

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 14, 2025

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, based on present federal laws, regulations, rulings and decisions, and assuming compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and certain covenants of the City, interest to be paid on the Notes is excluded from gross income of the recipient for federal income tax purposes, and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes may affect the federal alternative tax imposed on certain corporations. See "Tax Exemption" herein for a more detailed discussion. The interest on the Notes is not exempt from present Wisconsin income or franchise tax.

The City will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue

Rating Application Made: S&P Global Ratings

CITY OF MENOMONIE, WISCONSIN (Dunn County)

\$2,820,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A

BID OPENING: April 21, 2025, 10:00 A.M., C.T.

CONSIDERATION: April 21, 2025, 7:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,820,000* General Obligation Promissory Notes, Series 2025A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Menomonie, Wisconsin (the "City"), for public purposes, including financing the costs of the City's 2025 and 2026 capital projects and equipment and improvements to the storm water utility, the water utility and the sewer utility. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota.

DATE OF NOTES: May 6, 2025

MATURITY:

As follows:

<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>
11/01/2026	\$170,000	11/01/2033	\$170,000	11/01/2040	\$95,000
11/01/2027	235,000	11/01/2034	135,000	11/01/2041	105,000
11/01/2028	245,000	11/01/2035	135,000	11/01/2042	110,000
11/01/2029	245,000	11/01/2036	90,000	11/01/2043	110,000
11/01/2030	255,000	11/01/2037	90,000	11/01/2044	115,000
11/01/2031	120,000	11/01/2038	90,000	05/01/2045	130,000
11/01/2032	120,000	11/01/2039	95,000		

***MATURITY**

ADJUSTMENTS:

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS:

See "Term Bond Option" herein.

INTEREST:

May 1, 2026 and semiannually thereafter.

OPTIONAL REDEMPTION:

Notes maturing on November 1, 2034 and thereafter are subject to call for prior optional redemption on November 1, 2033 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID:

\$2,784,750.

MAXIMUM BID:

\$3,102,000.

GOOD FAITH DEPOSIT:

A good faith deposit in the amount of \$56,400 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT:

Bond Trust Services Corporation.

BOND COUNSEL:

Fryberger, Buchanan, Smith & Frederick, P.A..

MUNICIPAL ADVISOR:

Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY:

See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a Final Official Statement.



BUILDING COMMUNITIES. IT'S WHAT WE DO.

info@ehlers-inc.com

1 (800) 552-1171

www.ehlers-inc.com

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Notes.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

TABLE OF CONTENTS

<p>INTRODUCTORY STATEMENT..... 1</p> <p>THE NOTES..... 1</p> <p style="padding-left: 20px;">GENERAL 1</p> <p style="padding-left: 20px;">OPTIONAL REDEMPTION 1</p> <p style="padding-left: 20px;">AUTHORITY; PURPOSE 2</p> <p style="padding-left: 20px;">ESTIMATED SOURCES AND USES 2</p> <p style="padding-left: 20px;">SECURITY 2</p> <p style="padding-left: 20px;">RATING 2</p> <p style="padding-left: 20px;">CONTINUING DISCLOSURE..... 3</p> <p style="padding-left: 20px;">LEGAL MATTERS 3</p> <p style="padding-left: 20px;">TAX EXEMPTION..... 4</p> <p style="padding-left: 20px;">QUALIFIED TAX-EXEMPT OBLIGATIONS 4</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR 5</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR AFFILIATED COMPANIES... 5</p> <p style="padding-left: 20px;">INDEPENDENT AUDITORS 5</p> <p style="padding-left: 20px;">RISK FACTORS..... 5</p> <p>VALUATIONS 8</p> <p style="padding-left: 20px;">WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES..... 8</p> <p style="padding-left: 20px;">CURRENT PROPERTY VALUATIONS..... 9</p> <p style="padding-left: 20px;">2024 EQUALIZED VALUE BY CLASSIFICATION ... 9</p> <p style="padding-left: 20px;">TREND OF VALUATIONS..... 9</p> <p style="padding-left: 20px;">LARGER TAXPAYERS..... 10</p> <p>DEBT 10</p> <p style="padding-left: 20px;">DIRECT DEBT 10</p> <p style="padding-left: 20px;">DEBT PAYMENT HISTORY 11</p> <p style="padding-left: 20px;">FUTURE FINANCING..... 11</p> <p style="padding-left: 20px;">DEBT LIMIT 11</p> <p style="padding-left: 20px;">SCHEDULE OF GENERAL OBLIGATION DEBT 12</p> <p style="padding-left: 20px;">SCHEDULE OF SEWER REVENUE DEBT..... 15</p> <p style="padding-left: 20px;">OVERLAPPING DEBT 16</p> <p style="padding-left: 20px;">DEBT RATIOS..... 16</p>	<p>TAX LEVIES AND COLLECTIONS 17</p> <p style="padding-left: 20px;">TAX LEVIES AND COLLECTIONS 17</p> <p style="padding-left: 20px;">PROPERTY TAX RATES 18</p> <p style="padding-left: 20px;">LEVY LIMITS 18</p> <p style="padding-left: 20px;">REVENUE FROM THE STATE 20</p> <p>THE ISSUER 20</p> <p style="padding-left: 20px;">CITY GOVERNMENT..... 20</p> <p style="padding-left: 20px;">EMPLOYEES; PENSIONS 20</p> <p style="padding-left: 20px;">OTHER POST EMPLOYMENT BENEFITS..... 22</p> <p style="padding-left: 20px;">LITIGATION 22</p> <p style="padding-left: 20px;">MUNICIPAL BANKRUPTCY..... 23</p> <p style="padding-left: 20px;">FUNDS ON HAND 23</p> <p style="padding-left: 20px;">ENTERPRISE FUNDS..... 24</p> <p style="padding-left: 20px;">SUMMARY GENERAL FUND INFORMATION..... 25</p> <p>GENERAL INFORMATION 26</p> <p style="padding-left: 20px;">LOCATION 26</p> <p style="padding-left: 20px;">LARGER EMPLOYERS 26</p> <p style="padding-left: 20px;">BUILDING PERMITS 27</p> <p style="padding-left: 20px;">U.S. CENSUS DATA 27</p> <p style="padding-left: 20px;">EMPLOYMENT/UNEMPLOYMENT DATA 28</p> <p>FINANCIAL STATEMENTS..... A-1</p> <p>FORM OF LEGAL OPINION B-1</p> <p>BOOK-ENTRY-ONLY SYSTEM C-1</p> <p>FORM OF CONTINUING DISCLOSURE CERTIFICATE ... D-1</p> <p>NOTICE OF SALE E-1</p> <p>BID FORM</p>
--	--

CITY OF MENOMONIE CITY COUNCIL

		<u>Term Expires</u>
Randy Knaack	Mayor	April 2026
Mary Solberg	Council President	April 2026
Sydney Brennan	Aldersperson	April 2027
Matthew Crowe	Aldersperson	April 2026
Ryland Erdman	Aldersperson	April 2026
Cody Gentz	Aldersperson	April 2027
Jeff Luther	Aldersperson	April 2027
Abigail Pickard	Aldersperson	April 2027
Leland Schwebs	Aldersperson	April 2026
Randy Sommerfeld	Aldersperson	April 2027
Eric Sutherland	Aldersperson	April 2027
Gretchen Yonko	Aldersperson	April 2026

ADMINISTRATION

Eric Atkinson, City Administrator

Jayme Schindler, City Treasurer/Comptroller

David Schofield, Director of Public Works

PROFESSIONAL SERVICES

Weld Riley, S.C., City Attorney, Menomonie, Wisconsin

Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, Duluth, Minnesota

Ehlers and Associates, Inc., Municipal Advisors, Roseville, Minnesota
(Other office located in Waukesha, Wisconsin)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Menomonie, Wisconsin (the "City") and the issuance of its \$2,820,000* General Obligation Promissory Notes, Series 2025A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Award Resolution") to be adopted by the Common Council on April 21, 2025.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of May 6, 2025. The Notes will mature on November 1 in the years and amounts set forth on the cover of this Preliminary Official Statement except the final maturity is on May 1, 2045. Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2026, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Award Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC") to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

*Preliminary, subject to change.

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after November 1, 2034 shall be subject to optional redemption prior to maturity on November 1, 2033 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing the costs of the City's 2025 and 2026 capital projects and equipment and improvements to the storm water utility, the water utility and the sewer utility.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	<u>\$2,820,000</u>	
Total Sources		\$2,820,000
Uses		
Total Underwriter's Discount (1.250%)	\$35,250	
Costs of Issuance	77,500	
Deposit to Construction Fund	2,707,000	
Rounding Amount	<u>250</u>	
Total Uses		\$2,820,000

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the City will be irrevocably pledged. The City will levy a direct, annual, irrepealable tax on all taxable property in the City sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the City is currently rated "A+"/Stable outlook by S&P Global Ratings ("S&P").

The City has requested an underlying rating on the Notes from S&P, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Notes, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events.

On the date of issue and delivery, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with any Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

The City did not timely file a financial obligation that occurred in August of 2023. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

Legal matters incident to the issuance and sale of the Notes and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX MATTERS" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

TAX EXEMPTION

The following discussion is not intended to be an exhaustive discussion of collateral tax consequences arising from ownership or disposition of the Notes or receipt of interest on the Notes. Prospective purchasers should consult their tax advisors with respect to collateral tax consequences, including without limitation, the determination of gain or loss on the sale of a bond, the calculation of alternative minimum tax liability; the inclusion of Social Security or other retirement payments in taxable income, the disallowance of deductions for certain expenses attributable to the Notes, and applicable state and local tax rules.

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, as Bond Counsel, based on present federal laws, regulations, rulings and decisions, and on certifications to be furnished at closing, and assuming compliance by the City with certain tax covenants, interest to be paid on the Notes is excluded from gross income for purposes of federal income taxation. Interest on the Notes is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax; however, such interest on the Notes may affect the federal alternative tax imposed on certain corporations.

Certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), however, impose continuing requirements that must be met after the issuance of the Notes in order that interest on the Notes be and remain excludable from federal gross income. These requirements include, but are not limited to, provisions regarding the use of bond proceeds and the facilities financed or refinanced with such proceeds; restrictions on the investment of bond proceeds and other amounts; and provisions requiring that certain investment earnings be rebated periodically to the federal government. Noncompliance with such requirements of the Code may cause interest on the Notes to be includable in federal gross income retroactively to their date of issue. No provision has been made for redemption of or for an increase in the interest rate on the Notes in the event that interest on the same becomes includable in federal gross income.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax exempt status of interest on the Notes or the tax consequences of ownership of the Notes. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly affect the exclusion of the interest on the Notes from gross income for federal income tax purposes.

