/1/2030	Municipal Bond	19951BBR4	10/1/2030	500,000.00	3.81 %	$500,010.00	$495,850.00	3.81 %	3.99 %
Connecticut St Hsg Fin Auth Hsg Mtg Fin Prog Taxable Bds 2025d-3 Green Bond 3.849% 11/15/2030	Municipal Bond	20775JBW8	11/15/2030	150,000.00	3.85 %	$150,010.00	$148,314.00	3.85 %	4.10 %
Monroe Cnty Ind Cmnty Sch Corp Taxable Gen Oblig Bds 2025 4.23% 1/15/2031	Municipal Bond	610597LA2	1/15/2031	90,000.00	4.23 %	$90,010.00	$89,587.80	4.23 %	4.33 %
New York NY Taxable GO Bds Fiscal 1.97% 3/1/2031	Municipal Bond	64966QKS8	3/1/2031	145,000.00	1.97 %	$130,878.30	$130,166.50	3.96 %	4.26 %
Monroe County Ind 4.28% 7/15/2031	Municipal Bond	610597LB0	7/15/2031	120,000.00	4.28 %	$120,010.00	$119,330.40	4.28 %	4.40 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.50% 10/1/2031	Municipal Bond	602246EN6	10/1/2031	400,000.00	4.50 %	$409,362.00	$405,372.00	4.06 %	4.24 %
Monroe Cnty Ind Cmnty Sch Corp Taxable Gen Oblig Bds 2025 4.35% 1/15/2032	Municipal Bond	610597LC8	1/15/2032	105,000.00	4.35 %	$105,010.00	$104,139.00	4.35 %	4.51 %
New York NY City 4.00% 2/1/2032	Municipal Bond	64972JRZ3	2/1/2032	565,000.00	4.00 %	$562,190.65	$553,863.85	4.09 %	4.38 %
Monroe County IN 4.40% 7/15/2032	Municipal Bond	610597LD6	7/15/2032	75,000.00	4.40 %	$75,010.00	$74,306.25	4.40 %	4.57 %
City of Cedarburg - Sewer Utility Total:						**$4,435,404.91**	**$6,119,495.47**		
Total:						**$4,435,404.91**	**$6,119,495.47**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Capital Improvements	**$531,065.89**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Capital Improvements									
Pershing Money Market	Money Market-Taxable	PERSHCASH		151,635.04	3.37 %	N/A	$151,635.04	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		30,731.25	0.00 %	N/A	$30,731.25	N/A	N/A
US Treasury Note 0.75% 4/30/2026	Treasury Bond	91282CBW0	4/30/2026	25,000.00	0.75 %	$24,919.88	$24,941.00	0.86 %	1.22 %
US Treasury Note DC 0.875% 6/30/2026	Treasury Bond	91282CCJ8	6/30/2026	30,000.00	0.88 %	$30,059.11	$29,788.50	0.82 %	2.30 %
US Treasury Note 1.25% 11/30/2026	Treasury Bond	91282CDK4	11/30/2026	25,000.00	1.25 %	$24,792.23	$24,591.00	1.46 %	2.92 %
US Treasury Note AH-2026 1.25% 12/31/2026	Treasury Bond	91282CDQ1	12/31/2026	25,000.00	1.25 %	$24,886.78	$24,540.75	1.37 %	3.13 %
FFCB 4.125% 8/23/2027	Agency Bond	3133EPBM6	8/23/2027	25,000.00	4.13 %	$24,735.29	$25,123.50	4.39 %	3.78 %
US Treasury Note 4.125% 9/30/2027	Treasury Bond	91282CFM8	9/30/2027	30,000.00	4.13 %	$29,975.58	$30,121.80	4.15 %	3.84 %
Morgan Stanley P 3.75%27 Cd Fdic Ins Due 11/26/2027 Us	CD	61776NF57	11/26/2027	75,000.00	3.75 %	$74,935.00	$74,821.50	3.79 %	3.87 %
US Treasury Note 3.875% 12/31/2027	Treasury Bond	91282CGC9	12/31/2027	30,000.00	3.88 %	$30,506.61	$30,018.90	3.50 %	3.84 %
Morgan Stanley Bank 3.80% 11/27/2028	CD	61778EJU6	11/27/2028	85,000.00	3.80 %	$84,925.00	$84,752.65	3.83 %	3.90 %
City of Cedarburg - Capital Improvements Total:						**$349,735.48**	**$531,065.89**		
Total:						**$349,735.48**	**$531,065.89**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Risk Management	**$910,489.23**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Risk Management									
Pershing Money Market	Money Market-Taxable	PERSHCASH		236,839.63	3.37 %	N/A	$236,839.63	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		962.50	0.00 %	N/A	$962.50	N/A	N/A
US Treasury Note 2.125% 5/31/2026	Treasury Bond	9128286X3	5/31/2026	35,000.00	2.13 %	$33,203.52	$34,903.05	3.70 %	2.69 %
Freedom Northwest Cr Un Kamiah CD 5.35% 9/18/2026	CD	356436AQ8	9/18/2026	35,000.00	5.35 %	$34,975.00	$35,238.70	5.38 %	3.97 %
US Treasury Note 2.00% 11/15/2026	Treasury Bond	912828U24	11/15/2026	35,000.00	2.00 %	$33,252.73	$34,621.65	3.20 %	3.11 %
VA State Housing Development Authority 1.496% 4/1/2027	Municipal Bond	92812VW93	4/1/2027	80,000.00	1.50 %	$72,712.80	$78,124.00	4.79 %	3.11 %
Morgan Stanley P 3.75%27 Cd Fdic Ins Due 11/26/2027 Us	CD	61776NF57	11/26/2027	100,000.00	3.75 %	$99,910.00	$99,762.00	3.79 %	3.87 %
Federal Farm Cr Bks Cons Systemwide Bds 0.75% 12/2/2027	Agency Bond	3133EMJJ2	12/2/2027	30,000.00	0.75 %	$30,000.00	$28,551.90	0.75 %	3.26 %
FHLB 0.75% 12/10/2027	Agency Bond	3130AKFW1	12/10/2027	30,000.00	0.75 %	$30,013.14	$28,502.10	0.74 %	3.35 %
US Treasury Note 0.75% 1/31/2028	Treasury Bond	91282CBJ9	1/31/2028	40,000.00	0.75 %	$38,645.31	$37,832.80	1.26 %	3.58 %
US Treasury Note 1.125% 2/29/2028	Treasury Bond	91282CBP5	2/29/2028	30,000.00	1.13 %	$29,831.25	$28,518.90	1.21 %	3.71 %
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	35,000.00	1.25 %	$35,222.84	$33,077.80	1.16 %	3.57 %
US Treasury Note 1.25% 09/30/2028	Treasury Bond	91282CCY5	9/30/2028	30,000.00	1.25 %	$29,817.19	$28,171.80	1.34 %	3.83 %
US Treasury Note 1.50% 11/30/2028	Treasury Bond	91282CDL2	11/30/2028	30,000.00	1.50 %	$29,689.45	$28,246.80	1.66 %	3.57 %
US Treasury Note 1.375% 12/31/2028	Treasury Bond	91282CDP3	12/31/2028	30,000.00	1.38 %	$29,609.77	$28,096.80	1.57 %	3.63 %
US Treasury Bond K-2029 2.875% 4/30/2029	Treasury Bond	91282CEM9	4/30/2029	50,000.00	2.88 %	$49,630.86	$48,605.50	2.99 %	3.73 %
US Treasury Bond 3.875% 9/30/2029	Treasury Bond	91282CFL0	9/30/2029	40,000.00	3.88 %	$39,543.75	$40,006.40	4.06 %	3.87 %
FFCB Bond 4.38 4.375% 10/24/2029	Agency Bond	3133ENV64	10/24/2029	30,000.00	4.38 %	$31,056.12	$30,442.20	3.80 %	3.97 %
US Treasury Note 3.875% 12/31/2029	Treasury Bond	91282CGB1	12/31/2029	30,000.00	3.88 %	$29,508.99	$29,984.70	4.15 %	3.89 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Risk Management									
City of Cedarburg - Risk Management Total:						**$676,622.72**	**$910,489.23**		
Total:						**$676,622.72**	**$910,489.23**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Public Safety Impact Fees	**$412,183.61**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Public Safety Impact Fees									
Pershing Money Market	Money Market-Taxable	PERSHCASH		412,183.61	3.37 %	N/A	$412,183.61	N/A	N/A
City of Cedarburg - Public Safety Impact Fees Total:						**N/A**	**$412,183.61**		
Total:						**N/A**	**$412,183.61**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Fire Department	**$1,018,356.51**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Fire Department									
Pershing Money Market	Money Market-Taxable	PERSHCASH		267,378.92	3.37 %	N/A	$267,378.92	N/A	N/A
Dreyfus Money Instl	Money Market-Taxable	DSVXX		101,973.90	0.00 %	N/A	$101,973.90	N/A	N/A
Onpath Fed Cr Un Metairie La Sh Ctf 3.90% 10/16/2026	CD	68283MAS5	10/16/2026	249,000.00	3.90 %	$248,985.10	$248,952.69	3.91 %	3.93 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.00% 10/1/2027	Municipal Bond	602246EJ5	10/1/2027	250,000.00	4.00 %	$251,595.00	$250,487.50	3.67 %	3.90 %
Morgan Stanley Bank 3.80% 11/27/2028	CD	61778EJU6	11/27/2028	150,000.00	3.80 %	$149,860.00	$149,563.50	3.83 %	3.90 %
City of Cedarburg - Fire Department Total:						**$650,440.10**	**$1,018,356.51**		
Total:						**$650,440.10**	**$1,018,356.51**		

Disclaimer & Terms

Ehlers Investment Partners ("Ehlers") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV) on our website at www.ehlers◊inc.com/disclosures.

Information contained in this performance summary is confidential and for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this summary but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank/brokerage maintains control of all assets reflected in this summary and we urge you to compare this summary to the one you receive from your qualified custodian. Ehlers does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Ehlers will obtain pricing from an alternative approved third-party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed on our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE PERMITS USE OF THE ICE INDICES AND RELATED DATA ON AN "AS IS" BASIS; ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS GUARANTEE THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND LICENSEE'S USE IS AT LICENSEE'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND EHLERS, OR ANY OF ITS PRODUCTS OR SERVICES.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by S&P, Moody's, and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Monthly Portfolio Summary

City of Cedarburg

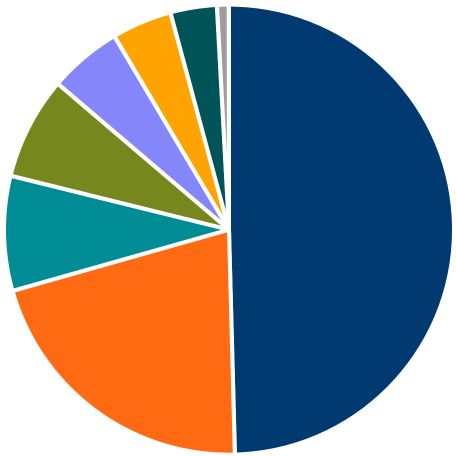
For the Period Ending: 3/31/2026

Monthly Summary

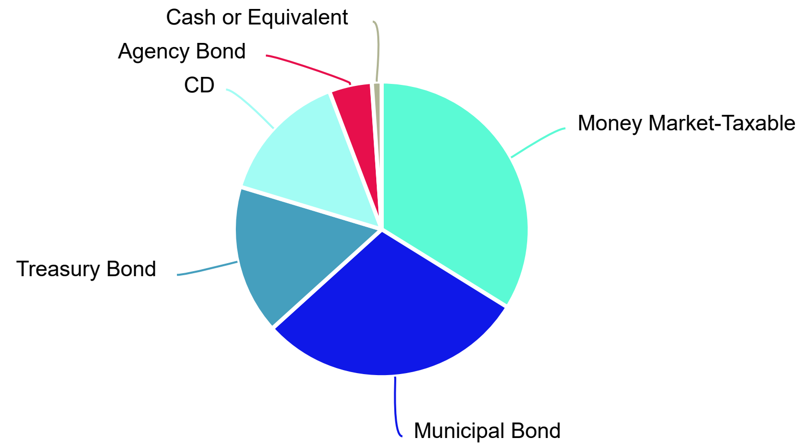
City of Cedarburg

3/31/2026

Account Overview



Asset Class Allocation



Accounts Overview

Account	Market Value	Allocation
City of Cedarburg - Sewer Utility	$6,119,495.47	49.60 %
City of Cedarburg - General Fund	$2,593,023.40	21.02 %
City of Cedarburg - Fire Department	$1,018,356.51	8.25 %
City of Cedarburg - Risk Management	$910,489.23	7.38 %
City of Cedarburg - 2023A	$648,246.81	5.25 %
City of Cedarburg - Capital Improvements	$531,065.89	4.30 %
City of Cedarburg - Public Safety Impact Fees	$412,183.61	3.34 %
City of Cedarburg - Special Revenue	$105,776.41	0.86 %
Table Total	**$12,338,637.33**	**100.00 %**

Asset Class Allocation

Asset Class	Market Value	Allocation
Money Market-Taxable	$4,175,410.94	33.84 %
Municipal Bond	$3,634,378.50	29.46 %
Treasury Bond	$2,021,107.90	16.38 %
CD	$1,796,570.40	14.56 %
Agency Bond	$578,542.45	4.69 %
Cash or Equivalent	$132,627.14	1.07 %
Table Total	**$12,338,637.33**	**100.00 %**

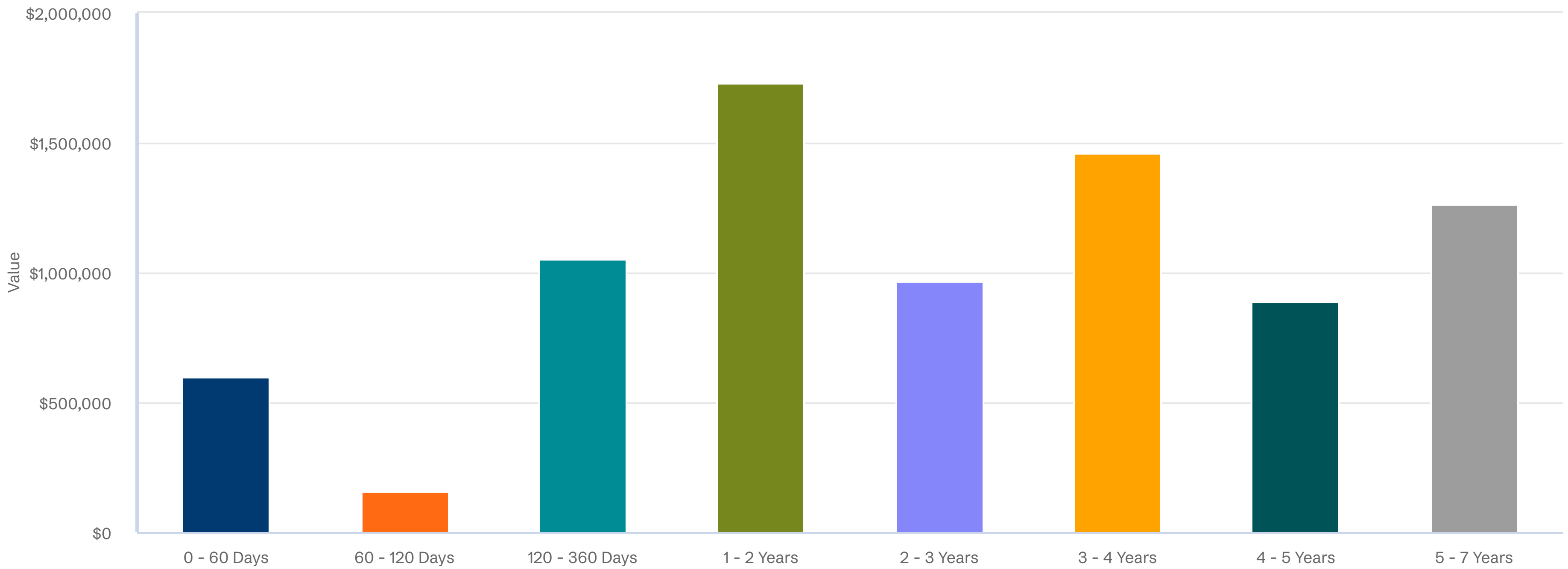
Portfolio Detail

Market Value	$12,338,637.33
Accrued Interest	$90,827.71
Market Value with Accrued Interest	$12,429,465.04
Average Maturity	1.77
Duration	2.52 %
Avg. Moody Rating	Aa1
Average Coupon	2.87 %

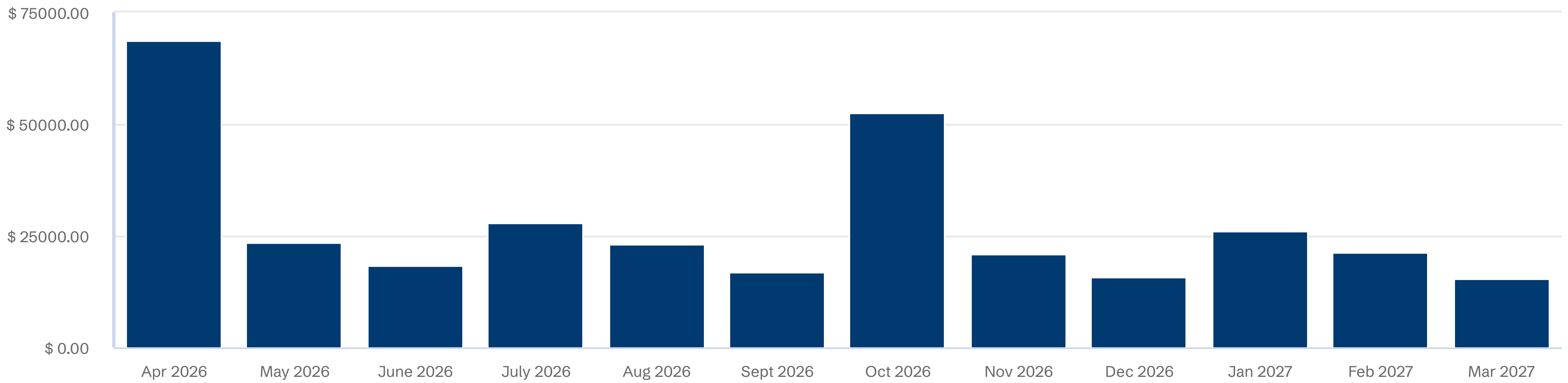
Maturity Year

Maturity Year	Number of Securities	Maturity Amount	Allocation
2026	21	1,812,000.00	22.47 %
2027	16	1,500,000.00	18.51 %
2028	14	1,005,000.00	12.16 %
2029	13	1,550,000.00	19.22 %
2030	3	750,000.00	9.26 %
2031	4	755,000.00	9.27 %
2032	3	745,000.00	9.12 %
Total:		**8,117,000.00**	**100.00 %**

Maturity Period



Projected Income



Projected Cash Flows Next 12 Months

Month	Projected Principal (To Maturity)	Projected Interest (To Maturity)	Projected Principal + Interest (To Maturity)
Apr 2026	$598,000.00	$68,811.96	$666,811.96
May 2026	$45,000.00	$23,377.39	$68,377.39
June 2026	$115,000.00	$18,231.89	$133,231.89
July 2026	$100,000.00	$27,924.06	$127,924.06
Aug 2026	$200,000.00	$23,253.77	$223,253.77
Sept 2026	$140,000.00	$17,057.01	$157,057.01
Oct 2026	$249,000.00	$52,435.29	$301,435.29
Nov 2026	$240,000.00	$21,097.09	$261,097.09
Dec 2026	$125,000.00	$15,857.84	$140,857.84
Jan 2027	$0.00	$26,053.14	$26,053.14
Feb 2027	$0.00	$21,220.35	$21,220.35
Mar 2027	$75,000.00	$15,623.59	$90,623.59

Disclaimer & Terms

Ehlers Investment Partners ("Ehlers") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV) on our website at www.ehlers�inc.com/disclosures.

Information contained in this performance summary is confidential and for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this summary but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank/brokerage maintains control of all assets reflected in this summary and we urge you to compare this summary to the one you receive from your qualified custodian. Ehlers does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Ehlers will obtain pricing from an alternative approved third-party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed on our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE PERMITS USE OF THE ICE INDICES AND RELATED DATA ON AN "AS IS" BASIS; ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS GUARANTEE THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND LICENSEE'S USE IS AT LICENSEE'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND EHLERS, OR ANY OF ITS PRODUCTS OR SERVICES.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by S&P, Moody's, and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

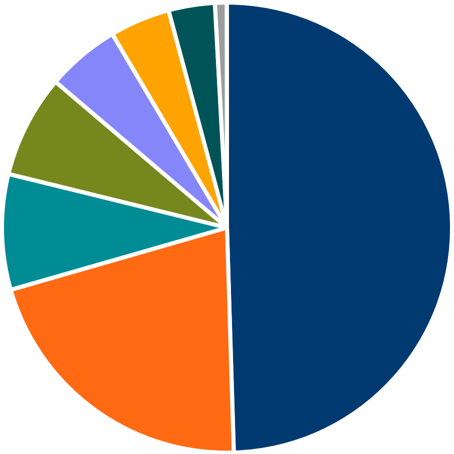
CASH & INVESTMENTS							
Bank	**ACCOUNT**	**6/30/2025**	**9/30/2025**	**12/31/2025**	**3/31/2026**	**6/30/2026**	**CURRENT INTEREST RATE**
CASH							
BMO	Money Market	$ 20,553	$ 15,593	$ 10,626	$ 10,652	$ -	
	Online/Credit Card	$ 1,923	$ 1,862	$ 7,856	$ 27,606	$ -	
	TOTAL BMO	**$ 22,476**	**$ 17,455**	**$ 18,482**	**$ 38,258**	**$ -**	
PWSB	Money Market	$ 2,221,652	$ 3,790,876	$ 2,643,567	$ 3,028,237	$ 537,785	3.71%
	ARPA	$ 50,493	$ 24,711	$ 18,648	$ 18,822	$ 12,987	3.72%
	Tax	$ 145,223	$ 146,836	$ 12,001,199	$ 223,088	$ 140,402	3.72%
	Payroll	$ 546	$ 805	$ 700	$ 11,393	$ 21,535	1.00%
	General Checking	$ 471,229	$ 707,244	$ 787,310	$ 956,511	$ 1,506,919	1.00%
	Internal Service Money Market	$ 383,443	$ 387,702	$ 391,841	$ 395,484	$ 399,129	3.72%
	Online Credit Card	$ 7,306	$ 2,026	$ 4,442	$ 2,664	$ 49,154	-
	EMS Receivables	$ 19,320	$ 107	$ 7,816	$ 1,365	$ 3,141	0.05%
	LEAD Service	$ 138,142	$ 813,444	$ 357,958	$ 71,472	$ 71,472	-
	TOTAL PWSB	**$ 3,437,354**	**$ 5,873,750**	**$ 16,213,481**	**$ 4,709,036**	**$ 2,742,524**	
LGIP	Capital Improvement	$ 2,880,029	$ 2,910,855	$ 2,940,463	$ 954,767	$ 963,507	3.67%
	General	$ 3,639,630	$ 1,638,183	$ 9,296,048	$ 11,825,940	$ 9,835,309	3.67%
	EMS - Equipment Replacement	$ 1,872,239	$ 883,543	$ 892,529	$ 313,838	$ 316,711	3.67%
	Parks and Playground	$ 198,989	$ 201,183	$ 203,229	$ 205,086	$ 206,963	3.67%
	Swimming Pool Impact	$ 50,097	$ 50,649	$ 51,164	$ 51,632	$ 52,104	3.67%
	CI-Economic Development	$ 16,090	$ 16,267	$ 16,433	$ 16,583	$ 16,735	3.67%
	Sewer	$ 6,089,749	$ 3,128,876	$ 3,160,701	$ 3,189,574	$ 2,718,368	3.67%
	Cemetery	$ 158,946	$ 160,699	$ 162,334	$ 163,817	$ 165,316	3.67%
	FD Referendum Funds	$ 862,433	$ 871,942	$ 880,811	$ 1,475,702	$ 1,489,210	3.67%
	2025 Borrowing	$ -	$ -	$ 4,571,139	$ 4,612,896	$ 4,655,121	3.67%
	LEAD SERVICE	$ -	$ -	$ -	$ 347,545	$ 248,658	3.67%
	TOTAL LGIP	**$ 15,768,202**	**$ 9,862,197**	**$ 22,174,851**	**$ 23,157,380**	**$ 20,668,002**	
TOTAL CASH		**$ 19,228,032**	**$ 15,753,402**	**$ 38,406,814**	**$ 27,904,674**	**$ 23,410,526**	
INVESTMENTS							
EHLERS	General	$ 2,520,644	$ 2,555,011	$ 2,582,917	$ 2,593,023	$ 2,601,286	
	Capital Improvement	$ 518,675	$ 524,356	$ 529,254	$ 531,066	$ 534,565	
	Sewer	$ 3,020,803	$ 6,078,719	$ 6,104,476	$ 6,119,495	$ 6,129,193	
	Risk Management	$ 889,157	$ 897,844	$ 908,851	$ 910,489	$ 914,568	
	Special Revenue Fund - Cemetery	$ 102,706	$ 103,967	$ 104,813	$ 105,776	$ 105,607	
	2023A	$ 780,780	$ 788,194	$ 643,472	$ 648,247	$ 653,026	
	Public Safety Impact Fees	$ 397,713	$ 405,206	$ 409,059	$ 412,184	$ 411,276	
	Fire Department	$ -	$ 1,008,346	$ 1,015,691	$ 1,018,357	$ 1,024,615	
TOTAL INVESTMENTS		**$ 8,230,478**	**$ 12,361,642**	**$ 12,298,533**	**$ 12,338,637**	**$ 12,374,136**	

Portfolio Appraisal

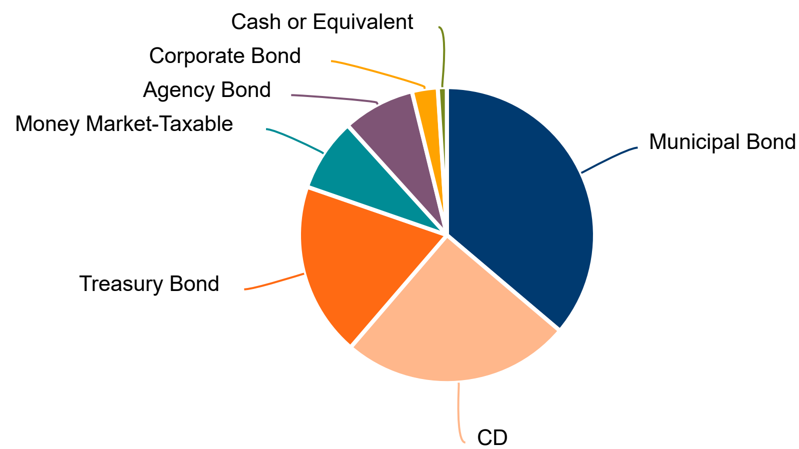
City of Cedarburg

6/30/2026

Account Overview



Asset Class Allocation



Accounts Overview

Account	Market Value	Allocation
City of Cedarburg - Sewer Utility	$6,129,192.69	49.53 %
City of Cedarburg - General Fund	$2,601,286.11	21.02 %
City of Cedarburg - Fire Department	$1,024,614.74	8.28 %
City of Cedarburg - Risk Management	$914,568.33	7.39 %
City of Cedarburg - 2023A	$653,025.86	5.28 %
City of Cedarburg - Capital Improvements	$534,565.20	4.32 %
City of Cedarburg - Public Safety Impact Fees	$411,275.90	3.32 %
City of Cedarburg - Special Revenue	$105,607.10	0.85 %
Table Total	**$12,374,135.93**	**100.00 %**

Asset Class Allocation

Asset Class	Market Value	Allocation
Municipal Bond	$4,477,797.80	36.19 %
CD	$3,108,465.69	25.12 %
Treasury Bond	$2,350,360.94	18.99 %
Money Market-Taxable	$989,590.29	8.00 %
Agency Bond	$975,805.35	7.89 %
Corporate Bond	$348,312.47	2.81 %
Cash or Equivalent	$123,803.39	1.00 %
Table Total	**$12,374,135.93**	**100.00 %**