The interest on the Notes is not exempt from present Wisconsin income or franchise tax.

Proposed Federal Legislation

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal if enacted could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes. Prospective purchasers of Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending litigation or proposed federal tax legislation.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2023 have been audited by Wipfli LLP, Eau Claire, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Taxes: The Notes will be general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Wisconsin (the "State") may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the City and to the Notes. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

Ratings; Interest Rates: In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the City with the covenants in the Authorizing Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Notes in the secondary market.

Secondary Market for the Notes: No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2024 Equalized Value	\$1,768,762,700
2024 Equalized Value Reduced by Tax Increment Valuation	\$1,675,909,800
2024 Assessed Value	\$1,245,484,300

2024 EQUALIZED VALUE BY CLASSIFICATION

	2024 Equalized Value¹	Percent of Total Equalized Value
Residential	\$800,585,000	45.262%
Commercial	810,846,500	45.843%
Manufacturing	155,731,400	8.805%
Agricultural	230,800	0.013%
Undeveloped	241,400	0.014%
Ag Forest	637,500	0.036%
Forest	480,000	0.027%
Other	10,100	0.001%
Personal Property ²	<u>0</u>	<u>0.000%</u>
 Total	 <u><u>\$1,768,762,700</u></u>	 <u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value ²	Percent Increase/Decrease in Equalized Value
2020	\$1,006,006,800	\$1,247,279,300	10.15%
2021	1,285,117,600	1,282,764,900	2.85%
2022	1,283,772,200	1,441,068,800	12.34%
2023	1,277,405,700	1,681,990,300	16.72%
2024	1,245,484,300	1,768,762,700	5.16%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹ Includes tax increment valuation.

² Personal property has been exempted from taxation as of January 1, 2024 (see "TAX LEVIES AND COLLECTIONS" herein).

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2024 Equalized Value ¹	Percent of City's Total Equalized Value
Wal-Mart	Retail/Distribution	\$51,311,481	2.90%
Andersen Corporation	Manufacturing/Distribution	32,581,893	1.84%
3M Company	Manufacturing	31,393,100	1.77%
Phillips Medisize LLC	Manufacturing	28,925,800	1.64%
Cardinal FG Co	Manufacturing	19,747,500	1.12%
Bills Distributing Ltd.	Distribution	15,173,200	0.86%
Westconsin Credit Union	Real Estate	13,802,871	0.78%
Business Trust Wal-Mart Real Estate	Real Estate	13,320,072	0.75%
Whisper Ridge Townhomes, LLC	Real Estate	12,778,579	0.72%
Chippewa Valley Warehouse	Manufacturing	<u>12,308,600</u>	<u>0.70%</u>
Total		\$231,343,097	13.08%
City's Total 2024 Equalized Value ²		\$1,768,762,700	

Source: The City.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)* \$28,773,454

Revenue Debt (see schedules following)

Total revenue debt secured by sewer revenues \$15,542,535

*Preliminary, subject to change.

¹ Calculated by dividing the 2024 Assessed Values by the 2024 Aggregate Ratio of assessment for the City.

² Includes tax increment valuation.

³ Outstanding debt is as of the dated date of the Notes.

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The City plans to issue approximately \$9,200,000 for a Safe Drinking Water Loan for its Well No. 9 project in early 2026.

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$1,768,762,700
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$88,438,135
Less: General Obligation Debt (includes the Notes)*	<u>(28,773,454)</u>
Unused Debt Limit*	<u><u>\$59,664,681</u></u>

*Preliminary, subject to change.

City of Menomonie, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 05/06/2025)

	Corporate Purpose Refunding Bonds Series 2015B		Corporate Purpose Bonds Series 2016A		Corporate Purpose Bonds Series 2017A		Promissory Notes Series 2017B		Corporate Purpose Bonds Series 2019A	
Dated	04/08/2015		06/09/2016		05/24/2017		05/24/2017		05/01/2019	
Amount	\$3,070,000		\$4,395,000		\$3,250,000		\$2,000,000		\$7,020,000	
Maturity	12/01 Final Maturity 06/01		12/01		10/01 Final Maturity 04/01		10/01 Final Maturity 04/01		10/01 Final Maturity 04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	215,000	13,350	445,000	41,920	180,000	40,063	350,000	18,225	65,000	100,050
2026	230,000	3,450	450,000	28,570	185,000	74,725	390,000	25,950	65,000	198,150
2027			100,000	19,570	185,000	69,175	475,000	7,125	420,000	196,200
2028			105,000	17,570	205,000	63,625			435,000	183,600
2029			110,000	15,470	205,000	57,475			450,000	170,550
2030			110,000	13,160	215,000	51,325			480,000	157,050
2031			120,000	10,740	220,000	44,875			495,000	142,650
2032			120,000	7,980	235,000	38,275			510,000	127,800
2033			100,000	5,100	190,000	31,225			460,000	112,500
2034			100,000	2,600	190,000	25,525			470,000	98,700
2035					200,000	19,825			520,000	84,600
2036					210,000	13,325			540,000	69,000
2037					200,000	3,250			560,000	52,800
2038									590,000	36,000
2039									610,000	9,150
2040										
2041										
2042										
2043										
2044										
2045										
	445,000	16,800	1,760,000	162,680	2,620,000	532,688	1,215,000	51,300	6,670,000	1,738,800

--Continued on next page

City of Menomonie, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/06/2025)

	Promissory Notes Series 2019B		Taxable Promissory Notes Series 2020A		Corporate Purpose Bonds Series 2021A		Promissory Notes Series 2021B		Corporate Purpose Bonds Series 2023A	
Dated	05/01/2019		04/01/2020		06/28/2021		06/28/2021		04/24/2023	
Amount	\$2,910,000		\$2,330,000		\$3,215,000		\$2,025,000		\$2,590,000	
Maturity	10/01 Final Maturity 04/01		10/01 Final Maturity 04/01		06/01		04/01		10/01 Final Maturity 04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	240,000	32,975	170,000	19,615	0	47,200	0	7,760	35,000	48,900
2026	410,000	61,150	170,000	36,340	40,000	46,800	60,000	15,310	40,000	96,400
2027	420,000	52,950	175,000	33,280	135,000	45,050	140,000	14,470	40,000	94,800
2028	430,000	42,450	180,000	29,955	135,000	42,350	220,000	12,685	95,000	93,200
2029	985,000	14,775	180,000	26,355	140,000	39,600	220,000	10,265	105,000	89,400
2030			1,050,000	11,288	145,000	36,750	225,000	6,750	105,000	85,200
2031					145,000	33,850	225,000	2,250	110,000	81,000
2032					145,000	30,950			115,000	76,600
2033					150,000	28,000			115,000	72,000
2034					155,000	24,950			140,000	67,400
2035					155,000	21,850			145,000	61,800
2036					165,000	18,650			150,000	56,000
2037					165,000	15,350			160,000	50,000
2038					170,000	12,000			165,000	43,600
2039					170,000	8,600			170,000	37,000
2040					170,000	5,200			175,000	30,200
2041					175,000	1,750			185,000	23,200
2042									190,000	15,800
2043									205,000	4,100
2044										
2045										
	2,485,000	204,300	1,925,000	156,833	2,360,000	458,900	1,090,000	69,490	2,445,000	1,126,600

--Continued on next page

City of Menomonie, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/06/2025)

Dated Amount	Promissory Notes Series 2023B		State Trust Fund Loan		Promissory Notes Series 2025A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	04/24/2023 \$2,450,000		08/07/2023 \$505,000		05/06/2025 \$2,820,000*							
Maturity	10/01 Final Maturity 04/01		03/15		11/01 Final Maturity 05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Estimated Interest						
2025	85,000	49,000	0	0	0	0	1,785,000	419,058	2,204,058	26,988,454	6.20%	2025
2026	35,000	94,600	17,373	24,423	170,000	172,430	2,262,373	878,297	3,140,671	24,726,081	14.07%	2026
2027	65,000	93,200	18,242	23,554	235,000	109,823	2,408,242	759,197	3,167,438	22,317,839	22.44%	2027
2028	340,000	90,600	19,092	22,704	245,000	101,245	2,409,092	699,984	3,109,076	19,908,748	30.81%	2028
2029	355,000	77,000	20,108	21,687	245,000	92,180	3,015,108	614,757	3,629,866	16,893,639	41.29%	2029
2030	365,000	62,800	21,114	20,682	255,000	82,993	2,971,114	527,997	3,499,111	13,922,526	51.61%	2030
2031	380,000	48,200	22,169	19,626	120,000	73,303	1,837,169	456,494	2,293,663	12,085,356	58.00%	2031
2032	400,000	33,000	23,227	18,569	120,000	68,623	1,668,227	401,796	2,070,023	10,417,129	63.80%	2032
2033	425,000	8,500	24,439	17,356	130,000	63,883	1,594,439	338,564	1,933,003	8,822,689	69.34%	2033
2034			25,661	16,134	135,000	58,683	1,215,661	293,992	1,509,653	7,607,028	73.56%	2034
2035			26,944	14,851	135,000	53,148	1,181,944	256,074	1,438,018	6,425,084	77.67%	2035
2036			28,255	13,541	90,000	47,545	1,183,255	218,061	1,401,316	5,241,829	81.78%	2036
2037			29,704	12,091	90,000	43,765	1,204,704	177,256	1,381,961	4,037,125	85.97%	2037
2038			31,190	10,606	90,000	39,940	1,046,190	142,146	1,188,336	2,990,935	89.61%	2038
2039			32,749	9,047	95,000	35,980	1,077,749	99,777	1,177,526	1,913,186	93.35%	2039
2040			34,366	7,430	95,000	31,705	474,366	74,535	548,901	1,438,820	95.00%	2040
2041			36,105	5,691	105,000	27,335	501,105	57,976	559,081	937,715	96.74%	2041
2042			37,910	3,886	110,000	22,453	337,910	42,138	380,048	599,805	97.92%	2042
2043			39,805	1,990	110,000	17,228	354,805	23,318	378,123	245,000	99.15%	2043
2044					115,000	11,948	115,000	11,948	126,948	130,000	99.55%	2044
2045					130,000	3,185	130,000	3,185	133,185	0	100.00%	2045
	2,450,000	556,900	488,454	263,870	2,820,000	1,157,390	28,773,454	6,496,549	35,270,004			

* Preliminary, subject to change.

City of Menomonie, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 05/06/2025)

	Sewerage System Revenue Bonds (CWFL) Series 2010		Sewerage System Revenue Bonds (CWFL) 1 Series 2020B		Sewerage System Revenue Bonds (CWFL) 2 Series 2022							Calendar
	Dated Amount						Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Year Ending
Maturity	07/28/2010		08/12/2020		10/26/2022							
	\$4,828,327		\$7,249,165		\$8,902,238							
	05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	0	17,407	0	55,851	0	118,178	0	191,436	191,436	15,542,535	.00%	2025
2026	274,000	31,496	345,731	108,446	379,163	230,875	998,894	370,817	1,369,710	14,543,641	6.43%	2026
2027	280,634	24,782	352,244	101,871	390,124	219,755	1,023,002	346,408	1,369,410	13,520,639	13.01%	2027
2028	287,428	17,906	358,881	95,172	401,403	208,314	1,047,711	321,391	1,369,102	12,472,928	19.75%	2028
2029	294,386	10,863	365,642	88,347	413,007	196,541	1,073,035	295,751	1,368,786	11,399,893	26.65%	2029
2030	301,513	3,650	372,530	81,393	424,947	184,429	1,098,991	269,472	1,368,463	10,300,902	33.72%	2030
2031			379,549	74,309	437,232	171,966	816,781	246,274	1,063,056	9,484,121	38.98%	2031
2032			386,699	67,091	449,873	159,143	836,572	226,233	1,062,805	8,647,549	44.36%	2032
2033			393,984	59,737	462,879	145,949	856,863	205,685	1,062,549	7,790,686	49.88%	2033
2034			401,407	52,244	476,261	132,374	877,667	184,618	1,062,285	6,913,019	55.52%	2034
2035			408,969	44,610	490,029	118,406	898,998	163,016	1,062,015	6,014,020	61.31%	2035
2036			416,674	36,833	504,196	104,034	920,870	140,867	1,061,737	5,093,150	67.23%	2036
2037			424,524	28,909	518,772	89,247	943,296	118,156	1,061,452	4,149,854	73.30%	2037
2038			432,522	20,835	533,770	74,033	966,292	94,868	1,061,160	3,183,562	79.52%	2038
2039			440,671	12,610	549,201	58,378	989,872	70,988	1,060,860	2,193,690	85.89%	2039
2040			448,973	4,229	565,079	42,272	1,014,051	46,501	1,060,552	1,179,639	92.41%	2040
2041					581,415	25,699	581,415	25,699	607,114	598,224	96.15%	2041
2042					598,224	8,647	598,224	8,647	606,871	0	100.00%	2042
	1,437,961	106,104	5,929,000	932,485	8,175,574	2,288,239	15,542,535	3,326,828	18,869,363			

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 4083-10, the amount of disbursements as of March 31, 2025, is \$6,914,286.54.

2) Pursuant to the Wisconsin Capital Finance Office, Project No. 4083-12, the amount of disbursements as of March 31, 2025 is \$7,890,549.19.

OVERLAPPING DEBT¹

Taxing District	Equalized Value²	% In City	Total G.O. Debt³	City's Proportionate Share
Dunn County	\$5,466,428,700	32.3568%	\$24,540,000	\$7,940,359
Menomonie Area School District	3,288,391,175	53.7881%	16,581,000	8,918,605
Chippewa Valley Technical College District	43,884,602,928	4.0305%	85,520,000	<u>3,446,884</u>
City's Share of Total Overlapping Debt				<u><u>\$20,305,847</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,768,762,700	Debt/ Per Capita 16,591⁴
Total General Obligation Debt*	\$28,773,454	1.63%	\$1,734.28
City's Share of Total Overlapping Debt	<u>20,305,847</u>	<u>1.15%</u>	<u>1,223.91</u>
Total*	\$49,079,301	2.77%	\$2,958.19

*Preliminary, subject to change.

¹ Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

⁴ Estimated 2024 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2020/21	\$7,118,000	100%	\$6.41
2021/22	7,197,000	100%	6.31
2022/23	7,435,000	100%	5.40
2023/24	7,645,000	100%	4.89
2024/25	7,899,490	In Progress	4.71

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll were formerly collected from each taxing entity in the year following the levy year. The personal property tax has been repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax has been replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools ¹	County	Local	Total
2020/21	\$9.38	\$6.47	\$6.41	\$22.26
2021/22	8.52	6.14	6.31	20.97
2022/23	6.78	5.62	5.40	17.80
2023/24	6.35	4.81	4.89	16.05
2024/25	6.27	4.51	4.71	15.49

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent; for a tax incremental district created after December 31, 2024, the valuation factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

¹ The Schools tax rate reflects the composite rate of all local school districts and technical college district.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Notes were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of state programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the City received approximately \$4,126,193 in shared revenue under chapter 79, Wis. Stats., an increase from the approximately \$3,418,940 received in 2023. The City is expected to receive approximately \$4,211,805 in shared revenue under Chapter 79, Wis. Stats. in 2025. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1882 and is governed by a Mayor and an 11-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to two-year terms. The appointed City Administrator and City Treasurer/Comptroller are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 140 full-time, 21 part-time, and 29 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2021, the fiscal year ended December 31, 2022 ("Fiscal Year 2022") and the fiscal year ended December 31, 2023 ("Fiscal Year 2023"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$874,530, \$903,511 and \$903,511, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion. As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion. Accordingly, the City will report a liability for its proportionate share of the net pension liability of the WRS in its audited financial statements for the year ended December 31, 2024.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2023, the City reported a liability of \$874,530 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.07572528% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 14 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.¹

¹ On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the City:

Bargaining Unit	Expiration Date of Current Contract
IAAF Local 1697 Firefighters	December 31, 2026
Professional Police Association Local 45	December 31, 2024
Police Lieutenants Association	December 31, 2026

Status of Contract

The contract which expired on December 31, 2024 is currently in negotiations.

OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent actuarial study shows a total OPEB liability of \$664,838 as of December 31, 2023. The City has been funding these obligations on a pay-as-you-go basis.

The City provides OPEB through the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2022, the City's portion of contributions to the LRLIF totaled \$2,601. For Fiscal Year 2023, the City reported a liability of \$530,577 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2022 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.13926500% of the aggregate LRLIF net OPEB liability as of December 31, 2022.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 16 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of January 31, 2025)

Fund	Total Cash and Investments
Bremer Bank, NA	\$26,471,285
Dairy State Bank	4,678,517
BMO Harris Bank	2,581,144
Peoples State Bank	<u>1,200,000</u>
 Total Funds on Hand	 <u><u>\$34,930,946</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2021 Audited	2022 Audited	2023 Audited
Water			
Total Operating Revenues	\$2,238,371	\$2,253,107	\$2,305,036
Less: Operating Expenses	<u>(1,845,000)</u>	<u>(1,883,906)</u>	<u>(2,048,694)</u>
Operating Income	\$393,371	\$369,201	\$256,342
Plus: Depreciation	585,187	540,895	552,481
Interest Income	<u>5,355</u>	<u>8,570</u>	<u>15,145</u>
Revenues Available for Debt Service	<u><u>\$983,913</u></u>	<u><u>\$918,666</u></u>	<u><u>\$823,968</u></u>
Waste Water			
Total Operating Revenues	\$3,255,065	\$3,530,767	\$3,486,358
Less: Operating Expenses	<u>(2,614,524)</u>	<u>(3,049,357)</u>	<u>(3,250,444)</u>
Operating Income	\$640,541	\$481,410	\$235,914
Plus: Depreciation	991,913	1,155,398	1,298,581
Interest Income	<u>38,875</u>	<u>22,005</u>	<u>67,680</u>
Revenues Available for Debt Service	<u><u>\$1,671,329</u></u>	<u><u>\$1,658,813</u></u>	<u><u>\$1,602,175</u></u>
Storm Water			
Total Operating Revenues	\$679,266	\$685,530	\$835,441
Less: Operating Expenses	<u>(717,781)</u>	<u>(701,611)</u>	<u>(847,262)</u>
Operating Income	(\$38,515)	(\$16,081)	(\$11,821)
Plus: Depreciation	212,733	215,430	220,163
Interest Income	<u>5,650</u>	<u>6,782</u>	<u>8,695</u>
Revenues Available for Debt Service	<u><u>\$179,868</u></u>	<u><u>\$206,131</u></u>	<u><u>\$217,037</u></u>

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2023 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2021 Audited	2022 Audited	2023 Audited	2024 Adopted Budget ¹	2025 Adopted Budget ²
Revenues					
Taxes	\$5,531,046	\$5,759,747	\$6,123,839	\$8,245,733	\$8,554,990
Special assessments	51,735	69,751	57,372	11,000	11,000
Intergovernmental	5,465,657	5,539,875	5,643,728	5,792,772	5,940,629
Licenses and permits	227,254	232,393	404,218	463,900	486,550
Fine and forfeits	168,337	201,373	150,825	0	0
Public charges for services	2,088,115	2,356,289	2,262,278	2,900,799	3,009,407
Intergovernmental charges for services	219,556	216,068	208,344	51,000	51,000
Other	625,796	725,904	1,333,165	1,189,317	1,345,212
Total Revenues	\$14,377,496	\$15,101,400	\$16,183,769	\$18,654,521	\$19,398,788
Expenditures					
Current:					
General government	\$4,606,068	\$4,653,500	\$5,287,813	\$5,149,836	\$5,468,911
Public safety	5,922,890	5,974,807	6,127,447	6,721,022	7,077,562
Public works	1,913,477	2,352,899	2,497,950	2,658,625	2,806,825
Health and human services	36,757	36,008	55,971	38,313	38,426
Culture and recreation	2,014,653	2,016,844	1,946,359	1,299,866	1,321,778
Conservation and development	47,932	83,581	60,117	79,690	101,590
Debt service	0	152,309	161,600	2,458,792	2,333,697
Total Expenditures	\$14,541,777	\$15,269,948	\$16,137,257	\$18,406,144	\$19,148,789
Excess of revenues over (under) expenditures	(\$164,281)	(\$168,548)	\$46,512	\$248,377	\$249,999
Other Financing Sources (Uses)					
Transfers in	\$499,110	\$453,513	\$425,775		
Transfers (out)	(79,913)	(122,993)	(51,920)		
Total Other Financing Sources (Uses)	419,197	330,520	373,855		
Net changes in Fund Balances	\$254,916	\$161,972	\$420,367		
General Fund Balance January 1	\$2,081,755	\$2,336,671	\$2,498,643		
Prior Period Adjustment	0	0	0		
General Fund Balance December 31	\$2,336,671	\$2,498,643	\$2,919,010		
DETAILS OF DECEMBER 31 FUND BALANCE					
Restricted	\$366,508	\$290,621	\$281,284		
Unassigned	1,970,163	2,208,022	2,637,726		
Total	\$2,336,671	\$2,498,643	\$2,919,010		

¹ The 2024 budget was adopted on November 20, 2023.