Single Account Breakdown

Account	Market Value
City of Cedarburg - 2023A	**$653,025.86**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - 2023A									
Pershing Money Market	Money Market-Taxable	PERSHCASH		653,025.86	3.37 %	N/A	$653,025.86	N/A	N/A
City of Cedarburg - 2023A Total:						**N/A**	**$653,025.86**		
Total:						**N/A**	**$653,025.86**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - General Fund	**$2,601,286.11**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - General Fund									
Pershing Money Market	Money Market-Taxable	PERSHCASH		43,308.29	3.37 %	N/A	$43,308.29	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		3,406.25	0.00 %	N/A	$3,406.25	N/A	N/A
FFCB Bond 0.60% 8/18/2026	Agency Bond	3133EL4F8	8/18/2026	200,000.00	0.60 %	$200,416.01	$199,140.00	0.56 %	1.47 %
US Treasury Note 2.00% 11/15/2026	Treasury Bond	912828U24	11/15/2026	100,000.00	2.00 %	$95,007.81	$99,285.00	3.20 %	3.45 %
Dort Finl Cr Un Grand Blanc Mi Sh Ctf 3.80% 6/1/2027	CD	25844MCL0	6/1/2027	200,000.00	3.80 %	$199,960.00	$199,456.00	3.81 %	4.08 %
FNMA 0.75% 10/8/2027	Agency Bond	3135G05Y5	10/8/2027	100,000.00	0.75 %	$99,768.00	$95,877.00	0.78 %	3.60 %
Ubs Bank Usa 3.85% 10/25/2027	CD	90355GRN8	10/25/2027	150,000.00	3.85 %	$149,680.00	$149,401.50	3.99 %	4.16 %
Ornl Fed Cr Un Oak Ridge Tenn Sh Ctf 3.75% 11/29/2027	CD	67121MAA2	11/29/2027	200,000.00	3.75 %	$199,910.00	$198,864.00	3.77 %	4.16 %
Federal Farm Cr Bks Cons Systemwide Bds 0.75% 12/2/2027	Agency Bond	3133EMJJ2	12/2/2027	75,000.00	0.75 %	$75,000.00	$71,612.25	0.75 %	3.88 %
US Treasury Note 1.125% 2/29/2028	Treasury Bond	91282CBP5	2/29/2028	160,000.00	1.13 %	$159,100.00	$152,275.20	1.21 %	3.65 %
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	80,000.00	1.25 %	$80,513.07	$75,593.60	1.15 %	4.15 %
Texas St Dept Hsg & Cmnty Affairs Residential Mtg Rev Taxable Bds 2024 B 4.746% 7/1/2028	Municipal Bond	882750WD0	7/1/2028	60,000.00	4.75 %	$60,096.00	$60,441.00	4.71 %	4.43 %
Msd Southwest Allen Cnty Ind Taxable Go Bds 2024 B 4.76% 7/15/2028	Municipal Bond	55353RCN5	7/15/2028	150,000.00	4.76 %	$150,010.00	$150,682.50	4.76 %	4.57 %
US Treasury Note 1.50% 11/30/2028	Treasury Bond	91282CDL2	11/30/2028	100,000.00	1.50 %	$98,964.84	$93,949.00	1.66 %	4.07 %
US Treasury Note 2.625% 2/15/2029	Treasury Bond	9128286B1	2/15/2029	65,000.00	2.63 %	$63,890.43	$62,550.15	2.90 %	3.97 %
US Treasury Bond K-2029 2.875% 4/30/2029	Treasury Bond	91282CEM9	4/30/2029	100,000.00	2.88 %	$99,261.72	$96,617.00	2.99 %	4.08 %
US Treasury Bond 3.875% 9/30/2029	Treasury Bond	91282CFL0	9/30/2029	110,000.00	3.88 %	$108,745.31	$109,059.50	4.06 %	4.14 %
FFCB Bond 4.38 4.375% 10/24/2029	Agency Bond	3133ENV64	10/24/2029	100,000.00	4.38 %	$103,541.40	$100,464.00	3.79 %	4.23 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - General Fund									
US Treasury Note 3.875% 12/31/2029	Treasury Bond	91282CGB1	12/31/2029	150,000.00	3.88 %	$147,544.92	$148,599.00	4.15 %	4.16 %
Merrick Bank 4.10% 4/18/2030	CD	59013LLP7	4/18/2030	249,000.00	4.10 %	$248,549.35	$246,965.67	4.15 %	4.33 %
New York City NY Tra 3.35% 11/1/2030	Municipal Bond	64971XJH2	11/1/2030	255,000.00	3.35 %	$245,822.35	$243,739.20	4.15 %	4.44 %
City of Cedarburg - General Fund Total:						**$2,585,781.21**	**$2,601,286.11**		
Total:						**$2,585,781.21**	**$2,601,286.11**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Special Revenue	**$105,607.10**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Special Revenue									
Pershing Money Market	Money Market-Taxable	PERSHCASH		2,613.30	3.37 %	N/A	$2,613.30	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		156.25	0.00 %	N/A	$156.25	N/A	N/A
New York St Urban Dev Corp Rev St Pers 3.27% 3/15/2027	Municipal Bond	6500354X3	3/15/2027	55,000.00	3.27 %	$54,694.75	$54,656.80	3.84 %	3.91 %
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	25,000.00	1.25 %	$25,159.68	$23,623.00	1.15 %	4.15 %
San Juan Capistrano CA Taxable GO Ref 3.39% 8/1/2028	Municipal Bond	798339GY7	8/1/2028	25,000.00	3.39 %	$24,585.00	$24,557.75	4.10 %	4.14 %
City of Cedarburg - Special Revenue Total:						**$104,439.43**	**$105,607.10**		
Total:						**$104,439.43**	**$105,607.10**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Sewer Utility	**$6,129,192.69**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Sewer Utility									
Pershing Money Market	Money Market-Taxable	PERSHCASH		104,035.54	3.37 %	N/A	$104,035.54	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		88,365.89	0.00 %	N/A	$88,365.89	N/A	N/A
Dreyfus Money Instl	Money Market-Taxable	DSVXX		60,644.85	0.00 %	N/A	$60,644.85	N/A	N/A
Gesa Credit Unio 5.25% 7/31/2026	CD	37424PAH7	7/31/2026	100,000.00	5.25 %	$99,910.00	$100,104.00	5.28 %	4.00 %
Freedom Northwest Cr Un Kamiah CD 5.35% 9/18/2026	CD	356436AQ8	9/18/2026	105,000.00	5.35 %	$104,905.00	$105,320.25	5.38 %	4.12 %
US Treasury Note 1.25% 11/30/2026	Treasury Bond	91282CDK4	11/30/2026	80,000.00	1.25 %	$79,115.63	$79,118.40	1.48 %	3.49 %
US Treasury Note AH-2026 1.25% 12/31/2026	Treasury Bond	91282CDQ1	12/31/2026	100,000.00	1.25 %	$99,398.44	$98,675.00	1.37 %	3.95 %
US Treasury Note W-2027 2.50% 3/31/2027	Treasury Bond	91282CEF4	3/31/2027	75,000.00	2.50 %	$74,317.38	$74,162.25	2.70 %	3.65 %
Federal Agric Mortgage Corp 3.80% 4/8/2027	Corporate Bond	31428JFF9	4/8/2027	349,000.00	3.80 %	$349,030.94	$348,312.47	3.79 %	4.00 %
Pinnacle Natl Bank 3.80% 4/15/2027	CD	72345SMH1	4/15/2027	240,000.00	3.80 %	$239,436.40	$239,472.00	4.04 %	4.03 %
Ally Bank 3.75% 9/27/2027	CD	02007G3R2	9/27/2027	245,000.00	3.75 %	$244,316.26	$243,792.15	3.94 %	4.09 %
US Treasury Note 4.125% 9/30/2027	Treasury Bond	91282CFM8	9/30/2027	100,000.00	4.13 %	$99,910.15	$99,984.00	4.15 %	4.14 %
US Treasury Note 3.50% 9/30/2027	Treasury Bond	91282CPB1	9/30/2027	350,000.00	3.50 %	$348,574.45	$347,308.50	3.78 %	4.03 %
US Treasury Note 3.875% 12/31/2027	Treasury Bond	91282CGC9	12/31/2027	100,000.00	3.88 %	$101,643.94	$99,598.00	3.51 %	4.15 %
Federal Farm Cr Bks Cons Systemwide Bds 3.875% 3/27/2028	Agency Bond	3133EWJZ4	3/27/2028	248,000.00	3.88 %	$248,271.09	$246,809.60	3.82 %	4.13 %
Bank Of America, 3.95%28 Cd Fdic Ins Due 4/24/2028 Us	CD	06051X6T4	4/24/2028	245,000.00	3.95 %	$244,713.33	$243,868.10	4.00 %	4.19 %
Bmw Bk North Amer Salt Lake City Utah Ctf Dep 4.00% 10/17/2028	CD	05612LJZ6	10/17/2028	245,000.00	4.00 %	$245,010.00	$243,601.05	4.00 %	4.24 %
US Treasury Note 3.50% 11/15/2028	Treasury Bond	91282CPK1	11/15/2028	248,000.00	3.50 %	$245,946.56	$244,337.04	3.79 %	4.13 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Sewer Utility									
Msd Southwest Allen Cnty Ind Taxable Go Bds 2024A 4.81% 1/15/2029	Municipal Bond	55353RCF2	1/15/2029	125,000.00	4.81 %	$125,010.00	$125,785.00	4.81 %	4.58 %
Columbus Ohio Taxable Var Purp Unltd Tax Gen Oblig Bds 2025 C 3.76% 10/1/2029	Municipal Bond	19951BBQ6	10/1/2029	205,000.00	3.76 %	$205,010.00	$202,203.80	3.76 %	4.18 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.00% 10/1/2029	Municipal Bond	602246EL0	10/1/2029	155,000.00	4.00 %	$156,006.65	$153,262.45	3.82 %	4.35 %
New York N Y Gen Oblig Taxable Bds Fiscal 2026 Sub E1 3.944% 10/1/2029	Municipal Bond	64966SRS7	10/1/2029	390,000.00	3.94 %	$390,010.00	$383,120.40	3.94 %	4.49 %
Monroe County IN 4.03% 1/15/2030	Municipal Bond	610597KY1	1/15/2030	100,000.00	4.03 %	$100,010.00	$98,379.00	4.03 %	4.48 %
Columbus Ohio Taxable Var Purp Unltd Tax Gen Oblig Bds 2025 C 3.81% 10/1/2030	Municipal Bond	19951BBR4	10/1/2030	500,000.00	3.81 %	$500,010.00	$491,415.00	3.81 %	4.23 %
Connecticut St Hsg Fin Auth Hsg Mtg Fin Prog Taxable Bds 2025d-3 Green Bond 3.849% 11/15/2030	Municipal Bond	20775JBW8	11/15/2030	150,000.00	3.85 %	$150,010.00	$146,976.00	3.85 %	4.35 %
Monroe Cnty Ind Cmnty Sch Corp Taxable Gen Oblig Bds 2025 4.23% 1/15/2031	Municipal Bond	610597LA2	1/15/2031	90,000.00	4.23 %	$90,010.00	$88,688.70	4.23 %	4.56 %
New York NY Taxable GO Bds Fiscal 1.97% 3/1/2031	Municipal Bond	64966QKS8	3/1/2031	145,000.00	1.97 %	$130,878.30	$129,090.60	3.96 %	4.44 %
Monroe County Ind 4.28% 7/15/2031	Municipal Bond	610597LB0	7/15/2031	120,000.00	4.28 %	$120,010.00	$118,126.80	4.28 %	4.60 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.50% 10/1/2031	Municipal Bond	602246EN6	10/1/2031	400,000.00	4.50 %	$409,362.00	$400,040.00	4.06 %	4.50 %
Monroe Cnty Ind Cmnty Sch Corp Taxable Gen Oblig Bds 2025 4.35% 1/15/2032	Municipal Bond	610597LC8	1/15/2032	105,000.00	4.35 %	$105,010.00	$103,129.95	4.35 %	4.69 %
New York NY City 4.00% 2/1/2032	Municipal Bond	64972JRZ3	2/1/2032	565,000.00	4.00 %	$562,190.65	$547,857.90	4.09 %	4.58 %
Monroe County IN 4.40% 7/15/2032	Municipal Bond	610597LD6	7/15/2032	75,000.00	4.40 %	$75,010.00	$73,608.00	4.40 %	4.74 %
City of Cedarburg - Sewer Utility Total:						**$5,943,037.17**	**$6,129,192.69**		
Total:						**$5,943,037.17**	**$6,129,192.69**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Capital Improvements	**$534,565.20**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Capital Improvements									
Pershing Money Market	Money Market-Taxable	PERSHCASH		38,918.00	3.37 %	N/A	$38,918.00	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		30,868.75	0.00 %	N/A	$30,868.75	N/A	N/A
US Treasury Note 1.25% 11/30/2026	Treasury Bond	91282CDK4	11/30/2026	25,000.00	1.25 %	$24,792.23	$24,724.50	1.46 %	3.49 %
US Treasury Note AH-2026 1.25% 12/31/2026	Treasury Bond	91282CDQ1	12/31/2026	25,000.00	1.25 %	$24,886.78	$24,668.75	1.37 %	3.95 %
FFCB 4.125% 8/23/2027	Agency Bond	3133EPBM6	8/23/2027	25,000.00	4.13 %	$24,735.29	$24,997.00	4.39 %	4.13 %
US Treasury Note 4.125% 9/30/2027	Treasury Bond	91282CFM8	9/30/2027	30,000.00	4.13 %	$29,975.58	$29,995.20	4.15 %	4.14 %
Morgan Stanley P 3.75%27 Cd Fdic Ins Due 11/26/2027 Us	CD	61776NF57	11/26/2027	75,000.00	3.75 %	$74,935.00	$74,538.00	3.79 %	4.18 %
US Treasury Note 3.875% 12/31/2027	Treasury Bond	91282CGC9	12/31/2027	30,000.00	3.88 %	$30,506.61	$29,879.40	3.50 %	4.15 %
Ubs Bk USA Salt Lake City UT Ctf Dep 3.90% 1/25/2028	CD	90355GAT3	1/25/2028	75,000.00	3.90 %	$74,912.50	$74,673.00	3.97 %	4.19 %
Morgan Stanley Bank 3.80% 11/27/2028	CD	61778EJU6	11/27/2028	85,000.00	3.80 %	$84,925.00	$84,122.80	3.83 %	4.24 %
Deschutes & Jefferson Cntys 1.425% 6/15/2029	Municipal Bond	250343JY7	6/15/2029	55,000.00	1.43 %	$50,753.00	$50,636.30	3.80 %	4.27 %
Manchester CT 1.90% 8/1/2029	Municipal Bond	5621116U3	8/1/2029	50,000.00	1.90 %	$46,752.00	$46,543.50	3.90 %	4.04 %
City of Cedarburg - Capital Improvements Total:						**$467,173.99**	**$534,565.20**		
Total:						**$467,173.99**	**$534,565.20**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Risk Management	**$914,568.33**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Risk Management									
Pershing Money Market	Money Market-Taxable	PERSHCASH		53,757.88	3.37 %	N/A	$53,757.88	N/A	N/A
US Dollars	Cash or Equivalent	USD999997		1,006.25	0.00 %	N/A	$1,006.25	N/A	N/A
Freedom Northwest Cr Un Kamiah CD 5.35% 9/18/2026	CD	356436AQ8	9/18/2026	35,000.00	5.35 %	$34,975.00	$35,106.75	5.38 %	4.12 %
US Treasury Note 2.00% 11/15/2026	Treasury Bond	912828U24	11/15/2026	35,000.00	2.00 %	$33,252.73	$34,749.75	3.20 %	3.45 %
VA State Housing Development Authority 1.496% 4/1/2027	Municipal Bond	92812VW93	4/1/2027	80,000.00	1.50 %	$72,712.80	$78,495.20	4.79 %	3.43 %
Morgan Stanley P 3.75%27 Cd Fdic Ins Due 11/26/2027 Us	CD	61776NF57	11/26/2027	100,000.00	3.75 %	$99,910.00	$99,384.00	3.79 %	4.18 %
Federal Farm Cr Bks Cons Systemwide Bds 0.75% 12/2/2027	Agency Bond	3133EMJJ2	12/2/2027	30,000.00	0.75 %	$30,000.00	$28,644.90	0.75 %	3.88 %
FHLB 0.75% 12/10/2027	Agency Bond	3130AKFW1	12/10/2027	30,000.00	0.75 %	$30,013.14	$28,596.00	0.74 %	4.00 %
US Treasury Note 0.75% 1/31/2028	Treasury Bond	91282CBJ9	1/31/2028	40,000.00	0.75 %	$38,645.31	$37,929.60	1.26 %	3.45 %
US Treasury Note 1.125% 2/29/2028	Treasury Bond	91282CBP5	2/29/2028	30,000.00	1.13 %	$29,831.25	$28,551.60	1.21 %	3.65 %
US Treasury Bond M-2028 1.25% 6/30/2028	Treasury Bond	91282CCH2	6/30/2028	35,000.00	1.25 %	$35,222.84	$33,072.20	1.16 %	4.15 %
US Treasury Note 1.25% 09/30/2028	Treasury Bond	91282CCY5	9/30/2028	30,000.00	1.25 %	$29,817.19	$28,144.80	1.34 %	3.87 %
Hawaii St 2.902% 10/1/2028	Municipal Bond	419792KM7	10/1/2028	50,000.00	2.90 %	$48,684.50	$48,417.50	4.02 %	4.25 %
US Treasury Note 1.50% 11/30/2028	Treasury Bond	91282CDL2	11/30/2028	30,000.00	1.50 %	$29,689.45	$28,184.70	1.66 %	4.07 %
US Treasury Note 1.375% 12/31/2028	Treasury Bond	91282CDP3	12/31/2028	30,000.00	1.38 %	$29,609.77	$28,039.50	1.57 %	4.15 %
US Treasury Bond K-2029 2.875% 4/30/2029	Treasury Bond	91282CEM9	4/30/2029	50,000.00	2.88 %	$49,630.86	$48,308.50	2.99 %	4.08 %
US Treasury Bond 3.875% 9/30/2029	Treasury Bond	91282CFL0	9/30/2029	40,000.00	3.88 %	$39,543.75	$39,658.00	4.06 %	4.14 %
FFCB Bond 4.38 4.375% 10/24/2029	Agency Bond	3133ENV64	10/24/2029	30,000.00	4.38 %	$31,056.12	$30,139.20	3.80 %	4.23 %
Oxford Mich Cmnty Schs Go Unltd Tax Ref Taxable Bds 2019 2.39% 11/1/2029	Municipal Bond	691610ET2	11/1/2029	50,000.00	2.39 %	$47,305.00	$47,055.50	3.86 %	4.22 %

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Risk Management									
US Treasury Note 3.875% 12/31/2029	Treasury Bond	91282CGB1	12/31/2029	30,000.00	3.88 %	$29,508.99	$29,719.80	4.15 %	4.16 %
Rhode Island St 4.51% 5/1/2030	Municipal Bond	762223RE7	5/1/2030	65,000.00	4.51 %	$66,063.00	$65,477.10	4.11 %	4.31 %
New York City NY Tra 3.35% 11/1/2030	Municipal Bond	64971XJH2	11/1/2030	65,000.00	3.35 %	$62,772.05	$62,129.60	4.12 %	4.44 %
City of Cedarburg - Risk Management Total:						**$868,243.75**	**$914,568.33**		
Total:						**$868,243.75**	**$914,568.33**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Public Safety Impact Fees	**$411,275.90**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Public Safety Impact Fees									
Pershing Money Market	Money Market-Taxable	PERSHCASH		6,800.65	3.37 %	N/A	$6,800.65	N/A	N/A
Federal Home Ln Bks 1.75% 12/29/2027	Agency Bond	3130AMZY1	12/29/2027	155,000.00	1.75 %	$149,784.17	$149,525.40	3.51 %	4.20 %
Optum Bk Draper Utah Ctf Dep 4.00% 10/30/2028	CD	68405VGH6	10/30/2028	130,000.00	4.00 %	$130,010.00	$129,282.40	4.00 %	4.24 %
Manchester CT 1.90% 8/1/2029	Municipal Bond	5621116U3	8/1/2029	135,000.00	1.90 %	$126,213.40	$125,667.45	3.91 %	4.04 %
City of Cedarburg - Public Safety Impact Fees Total:						**$406,007.57**	**$411,275.90**		
Total:						**$406,007.57**	**$411,275.90**		

Single Account Breakdown

Account	Market Value
City of Cedarburg - Fire Department	**$1,024,614.74**

Portfolio Appraisal

Security	Security Type	Cusip	Maturity Date	Quantity	Coupon	Cost	Market Value	YTM Cost	YTM Price
City of Cedarburg - Fire Department									
Pershing Money Market	Money Market-Taxable	PERSHCASH		11,061.57	3.37 %	N/A	$11,061.57	N/A	N/A
Dreyfus Money Instl	Money Market-Taxable	DSVXX		15,424.35	0.00 %	N/A	$15,424.35	N/A	N/A
Onpath Fed Cr Un Metairie La Sh Ctf 3.90% 10/16/2026	CD	68283MAS5	10/16/2026	249,000.00	3.90 %	$248,985.10	$248,845.62	3.91 %	4.09 %
Milwaukee Cnty Wis Go Taxable Zoo Rhino Exhibit Prom Nts 2025c 4.00% 10/1/2027	Municipal Bond	602246EJ5	10/1/2027	250,000.00	4.00 %	$251,595.00	$249,410.00	3.67 %	4.16 %
Massachusetts St Hsg Fin Agy Hsg Rev 3.35% 6/1/2028	Municipal Bond	57587AN79	6/1/2028	110,000.00	3.35 %	$108,621.80	$108,204.80	3.88 %	4.21 %
Morgan Stanley Bank 3.80% 11/27/2028	CD	61778EJU6	11/27/2028	150,000.00	3.80 %	$149,860.00	$148,452.00	3.83 %	4.24 %
Toyota Finl Savings 4.00% 4/20/2029	CD	89235MTY7	4/20/2029	245,000.00	4.00 %	$244,642.50	$243,216.40	4.05 %	4.26 %
City of Cedarburg - Fire Department Total:						**$1,003,704.40**	**$1,024,614.74**		
Total:						**$1,003,704.40**	**$1,024,614.74**		

Disclaimer & Terms

Ehlers Investment Partners ("Ehlers") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV) on our website at www.ehlers◇inc.com/disclosures.