² The 2025 budget was adopted on November 20, 2024.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 16,843 and a 2024 estimated population of 16,591, comprises an area of about 14 square miles and is located approximately 25 miles west of Eau Claire, Wisconsin and 60 miles east of St. Paul, Minnesota.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
University of Wisconsin-Stout	Higher education	1,073
Phillips-Medisize	Surgical & medical instrument manufacturer	860
Andersen Corporation	Manufacturing/Development	800 ²
Walmart	Store & distribution center	706
3M	Manufacturing/development	670
Menomonie Area School District	Elementary and secondary education	637
Dunn County	County government and services	550
Mayo Clinic Health System- Red Cedar	Hospital & health clinic	451
Westconsin Credit Union	Credit Unions and services	400 ²
ConAgra Foods, Inc.	Food processing	300

Source: The City, Data Axle Reference Solutions, written and telephone survey, Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

² Includes multiple locations within the City.

BUILDING PERMITS (as of February 28, 2025)

	2021	2022	2023	2024	2025
<u>New Single Family Homes</u>					
No. of building permits	11	18	19	21	1
Valuation	\$3,119,395	\$3,799,731	\$5,014,496	\$6,165,826	\$488,807
<u>New Multiple Family Buildings</u>					
No. of building permits	1	2	21	1	0
Valuation	\$280,000	\$600,000	\$33,173,340	\$400,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	14	70	108	19	2
Valuation	\$3,334,901	\$13,834,302	\$11,320,279	\$24,962,091	\$2,010,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	715	757	864	947	86
Valuation	\$22,969,871	\$71,155,891	\$127,561,386	\$74,475,148	\$4,677,940

Source: The City.

U.S. CENSUS DATA**Population Trend:** The City

2010 U.S. Census Population	16,264
2020 U.S. Census Population	16,843
Percent of Change 2010 - 2020	3.56%
2024 Estimated Population	16,591

Income and Age Statistics

	The City	Dunn County	State of Wisconsin	United States
2023 per capita income	\$30,159	\$36,207	\$42,019	\$43,289
2023 median household income	\$54,587	\$71,785	\$75,670	\$78,538
2023 median family income	\$86,188	\$91,407	\$97,261	\$96,922
2023 median gross rent	\$933	\$942	\$1,045	\$1,348
2023 median value owner occupied units	\$203,800	\$226,200	\$247,400	\$303,400
2023 median age	25.3 yrs.	35.8 yrs.	40.1 yrs.	38.7 yrs.

	State of Wisconsin	United States
City % of 2023 per capita income	71.77%	69.67%
City % of 2023 median family income	88.62%	88.93%

Housing Statistics

	<u>The City</u>		Percent of Change
	2020	2023	
All Housing Units	16,479	16,548	0.42%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2023 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Dunn County	Dunn County	State of Wisconsin
2021	23,071	3.7%	3.8%
2022	23,272	3.1%	2.8%
2023	23,512 ¹	3.4% ¹	2.8%
2024, December	24,671	3.3%	2.9%
2025, February ¹	24,515	4.2%	3.8%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse changes in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

City of Menomonie, Wisconsin

Financial Statements
and Supplementary Information

Year Ended December 31, 2023



WIPFLI

City of Menomonie, Wisconsin

Financial Statements and Supplementary Information

Year Ended December 31, 2023

Table of Contents

Independent Auditor's Report.....	1
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	6
Statement of Activities.....	8
Fund Financial Statements	
Balance Sheet - Governmental Funds.....	10
Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds.....	13
Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds to the Statement of Activities.....	15
Statement of Net Position - Proprietary Funds.....	17
Statement of Revenues, Expenses, and Change in Net Position - Proprietary Funds.....	19
Statement of Cash Flows - Proprietary Funds.....	20
Statement of Net Position - Fiduciary Fund.....	22
Statement of Changes in Net Position - Fiduciary Fund.....	23
Notes to Basic Financial Statements.....	24
Required Supplementary Information	
Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund.....	72
Notes to Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund.....	73
Schedules of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System.....	75
Schedule of Changes in the City's Total OPEB Liability and Related Ratios - City Plan.....	81
Schedules of the Employer's Proportionate Share of the Net OPEB Liability (Asset) and Employer Contributions - Local Retiree Life Insurance Fund.....	83
Supplementary Financial Information	
General Fund - Combining Balance Sheet.....	86
General Fund - Combining Statement of Revenues, Expenditures, and Change in Fund Balances.....	87
Nonmajor Governmental Funds - Combining Balance Sheet.....	88
Nonmajor Governmental Funds - Combining Statement of Revenues, Expenditures, and Change in Fund Balances (Deficit).....	92
Nonmajor Proprietary Funds - Combining Statement of Net Position.....	96
Nonmajor Proprietary Funds - Combining Statement of Revenues, Expenses, and Changes in Net Position.....	98
Nonmajor Proprietary Funds - Combining Statement of Cash Flows.....	99
General Fund - Detail of Revenues - Non-GAAP.....	101
General Fund - Detail of Expenditures - Non-GAAP.....	105

City of Menomonie, Wisconsin

Financial Statements and Supplementary Information

Year Ended December 31, 2023

Budgeted Debt Service Fund - Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual.....	108
Budgeted Construction Fund - Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual.....	109
Schedule of Expenditures of Federal and State Awards.....	110
Notes to the Schedule of Expenditures of Federal and State Awards.....	111

Other Reports

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	112
Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by the Uniform Guidance and State Single Audit Guidelines.....	115
Schedule of Findings and Questioned Costs.....	118
Summary Schedule of Prior Audit Findings.....	123

Independent Auditor's Report

City Council
City of Menomonie, Wisconsin
Menomonie, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the blended component units, each major fund, and the aggregate remaining fund information of the City of Menomonie, Wisconsin as of December 31, 2023, and 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 of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Menomonie, Wisconsin and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

We draw attention to Note 1 of the financial statements, in 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

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 (GAAP), 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 City of Menomonie, Wisconsin's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 City of Menomonie, Wisconsin's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Menomonie, Wisconsin's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the statement of revenues, expenditures, and change in fund balance - budget and actual - general fund, the schedule of changes in the City's total OPEB liability and related ratios, the schedules of the employer's proportionate share of the net OPEB liability (asset) and employer contributions - Local Retiree Life Insurance Fund, and the schedules of the employer's proportionate share of the net pension liability (asset) and employer contributions - Wisconsin Retirement System 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.

City of Menomonie, Wisconsin has omitted a management's discussion and analysis that accounting principles generally accepted in the United States 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 opinion on the basic financial statements is 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 combining financial statements, general fund detailed statements of revenue and expenditures (non-GAAP), and the statements of revenues, expenditures and change in fund balances - budget and actual for the budgeted debt service and construction funds listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and are also 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 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 September 30, 2024 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 City of Menomonie, Wisconsin'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.

Wipfli LLP

Wipfli LLP

Eau Claire, Wisconsin
September 30, 2024

Basic Financial Statements

City of Menomonie, Wisconsin

Statement of Net Position

December 31, 2023

<i>Assets and Deferred Outflows of Resources</i>	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Current assets:			
Cash and investments	\$ 16,241,413	\$ 10,092,451	\$ 26,333,864
Receivables:			
Property taxes	8,380,140	-	8,380,140
Accounts	177,187	1,753,484	1,930,671
Special assessments	194,929	478,911	673,840
Loans	2,035,714	-	2,035,714
Other	186,513	-	186,513
Internal balances	378,057	(378,057)	-
Inventories	-	40,213	40,213
Prepays	-	2,184	2,184
Total current assets	27,593,953	11,989,186	39,583,139
Noncurrent assets:			
Property held for sale	3,210,403	-	3,210,403
Leases receivable	670,044	-	670,044
Restricted:			
Cash and investments	-	2,319,070	2,319,070
Capital assets:			
Land	4,848,287	2,392,271	7,240,558
Construction in progress	432,002	241,284	673,286
Land improvements	7,488,301	449,782	7,938,083
Buildings and improvements	10,639,082	19,828,571	30,467,653
Machinery and equipment	8,018,476	25,531,210	33,549,686
Vehicles	5,345,943	487,060	5,833,003
Infrastructure	45,285,157	39,710,512	84,995,669
Subscription Asset	41,125	-	41,125
Lease ROU asset	2,979,679	-	2,979,679
Accumulated depreciation and amortization	(42,454,472)	(32,501,850)	(74,956,322)
Total noncurrent assets	46,504,027	58,457,910	104,961,937
Total assets	74,097,980	70,447,096	144,545,076
Deferred outflows of resources:			
Deferred amount on refunding	3,623	-	3,623
Related to pensions - WRS	13,544,717	1,355,511	14,900,228
Related to OPEB - LRLIF	172,702	46,821	219,523
Related to City OPEB plan	194,081	25,230	219,311
Total deferred outflows of resources	13,915,123	1,427,562	15,342,685
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 88,013,103	\$ 71,874,658	\$ 159,887,761

City of Menomonie, Wisconsin

Statement of Net Position (Continued)

December 31, 2023

<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities:			
Current liabilities:			
Accounts payable	\$ 975,331	\$ 569,168	\$ 1,544,499
Claims payable	113,668	-	113,668
Accrued payroll	298,915	79,092	378,007
Accrued interest	224,444	127,896	352,340
Deposits	392,609	-	392,609
Due to other governments	9,230	-	9,230
Unearned revenue	1,659,681	49,566	1,709,247
Current portion of long-term obligations:			
Lease liability	56,867	-	56,867
Bonds and notes payable	1,877,584	1,336,355	3,213,939
Compensated absences	497,971	111,961	609,932
Total current liabilities	6,106,300	2,274,038	8,380,338
Noncurrent liabilities:			
Compensated absences	907,497	161,344	1,068,841
Lease liability	2,833,781	-	2,833,781
Bonds and notes payable	22,290,466	19,950,253	42,240,719
Landfill closure and postclosure	-	311,830	311,830
Total OPEB liability - City plan	544,117	53,494	597,611
Net OPEB liability - LRLIF	417,413	113,164	530,577
Net pension liability - WRS	3,646,323	365,379	4,011,702
Total noncurrent liabilities	30,639,597	20,955,464	51,595,061
Total liabilities	36,745,897	23,229,502	59,975,399
Deferred inflows of resources:			
Related to pensions - WRS	7,637,436	765,309	8,402,745
Related to OPEB - LRLIF	339,083	91,927	431,010
Related to OPEB - City plan	585,358	76,096	661,454
Related to leases	631,819	-	631,819
Property taxes for subsequent year	9,576,460	-	9,576,460
Total deferred inflows of resources	18,770,156	933,332	19,703,488
Net position:			
Net investment in capital assets	19,155,769	34,852,232	54,008,001
Restricted	8,087,629	2,040,738	10,128,367
Unrestricted	5,253,652	10,818,854	16,072,506
Total net position	32,497,050	47,711,824	80,208,874
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 88,013,103	\$ 71,874,658	\$ 159,887,761

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	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	Primary Government	
							Total	Total
Primary government:								
Governmental activities:								
General government	\$ 5,316,600	\$ 455,829	\$ 1,458,662	\$ -	\$ (3,402,109)	\$ -	\$ -	\$ (3,402,109)
Public safety	7,735,284	2,124,601	727,154	-	(4,883,529)	-	-	(4,883,529)
Public works	3,912,202	669,778	972,334	243	(2,269,847)	-	-	(2,269,847)
Health and human services	56,312	2,775	-	-	(53,537)	-	-	(53,537)
Culture, recreation, and education	3,722,683	347,199	650,142	-	(2,725,342)	-	-	(2,725,342)
Conservation and development	2,103,681	36,034	390,126	-	(1,677,521)	-	-	(1,677,521)
Interest and fiscal charges	1,018,746	-	-	-	(1,018,746)	-	-	(1,018,746)
Total governmental activities	23,865,508	3,636,216	4,198,418	243	(16,030,631)	-	-	(16,030,631)
Business-type activities:								
Water utility	2,165,621	2,305,038	-	1,001,970	-	1,141,387	-	1,141,387
Waste water utility	3,584,733	3,486,357	-	870,236	-	771,860	-	771,860
Solid waste utility	534,638	629,957	-	-	-	95,319	-	95,319
Parking utility	173,285	184,565	-	-	-	11,280	-	11,280
Storm water utility	908,479	835,441	-	86,909	-	13,871	-	13,871
Total business-type activities	7,366,756	7,441,358	-	1,959,115	-	2,033,717	-	2,033,717
Total primary government (carried forward)	\$ 31,232,264	\$ 11,077,574	\$ 4,198,418	\$ 1,959,358	(16,030,631)	2,033,717	(13,996,914)	(13,996,914)

City of Menomonie, Wisconsin

Statement of Activities (Continued)

Year Ended December 31, 2023

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Total primary government (brought forward)		\$ (16,030,631)	\$ 2,033,717	\$ (13,996,914)			
General revenues:							
Property taxes:							
General purposes			5,906,654	-	5,906,654		
Debt services			1,645,563	-	1,645,563		
TIF district			1,120,947	-	1,120,947		
Business improvement district			50,767	-	50,767		
Other taxes			594,153	-	594,153		
Intergovernmental revenues not restricted to specific programs			3,626,831	-	3,626,831		
Unrestricted investment earnings			949,319	109,716	1,059,035		
Miscellaneous unallocated revenue			13,449	-	13,449		
Gain on disposal of assets			177,409	-	177,409		
Transfers			361,775	(361,775)	-		
Total general revenues and transfers			14,446,867	(252,059)	14,194,808		
Change in net position			(1,583,764)	1,781,658	197,894		
Net position - Beginning of year			34,080,814	45,930,166	80,010,980		
Net position - End of year			\$ 32,497,050	\$ 47,711,824	\$ 80,208,874		

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Balance Sheet - Governmental Funds

December 31, 2023

Assets	Capital Projects				Total Governmental Funds
	General Fund	Budgeted Construction Fund	Other Governmental Funds	Total Governmental Funds	
Cash and investments	\$ 5,724,982	\$ 4,014,968	\$ 4,847,928	\$ 14,587,878	
Receivables:					
Property taxes	8,380,140	-	-	8,380,140	
Accounts	177,187	-	-	177,187	
Special assessments	194,929	-	-	194,929	
Loans	-	-	2,035,714	2,035,714	
Other	-	101,843	84,670	186,513	
Due from other funds	423,980	-	3,910,735	4,334,715	
Advances to other funds	1,622,483	-	-	1,622,483	
Leases receivable	670,044	-	-	670,044	
Property held for sale	-	-	3,210,403	3,210,403	
TOTAL ASSETS	\$ 17,193,745	\$ 4,116,811	\$ 14,089,450	\$ 35,400,006	

City of Menomonie, Wisconsin

Balance Sheet - Governmental Funds (Continued)

December 31, 2023

<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>Capital Projects</u>				Total Governmental Funds
	General Fund	Budgeted Construction Fund	Other Governmental Funds	Total Governmental Funds	
Liabilities:					
Accounts payable	\$ 241,775	\$ 196,653	\$ 536,903	\$ 975,331	
Accrued payroll	298,610	-	305	298,915	
Deposits	30,363	-	362,246	392,609	
Due to other governments	9,230	-	-	9,230	
Due to other funds	3,919,538	-	1,448,910	5,368,448	
Unearned revenue	1,659,681	-	-	1,659,681	
Total liabilities	6,159,197	196,653	2,348,364	8,704,214	
Deferred inflows of resources:					
Property taxes for subsequent year	5,665,476	-	3,910,984	9,576,460	
Unavailable revenue - Special assessments	195,760	-	-	195,760	
Unavailable revenue - Loans	-	-	2,035,714	2,035,714	
Unavailable revenue - Advances to other funds	1,622,483	-	-	1,622,483	
Related to leases	631,819	-	-	631,819	
Total deferred inflows of resources	8,115,538	-	5,946,698	14,062,236	
Fund balances (deficit):					
Restricted	281,284	3,920,158	5,675,900	9,877,342	
Assigned	-	-	668,372	668,372	
Unassigned	2,637,726	-	(549,884)	2,087,842	
Total fund balances (deficit)	2,919,010	3,920,158	5,794,388	12,633,556	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 17,193,745	\$ 4,116,811	\$ 14,089,450	\$ 35,400,006	

City of Menomonie, Wisconsin

Balance Sheet - Governmental Funds (Continued)

December 31, 2023

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - Governmental funds (previous page)	\$	12,633,556
--	----	------------

Capital and lease assets used in governmental activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are:

Governmental capital and lease assets	\$ 85,078,052	
Governmental accumulated depreciation and amortization	(42,454,472)	42,623,580

The net pension asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and the deferred outflows and deferred inflows of resources related to pensions are only reported in the statement of net position:

Deferred outflows of resources related to pensions - WRS	13,544,717	
Deferred outflows of resources related to OPEB - City plan	194,081	
Deferred outflows of resources related to OPEB - LRLIF	172,702	
Deferred inflows of resources related to pensions - WRS	(7,637,436)	
Deferred inflows of resources related to OPEB - City plan	(585,358)	
Deferred inflows of resources related to OPEB - LRLIF	(339,083)	5,349,623

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

3,853,957

In the fund statements, the net position of the internal service fund is reported with the proprietary funds. In the statement of net position, this amount is allocated between the business-type activities and the governmental activities.

1,329,174

Long-term liabilities, including bonds, notes, and leases payable, are not due in the current year and therefore are not reported in the fund statements. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Balances reported in the statement of net position that are not reported in the funds balance sheet are:

Bonds and notes payable	(24,168,050)	
Deferred amount on refunding	3,623	
Lease liability	(2,890,648)	
Net pension liability - WRS	(3,646,323)	
Total OPEB liability - City plan	(544,117)	
Net OPEB liability - LRLIF	(417,413)	
Compensated absences	(1,405,468)	
Accrued interest on long-term debt	(224,444)	(33,292,840)

Net position - Governmental activities	\$	32,497,050
--	----	------------

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds

Year Ended December 31, 2023

	General Fund	Capital Projects			Total Governmental Funds
		Budgeted Construction Fund	Other Governmental Funds		
		-	-		
Revenues:					
Taxes	\$ 6,123,839	\$ -	\$ 3,133,478	\$ -	\$ 9,257,317
Special assessments	57,372	-	-	-	57,372
Intergovernmental revenues	5,643,728	1,726,879	374,533	-	7,745,140
Licenses and permits	404,218	-	-	-	404,218
Fines and forfeits	150,825	-	-	-	150,825
Public charges for services	2,262,278	-	-	-	2,262,278
Intergovernmental charges for services	208,344	-	-	-	208,344
Other	1,333,165	86,810	466,002	-	1,885,977
Total revenues	16,183,769	1,813,689	3,974,013	-	21,971,471
Expenditures:					
Current:					
General government	5,287,813	7,896	15,175	-	5,310,884
Public safety	6,127,447	-	-	-	6,127,447
Public works	2,497,950	-	-	-	2,497,950
Health and human services	55,971	-	-	-	55,971
Culture and recreation	1,946,359	-	-	-	1,946,359
Conservation and development	60,117	-	1,678,371	-	1,738,488
Capital outlay	-	3,292,593	1,813,049	-	5,105,642
Debt service:					
Principal retirement	44,993	-	2,025,000	-	2,069,993
Interest and fiscal charges	116,607	-	557,986	-	674,593
Issuance costs	-	128,856	-	-	128,856
Total expenditures	16,137,257	3,429,345	6,089,581	-	25,656,183
Excess of revenues over (under) expenditures	46,512	(1,615,656)	(2,115,568)	(2,115,568)	(3,684,712)

City of Menomonie, Wisconsin

Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds (Continued)

Year Ended December 31, 2023

	General Fund	Capital Projects			Total Governmental Funds
		Budgeted Construction Fund	Other Governmental Funds		
Other financing sources (uses):					
Transfers in	\$ 425,775	\$ -	\$ 3,084,329	\$ 3,510,104	
Transfers out	(51,920)	-	(3,096,409)	(3,148,329)	
Issuance of long-term debt	-	3,590,000	505,000	4,095,000	
Premium on debt issuance	-	189,886	-	189,886	
Net other financing sources (uses)	373,855	3,779,886	492,920	4,646,661	
Change in fund balances	420,367	2,164,230	(1,622,648)	961,949	
Fund balances at beginning	2,498,643	1,755,928	7,417,036	11,671,607	
Fund balances at end	\$ 2,919,010	\$ 3,920,158	\$ 5,794,388	\$ 12,633,556	

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances - Governmental Funds to the Statement of Activities

Year Ended December 31, 2023

Total net change in fund balances - Governmental funds	\$	961,949
--	----	---------

Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets is reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital, lease and subscription outlays reported in governmental fund statements	\$	2,979,165
Depreciation and amortization expense reported in statement of activities		(2,245,804)

Amount by which depreciation and amortization are less than capital outlays in the current year.		733,361
--	--	---------

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(6,297)
--	--	---------

Net effect of the internal service fund is reported with governmental activities.		75,970
---	--	--------

Revenues in the governmental funds that provide current financial resources are not reported as revenues but are recognized as revenue when earned in the government-wide financial statements.		(10,918)
---	--	----------

Vested employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of the benefits earned during the year.