Information contained in this performance summary is confidential and for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this summary but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank/brokerage maintains control of all assets reflected in this summary and we urge you to compare this summary to the one you receive from your qualified custodian. Ehlers does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Ehlers will obtain pricing from an alternative approved third-party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed on our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE PERMITS USE OF THE ICE INDICES AND RELATED DATA ON AN "AS IS" BASIS; ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS GUARANTEE THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND LICENSEE'S USE IS AT LICENSEE'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND EHLERS, OR ANY OF ITS PRODUCTS OR SERVICES.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by S&P, Moody's, and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

City of Cedarburg

Financial Statements and
Supplementary Information

December 31, 2025

	Page
Supplementary Information	

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Common Council of
City of Cedarburg

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 Cedarburg (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2025 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 (*Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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'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.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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 *Government Auditing Standards* 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 *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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 May 29, 2026 on our consideration of the City'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'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's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Milwaukee, Wisconsin
May 29, 2026

BASIC FINANCIAL STATEMENTS

City of Cedarburg

Statement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	$ 19,137,699	$ 16,316,379	$ 35,454,078
Receivables:			
Taxes	15,361,515	-	15,361,515
Accounts and other	1,612,732	1,942,418	3,555,150
Interest	-	59,477	59,477
Leases	6,212,546	-	6,212,546
Internal balances	505,985	(505,985)	-
Materials and supplies	10,237	768,006	778,243
Prepaid items	240,252	63,147	303,399
Restricted assets:			
Cash and investments	-	5,024,480	5,024,480
Other assets	-	78,062	78,062
Capital assets:			
Land	8,910,813	2,263,218	11,174,031
Construction in progress	913,453	22,126	935,579
Other capital assets, net of depreciation	58,140,325	57,529,293	115,669,618
Lease assets, net of amortization	310,949	-	310,949
Total assets	111,356,506	83,560,621	194,917,127
Deferred Outflows of Resources			
Pension related items	3,481,257	1,628,906	5,110,163
Total deferred outflows of resources	3,481,257	1,628,906	5,110,163
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued liabilities	1,181,071	1,006,060	2,187,131
Deposits	35,897	50,749	86,646
Due to other governments	5,226	-	5,226
Accrued interest payable	180,923	13,109	194,032
Unearned revenue	59,163	-	59,163
Noncurrent liabilities:			
Due within one year	1,867,646	204,624	2,072,270
Due in more than one year	25,587,534	1,316,453	26,903,987
Total liabilities	28,917,460	2,590,995	31,508,455
Deferred Inflows of Resources			
Unearned revenue	21,496,157	-	21,496,157
Pension related items	1,714,530	815,490	2,530,020
Total deferred inflows of resources	23,210,687	815,490	24,026,177
Net Position			
Net investment in capital assets	57,209,415	59,181,972	116,170,923
Restricted	4,235,243	5,024,480	9,259,723
Unrestricted	1,264,958	17,576,590	19,062,012
Total net position	$ 62,709,616	$ 81,783,042	$ 144,492,658

See notes to financial statements

City of Cedarburg

Statement of Activities
Year Ended December 31, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Governmental activities:							
General government	$ 2,203,729	$ 531,010	$ 269,232	$ -	$ (1,403,487)	$ -	$ (1,403,487)
Public safety	6,921,356	1,642,253	338,871	-	(4,940,232)	-	(4,940,232)
Public works	6,001,423	1,041,931	797,178	-	(4,162,314)	-	(4,162,314)
Health and human services	58,923	-	-	-	(58,923)	-	(58,923)
Culture, recreation and education	3,647,515	1,046,736	332,770	-	(2,268,009)	-	(2,268,009)
Conservation and development	767,662	-	-	-	(767,662)	-	(767,662)
Interest and fiscal charges	719,064	-	-	-	(719,064)	-	(719,064)
Total governmental activities	20,319,672	4,261,930	1,738,051	-	(14,319,691)	-	(14,319,691)
Business-type activities:							
Light and water utility	14,475,130	16,175,978	-	238,830	-	1,939,678	1,939,678
Sewer utility	3,397,936	4,696,552	-	-	-	1,298,616	1,298,616
Total business-type activities	17,873,066	20,872,530	-	238,830	-	3,238,294	3,238,294
Total	$ 38,192,738	$ 25,134,460	$ 1,738,051	$ 238,830	(14,319,691)	3,238,294	(11,081,397)
General Revenues							
Taxes:							
Property taxes, levied for general purposes					7,358,340	-	7,358,340
Property taxes, levied for debt service					947,067	-	947,067
Property taxes, levied for capital projects					2,218,930	-	2,218,930
Property taxes, levied for TIF purposes					891,459	-	891,459
Property taxes, levied for library					794,550	-	794,550
Property taxes, levied for rescue purposes					1,829,273	-	1,829,273
Property taxes, levied for other purposes					69,216	-	69,216
Other taxes					126,888	-	126,888
Intergovernmental revenues not restricted to specific programs					923,508	-	923,508
Investment income					920,161	748,914	1,669,075
Gain on disposal of assets					224,854	-	224,854
Miscellaneous					536,963	(25,059)	511,904
Total general revenues					16,841,209	723,855	17,565,064
Transfers					861,128	(861,128)	-
Change in net position					3,382,646	3,101,021	6,483,667
Net Position, Beginning					59,326,970	78,682,021	138,008,991
Net Position, Ending					$ 62,709,616	$ 81,783,042	$ 144,492,658

See notes to financial statements

Balance Sheet -
Governmental Funds
December 31, 2025

	General Fund	Special Revenue Fund: Rescue/EMS Fund	Capital Project Funds: Capital Improvements Fund	Capital Project Funds: TIF District No. 7	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	$ 4,449,779	$ 2,261,832	$ 6,970,650	$ 720,666	$ 229,429	$ 3,183,387	$ 17,815,743
Receivables:							
Taxes	7,701,747	1,829,273	1,884,870	955,434	1,546,423	1,443,768	15,361,515
Accounts	57,379	100,733	7,249	-	-	1,447,371	1,612,732
Leases	5,711,796	-	-	-	-	500,750	6,212,546
Due from other funds	548,178	-	-	-	-	18,652	566,830
Materials and supplies	10,237	-	-	-	-	-	10,237
Prepaid expenditures	164,476	-	75,776	-	-	-	240,252
Advances to other funds	1,085,989	-	-	-	-	220,464	1,306,453
Total assets	$ 19,729,581	$ 4,191,838	$ 8,938,545	$ 1,676,100	$ 1,775,852	$ 6,814,392	$ 43,126,308
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 233,890	$ 153,094	$ 99,136	$ -	$ -	$ 106,747	$ 592,867
Accrued liabilities	328,971	38,631	-	-	-	24,437	392,039
Deposits	35,897	-	-	-	-	-	35,897
Due to other funds	6,257	-	288	-	-	267,930	274,475
Due to other governments	5,226	-	-	-	-	-	5,226
Unearned revenue	59,163	-	-	-	-	-	59,163
Advance from other funds	-	-	-	-	-	1,085,989	1,085,989
Total liabilities	669,404	191,725	99,424	-	-	1,485,103	2,445,656
Deferred Inflows of Resources							
Unavailable revenues	50,691	-	-	-	-	1,401,005	1,451,696
Unearned revenues	13,335,639	1,829,273	1,884,870	955,434	1,546,423	1,944,518	21,496,157
Total deferred inflows of resources	13,386,330	1,829,273	1,884,870	955,434	1,546,423	3,345,523	22,947,853
Fund Balances							
Nonspendable	1,260,702	-	75,776	-	-	-	1,336,478
Restricted	-	-	4,324,977	720,666	229,429	2,564,853	7,839,925
Committed	-	2,170,840	-	-	-	769,625	2,940,465
Assigned	639,000	-	2,553,498	-	-	-	3,192,498
Unassigned (deficit)	3,774,145	-	-	-	-	(1,350,712)	2,423,433
Total fund balances	5,673,847	2,170,840	6,954,251	720,666	229,429	1,983,766	17,732,799
Total liabilities, deferred inflows of resources and fund balances	$ 19,729,581	$ 4,191,838	$ 8,938,545	$ 1,676,100	$ 1,775,852	$ 6,814,392	$ 43,126,308

See notes to financial statements

City of Cedarburg

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2025

Total Fund Balances, Governmental Funds	$	17,732,799
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds		
Land		8,910,813
Construction in progress		913,453
Other capital assets, net of depreciation		58,140,325
Lease assets, net of amortization		310,949
The net pension liability does not related to current financial resources and is not reported in the governmental funds.		(641,538)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.		1,451,696
Internal service funds are used by the City to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in Governmental Activities in the Statement of Net Position.		1,118,956
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		3,481,257
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		(1,714,530)
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.		
Bonds, leases, notes payable and unamortized premium/(discount)		(25,623,140)
Compensated absences		(478,621)
Pollution remediation liability		(711,880)
Accrued interest		(180,923)
Net Position of Governmental Activities	$	62,709,616

See notes to financial statements

City of Cedarburg

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2025

	General Fund	Special Revenue Fund: Rescue/EMS Fund	Capital Project Funds: Capital Improvements Fund	Capital Project Funds: TIF District No. 7	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes	$ 7,358,340	$ 1,829,273	$ 2,218,930	$ 315,469	$ 947,067	$ 1,566,644	$ 14,235,723
Special assessments	-	-	176,139	-	-	-	176,139
Intergovernmental	1,573,293	320,012	-	-	-	405,234	2,298,539
Licenses and permits	456,518	38,356	-	-	-	-	494,874
Fines, forfeitures and penalties	36,045	-	-	-	-	11,895	47,940
Public charges for services	180,770	594,274	-	-	-	992,693	1,767,737
Intergovernmental charges for services	90,855	536,623	-	-	60,832	-	688,310
Investment income	426,253	81,596	153,242	26,625	2,143	115,487	805,346
Miscellaneous	261,821	14,268	14,107	-	-	479,544	769,740
Total revenues	10,383,895	3,414,402	2,562,418	342,094	1,010,042	3,571,497	21,284,348
Expenditures							
Current:							
General government	1,498,083	-	-	-	-	-	1,498,083
Public safety	4,382,331	1,959,234	-	-	-	67,402	6,408,967
Public works	2,974,548	-	-	-	-	-	2,974,548
Health and human services	-	-	-	-	-	58,923	58,923
Culture, recreation and education	1,279,945	-	-	-	-	1,915,392	3,195,337
Conservation and development	1,547	-	-	216,994	-	550,965	769,506
Capital outlay	206,362	30,701	3,154,837	47,218	-	1,260,652	4,699,770
Debt service:							
Principal	-	-	111,188	-	1,434,248	913,266	2,458,702
Interest and fees	-	-	59,492	105,899	227,414	257,551	650,356
Total expenditures	10,342,816	1,989,935	3,325,517	370,111	1,661,662	5,024,151	22,714,192
Excess (deficiency) of revenues over expenditures	41,079	1,424,467	(763,099)	(28,017)	(651,620)	(1,452,654)	(1,429,844)
Other Financing Sources (Uses)							
Transfers in	901,129	-	479,000	-	229,198	1,631,659	3,240,986
Transfers out	-	(1,300,003)	(714,024)	-	(245,534)	(120,297)	(2,379,858)
Debt issued	-	-	6,200,325	-	-	1,009,795	7,210,120
Proceeds from lease	-	-	134,775	-	-	-	134,775
Proceeds from sale of capital assets	-	40	32,511	-	-	192,343	224,894
Total other financing sources (uses)	901,129	(1,299,963)	6,132,587	-	(16,336)	2,713,500	8,430,917
Net change in fund balances	942,208	124,504	5,369,488	(28,017)	(667,956)	1,260,846	7,001,073
Fund Balances, Beginning	4,731,639	2,046,336	1,584,763	748,683	897,385	722,920	10,731,726
Fund Balances, Ending	$ 5,673,847	$ 2,170,840	$ 6,954,251	$ 720,666	$ 229,429	$ 1,983,766	$ 17,732,799

See notes to financial statements

City of Cedarburg

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds	$	7,001,073
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However in the Statement of Net Position, the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.		
Capital outlay is reported as an expenditure in the fund financial statements, but is capitalized in the government-wide statements		4,699,770
Some items reported as outlay were not capitalized		(1,677,098)
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements		17,532
Depreciation and amortization is reported in the government-wide statements		(2,489,582)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Debt issued		(7,210,120)
Proceeds from lease		(134,775)
Principal repaid		2,458,702
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		198
Accrued interest on debt		52
Pollution remediation liability		(18,562)
Net pension liability		(77,913)
Deferred outflows of resources related to pensions		(1,290,653)
Deferred inflows of resources related to pensions		1,159,197
Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the Statement of Net Position, these are reported as additions or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.		
Amortization of debt premiums and discounts		42,435
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.		852,551
Internal service funds are used by the City to charge the cost of insurance to individual funds. The net revenue of the internal service fund is reported in the governmental activities.		49,839
Change in Net Position of Governmental Activities	$	3,382,646

See notes to financial statements

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	**Sewer Utility**	**Total**	**Internal Service Fund - Risk Management**
Assets and Deferred Outflows of Resources				
Current Assets				
Cash and investments	$ 5,808,381	$ 7,157,696	$ 12,966,077	$ 1,321,956
Receivables:				
Accounts	1,756,541	-	1,756,541	-
Other	185,877	-	185,877	-
Interest	59,477	-	59,477	-
Due from other funds	246,650	374,489	621,139	-
Materials and supplies	768,006	-	768,006	-
Prepaid items	63,147	-	63,147	-
Total current assets	8,888,079	7,532,185	16,420,264	1,321,956
Noncurrent Assets				
Restricted assets, cash and investments	-	5,024,480	5,024,480	-
Preliminary survey and investigation	35,890	-	35,890	-
Designated investments	3,279,366	-	3,279,366	-
Liability insurance reserve account	70,936	-	70,936	-
Nonutility property	42,172	-	42,172	-
Capital assets:				
Land	393,560	1,869,658	2,263,218	-
Construction in progress	22,126	-	22,126	-
Property, plant and equipment	74,442,751	42,600,776	117,043,527	-
Less accumulated depreciation	(26,940,140)	(32,574,094)	(59,514,234)	-
Total noncurrent assets	51,346,661	16,920,820	68,267,481	-
Total assets	60,234,740	24,453,005	84,687,745	1,321,956
Deferred Outflows of Resources				
Pension related items	1,208,163	420,743	1,628,906	-

See notes to financial statements

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Total	Internal Service Fund - Risk Management
Liabilities, Deferred Inflows of Resources and Net Position				
Current Liabilities				
Accounts payable	$ 289,036	$ 75,440	$ 364,476	$ 6,311
Claims payable	-	-	-	189,855
Accrued payroll	-	22,123	22,123	-
Accrued interest payable	8,267	4,842	13,109	-
Deposits	50,749	-	50,749	-
Due to other funds	886,066	1,942	888,008	6,834
Current portion of general obligation debt	-	50,000	50,000	-
Current portion of compensated absences	141,010	2,316	143,326	-
Current portion of advances	29,996	-	29,996	
Current portion of subscription liability	11,298	-	11,298	-
Other current liability	619,461	-	619,461	-
Total current liabilities	2,035,883	156,663	2,192,546	203,000
Noncurrent Liabilities				
Advances	209,120	-	209,120	-
Compensated absences	444,452	50,074	494,526	-
Customer advances for construction	30,772	-	30,772	-
Subscription liability	11,595	-	11,595	-
Net pension liability	150,528	69,260	219,788	-
General obligation debt	-	559,772	559,772	-
Total noncurrent liabilities	846,467	679,106	1,525,573	-
Total liabilities	2,882,350	835,769	3,718,119	203,000
Deferred Inflows of Resources				
Pension related items	621,438	194,052	815,490	-
Net Position				
Net investment in capital assets	47,895,404	11,286,568	59,181,972	-
Restricted for equipment replacement	-	5,024,480	5,024,480	-
Unrestricted	10,043,711	7,532,879	17,576,590	1,118,956
Total net position	$ 57,939,115	$ 23,843,927	$ 81,783,042	$ 1,118,956

See notes to financial statements

City of Cedarburg

Statement of Revenues, Expenses and Changes in Fund Net Position -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Total	Internal Service Fund - Risk Management
Operating Revenues				
Charges for services	$ 16,175,978	$ 4,696,552	$ 20,872,530	$ 363,918
Other operating revenues	-	-	-	11,414
Total operating revenues	16,175,978	4,696,552	20,872,530	375,332
Operating Expenses				
Operation and maintenance	12,523,234	1,999,556	14,522,790	429,550
Depreciation	1,947,544	1,385,048	3,332,592	-
Total operating expenses	14,470,778	3,384,604	17,855,382	429,550
Operating income	1,705,200	1,311,948	3,017,148	(54,218)
Nonoperating Revenues (Expenses)				
Investment income	340,968	407,946	748,914	104,057
Interest expense	(4,352)	(13,332)	(17,684)	-
Miscellaneous	(26,912)	1,853	(25,059)	-
Total nonoperating revenues (expense)	309,704	396,467	706,171	104,057
Income before capital contributions and transfers	2,014,904	1,708,415	3,723,319	49,839
Capital Contributions and Transfers				
Capital contribution	238,830	-	238,830	-
Transfers	(861,128)	-	(861,128)	-
Total capital contributions and transfers	(622,298)	-	(622,298)	-
Change in net position	1,392,606	1,708,415	3,101,021	49,839
Net Position, Beginning	56,546,509	22,135,512	78,682,021	1,069,117
Net Position, Ending	$ 57,939,115	$ 23,843,927	$ 81,783,042	$ 1,118,956