Change in total OPEB liability - City plan	261,215	
Change in deferred outflows of resources related to OPEB - City plan	(28,670)	
Change in deferred inflows of resources related to OPEB - City plan	(250,881)	
Change in net OPEB liability - LRLIF	282,701	
Change in deferred outflows of resources related to OPEB - LRLIF	(69,591)	
Change in deferred inflows of resources related to OPEB LRLIF	(230,950)	
Change in net pension liability - WRS	(3,646,323)	
Change in net pension asset - WRS	(5,501,571)	
Change in deferred outflows of resources related to pensions - WRS	2,800,955	
Change in deferred inflows of resources related to pensions - WRS	5,320,356	
Change in compensated absences	(34,765)	

Amounts earned are less than amounts paid		(1,097,524)
---	--	-------------

City of Menomonie, Wisconsin
Reconciliation of the Statement of Revenues, Expenditures,
and Change in Fund Balances - Governmental Funds
to the Statement of Activities (Continued)

Year Ended December 31, 2023

Proceeds of principal of long-term debt are reported in the governmental funds as revenue, but are reported as an increase in long-term debt in the statement of net position and do not affect the statement of activities.

The amount of long-term debt proceeds in the current year \$ (4,095,000)

Repayment of principal on long-term liabilities is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term liabilities in the statement of net position and does not affect the statement of activities.

The amount of long-term principal payments in the current year 2,069,993

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

The net effect of these differences in the current year (127,417)

In governmental funds, interest payments on long-term liabilities are reported as an expenditure when due. In the statement of activities, interest is reported as incurred.

The amount of interest paid during the current year \$ 674,593

The amount of interest accrued during the current year (762,474)

Interest paid is less than interest accrued (87,881)

Change in net position - Governmental activities \$ (1,583,764)

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Net Position - Proprietary Funds

December 31, 2023

<i>Assets and Deferred Outflows of Resources</i>	Water Utility	Waste Water Utility	Storm Water Utility	Nonmajor Utilities	Total	Governmental Activities Internal Service Fund
Current assets:						
Cash and investments	\$ 5,203,647	\$ 4,142,304	\$ 4,044	\$ 742,456	\$ 10,092,451	\$ 1,653,535
Receivables:						
Accounts	580,787	819,789	204,623	148,285	1,753,484	-
Special assessments	353,258	125,653	-	-	478,911	-
Due from other funds	1,078,176	2,866	1,801	301,444	1,384,287	-
Inventories	40,213	-	-	-	40,213	-
Prepays	2,184	-	-	-	2,184	-
Total current assets	7,258,265	5,090,612	210,468	1,192,185	13,751,530	1,653,535
Noncurrent assets:						
Restricted:						
Cash and investments	-	2,040,738	-	278,332	2,319,070	-
Capital assets:						
Land	27,495	42,399	1,064,655	1,257,722	2,392,271	-
Construction in progress	198,617	2,111	40,556	-	241,284	-
Land improvements	-	-	-	449,782	449,782	-
Buildings and improvements	1,984,168	17,794,909	-	49,494	19,828,571	-
Machinery and equipment	4,078,618	19,400,276	917,806	1,134,510	25,531,210	-
Vehicles	224,805	241,013	21,242	-	487,060	-
Infrastructure	18,770,681	10,784,487	10,155,344	-	39,710,512	-
Accumulated depreciation	(10,919,482)	(16,004,760)	(4,274,979)	(1,302,629)	(32,501,850)	-
Total noncurrent assets	14,364,902	34,301,173	7,924,624	1,867,211	58,457,910	-
Total assets	21,623,167	39,391,785	8,135,092	3,059,396	72,209,440	1,653,535
Deferred outflows of resources:						
Related to pensions - WRS	532,279	576,229	158,220	88,783	1,355,511	-
Related to City OPEB plan	13,586	11,644	-	-	25,230	-
Related to OPEB - LRLIF	12,034	21,017	6,260	7,510	46,821	-
Total deferred outflows of resources	557,899	608,890	164,480	96,293	1,427,562	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 22,181,066	\$ 40,000,675	\$ 8,299,572	\$ 3,155,689	\$ 73,637,002	\$ 1,653,535

City of Menomonie, Wisconsin

Statement of Net Position - Proprietary Funds (Continued)

December 31, 2023

<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	Water Utility	Waste Water Utility	Storm Water Utility	Nonmajor Utilities	Total	Governmental Activities Internal Service Fund
Current liabilities:						
Accounts payable	\$ 178,997	\$ 316,255	\$ 4,044	\$ 69,872	\$ 569,168	\$ -
Claims payable	-	-	-	-	-	113,668
Accrued payroll	33,115	33,061	7,410	5,506	79,092	-
Accrued interest	39,305	68,019	20,172	400	127,896	-
Due to other funds	261,775	-	36,562	52,217	350,554	-
Unearned revenue:						
Special assessments	47,530	2,036	-	-	49,566	-
Current portion of long-term obligations:						
Bonds and notes payable	201,133	942,010	183,065	10,147	1,336,355	-
Compensated absences	42,222	55,286	6,502	7,951	111,961	-
Total current liabilities	804,077	1,416,667	257,755	146,093	2,624,592	113,668
Noncurrent liabilities:						
Compensated absences	49,578	94,932	7,685	9,149	161,344	-
Advances from other funds	-	-	1,622,483	-	1,622,483	-
Bonds and notes payable	2,622,603	15,566,373	1,705,654	55,623	19,950,253	-
Landfill closure and postclosure	-	-	-	311,830	311,830	-
Total OPEB liability - City plan	22,403	31,091	-	-	53,494	-
Net OPEB liability - LRLIF	29,086	50,797	15,130	18,151	113,164	-
Net pension liability - WRS	143,387	155,499	42,856	23,637	365,379	-
Total noncurrent liabilities	2,867,057	15,898,692	3,393,808	418,390	22,577,947	-
Total liabilities	3,671,134	17,315,359	3,651,563	564,483	25,202,539	113,668
Deferred inflows of resources related to pensions						
Related to pensions - WRS	300,332	325,703	89,764	49,510	765,309	-
Related to OPEB - City plan	40,975	35,121	-	-	76,096	-
Related to OPEB - LRLIF	23,628	41,264	12,291	14,744	91,927	-
Total deferred inflows of resources	364,935	402,088	102,055	64,254	933,332	-
Net position:						
Net investment in capital assets	11,541,166	15,752,052	6,035,905	1,523,109	34,852,232	-
Restricted	-	2,040,738	-	-	2,040,738	-
Unrestricted	6,603,831	4,490,438	(1,489,951)	1,003,843	10,608,161	1,539,867
Total net position	18,144,997	22,283,228	4,545,954	2,526,952	47,501,131	1,539,867
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 22,181,066	\$ 40,000,675	\$ 8,299,572	\$ 3,155,689	73,637,002	\$ 1,653,535
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>210,693</u>	
Net position of business-type activities					<u>\$ 47,711,824</u>	

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Revenues, Expenses, and Change in Net Position - Proprietary Funds

Year Ended December 31, 2023

	Water Utility	Waste Water Utility	Storm Water Utility	Nonmajor Utilities	Total	Governmental Activities Internal Service Fund
Operating revenues:						
Charges for services:						
Residential	\$ 768,407	\$ 1,014,920	\$ 227,969	\$ 572,962	\$ 2,584,258	\$ -
Commercial	429,262	615,963	396,319	-	1,441,544	-
Industrial	341,562	1,060,775	84,482	-	1,486,819	-
Public authority	627,821	259,833	95,925	1,830	985,409	-
Contributions	-	-	-	-	-	3,024,172
Other	-	-	-	184,565	184,565	-
Service to other systems	-	36,434	-	-	36,434	-
State grants	-	-	-	51,312	51,312	-
Other	137,984	498,433	30,746	3,853	671,016	-
Total operating revenues	2,305,036	3,486,358	835,441	814,522	7,441,357	3,024,172
Operating expenses						
Operation and maintenance	1,468,170	1,951,863	627,099	673,308	4,720,440	-
Taxes	28,043	-	-	8,403	36,446	-
Depreciation and amortization	552,481	1,298,581	220,163	24,614	2,095,839	-
Benefit payments	-	-	-	-	-	2,974,950
Total operating expenses	2,048,694	3,250,444	847,262	706,325	6,852,725	2,974,950
Operating income (loss)	256,342	235,914	(11,821)	108,197	588,632	49,222
Nonoperating income (expense):						
Interest income	15,145	67,680	8,695	18,197	109,717	36,253
Interest expense	(120,785)	(338,016)	(62,984)	(1,750)	(523,535)	-
Net nonoperating income (expense)	(105,640)	(270,336)	(54,289)	16,447	(413,818)	36,253
Income (loss) before contributions and operating transfers						
	150,702	(34,422)	(66,110)	124,644	174,814	85,475
Contributions for capital assets	1,001,970	870,236	86,909	-	1,959,115	-
Transfers out	(261,775)	-	-	(100,000)	(361,775)	-
Change in net position	890,897	835,814	20,799	24,644	1,772,154	85,475
Net position at beginning	17,254,100	21,447,414	4,525,155	2,502,308		1,454,392
Net position at end	\$ 18,144,997	\$ 22,283,228	\$ 4,545,954	\$ 2,526,952		\$ 1,539,867

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds

9,504

Change in net position of business-type activities

\$ 1,781,658

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Cash Flows - Proprietary Funds

Year Ended December 31, 2023

	Water Utility	Waste Water Utility	Storm Water Utility	Nonmajor Utilities	Total	Governmental Activities Internal Service Fund
Cash flows from operating activities:						
Cash received from customers	\$ 2,248,826	\$ 3,377,542	\$ 801,661	\$ 807,729	\$ 7,235,758	\$ 3,024,173
Cash paid to suppliers for goods and services	(551,629)	(750,223)	(361,811)	(447,415)	(2,111,078)	-
Cash paid to employees for services	(710,384)	(876,221)	(261,216)	(210,439)	(2,058,260)	(3,074,073)
Net cash provided by operating activities	986,813	1,751,098	178,634	149,875	3,066,420	(49,900)
Cash flows from noncapital financing activities:						
Decrease (increase) in due from other funds	(823,809)	490	(689)	(590)	(824,598)	-
Increase (decrease) in due to other funds	(2,738)	64,000	(27,662)	40,066	73,666	-
Transfers from (to) other funds	(261,775)	-	-	(100,000)	(361,775)	-
Net cash provided by (used in) noncapital financing activities	(1,088,322)	64,490	(28,351)	(60,524)	(1,112,707)	-
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(626,345)	(6,001,801)	(433,295)	(1,620)	(7,063,061)	-
Contributions for capital assets	138,610	713,070	86,909	-	938,589	-
Cost of removal of capital assets	(1,858)	(4,112)	-	-	(5,970)	-
Special assessments received	-	268	-	-	268	-
Decrease in liability for postclosure costs	-	-	-	(464)	(464)	-
Proceeds from long-term debt	1,035,000	5,248,798	415,000	-	6,698,798	-
Debt issuance costs	(40,495)	(15)	-	-	(40,510)	-
Principal paid on long-term debt	(155,000)	(611,827)	(200,000)	(10,000)	(976,827)	-
Interest paid on long-term debt	(52,528)	(319,363)	(52,150)	(1,800)	(425,841)	-
Net cash provided by (used in) capital and related financing activities	297,384	(974,982)	(183,536)	(13,884)	(875,018)	-
Cash flows from investing activities:						
Interest received	47,525	66,998	25,720	18,051	158,294	36,252
Net cash provided by investing activities	47,525	66,998	25,720	18,051	158,294	36,252
Net change in cash and cash equivalents	243,400	907,604	(7,533)	93,518	1,236,989	(13,648)
Cash and cash equivalents at beginning of year	4,960,247	5,275,438	11,577	927,270	11,174,532	1,667,183
Cash and cash equivalents at end of year	\$ 5,203,647	\$ 6,183,042	\$ 4,044	\$ 1,020,788	\$12,411,521	\$ 1,653,535

City of Menomonie, Wisconsin

Statement of Cash Flows - Proprietary Funds (Continued)

Year Ended December 31, 2023

	Water Utility	Waste Water Utility	Storm Water Utility	Nonmajor Utilities	Total	Governmental Activities Internal Service Fund
Reconciliation:						
Cash and investments per statement of net position	\$ 5,203,647	\$ 4,142,304	\$ 4,044	\$ 742,456	\$10,092,451	\$ 1,653,535
Restricted cash and investments	-	2,040,738	-	278,332	2,319,070	-
Cash and cash equivalents	\$ 5,203,647	\$ 6,183,042	\$ 4,044	\$ 1,020,788	\$12,411,521	\$ 1,653,535
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 256,342	\$ 235,914	\$ (11,821)	\$ 108,197	\$ 588,632	\$ 49,222
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Provision for depreciation and amortization	552,481	1,298,581	220,163	24,614	2,095,839	-
Changes in operating assets and liabilities:						
Accounts receivable	(56,212)	(108,815)	(33,779)	(6,793)	(205,599)	-
Inventories	431	-	-	-	431	-
Prepays	232	-	-	-	232	-
Net pension liability - WRS	143,387	155,499	42,856	23,637	365,379	-
Net pension asset - WRS	218,175	240,929	69,775	29,513	558,392	-
Net OPEB liability - LRLIF	(13,802)	(30,741)	(10,659)	5,741	(49,461)	-
Deferred outflows of resources - WRS	(107,290)	(107,452)	(23,146)	(30,082)	(267,970)	-
Deferred outflows of resources - LRLIF	2,808	7,201	2,665	(3,215)	9,459	-
Deferred inflows of resources - WRS	(213,534)	(241,755)	(74,576)	(20,001)	(549,866)	-
Deferred inflows of resources - LRLIF	17,004	28,671	8,308	12,828	66,811	-
Other asset	97,741	-	-	-	97,741	-
Accounts payable	97,920	262,338	(7,552)	6,314	359,020	(99,122)
Accrued and other liabilities	(10,991)	11,071	(3,600)	(878)	(4,398)	-
Deferred outflows of resources - City plan	336	4,598	-	-	4,934	-
Deferred inflows of resources - City plan	20,070	10,732	-	-	30,802	-
Total OPEB liability - City plan	(18,285)	(15,673)	-	-	(33,958)	-
Total adjustments	730,471	1,515,184	190,455	41,678	2,477,788	(99,122)
Net cash provided by (used in) operating activities	\$ 986,813	\$ 1,751,098	\$ 178,634	\$ 149,875	\$ 3,066,420	\$ (49,900)
Noncash capital and related financing activities:						
Contributions of capital assets from governmental funds	\$ 301,826	\$ 157,166	\$ -	\$ -	\$ 458,992	\$ -
Contributions of capital assets from private sources	561,534	-	-	-	561,534	-

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Net Position - Fiduciary Fund

December 31, 2023

<i>Assets</i>	Custodial Fund
Cash and investments	\$ 2,260,622
Receivables:	
Property taxes for other governments	9,307,239
TOTAL ASSETS	\$ 11,567,861
<i>Liabilities</i>	
Liabilities:	
Due to other governments	\$ 11,567,861
TOTAL LIABILITIES	\$ 11,567,861

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Statement of Changes in Net Position - Fiduciary Fund

Year Ended December 31, 2023

	Custodial Fund
Additions:	
Property tax collections for other governments	\$ 16,858,003
Deductions:	
Payments of property taxes to other governments	16,858,003
Change in fiduciary net position	-
Fiduciary net position - Beginning of year	-
Fiduciary net position - End of year	\$ -

See accompanying notes to financial statements.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies

Introduction

The City of Menomonie, Wisconsin (the “City”) is located in Dunn County, Wisconsin, and was incorporated under the provisions of the constitution and general statutes of the state of Wisconsin. The City operates under a mayor-council form of government and provides a full range of services including public safety, roads, sanitation, culture and recreation, planning, and general administrative services. The accompanying financial statements conform to accounting principles generally accepted in the United States as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies of the City.

The Financial Reporting Entity

This report includes all of the funds of the City of Menomonie, Wisconsin. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report contains one component unit as described below.

The City of Menomonie Business Improvement District (“BID”) was established in 1989 by the City. The BID is a legally separate organization whose board is appointed by the City’s mayor and approved by the City’s common council. Wisconsin statutes provide for circumstances whereby the City can impose its will on the BID as the City’s common council approves the BID’s annual budget and changes to the BID’s assessment methods. Because the funds of the BID are spent on economic development for the benefit of the City, the BID is reported as if it were a part of the primary government. The BID does not prepare separate financial statements.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncement

Management has adopted new accounting guidance GASB Statement No. 96, Subscription Based Information Technology Arrangements, which requires the recognition of certain subscription assets and liabilities. The City implemented this guidance as of January 1, 2023. The implementation of this guidance did not affect beginning net position for the year ended December 31, 2023.

Basis of Presentation

Government-Wide Financial Statements

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

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

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water, waste water, storm water, solid waste, parking 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.

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 enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

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 Financial Statements

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

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. Fiduciary funds are organized by fund type. 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:

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

Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

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

Major Funds

The City reports the following major governmental funds:

General Fund – This is the City's primary operating fund. It accounts for all the financial activity that is not accounted for and reported in another fund.

Budgeted Construction Fund (Capital Project Fund) - The Budgeted Construction Fund accounts for long-term debt proceeds to be used for budgeted construction projects and other capital outlays.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The City reports the following major proprietary funds:

Water Utility – The Water Utility accounts for the operations of the City’s water system.

Waste Water Utility – The Waste Water Utility accounts for the operations of the City’s sewerage system.

Storm Water Utility – The Storm Water Utility accounts for the operations of the City’s storm water system.

Nonmajor Funds

The City reports the following nonmajor funds:

Special Revenue Funds

- Tax Incremental District No. 12
- Tax Incremental District No. 14
- Tourism
- Business Improvement District
- TIF Housing
- Community Development Block Grant (CDBG)

Debt Service Funds

- Tax Incremental District No. 12
- Tax Incremental District No. 13
- Tax Incremental District No. 15
- Budgeted Debt Service Fund

Capital Project Funds

- Tax Incremental District No. 13
- Tax Incremental District No. 15
- Tax Incremental District No. 16
- Tax Incremental District No. 17
- Tax Incremental District No. 18

Proprietary Funds

- Parking Utility
- Solid Waste Utility

Internal Service Fund

The City reports the following internal service fund:

Self-Funded Health Insurance – The Self-Funded Health Insurance Fund accounts for the payment of medical and dental claims of employees and insurance to cover amounts in excess of the stop-loss amount.

Fiduciary Fund

The City reports the following fiduciary fund:

Custodial Fund - The Custodial Fund accounts for property tax collections on behalf of other governments.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year. Expenditures are recognized 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 fund liabilities when expected to be paid with expendable available financial resources.

The City's share of property taxes is recorded in the year levied as a receivable and a deferred inflow of resources. Property taxes are recognized as revenues in the succeeding year when services financed by the levy are being provided. 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 (other than the City) billed in the current year for the succeeding year are reflected as due to other governments in the accompanying statement of fiduciary net position.

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

In the government-wide financial statements, special assessments are recognized as revenues when levied against the benefiting properties. In governmental fund financial statements, 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. Delinquent special assessments being held for collection by the county are reported as receivables and unavailable revenues in the General Fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

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 funds are accounted for on the accrual basis. Revenues such as user fees are recognized in the accounting period in which they are earned; expenses are recognized in the period incurred. Water service charges to consumers are billed at rates established by the Wisconsin Public Service Commission. Waste water, storm water, and solid waste service charges to consumers are billed at rates established by the City's common council. All classes of utility consumers are billed on a quarterly basis, except parking utility for which revenue is generated from meters and parking lot permit fees.