See notes to financial statements

City of Cedarburg

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Total	Internal Service Fund - Risk Management
Cash Flows From Operating Activities				
Receipts from customers	$ 15,782,521	$ 4,669,059	$ 20,451,580	$ 375,332
Paid to suppliers for goods and services	(10,620,724)	(1,392,051)	(12,012,775)	(395,005)
Paid to employees for services	(1,639,125)	(680,374)	(2,319,499)	-
Receipts from municipality	302,377	-	302,377	-
Net cash flows from operating activities	3,825,049	2,596,634	6,421,683	(19,673)
Cash Flows From Investing Activities				
Purchase of investment securities	(1,043,691)	(6,851,897)	(7,895,588)	(1,116,253)
Proceeds from sale and maturities of investment securities	1,375,475	5,007,724	6,383,199	1,301,786
Investment income	325,750	407,946	733,696	104,057
Net cash flows from investing activities	657,534	(1,436,227)	(778,693)	289,590
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(781,708)	-	(781,708)	-
Transfers in (out)	(18,434)	-	(18,434)	-
Net cash flows from noncapital financing activities	(800,142)	-	(800,142)	-
Cash Flows From Capital and Related Financing Activities				
Debt retired	-	(45,000)	(45,000)	-
Interest paid	-	(14,975)	(14,975)	-
Acquisition and construction of capital assets	(3,708,266)	(1,646,785)	(5,355,051)	-
Salvage on retirement of plant	76,480	-	76,480	-
Cost of removal of property retired	(129,876)	70,339	(59,537)	-
Subscription payments	(11,900)	-	(11,900)	-
Capital contributions received	141,216	-	141,216	-
Net cash flows from capital and related financing activities	(3,632,346)	(1,636,421)	(5,268,767)	-
Net change in cash and cash equivalents	50,095	(476,014)	(425,919)	269,917
Cash and Cash Equivalents, Beginning	8,064,897	8,229,874	16,294,771	377,801
Cash and Cash Equivalents, Ending	$ 8,114,992	$ 7,753,860	$ 15,868,852	$ 647,718

See notes to financial statements

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Total	Internal Service Fund - Risk Management
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	$ 1,705,200	$ 1,311,948	$ 3,017,148	$ (54,218)
Miscellaneous nonoperating activities	(30,372)	1,856	(28,516)	-
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	1,947,544	1,385,048	3,332,592	-
Depreciation charged to clearing accounts	112,424	-	112,424	-
Changes in assets, deferred outflows, liabilities and deferred inflows:				
Accounts receivable	(61,318)	(29,349)	(90,667)	-
Other receivables	65,129	-	65,129	-
Due from other funds	(141,884)	-	(141,884)	-
Prepayments	(15,998)	-	(15,998)	-
Materials and supplies	(16,358)	-	(16,358)	-
Accounts payable	7,598	(40,389)	(32,791)	27,711
Accrued payroll and related benefits	51,824	2,316	54,140	-
Unearned revenues	30,904	-	30,904	-
Due to other funds	120,290	(60,845)	59,445	6,834
Deposits	(2,241)	-	(2,241)	-
Accrued interest on deposit	1,562	-	1,562	-
Pension related deferrals	50,745	22,022	72,767	-
Other current liabilities	-	4,027	4,027	-
Net cash flows from operating activities	$ 3,825,049	$ 2,596,634	$ 6,421,683	$ (19,673)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Current, cash and investments, unrestricted	$ 5,808,381	$ 7,157,696	$ 12,966,077	$ 1,321,956
Noncurrent, cash and investments, restricted	-	5,024,480	5,024,480	-
Noncurrent, cash and investments, designated	3,350,302	-	3,350,302	-
Noncash equivalents	(1,043,691)	(4,428,316)	(5,472,007)	(674,238)
Cash and cash equivalents	$ 8,114,992	$ 7,753,860	$ 15,868,852	$ 647,718
Noncash Capital and Related Financing Activities				
Developer financed additions to utility plant	$ 120,494	$ -		$ -
Additional subscription assets/liabilities	$ 5,412	$ -		$ -

City of Cedarburg

Statement of Fiduciary Net Position -
Custodial Fund
December 31, 2025

	Custodial Fund Tax Collection Fund
Assets	
Cash and investments	$ 19,454,687
Taxes receivable	521,042
Total assets	19,975,729
Liabilities	
Due to other governments	19,975,729
Net Position	
Total net position	$ -

See notes to financial statements

City of Cedarburg

Statement of Changes in Fiduciary Net Position -
Custodial Fund
Year Ended December 31, 2025

	Custodial Fund Tax Collection Fund
Additions	
Tax collections	$ 14,436,814
Deductions	
Payments to overlying districts	(14,436,814)
Change in net position	-
Net Position, Beginning	-
Net Position, Ending	$ -

See notes to financial statements

1. Summary of Significant Accounting Policies

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

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

Discretely Presented Component Unit

Community Development Authority of the City

The government-wide financial statements include the Community Development Authority of the City (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the Mayor and confirmed by the Common Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. The Community Development Authority of the City is part of the reporting entity of the City of Cedarburg. However, the CDA had no financial transactions during 2025 which are material to these financial statements. Also, the CDA does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The CDA does not issue separate financial statements.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

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

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

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

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

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

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

The City reports the following major governmental funds:

General Fund

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

Special Revenue Fund

Rescue/EMS Special Revenue Fund is used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for the rescue/EMS program.

Debt Service Fund

Debt Service Fund 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 TID or enterprise debt.

Capital Projects Funds

Capital Improvements Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Tax Incremental Financing (TIF) District No. 7 Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TIF project plan.

Enterprise Funds

The City reports the following major enterprise funds:

Light and Water Utility accounts for operations of the electrical and water system.

Sewer Utility accounts for operations of the sewer system.

The City reports the following nonmajor governmental funds:

Special Revenue Funds

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

Cemetery
Recreation Programs
Public Safety Impact Fee
American Rescue Plan
Park Impact Fee
Room Tax
Library
Donations
Swimming Pool
FD & EMS Referendum Fund

Capital Projects Funds

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

Tax Incremental Finance (TIF) District No. 3
Tax Incremental Finance (TIF) District No. 5
Lead Service Public
Tax Incremental Finance (TIF) District No. 4
Tax Incremental Finance (TIF) District No. 6
Lead Service Private

In addition, the City reports the following fund types:

Internal Service Fund

Internal Service Fund 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.

Risk Management

Custodial Fund

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

Tax Collection Fund

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 light and water and sewer utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2025, there were $466,207 and $187,045 of City and Sewer Utility, respectively, unrecorded anticipated future assessments which are not recorded as receivables because collection is subject to certain events occurring in the future. No formal repayment schedule has been established.

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

Proprietary and Fiduciary Funds

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

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

All Financial Statements

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

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

Deposits and Investments

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

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

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

b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

g. Repurchase agreements with public depositories, with certain conditions.

The City has adopted an investment policy. That policy follows the state statute for allowable investments. The policy addresses custodial credit risk by stating that deposits shall not exceed federal and/or state insurance coverage unless a) they are collateralized by 110% of the investment in federal government backed securities, state permissible debt obligations carrying a credit rating of AA or higher through a nationally recognized credit rating provider, or with b) a Federal Home Loan Bank of Chicago letter of credit listing the City as a beneficiary at a rate of 110% of the investments; or c) collateralization has been waived by the Common Council.

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, 2025, 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 state and county governments as well as the local school districts and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar - 2025 tax roll:

Lien date and levy date	December 2025
Tax bills mailed	December 2025
Payment in full, or	January 31, 2026
First installment due	January 31, 2026
Second installment due	July 31, 2026
Tax sale - 2025 delinquent real estate taxes	October 2028

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 light and water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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

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

The City has received state grant funds for economic development 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 loans receivable has not been reduced by an allowance for uncollectible accounts.

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.

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), 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 general capital assets and $500 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	25-99	Years
Land improvements	15	Years
Equipment	7-15	Years
Computer equipment	5-10	Years
Infrastructure, traffic signals	15	Years
Infrastructure, all other	60	Years
Vehicles	4-10	Years
Electric plant in service	5-40	Years
Water plant in service	4-77	Years
Sewer plant in service	10-80	Years

Lease assets are typically amortized over the lease term.

Fund Financial Statements

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

Other Assets

Designated Investments - the Light and Water Commission has internally designated $3,279,366 of cash and investments for future construction projects and monthly operating reserves.

Commitment to Community - the Light and Water Utility charges fees to all customers as required by the 1999 Energy Reliability Act and 2006 Act 141. Revenues generated from the fees are used to fund energy conservation and low-income energy assistance (Commitment to Community) programs. The Utility is acting as an agent administering the program so net collections and expenses associated with the program are recorded as a current liability or asset on the statement of net position.

Preliminary Survey and Investigation - the balance represents initial project engineering costs related to utility plant construction. The balance will be capitalized upon commencement of the project.

Nonutility Property - the Light and Water Utility in 2006, 2008 and 2015 transferred infrastructure and land no longer in utility use; specifically, the SW, Layton and Lincoln Substations land, building and equipment and land from a well on Fair Street that was abandoned long ago. These assets, excluding land, are fully depreciated at December 31, 2023. Costs to construct a fitness area and the cost of fitness equipment and flooring was recorded as nonutility property in 2011. Costs were partially offset in 2011 and will continue to be so in future years through fees collected from users of the fitness room. During 2019, land was moved to utility property for a new substation.

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.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Sick leave is earned at a rate of ten (10) hours per month for all regular full-time employees, including police officers, for an annual total of 120 hours. Fire Department Shift Workers (FDSW) earn 14 hours per month, for an annual total of 168 hours. Upon death, the employee or their estate shall be paid, at the current wage rate, 50% of the accumulated unused sick leave pay benefits. Upon retirement, 50% plus the FICA percentage of unused sick leave will be paid to the employee. Sick leave pay earned and not taken is cumulative. All employees who have reached the maximum allotment of 120 sick days (168 days for FDSW) shall be compensated 30% of any sick days accumulated over the maximum. This compensation shall be paid on the first check of the following year at the previous year's rate. At December 31, 2025, 50% of the accumulated sick leave pay benefits estimated to be paid out for all employees is recorded as a liability in the government-wide financial statements.

Vacation and sick leave pay is accrued 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. Employees earn vacation in varying amounts based on length of service. Generally, City employees are not allowed to accumulate vacation pay. Light and Water Utility employees are allowed to accumulate unused vacation pay, which is recorded as an expense of the Light and Water Utility Enterprise Fund when earned.

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, 2025, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

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

Leases

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

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.

Subscription-Based Information Technology Arrangements

The City reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the City recognizes subscription proceeds and capital outlay at initiation of the subscription, and the outflow of resources for the subscription liability as a debt service payment.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation/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.

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

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

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets" and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	Governmental Activities	Business-Type Activities	Adjustment	Total
Net investment in capital assets	$ 57,209,415	$ 59,181,972	$ (220,464)	$ 116,170,923
Unrestricted	1,824,164	17,576,590	220,464	19,621,218

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 Common 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 Common 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 Common Council has, by resolution, adopted a financial policy authorizing the Administrator/Treasurer 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 an unassigned fund balance in the General Fund equal to a minimum of 20% and a maximum of 35% of the ensuing year's general operating budget. The unassigned fund balance in the General Fund at year-end was $3,774,145. In order to be in compliance with their policy the unassigned fund balance should be between $2,392,396 and $4,186,694. The City is in compliance with this policy.

See Note 3 for further information.

Pension

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

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

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

Basis for Existing Rates

Sewer Utility

Current sewer rates were placed in effect on January 1, 2025 and were $11.20 per 1,000 gallons of flow with a $16.80 connection fee.

Electric Utility

Current electric rates were approved by the PSCW effective August 1, 2024. The rates are designed to provide a 4.9% return on rate base.

Water Utility

Current water rates were approved by the PSCW effective April 1, 2023 designed to provide a 5.5% return on rate base.

2. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

The following funds had significant expenditures and other financing uses over budget:

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
ARPA Fund	$ -	$ 62,883	$ 62,883
Room Tax Fund	60,000	126,888	66,888
Public Safety Impact Fee	-	54,004	54,004
Recreation Programs Fund	406,767	541,859	135,092
TIF District No. 4 Fund	251,534	285,084	33,550
TIF District No. 5 Fund	204,520	256,173	51,653
TIF District No. 6 Fund	422,662	948,407	525,745
TIF District No. 7 Fund	315,469	370,112	54,643
Lead Service Private	-	1,256,824	1,256,824
Debt Service Fund	1,642,922	1,907,196	264,274
Donation	5,000	13,398	8,398
Rescue/EMS	2,307,194	3,289,938	982,744
Lead Service Public	-	8,789	8,789
Park Impact Fee	-	455	455

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

Deficit Balances

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

As of December 31, 2025, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF District No. 4 Fund	$ (1,085,990)	Expenditures exceeded revenues
Lead Service Private	(264,722)	Expenditures exceeded revenue

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. TIF District No. 4 fund deficits are anticipated to be funded with future contributions, general tax revenues or long-term borrowing.

The Lead Service Private Fund deficit is anticipated to be funded with future payments received from citizens over the next 20 years.

Limitations on the City's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

The City 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
Deposits	$ 24,574,240	$ 24,611,365	Custodial credit
U.S. agencies	578,355	578,355	Custodial credit, credit, interest rate, concentration of credit and investments highly sensitive to interest rate changes
State and local bonds	3,656,158	3,656,158	Credit, custodial credit, interest rate, concentration of credit and investments highly sensitive to interest rate changes
LGIP	23,549,079	23,549,079	Credit
U.S. treasuries	3,799,856	3,799,856	Custodial credit, interest rate and investments highly sensitive to interest rate changes
Certificates of deposit (negotiable)	3,774,195	3,774,195	Credit, custodial credit, interest rate, concentration of credit and investments highly sensitive to interest rate changes
Petty cash	1,362	-	N/A
Total deposits and investments	$ 59,933,245	$ 59,969,008	

Reconciliation to financial statements

Per statement of net position:	
Unrestricted cash and investments	$ 35,454,078
Restricted cash and investments	5,024,480
Per statement of net position, custodial fund:	
Tax Collection Fund	19,454,687
Total deposits and investments	$ 59,933,245

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 non-interest 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.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of $500,000 per customer, of which $100,000 may be in cash. $500,000 of the City's investments are covered by SIPC.

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

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

- Market Value

	December 31, 2025			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
U.S. agencies	$ -	$ 578,355	$ -	$ 578,355
U.S. treasuries	3,799,856	-	-	3,799,856
State and local bonds	-	3,656,158	-	3,656,158
Certificates of deposit (negotiable)	-	3,774,195	-	3,774,195
Total	$ 3,799,856	$ 8,008,708	$ -	$ 11,808,564

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, 2025, $22,802,915 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 5,383,217
Uninsured and collateral held by the pledging financial institution	17,419,698
Total	$ 22,802,915

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.

The City had three investment vehicles exposed to custodial credit risk as of December 31, 2025. The investment vehicles had the following amount exposed that were neither insured nor registered and held by counterparty; 1) U.S. agencies $578,355, 2) U.S. treasuries $3,799,856 and 3) negotiable certificates of deposit $3,774,195.

Credit Risk

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

The City had investments in negotiable CDs which did not have rating available.

The City had investments in U.S. agencies that were rated Aa1 by Moody's and AA+ by the Standard & Poor's. The City's investment in State and local bonds were rated Aa1, Aa2, Aa3 and Aaa by Moody's and AA+ by Standard & Poor's.

The City had investments in the external Wisconsin Local Government Investment Pool which is not rated.

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. As of December 31, 2025 the City did not have any investments exposed to concentration of credit risk.

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, 2025, the City's investments were as follows:

		Maturity (in Years)		
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6+**
U.S. agencies	$ 578,355	$ 196,338	$ 382,017	$ -
U.S. treasuries	3,799,856	2,267,878	1,531,978	-
State and local bonds	3,656,158	-	2,171,247	1,484,911
Certificates of deposit (negotiable)	3,774,195	2,963,083	811,112	-
Total	$ 11,808,564	$ 5,427,299	$ 4,896,354	$ 1,484,911

Investments Highly Sensitive to Interest Rate Changes

At December 31, 2025, the City held $578,355, $3,799,856, $3,656,158 and $3,774,195 in U.S. agencies, U.S. treasuries, state and local bonds and negotiable certificates of deposit. With all fixed income securities, as interest rates rise, the values will fall. The longer the time to maturity, the more sensitive the value will be to a change in interest rates. The longest time to maturity on any holding is seven years maturing July 15, 2032. The market value of this investment at December 31, 2025, was $74,914.

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year, except for the lease receivable of $6,212,546.

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	$ 15,283,611	$ -
Interest on advances	-	50,691
Lease revenue receivable for subsequent years	6,212,546	-
Lease revenue collected for subsequent years	40,903	-
Private lead service loans for subsequent year	-	1,401,005
Monopole escrow	18,260	-
Total unearned/unavailable revenue for governmental funds	$ 21,555,320	$ 1,451,696

Unearned revenue included in liabilities	$ 59,163
Unearned revenue included in deferred inflows	21,496,157
Total unearned revenue for governmental funds	$ 21,555,320

Restricted Assets

The following represent the balances of the restricted assets:

Equipment Replacement Account

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

Following is a list of restricted assets at December 31, 2025:

	Restricted Assets
Equipment replacement account	$ 5,024,480

Capital Assets

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	$ 8,909,813	$ 1,000	$ -	$ 8,910,813
Construction in progress	478,546	434,907	-	913,453
Total capital assets not being depreciated	9,388,359	435,907	-	9,824,266
Capital assets being depreciated:				
Buildings and Improvements	26,348,839	-	-	26,348,839
Infrastructure	57,217,488	1,617,297	-	58,834,785
Vehicles	8,874,762	384,067	29,381	9,229,448
Machinery and equipment	5,408,360	468,158	17,896	5,858,622
Total capital assets being depreciated	97,849,449	2,469,522	47,277	100,271,694
Total capital assets	107,237,808	2,905,429	47,277	110,095,960
Less accumulated depreciation for:				
Buildings and improvements	(8,140,052)	(619,965)	-	(8,760,017)
Infrastructure	(21,463,334)	(964,338)	-	(22,427,672)
Vehicles	(6,311,517)	(509,559)	29,381	(6,791,695)
Machinery and equipment	(3,885,348)	(284,533)	17,896	(4,151,985)
Total accumulated depreciation	(39,800,251)	(2,378,395)	47,277	(42,131,369)
Net capital assets being depreciated	58,049,198	91,127	-	58,140,325
Total governmental activities capital assets, excluding lease assets	$ 67,437,557	$ 527,034	$ -	$ 67,964,591
Lease assets, net (Note 3)				$ 310,949
Total governmental activities capital assets, net as reported in the statement of net position				$ 68,275,540

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	$ 90,294
Public safety	314,864
Public works	1,584,091
Health and human services	388,818
Culture, recreation and education	328
Total governmental activities depreciation expense	$ 2,378,395

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated:				
Land	$ 1,869,658	$ -	$ -	$ 1,869,658
Total capital assets not being depreciated	1,869,658	-	-	1,869,658
Capital assets being depreciated:				
Plant in service	41,305,685	1,646,785	351,694	42,600,776
Total capital assets being depreciated	41,305,685	1,646,785	351,694	42,600,776
Total capital assets	43,175,343	1,646,785	351,694	44,470,434
Less accumulated depreciation for:				
Plant in service	(31,470,401)	(1,385,048)	281,355	(32,574,094)
Total accumulated depreciation	(31,470,401)	(1,385,048)	281,355	(32,574,094)
Net capital assets being depreciated	9,835,284	261,737	70,339	10,026,682
Net sewer capital assets	$ 11,704,942	$ 261,737	$ 70,339	$ 11,896,340

	Beginning Balance	Additions	Deletions	Ending Balance
Light and Water				
Capital assets not being depreciated:				
Land	$ 393,560	$ -	$ -	$ 393,560
Construction in progress	80,381	5,629,337	5,687,592	22,126
Total capital assets not being depreciated / amortized	473,941	5,629,337	5,687,592	415,686
Capital assets being depreciated:				
Plant in service	71,507,474	3,516,739	581,462	74,442,751
Total capital assets being depreciated / amortized	71,507,474	3,516,739	581,462	74,442,751
Total capital assets	71,981,415	9,146,076	6,269,054	74,858,437
Less accumulated depreciation for:				
Plant in service	(25,510,116)	(2,141,362)	711,338	(26,940,140)
Total accumulated depreciation / amortization	(25,510,116)	(2,141,362)	711,338	(26,940,140)
Net capital assets being depreciated / amortized	45,997,358	1,375,377	(129,876)	47,502,611
Net light and water capital assets	$ 46,471,299	$ 7,004,714	$ 5,557,716	$ 47,918,297
Business-type activities capital assets, net as reported in the statement of net position	$ 58,176,241	$ 7,266,451	$ 5,628,055	$ 59,814,637

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Sewer	$ 1,385,048
Light and Water	1,947,544
Total business-type activities, net as reported in the statement of net position expense	$ 3,332,592

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

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Room Tax Fund	$ 2,014
Light and Water Utility	Risk Management Fund	6,834
General Fund	Light and Water Utility	511,576
Light and Water Utility	Lead Service Public	8,719
Lead Service Private	Light and Water Utility	18,652
Light and Water Utility	General Fund	6,257
Light and Water Utility	Capital Projects Fund	288
Light and Water Utility	Sewer Utility	1,943
Light and Water Utility	Lead Service Private	222,609
General Fund	Lead Service Private	34,588
Sewer Utility	Light and Water Utility	374,489
Total, fund financial statements		1,187,969
Less fund eliminations		(902,448)
Less government-wide eliminations		(18,652)
Add interfund advances		239,116
Total internal balances, government-wide statement of net position		$ 505,985

Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	$ 750,692
Business-type activities	Governmental activities	(244,707)
Total government-wide financial statements		$ 505,985

All amounts are due within one year.

The principal purpose of these interfunds is collecting items placed on tax roll. 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.

Advances

The general fund is advancing funds to TIF District No. 4 Fund. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. The general fund is charging the District interest on the advance based on the average outstanding advance balance during the year at a rate of 1%. No repayment schedule has been established.

The Lead Service Public Fund is advancing funds to the Light and Water Fund. The amount advanced is equal to the debt draws related to the public lead service replacement project. This debt is required to be in the City's name. The Light and Water Fund will be repaying the Lead Service Private and Public Funds as debt payments are due.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	TIF District No. 4	$ 1,085,989	$ 1,085,989
Lead Service Public	Light and Water	239,116	209,120
Total, fund financial statements		1,325,105	
Less fund eliminations		(1,085,989)	
Less interfund advances included in interfund receivables		(239,116)	
Total, interfund advances, government-wide statement of net position		$ -	

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Light and Water Utility	$ 842,694	Property tax equivalent
General Fund	Recreation Programs	40,000	To fund operations
General Fund	Light and Water Utility	18,434	To fund operations
Debt Service Fund	Capital Improvements Fund	200,902	Pay off of DPW STFL loan with 2025 borrowing
Debt Service Fund	Lead Service - Public	8,789	Payment of lead service loan
TIF District No. 4	Debt Service Fund	245,534	To cover debt service payment
Debt Service Fund	Lead Service - Private	10,175	Payment of lead service loan
Capital Improvements Fund	Recreation Program Fund	32,000	Transfer for laser grading project per 2025 budget
Capital Improvements Fund	Rescue/EMS	447,000	2025 and 2024 capital contribution for equipment replacement
TIF District No. 6	Capital Improvements Fund	513,122	To pay off TID 6 STFL loan
Swimming Pool Fund	Recreational Program Fund	20,000	To fund operations
FD & EMS Referendum	Rescue/EMS	853,003	Transfer referendum funds to keep separate
Debt Service Fund	TIF District No. 6	9,333	To cover portion of 2025 borrowing
Total, fund financial statements		3,240,986	
Less fund eliminations		(2,379,858)	
Total transfers, government-wide statement of activities		$ 861,128	

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	$ 18,745,000	$ 6,200,325	$ 1,540,000	$ 23,405,325	$ 1,610,041
General obligation notes from direct borrowings and direct placements	1,148,199	1,009,795	807,515	1,350,479	110,873
(Discounts)/Premiums:					
Bond discount	(7,062)	-	(2,568)	(4,494)	-
Bond premium	605,884	-	45,003	560,881	-
Total bonds and notes payable	20,492,021	7,210,120	2,389,950	25,312,191	1,720,914
Other liabilities:					
Pollution remediation liability	693,319	18,562	-	711,881	-
Compensated absences *	478,819	-	198	478,621	23,931
Net pension liability	563,625	77,913	-	641,538	-
Total other liabilities	1,735,763	96,475	198	1,832,040	23,931
Total governmental activities long-term liabilities, excluding lease liabilities	$ 22,227,784	$ 7,306,595	$ 2,390,148	$ 27,144,231	$ 1,744,845
Lease liabilities (Note 3)				$ 310,949	$ 122,801
Total governmental activities long-term liabilities				$ 27,455,180	$ 1,867,646
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	$ 640,000	$ -	$ 45,000	$ 595,000	$ 50,000
(Discounts)/Premiums	16,114	-	1,342	14,772	-
Total bonds and notes payable	656,114	-	46,342	609,772	50,000
Other liabilities:					
Compensated absences *	583,712	86,673	32,533	637,852	143,326
Other long-term liabilities	14,254	16,518	-	30,772	-
Net pension liability	198,825	20,963	-	219,788	-
Subscription liability	28,489	5,412	11,008	22,893	11,298
Total other liabilities	825,280	129,566	43,541	911,305	154,624
Total business-type activities long-term liabilities	$ 1,481,394	$ 129,566	$ 89,883	$ 1,521,077	$ 204,624

* The change in the compensated absences liability is presented as a net change.

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, 2025, was $127,897,305. Total general obligation debt outstanding at year end was $25,350,804.

General Obligation Debt

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

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
GO Notes	09/05/2012	03/01/2027	0.50-2.20%	$ 5,565,000	$ 550,000
GO Notes	05/18/2016	03/01/2036	1.5 -3.00	8,700,000	5,145,000
GO Notes	06/28/2018	03/01/2028	3.00	1,230,000	405,000
GO Notes	11/14/2018	03/01/2038	3.0-4.25	3,415,000	2,470,000
GO Notes	10/07/2020	03/01/2040	2.0-3.0	6,350,000	6,025,000
GO Community Development Bonds	04/26/2023	03/01/2043	3.25-5.00	2,610,000	2,610,000
Direct Borrowing ^	08/19/2024	05/01/2044	0.25	564,091	554,854
Direct Borrowing ^	08/19/2024	05/01/2044	0.25	228,714	220,464
GO Notes	05/27/2025	12/01/2035	3.68	6,200,325	6,200,325
Direct Borrowing ^	09/10/2025	05/01/2045	0.25	575,161	575,161
Total governmental activities, general obligation debt					$ 24,755,804

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
GO Notes	05/18/2016	03/01/2036	1.50-3.00%	$ 1,005,000	$ 595,000
Total business-type activities, general obligation debt					$ 595,000

^ These outstanding liabilities as of December 31, 2025 represent the amount drawn as of that date. The City has the ability for total draws of $586,318, $250,032 and $1,453,780 respectively.

Debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
Years	Principal	Interest	Principal	Interest
2026	$ 1,610,041	$ 692,679	$ 50,000	$ 14,025
2027	1,946,823	640,050	50,000	13,025
2028	1,724,838	584,296	50,000	12,025
2029	1,633,710	530,629	50,000	11,025
2030	1,693,474	477,086	50,000	10,025
2031-2035	9,391,439	1,534,296	285,000	29,863
2036-2040	4,835,000	368,171	60,000	900
2041-2043	570,000	31,240	-	-
Total	$ 23,405,325	$ 4,858,447	$ 595,000	$ 90,888

Years	Governmental Activities Notes From Direct Borrowings and Direct Placements	
	Principal	Interest
2026	$ 110,873	$ 37,710
2027	111,151	32,956
2028	111,429	28,603
2029	111,707	23,937
2030	111,986	19,137
2031-2034	421,491	28,603
2036-2040	205,547	3,366
2041-2045	166,295	833
Total	$ 1,350,479	$ 175,145

Subscription Liabilities

Refer to Note 3, Subscription Disclosures.

Other Debt Information

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

Current Refunding

On May 27, 2025, the City issued $717,088 in general obligation bonds with an average coupon rate of 3.68% to refund $705,794 of outstanding notes with an average coupon rate of 4.50%. The net proceeds along with existing funds of the City were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding was $838,499 from 2026 through 2032. The cash flow requirements on the 2025 refunding bonds are $825,593 from 2025 through 2035. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $12,906.

Lease Disclosures

Lessee - Lease Assets

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Lease assets being amortized:				
Equipment, leased	$ 57,983	$ 7,550	$ -	$ 65,533
Vehicles, leased	321,400	127,225	-	448,625
Total lease assets being amortized	379,383	134,775	-	514,158
Less accumulated amortization for lease assets:				
Vehicles, leased	(81,626)	(96,409)	-	(178,035)
Equipment, leased	(10,396)	(14,778)	-	(25,174)
Total accumulated amortization	(92,022)	(111,187)	-	(203,209)
Total governmental activities lease assets, net of accumulated amortization	$ 287,361	$ 23,588	$ -	$ 310,949

Lessee - Lease Liabilities

Governmental Activities

Lease Liabilities	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
2023 Jeep Cherokee	$ 13,230	$ -	$ 4,868	$ 8,362	$ 5,110
2023 Dodge Durango	45,261	-	7,118	38,143	7,545
2023 Dodge Durango	45,261	-	7,118	38,143	7,545
2023 Dodge Durango	39,399	-	5,969	33,430	6,330
2023 Dodge Durango	21,973	-	14,458	7,515	7,515
2024 Dodge Durango	25,460	-	11,862	13,598	13,598
2024 Dodge Durango	24,595	-	11,459	13,136	13,136
2024 Dodge Durango	24,595	-	11,459	13,136	13,136
2023 Dell Latitudes	13,602	-	6,216	7,386	6,772
2024 Gen Comm Radios	14,860	-	2,772	12,088	3,114
2023 Gen Comm Radios	19,125	-	4,111	15,014	4,557
2025 Dodge Durango	-	45,644	10,154	35,490	14,721
2025 Dodge Durango	-	41,241	10,211	31,030	13,442
2025 Ram 1500	-	40,340	1,733	38,607	3,846
2025 Panasonic Toughbook	-	7,550	1,679	5,871	2,434
Total	$ 287,361	$ 134,775	$ 111,187	$ 310,949	$ 122,801

Future minimum lease payments are as follows:

Years	Principal	Interest
2026	$ 122,801	$ 26,557
2027	73,419	14,341
2028	46,397	7,687
2029	32,898	4,695
2030	23,615	2,344
2031-2035	11,819	1,134
Total	$ 310,949	$ 56,758

Lessor - Lease Receivables

Governmental Activities Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	Receivable Balance December 31, 2025
T-Mobile	08/01/2021	07/31/2046	2.90%	$ 837,815
U.S. Cellular	08/08/2022	08/07/2047	2.90	870,809
Verizon	01/01/2019	12/31/2043	2.70	790,197
AT&T	10/07/2019	10/06/2054	1.70	1,736,119
Magnum Communications	01/01/2019	12/31/2048	1.75	36,803
Dish	05/01/2023	12/31/2033	1.75	329,070
Vertical Bridge	07/01/2023	06/30/2073	0.25	1,110,983
Tower Co	06/12/2024	06/11/2054	1.75	500,750
Total governmental activities				$ 6,212,546

The City recognized $81,631 of lease revenue during the fiscal year.

The City recognized $161,440 of interest revenue during the fiscal year.

Subscription Disclosures

Subscription Liabilities

Business-Type Activities Subscription Liabilities	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
ESRI Mapping Software	$ 28,489	$ 5,412	$ 11,008	$ 22,893	$ 11,298

Future minimum subscription payments are as follows:

Years	Principal	Interest
2026	$ 11,298	$ 602
2027	11,595	305
Total	$ 22,893	$ 907

Pollution Remediation Obligations

At year end December 31, 2025, the City was obligated to address future pollution cleanup activities due to federal or state laws and regulations. The City's obligation originated in 1970 to address the pollution remediation because the pollution created an imminent endangerment to public health or welfare or the environment. Examples of expected future remediation activity costs include legal services, site investigation and required post-remediation monitoring costs. The amount reported as a pollution remediation obligation represents the current value of the cash flows expected to be paid for these activities. Any expected recoveries would be treated separately as a receivable when such reimbursements become measurable. As of December 31, 2025, the obligation was $711,881 with a related receivable of $0 for a net liability of $711,881. The City will recognize these liabilities and related expenses as an operating expense in the government-wide financial statements only when such costs become measurable. Because of this, the liability is subject to change as the City becomes aware of new information which may affect its estimate. Only when actual outlays are made are they recognized in the governmental fund financial statements as expenditures. This will also reduce the amount of the liability on the government-wide financial statements. Actual cost may be higher due to inflation, changes in technology or changes in regulations.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2025, includes the following:

Governmental Activities	
Net investment in capital assets:	
Land	$ 8,910,813
Construction in progress	913,453
Other capital assets, net of accumulated depreciation/amortization	58,140,325
Less long-term debt outstanding	(24,755,804)
Plus unspent capital related debt proceeds	4,711,537
Plus noncapital debt proceeds	9,845,479
Less unamortized debt premium/discount	(556,388)
Less leases liabilities	(310,949)
Leased assets, net of amortization	310,949
Total net investment in capital assets	57,209,415
Restricted:	
American rescue plan	18,649
TIF	1,025,093
Public safety impact fees	468,151
Park impact fees	278,845
Library	206,946
Lead services	1,356,748
FD & EMS Referendum	880,811
Total restricted	4,235,243
Unrestricted	1,264,958
Total governmental activities net position	$ 62,709,616

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2025, include the following:

	General Fund	Rescue/ EMS Fund	Capital Improvements Fund	TIF District No. 7 Fund	Debt Service Fund	Nonmajor Funds	Total
Fund Balances							
Nonspendable:							
Prepaid and materials and supplies	$ 174,713	$ -	$ 75,776	$ -	$ -	$ -	$ 250,489
Long-term advances to other funds	1,085,989	-	-	-	-	-	1,085,989
Subtotal	1,260,702	-	75,776	-	-	-	1,336,478
Restricted for:							
TIF purposes	-	-	-	720,666	-	490,987	1,211,653
Debt service	-	-	-	-	229,429	-	229,429
American Rescue Plan	-	-	-	-	-	18,649	18,649
Park impact fees	-	-	-	-	-	278,845	278,845
Library	-	-	-	-	-	206,946	206,946
Police safety impact fees	-	-	-	-	-	468,151	468,151
Lead service - private	-	-	-	-	-	220,464	220,464
Rescue/EMS	-	-	-	-	-	880,811	880,811
Capital improvements	-	-	4,324,977	-	-	-	4,324,977
Subtotal	-	-	4,324,977	720,666	229,429	2,564,853	7,839,925
Committed to:							
Rescue/EMS	-	2,170,840	-	-	-	-	2,170,840
Recreation programs	-	-	-	-	-	182,511	182,511
Cemetery	-	-	-	-	-	292,195	292,195
Donations	-	-	-	-	-	51,249	51,249
Swimming pool	-	-	-	-	-	243,670	243,670
Subtotal	-	2,170,840	-	-	-	769,625	2,940,465
Assigned to:							
Capital improvements	-	-	2,553,498	-	-	-	2,553,498
Subsequent year budget	639,000	-	-	-	-	-	639,000
Subtotal	639,000	-	2,553,498	-	-	-	3,192,498
Unassigned (Deficit)	3,774,145	-	-	-	-	(1,350,712)	2,423,433
Total fund balances	$ 5,673,847	$ 2,170,840	$ 6,954,251	$ 720,666	$ 229,429	$ 1,983,766	$17,732,799

Business-Type Activities

Net investment in capital assets:	
Land	$ 2,263,218
Construction in progress	22,126
Other capital assets, net of accumulated depreciation	57,529,293
Less long-term debt outstanding	(595,000)
Less unamortized debt premium	(14,772)
Less subscription liability	(22,893)
Total net investment in capital assets	59,181,972
Restricted:	
Equipment replacement	5,024,480
Total restricted	5,024,480
Unrestricted	17,576,590
Total business-type activities net position	$ 81,783,042

4. Other Information

Employees' Retirement System

Plan Description

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

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

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to 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 %
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)
2024	3.6	15.0

Contributions

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

During the reporting period, the WRS recognized $783,379 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2025 are:

Employee Category	Employee	Employer
General (Executives & 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 (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2025, the City reported a liability of $861,326 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. 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 0.05241872%, which was an increase of 0.00113760% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized pension expense (revenue) of $1,061,710.

At December 31, 2025, 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	$ 2,669,792	$ 2,513,499
Changes in assumptions	255,572	-
Net differences between projected and actual earnings on pension plan investments	1,308,831	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	720	16,521
Employer contributions subsequent to the measurement date	875,248	-
Total	$ 5,110,163	$ 2,530,020

$875,248 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 ending December 31, 2026. 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)
2026	$ 512,759
2027	1,780,278
2028	(444,741)
2029	(143,401)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
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 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2024

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	38	7.0	4.3
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	20	9.5	6.7
Leverage***	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

* *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: 2.6%*

*** *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 discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City's proportionate share of the net pension liability (asset)	$ 8,080,365	$ 861,326	$ (4,267,593)

Pension Plan Fiduciary Net Position

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

At December 31, 2025, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called to provide coverage for losses from torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees. However, other risks, such as torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees are accounted for and financed by the City in the general fund.

Public Entity Risk Pool

Wisconsin Municipal Insurance Commission (WMIC)
Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of $2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 0%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

The initial investment in WMIC is refundable upon withdrawal from the commission which has been amortized in the internal service fund.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to $5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to $17,500 per occurrence and an annual aggregate limit of $70,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2025. A total liability of approximately $189,855 at December 31, 2025, was recorded as claims payable in the insurance internal service fund. Changes in the fund's claims loss liability follow:

	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2024	$ 223,013	$ 195,034	$ 252,207	$ 165,840
2025	165,840	334,693	310,678	189,855

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.

Long-Term Contracts - WPPI Energy

The electric utility is one of 51 WPPI Energy member municipalities located throughout the States of Wisconsin, Michigan and Iowa. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell, and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the utility payable from any operating and maintenance fund established for that system.

Fifty members, representing approximately 99.8% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining member has a long-term contract through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was $221 million as of December 31, 2025.

Claims and Other Legal Procedures

During 2011, the light and water utility added an aeration system at Well #4 due to contamination by vinyl chloride. Parties believed to be responsible for the contamination were notified of the problem and the utility is seeking reimbursement from the potentially responsible parties for costs associated with the aeration system at Well #4 which the utility believes were necessitated because of contamination originating at the closed landfill. This process of seeking and obtaining reimbursement is expected to take several years. During 2014, as part of a water rate application with the PSCW the costs associated with the aeration system at Well #4 were reclassified as utility financed plant and the related contribution reversed allowing these costs to be recovered from rate payers until such time as reimbursement is received from the potentially responsible parties. Although the utility has financed all costs to date of the aeration system at Well #4, cost recovery is expected from the potentially responsible parties. Additional legal and consulting fees incurred after this date may be recoverable in the future.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City is disclosing all abatement agreements individually.

Developer Incentive - Cedarburg Land and Cattle, LLC

In 2014, the City provided a developer incentive as part of TIF District No. 3. The incentive is based on the completed project value or value at January 1, 2021, whichever occurs first, less the base value multiplied by 25%. The developer has committed to creating a total real property tax increment in the project area with an equalized value of at least $950,000. There was a payment made for the year ended December 31, 2025 of $51,279. Total payments as of December 31, 2025 total $89,191. 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.

Developer Incentive - Oliver Fiontar, LLC

In 2017, the City entered into a development agreement as part of TIF District No. 4. The agreement relates to a property that is at an economic disadvantage to other available sites due to its blighted condition. The City has provided an incentive to the developer for the difference in costs compared to other available sites in an amount not to exceed $3,053,000. Once the funding has been spent the developer is responsible to cover the remaining costs.

In return for the overall minimum equalized property valuation of the development of $10,025,000 for buildings to be constructed or rehabilitated on the sites, the CDA will contribute an amount not to exceed $275,000 toward the redevelopment as developer assistance. This amount shall be based upon the final development plan, expected valuation of same and completion dates for occupancy of all buildings to be constructed. In no event shall any developer assistance payment be due and payable if the developer is in default. This payment will be allocated, prorated and paid pursuant to the following schedule, terms and conditions:

1. $70,000 upon the later of execution of the agreement and final acquisition of the property.

2. $70,000 upon proof of razing and removal of all existing buildings on the property; except commercial office building.

3. $70,000 upon developer receiving building permits from the City and commencing construction for at least $1,000,000 of new construction.

4. $65,000 upon developer showing proof of remediation of the property to the point in time that building occupancy has been granted and reaches a new construction combined equalized value of $4,775,000.

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 $205,000.

Municipal Revenue Obligation - HSI Arrabelle, LLC

In 2018, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was $1,925,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 5. Payments are scheduled through the year 2046 and carry an interest rate of 0%. 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 $821,429.

Municipal Revenue Obligation - Fox River Development

In 2022, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was $13,480,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 7. Payments are scheduled through the year 2050 and carry an interest rate of 0%. 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 $13,277,431.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

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

Mid-Moraine Municipal Court

During 2002, the City became a member of the Mid-Moraine Municipal Court. The Court handles collection of fines, fees and penalties and then distributes them to the originating municipality. The City's share of court expenses is determined based on the number of citations and complaints filed on behalf of the City compared to that of the other participating municipalities.

Municipality	% Expenses Paid
City of Cedarburg	2.93 %
City of West Bend	24.76
Village of Germantown	16.47
City of Hartford	13.42
Village of Kewaskum	1.94
Village of Slinger	5.84
Village of Jackson	4.28
City of Port Washington	6.42
Village of Grafton	4.84
Village of Saukville	4.81
Village of Thiensville	1.63
City of Mequon	10.82
Village of Fredonia	0.24
Village of Newburg	0.37
Town of Trenton	0.58
Town of Hartford	0.65
Total	100.00 %

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual -
General Fund
December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Revenues			
Taxes	$ 7,358,340	$ 7,358,340	$ -
Intergovernmental	1,568,556	1,573,293	4,737
Licenses and permits	362,257	456,518	94,261
Fines, forfeitures and penalties	44,000	36,045	(7,955)
Public charges for services	144,313	180,770	36,457
Intergovernmental charges for services	58,165	90,855	32,690
Investment income	319,000	426,253	107,253
Miscellaneous	241,270	261,821	20,551
Total revenues	10,095,901	10,383,895	287,994
Expenditures			
Current:			
General government	1,612,723	1,498,083	114,640
Public safety	4,591,621	4,382,331	209,290
Public works	3,241,664	2,974,548	267,116
Culture, recreation and education	1,270,504	1,279,945	(9,441)
Conservation and development	4,380	1,547	2,833
Capital outlay	230,800	206,362	24,438
Total expenditures	10,951,692	10,342,816	608,876
Excess (deficiency) of revenues over (under) expenditures	(855,791)	41,079	896,870
Other Financing Sources			
Transfers in	855,791	901,129	45,338
Net change in fund balance	$ -	942,208	$ 942,208
Fund Balance, Beginning		4,731,639	
Fund Balance, Ending		$ 5,673,847	

See notes to required supplementary information

City of Cedarburg

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual -
Special Revenue Fund - Rescue/EMS Fund
December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Revenues			
Taxes	$ 1,829,273	$ 1,829,273	$ -
Intergovernmental	115,000	320,012	205,012
Licenses and permits	22,000	38,356	16,356
Public charges for services	680,000	594,274	(85,726)
Intergovernmental charges for services	536,623	536,623	-
Investment income	-	81,596	81,596
Miscellaneous	500	14,268	13,768
Total revenues	3,183,396	3,414,402	231,006
Expenditures			
Current:			
Public safety	2,046,194	1,959,234	86,960
Capital outlay	36,000	30,701	5,299
Total expenditures	2,082,194	1,989,935	92,259
Excess of revenues over expenditures	1,101,202	1,424,467	323,265
Other Financing Sources (Uses)			
Transfers out	(225,000)	(1,300,003)	(1,075,003)
Proceeds from sale of capital assets	-	40	40
Total other financing sources (uses)	(225,000)	(1,299,963)	(1,074,963)
Net change in fund balance	$ 876,202	124,504	$ (751,698)
Fund Balance, Beginning		2,046,336	
Fund Balance, Ending		$ 2,170,840	

See notes to required supplementary information

Schedule of Proportionate Share of the Net Pension Liability/(Asset) - Wisconsin Retirement System
Year Ended December 31, 2025

WRS Fiscal Year End	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
12/31/2015	0.046968390 %	$ 763,227	$ 6,094,159	12.52 %	98.20 %
12/31/2016	0.047476720 %	391,322	6,246,295	6.26 %	99.12 %
12/31/2017	0.048071520 %	(1,427,300)	6,313,813	22.61 %	102.93 %
12/31/2018	0.048782000 %	1,735,510	6,587,858	26.34 %	96.45 %
12/31/2019	0.049008160 %	(1,580,246)	6,724,870	23.50 %	102.96 %
12/31/2020	0.049145530 %	(3,068,223)	6,898,852	44.47 %	105.26 %
12/31/2021	0.049402060 %	(3,981,896)	6,971,177	57.12 %	106.02 %
12/31/2022	0.050056870 %	2,651,864	7,344,988	36.10 %	95.72 %
12/31/2023	0.051281120 %	762,450	7,838,601	9.73 %	98.85 %
12/31/2024	0.052418720 %	861,326	8,347,498	10.32 %	98.79 %

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2025

City's Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	$ 463,871	$ 463,871	$ -	$ 6,246,295	7.43 %
12/31/2017	508,899	508,899	-	6,313,813	8.06 %
12/31/2018	537,092	537,092	-	6,587,858	8.15 %
12/31/2019	531,452	531,452	-	6,724,870	7.90 %
12/31/2020	538,242	538,242	-	6,898,852	7.80 %
12/31/2021	574,628	574,628	-	6,971,178	8.24 %
12/31/2022	600,665	660,665	-	7,344,988	8.18 %
12/31/2023	697,515	697,515	-	7,838,602	8.90 %
12/31/2024	784,500	784,500	-	8,347,499	9.40 %
12/31/2025	875,248	875,248	-	8,938,062	9.79 %

See notes to required supplementary information

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

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

Appropriations lapse at year-end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the function level of expenditure for the general fund and total expenditures for all other funds.

Wisconsin Retirement System

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

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

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

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

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

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

SUPPLEMENTARY INFORMATION

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds							
	Cemetery Fund	Room Tax Fund	Recreation Programs Fund	Donations Fund	American Rescue Plan Fund	Swimming Pool Fund	Park Impact Fee Fund	Public Safety Impact Fee Fund
Assets								
Cash and investments	$ 292,689	$ -	$ 203,548	$ 51,249	$ 18,649	$ 243,711	$ 278,845	$ 468,151
Receivables:								
Taxes	-	-	-	-	-	69,216	-	-
Accounts	-	40,278	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-
Total assets	$ 292,689	$ 40,278	$ 203,548	$ 51,249	$ 18,649	$ 312,927	$ 278,845	$ 468,151
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)								
Liabilities								
Accounts payable	$ 69	$ 38,264	$ 20,585	$ -	$ -	$ 41	$ -	$ -
Accrued liabilities	425	-	452	-	-	-	-	-
Due to other funds	-	2,014	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-
Total liabilities	494	40,278	21,037	-	-	41	-	-
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	69,216	-	-
Total deferred inflows of resources	-	-	-	-	-	69,216	-	-
Fund Balances (Deficit)								
Restricted	-	-	-	-	18,649	-	278,845	468,151
Committed	292,195	-	182,511	51,249	-	243,670	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
Total fund balances (deficit)	292,195	-	182,511	51,249	18,649	243,670	278,845	468,151
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 292,689	$ 40,278	$ 203,548	$ 51,249	$ 18,649	$ 312,927	$ 278,845	$ 468,151

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds		Capital Project Funds						
	FD & EMS Referendum Fund	**Library Fund**	**TIF District No. 3**	**TIF District No. 4**	**TIF District No. 5**	**TIF District No. 6**	**Lead Service Private**	**Lead Service Public**	**Total Nonmajor Governmental Funds**
Assets									
Cash and investments	$ 880,811	$ 246,029	$ 10,839	$ -	$ 2,267	$ 477,880	$ -	$ 8,719	$ 3,183,387
Receivables:									
Taxes	-	794,550	55,983	4,773	211,766	307,480	-	-	1,443,768
Accounts	-	-	-	-	-	-	1,407,093	-	1,447,371
Leases	-	-	-	-	-	500,750	-	-	500,750
Due from other funds	-	-	-	-	-	-	18,652	-	18,652
Advance from other funds	-	-	-	-	-	-	-	220,464	220,464
Total assets	$ 880,811	$ 1,040,579	$ 66,822	$ 4,773	$ 214,033	$ 1,286,110	$ 1,425,745	$ 229,183	$ 6,814,392
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)									
Liabilities									
Accounts payable	$ -	$ 15,523	$ -	$ -	$ -	$ -	$ 32,265	$ -	$ 106,747
Accrued liabilities	-	23,560	-	-	-	-	-	-	24,437
Due to other funds	-	-	-	-	-	-	257,197	8,719	267,930
Advance from other funds	-	-	-	1,085,989	-	-	-	-	1,085,989
Total liabilities	-	39,083	-	1,085,989	-	-	289,462	8,719	1,485,103
Deferred Inflows of Resources									
Unavailable revenues	-	-	-	-	-	-	1,401,005	-	1,401,005
Unearned revenues	-	794,550	55,983	4,774	211,766	808,229	-	-	1,944,518
Total deferred inflows of resources	-	794,550	55,983	4,774	211,766	808,229	1,401,005		3,345,523
Fund Balances (Deficit)									
Restricted	880,811	206,946	10,839	-	2,267	477,881	-	220,464	2,564,853
Committed	-	-	-	-	-				769,625
Unassigned (deficit)	-	-	-	(1,085,990)	-	-	(264,722)	-	(1,350,712)
Total fund balances (deficit)	880,811	206,946	10,839	(1,085,990)	2,267	477,881	(264,722)	220,464	1,983,766
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 880,811	$ 1,040,579	$ 66,822	$ 4,773	$ 214,033	$ 1,286,110	$ 1,425,745	$ 229,183	$ 6,814,392

City of Cedarburg

Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds							
	Cemetery Fund	Room Tax Fund	Recreation Programs Fund	Donations Fund	American Rescue Plan Fund	Swimming Pool Fund	Park Impact Fee Fund	Public Safety Impact Fee Fund
Revenues								
Taxes	$ -	$ 126,888	$ -	$ -	$ -	$ 69,216	$ -	$ -
Intergovernmental	-	-	-	-	52,147	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Public charges for services	23,495	-	449,749	-	-	346,287	85,537	85,834
Investment income (loss)	12,322	-	8,908	1,770	1,969	4,799	8,448	19,131
Miscellaneous	5,019	-	17,880	8,620	-	8,210	-	-
Total revenues	40,836	126,888	476,537	10,390	54,116	428,512	93,985	104,965
Expenditures								
Current:								
Public safety	-	-	-	13,398	-	-	-	54,004
Health and human services	58,923	-	-	-	-	-	-	-
Culture, recreation and education	-	-	447,684	-	-	362,354	-	-
Conservation and development	-	126,888	-	-	62,883	-	-	-
Capital outlay	-	-	2,175	-	-	3,812	455	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-
Total expenditures	58,923	126,888	449,859	13,398	62,883	366,166	455	54,004
Excess (deficiency) of revenues over expenditures	(18,087)	-	26,678	(3,008)	(8,767)	62,346	93,530	50,961
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	20,000	-	-
Transfers out	-	-	(92,000)	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(92,000)	-	-	20,000	-	-
Net changes in fund balances	(18,087)	-	(65,322)	(3,008)	(8,767)	82,346	93,530	50,961
Fund Balances (Deficit), Beginning	310,282	-	247,833	54,257	27,416	161,324	185,315	417,190
Fund Balances (Deficit), Ending	$ 292,195	$ -	$ 182,511	$ 51,249	$ 18,649	$ 243,670	$ 278,845	$ 468,151

City of Cedarburg

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds		Capital Project Funds						
	FD & EMS Referendum Fund	Library Fund	TIF District No. 3	TIF District No. 4	TIF District No. 5	TIF District No. 6	Lead Service Private	Lead Service Public	Total Nonmajor Governmental Funds
Revenues									
Taxes	$ -	$ 794,550	$ 54,029	$ 4,633	$ 204,520	$ 312,808	$ -	$ -	$ 1,566,644
Intergovernmental	-	292,928	-	-	517	59,642	-	-	405,234
Fines, forfeitures and penalties		11,895	-	-	-	-	-	-	11,895
Public charges for services	-	1,791	-	-	-	-	-	-	992,693
Investment income (loss)	27,808	17,157	-	-	-	13,175	-	-	115,487
Miscellaneous	-	40,094	-	-	-	-	399,182	539	479,544
Total revenues	27,808	1,158,415	54,029	4,633	205,037	385,625	399,182	539	3,571,497
Expenditures									
Current:									
Public safety	-	-	-	-	-	-	-	-	67,402
Health and human services	-	-	-	-	-	-	-	-	58,923
Culture, recreation and education	-	1,105,354	-	-	-	-	-	-	1,915,392
Conservation and development	-	-	51,679	39,551	256,173	13,791	-	-	550,965
Capital outlay	-	7,561	-	-	-	-	1,246,649	-	1,260,652
Debt service:							-	-	
Principal	-	-	-	145,000	-	768,266	-	-	913,266
Interest and fees	-	-	-	100,534	-	157,017	-	-	257,551
Total expenditures	-	1,112,915	51,679	285,085	256,173	939,074	1,246,649	-	5,024,151
Excess (deficiency) of revenues over expenditures	27,808	45,500	2,350	(280,452)	(51,136)	(553,449)	(847,467)	539	(1,452,654)
Other Financing Sources (Uses)									
Transfers in	853,003	-	-	245,534	-	513,122	-	-	1,631,659
Transfers out	-	-	-	-	-	(9,333)	(10,175)	(8,789)	(120,297)
Debt issued	-	-	-	-	-	-	950,052	59,743	1,009,795
Proceeds from sale of capital assets	-	-	-	-	-	192,343	-	-	192,343
Total other financing sources (uses)	853,003	-	-	245,534	-	696,132	939,877	50,954	2,713,500
Net changes in fund balances	880,811	45,500	2,350	(34,918)	(51,136)	142,683	92,410	51,493	1,260,846
Fund Balances (Deficit), Beginning	-	161,446	8,489	(1,051,072)	53,403	335,198	(357,132)	168,971	722,920
Fund Balances (Deficit), Ending	$ 880,811	$ 206,946	$ 10,839	$ (1,085,990)	$ 2,267	$ 477,881	$ (264,722)	$ 220,464	$ 1,983,766

GL Number	Description	YTD Balance 06/30/2025	YTD Balance 06/30/2026
Fund: 350 TIF DISTRICT FUND #4			
***** Assets *****			
Account Classification: Unclassified			
Account Type: Cash			
350-000000-111300	PWSB CHECKING	30,833.46	39,274.75
Cash		30,833.46	39,274.75
Unclassified		30,833.46	39,274.75
Total Assets		30,833.46	39,274.75
***** Liabilities *****			
Account Classification: Unclassified			
Account Type: Liabilities-LT (Under 1 Year)			
350-000000-291110	INTERFUND ADVANCE PAYABLE	1,050,062.19	1,085,989.35
Liabilities-LT (Under 1 Year)		1,050,062.19	1,085,989.35
Unclassified		1,050,062.19	1,085,989.35
Total Liabilities		1,050,062.19	1,085,989.35
***** Fund Equity *****			
Account Classification: Unclassified			
Account Type: Unassigned			
350-000000-342900	UNASSIGNED FUND BALANCE	(1,051,072.69)	(1,085,989.35)
Unassigned		(1,051,072.69)	(1,085,989.35)
Unclassified		(1,051,072.69)	(1,085,989.35)
Total Fund Equity		(1,051,072.69)	(1,085,989.35)
Total Fund 350:			
TOTAL ASSETS		30,833.46	39,274.75
BEG. FUND BALANCE		(1,051,072.69)	(1,085,989.35)
+ NET OF REVENUES & EXPENDITURES		31,843.96	39,274.75
= ENDING FUND BALANCE		(1,019,228.73)	(1,046,714.60)
+ LIABILITIES		1,050,062.19	1,085,989.35
= TOTAL LIABILITIES AND FUND BALANCE		30,833.46	39,274.75

REVENUE AND EXPENDITURE REPORT FOR CITY OF CEDARBURG

Balance As Of 06/30/2026

GL Number	Description	2026 Amended Budget	YTD Balance 06/30/2026	Activity For 06/30/2026	Available Balance 06/30/2026	% Bdgt Used
Fund: 350 TIF DISTRICT FUND #4						
Account Category: Revenues						
Department: 000000						
350-000000-411111	REAL ESTATE TAXES	4,774.00	4,774.00	0.00	0.00	100.00
350-000000-481100	INVESTMENT INCOME	0.00	0.00	0.00	0.00	0.00
350-000000-491000	PROCEEDS FROM BORROWING	0.00	0.00	0.00	0.00	0.00
350-000000-491300	TRANSFER FROM DEBT SERVICE	245,370.00	245,370.00	0.00	0.00	100.00
350-000000-492000	OPERATING TRANS - GENERAL FUND	0.00	0.00	0.00	0.00	0.00
Total Dept 000000		250,144.00	250,144.00	0.00	0.00	100.00
Revenues		250,144.00	250,144.00	0.00	0.00	100.00
Account Category: Expenditures						
Department: 566710 TIF DISTRICT						
350-566710-500115	ADMIN - DIRECTOR SALARY	1,000.00	1,000.00	1,000.00	0.00	100.00
350-566710-500210	PROFESSIONAL SERVICES	15,000.00	2,912.50	1,700.00	12,087.50	19.42
350-566710-500212	ATTORNEY/CONSULTANT	8,000.00	7,940.50	0.00	59.50	99.26
350-566710-500227	DEVELOPERS INCENTIVE	0.00	0.00	0.00	0.00	0.00
350-566710-500290	MAINT/CONTRACTED SERVICES	0.00	0.00	0.00	0.00	0.00
350-566710-500390	OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00
350-566710-500610	DEBT SERVICE - PRINCIPAL	150,000.00	150,000.00	0.00	0.00	100.00
350-566710-500620	DEBT SERVICE - INTEREST	95,370.00	49,016.25	0.00	46,353.75	51.40
350-566710-500690	PAYING AGENT FEE	0.00	0.00	0.00	0.00	0.00
Total Dept 566710 - TIF DISTRICT		269,370.00	210,869.25	2,700.00	58,500.75	78.28
Expenditures		269,370.00	210,869.25	2,700.00	58,500.75	78.28
Fund 350 - TIF DISTRICT FUND #4:						
TOTAL REVENUES		250,144.00	250,144.00	0.00	0.00	100.00
TOTAL EXPENDITURES		269,370.00	210,869.25	2,700.00	58,500.75	78.28
NET OF REVENUES & EXPENDITURES:		(19,226.00)	39,274.75	(2,700.00)	(58,500.75)	

CHAPTER 5 ETHICS CODE

Sec. 2-5-1 Declaration of policy.

The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in proper channels of the governmental structure; that public office is not to be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, there is established in this chapter a code of ethics for all City of Cedarburg officials and employees whether elected or appointed, paid or unpaid, including members of council as well as boards, committees and commissions of the city (city agencies). The purpose of this ethics code is to establish guidelines for ethical standards of conduct for all such officials and employees by setting forth those acts or actions that are incompatible with the best interests of the City of Cedarburg and by directing disclosure by such officials and employees of private financial or other interests in matters affecting the city.

(Ord. No. 2004-08)

Sec. 2-5-2 Responsibility of public office.

Public officials and employees are agents of public purpose and hold office for the benefit of the public. They are bound to uphold the Constitution of the United States and the Constitution of this State and carry out impartially the laws of the nation, state and municipality, to observe in their official acts the highest standards of morality and to discharge faithfully the duties of their office regardless of personal considerations, recognizing that the public interest must be their prime concern.

(Ord. No. 2004-08)

Sec. 2-5-3 Dedicated service.

(a) Officials and employees should adhere to the rules of work, professionalism and performance established as the standard for their positions by the appropriate authority.

(b) Officials and employees should not exceed their authority or breach the law or ask others to do so, and they should work in full cooperation with other public officials and employees unless prohibited from so doing by law or by officially recognized confidentiality of their work.

(Ord. No. 2004-08)

Sec. 2-5-4 Fair and equal treatment.

(a) *Use of public property.* No official or employee shall request or permit the unauthorized use of city-owned vehicles, equipment, materials or property for personal convenience or profit.

(b) *Fundraising.* With the exception of fundraising for purposes of raising money for city departmental programming, equipment, or capital projects, which may occur subject to council approval and all provisions of this Code and the State Statutes, the following shall be prohibited:

(1) No official or employee shall request or permit the use of city resources, city time or city equipment for the purpose of fundraising.

(2) No official or employee shall use his or her position, authority or influence, whether possessed or anticipated, to represent themselves as a city official or employee for private or public fundraising.

(b) *Obligations to citizens.* No official or employee shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every other citizen.

(Ord. No. 2004-08; Ord. No. 2015-13)

Sec. 2-5-5 Conflict of interest.

(a) *Financial and personal interest prohibited.* No official or employee, whether paid or unpaid, shall engage in any business or transaction or shall act in regard to financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of official duties in the public interest contrary to the provisions of this chapter or which would tend to impair independence of or action in the performance of official duties.

(b) *Definitions.*

(1) *Financial interest.* Any interest which shall yield, directly or indirectly, a monetary or other material benefit to the officer or employee or to any person employing or retaining the services of the officer or employee.

(2) *Personal interest.* Any interest arising from blood or marriage relationships or from close business or political associations, whether or not any financial interest is involved.

(3) *Person.* Any individual or legal entity.

(c) *Specific conflicts enumerated.*

(1) *Incompatible employment.* No official or employee shall engage in or accept private employment or render service for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties, unless otherwise permitted by law.

(2) *Disclosure of confidential information.* No official or employee shall, without proper legal authorization, disclose confidential information concerning the property, government or affairs of the City, nor shall such information be used to advance the financial or other private interests of the official or employee or others.

(3) *Gifts and favors.*

a. No public official or employee may use his or her public office to "obtain financial gain" or "anything of value" for the private benefit of himself or herself, for his or her immediate family, or for an organization with which he or she is associated.

b. No person may directly or indirectly offer or give "anything of value" to a local public official or employee if it could reasonably be expected to affect that official's vote, official action or judgment, or if it could be construed as a reward for any official action or inaction on the part of the local public official or employee. No local public official or employee may accept "anything of value" tendered under such circumstances. "Anything of value" is defined as "money or property, favor, service, payment, advance, forbearance, loan or promise of future employment". Legal campaign contributions are exempt from the definitions. An official or employee is not to accept hospitality if, after consideration of the surrounding circumstances, it could reasonably be concluded that such hospitality would not be extended were it not for the fact that the guest, or a member of the guest's immediate family, was a City official or employee. This includes any discount on the price of admission, parking, or use of a box at a stadium that is tax exempt from general property taxes. Participation in celebrations, grand openings, open houses, informational meetings and similar events are excluded from this prohibition. This paragraph further shall not be construed to prevent candidates for elective office from accepting hospitality from citizens for the purpose of supporting the candidate's campaign.

c. No local public official or employee may take any official action that affects a matter in which the public official or employee, a member of his or her immediate family, or an organization with which the official or employee is associated has a substantial financial interest.

d. No local public official or employee may use his or her office or position in any way that produces or assists in producing a substantial benefit, either directly or indirectly, for the official or employee, any members of his or her immediate family, or an organization with which the official or employee is associated.

(4) *Representing private interests before city agencies or courts.* No officer or employee shall appear on behalf of any private person (other than him or herself, his or her spouse or minor children) before any city agency. However, members of the common council may appear before city agencies on behalf of constituents in the course of their duties as representatives of the electorate or in the performance of public or civic obligations.

(d) *Contracts with the city.* No city officer or employee who, in his capacity as such officer or employee, participates in the making of a contract in which he has a private pecuniary interest, direct or indirect, or performs in regard to that contract with some function requiring the exercise of discretion on his part shall enter into any contract with the city unless it is within the confines of section 946.13.

(e) *Disclosure of interest in legislation.*

(1) Any member of the common council who has a financial interest or personal interest in any proposed legislation before the common council shall disclose on the records of the common council or the ethics board created by this chapter the nature and extent of such interest.

(2) Any other official or employee who has a financial interest or personal interest in any proposed legislative action of the common council or who serves on a board or committee, shall disclose the nature and extent of such interest.

(3) If there is a conflict of interest for any official or employee, he or she must refrain from participating in any way including discussion, deliberations or action on the item.

(Ord. No. 2004-08)

Sec. 2-5-6 Advisory opinion.

Any questions as to the interpretation of any provisions of this code of ethics chapter shall be referred to the personnel committee serving as the ethics board or the city attorney. The fact that a person seeks an advisory opinion and abides by the material facts as stated, is evidence of intent to comply with the ethics code.

(Ord. No. 2004-08)

Sec. 2-5-7 Jurisdiction and application.

(a) The personnel committee shall have administrative jurisdiction over this code of ethics chapter and shall be deemed the ethics board pursuant to Wis. Stats. § 19.59(3)(d) for that purpose. An individual may request an advisory opinion on the propriety of any matter to which he or she is or may become a party. However, the personnel committee has complete discretion as to whether to issue such an opinion. All requests and advisory opinions to the ethics board must be in writing.

(b) The personnel committee may make recommendations with respect to amendments to this code of ethics chapter.

(c) Upon the sworn complaint of any person alleging facts which, if true, would constitute improper conduct under the provisions of this chapter, the personnel committee shall conduct an investigation of the facts of the complaint; if the investigation indicates there may be a reasonable basis for the complaint justifying further investigation, the committee shall conduct a public hearing in accordance with the common law requirements of due process, including notice, an opportunity to be heard, an opportunity to cross-examine witnesses and to present testimony and other evidence in support of the accused's position and an opportunity to be represented by counsel or other representatives at the expense of the accused. The committee shall make written findings of fact and issue a written decision concerning the propriety of the conduct of the subject official or employee and shall refer the matter to the common council for final disposition.

(d) In the event a member of the personnel committee is allegedly involved in an ethics code violation, the mayor, subject to the confirmation of the common council, shall appoint another council member to temporarily replace the member of the committee who is under investigation.

(Ord. No. 2004-08)

Sec. 2-5-8 Sanctions.

A determination that an official's or employee's actions constitute improper conduct under the provisions of this chapter may constitute a cause of suspension, removal from office or employment or other action permitted by law.

(Ord. No. 2004-08)

Sec. 2-5-9 Distribution of ethics code.

(a) The city clerk shall cause a copy of this code of ethics to be distributed to every public official and employee of the City of Cedarburg within 30 days after enactment of this chapter. Each public official and employee elected, appointed or engaged thereafter shall be furnished a copy before entering upon his duties.

(b) Each public official, the mayor, the chairman of each board, commission or committee and, through the city administrator, the head of each department shall, between May 1 and May 31 each year, review the provisions of this Code with his fellow council, board, commission, committee members or subordinates as the case may be and certify to the city clerk by June 15 that such annual review had been undertaken. A copy of this ethics code chapter shall be continuously posted on each department bulletin board wherever situated.

(Ord. No. 2004-08)