New Accounting Pronouncement

Management has adopted new accounting guidance, GASB Statement No. 96, *Subscription Based Information Technology Arrangements*, which requires the recognition of certain subscription assets and liabilities. The City implemented this guidance as of January 1, 2023. The implementation of this guidance did not affect beginning equity for the year ended December 31, 2023.

Cash and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of six months or less when purchased to be cash equivalents.

Investments of individual funds are pooled unless maintained in segregated accounts and are carried at cost.

Receivables and Revenue Recognition

Under Wisconsin law, personal property taxes and the first installment of real estate taxes are due January 31 and are collected by city, village, and town treasurers or clerks, who then make settlements with school districts and with county treasurers for certain purposes. By contractual agreement, the County Treasurer collects the taxes through January on behalf of the City. The City's portion of these transactions is accounted for in the General Fund and amounts collected on behalf of other governments are accounted for in the custodial fund. The second installment of real estate taxes (due July 31) and delinquent taxes are collected and settled by the county treasurer.

The 2022 tax levy is budgeted as property tax revenue for the year 2023 and is recognized as revenue in 2023 to the extent available. Real property tax assessments for the 2022 tax levy were based on assessed valuations as of January 1, 2022. The City levied property taxes pursuant to law in December 2022, at which time an enforceable legal claim is attached to properties. Dunn County obtains liens on property for which taxes are delinquent on the third Tuesday in October each year. The County pays the City in full for real estate taxes by August 31 each year.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Receivables and Revenue Recognition (Continued)

The property taxes for the City are recorded as a receivable in the General Fund, with corresponding amounts due governmental fund types. Since the property taxes are levied for the subsequent year, the property taxes due governmental funds for City purposes are recorded as a deferred inflow of resources in the governmental funds. This amount is recognized as revenue in the following year. Property taxes to be collected for other governments are recorded as a receivable and due to other governments in the Custodial Fund.

In determining when to recognize intergovernmental revenues (grants, subsidies, and shared revenues), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and nearly irrevocable, i.e., revocable only for failure to comply with prescribed compliance requirements, e.g., equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Unearned revenue is recorded for grant funds received but not earned. A receivable is recorded for grant funds earned but not received.

Income from investments is recognized when earned.

Special assessments receivable are recorded as levied. Current revenues represent the amounts considered available as explained above.

Other receivables are reported at gross less an allowance for uncollectible accounts where applicable.

Inventories and Prepaid Items

Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. Inventory items are expensed in the period used. Any materials and supplies on hand at year-end are valued at the lower of cost, determined on the first-in, first out (FIFO) method, or market. Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant.

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepayments. The cost of these services is recorded as expense when consumed rather than when purchased.

Capital Assets

Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing assets.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Capital assets are recorded in the government-wide financial statements but are not reported in the governmental funds financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the City, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 10 to 100 years for infrastructure, site improvements, and buildings and 4 to 50 years for equipment.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized.

Capital assets not being depreciated include land and construction in progress.

Lease Accounting

The City is lessor in multiple noncancelable leases. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow is recorded at the initiation of the lease at the same value as the lease receivable and is amortized on a straight-line basis over the term of the lease.

The City is a lessee in one noncancelable lease agreement. If the contract provides the City the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. The ROU assets for the leases are amortized on a straight-line basis over the life of the related lease.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the City's incremental borrowing rate. The City's incremental borrowing rate is the rate of interest it would pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

For all underlying classes of assets, the City does not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subscription Based Information Technology Arrangements

The City is a party to one noncancelable subscription based information technology arrangement (SBITA). If the contract provides the City the right to use the present service capacity and the right to direct the use of the identified asset, it is considered to be or contain a SBITA. Subscription-based assets and liabilities are recognized at the agreement commencement date based on the present value of the future payments over the expected contract term. The SBITA asset is also adjusted for any prepayments made and capitalizable initial implementation costs as incurred.

The SBITA liability is initially and subsequently recognized based on the present value of its future payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable payments due to subsequent changes in an index or rate are recorded as an adjustment to expense in the period in which they are incurred.

The discount rate used is the implicit rate in the SBITA contract, if it is readily determinable, or the City's incremental borrowing rate.

For all underlying classes of assets, the City does not recognize SBITA assets and liabilities for short-term agreements that have a contract term of 12 months or less at contract commencement. Contracts containing termination clauses in which either party may terminate without cause and the notice period is less than 12 months are deemed short-term agreements with costs included in expense.

Restricted Assets

Restricted assets are cash, cash equivalents, and investments, whose use is limited by legal requirements such as a bond agreement, assets in an irrevocable trust, enabling legislation, or a contractual agreement.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Interfund Transactions (Continued)

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Internal balances between funds of the governmental activities or funds of the business-type activities are eliminated in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports deferred outflows of resources related to the City's OPEB plan, the Local Retiree Life Insurance Fund (LRLIF), and the Wisconsin Retirement System (WRS). The deferred outflows of resources related to the City's OPEB plan include those that were determined by actuarial valuation and the City's contribution to the plan subsequent to the measurement date of the total OPEB liability. The deferred outflows of resources related to LRLIF and WRS represent the City's proportionate share of the collective deferred outflows of resources of the plans and the City's contributions to the plans subsequent to the measurement date of the collective net OPEB and pension liabilities (assets).

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. One of these items is property taxes levied for the subsequent year. These amounts are deferred and recognized as an inflow of resources in the following year as the amounts become available. The City also reports deferred inflows of resources related to the City's OPEB plan, LRLIF, and WRS. The deferred inflows of resources related to the City's OPEB plan include those that were determined by actuarial valuation. The deferred inflows related to LRLIF and WRS represent the City's proportionate share of the collective deferred inflows of resources of the plans. The City also reports deferred inflows of resources related to lease receivables. The City also reports unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: special assessments, loans, and advances to other funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

City employees accumulate vacation and sick leave at various rates depending on bargaining group and length of service. Terminated employees are paid for their total unused vacation and a percentage of unused sick leave depending on length of service.

Pension Plan

For purposes of measuring the net pension liability (asset), deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position, have been determined on the same basis as they are reported by 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.

Cost-Sharing OPEB Plan

The City participates in a life insurance OPEB plan that covers WRS-eligible employees. The fiduciary position of the LRLIF has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources, and deferred inflows of resources, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the government-wide and proprietary fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance (adjusted for unspent proceeds) of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide and proprietary fund financial statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

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

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not a spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantor, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the City Council – the City's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The City's common council has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 2: Cash and Investments

Deposits

Deposits at each bank in the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the combined amount of all time and savings accounts (including NOW accounts) and \$250,000 for all demand deposit accounts (interest-bearing and non-interest-bearing). Accounts at each institution outside the state of Wisconsin are insured by the FDIC up to \$250,000 for the combined total of all deposit accounts. In addition, the State of Wisconsin Public Depository Guarantee Fund guarantees the City's deposits up to \$400,000 per public depository. However, due to the relatively small size of the Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City does have a deposit policy for custodial credit risk. It requires the treasurer/comptroller to make sure that deposits in excess of the amounts outlined above be covered by a secondary pledge of assets as follows:

1. Executed agreement of an Irrevocable Standby Letter of Credit.

OR

2. Collateral pledges perfected by third-party agreement whereby the following are held by the third party:
 - a. Any federal securities backed by full faith and credit of U.S. government (T-bills/notes, FNMA, GNMA).
 - b. Municipal securities rated A or better equal to 125% of investment.
 - c. Mortgage-backed securities equal to 200% of investment.

As of December 31, 2023, none of the City's bank balance of \$31,322,059 was exposed to custodial credit risk.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 2: Cash and Investments (Continued)

Investments

Interest Rate Risk: The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years.

Credit Risk: Statutes authorize the City to invest in time deposits that mature in not more than one year, bonds or securities issued or guaranteed by the federal government, bonds or securities of any other municipality or district within the state of Wisconsin, securities of open-end management investment companies or investment trust (mutual funds) if the portfolio is limited to (a) bonds and securities issued by the federal government or a commission, board, or other instrumentality of the federal government, (b) bonds that are guaranteed as to principal and interest by the federal government or a commission, board, or other instrumentality of the federal government, and (c) repurchase agreements that are fully collateralized by these bonds or securities, repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities, and any security with a maturity in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

The total cash and investments are accounted for in the financial statements as follows:

Cash and investments - Governmental activities	\$ 16,241,413
Cash and investments - Business-type activities	10,092,451
Restricted cash and investments - Business-type activities	2,319,070
Cash and investments - Fiduciary fund	2,260,622
	<hr/>
	\$ 30,913,556

Fluctuating cash flows during the year due to tax collections, receipt of state aids, and/or proceeds from borrowing may have resulted in temporary balances exceeding insured amounts by substantially higher amounts.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 3: Restricted Cash

Mandatory segregations of assets are presented on the statement of net position as restricted cash and investments. Such segregations are required by bond agreements, regulatory agencies, or enabling legislation.

The following is a list of restricted cash and investments at December 31, 2023:

	Waste Water Utility	Solid Waste Utility	Total
Redemption and depreciation account	\$ 2,040,738	\$ -	\$ 2,040,738
Closure and postclosure care	-	278,332	278,332
	\$ 2,040,738	\$ 278,332	\$ 2,319,070

Note 4: Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables in the fund financial statements:

Receivable Fund	Payable Fund	Amount
Governmental Funds:		
General Fund	Special Revenue Fund - Community Development Block Grant	\$ 100,377
General Fund	Proprietary Fund - Water Utility	261,775
General Fund	Proprietary Fund - Parking Utility	52,217
General Fund	Tourism	9,611
Budgeted Debt Service Fund	General Fund	1,979,525
Special Revenue Fund - Tax Incremental District No. 12	General Fund	717,279
Capital Projects Fund - Tax Incremental District No. 13	General Fund	385,969
Special Revenue Fund - Tax Incremental District No. 14	General Fund	183,841
Capital Projects Fund - Tax Incremental District No. 15	General Fund	467,866
Capital Projects Fund - Tax Incremental District No. 16	General Fund	124,907
Business Improvement District	General Fund	51,348
		\$ 4,334,715

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 4: Interfund Receivables/Payables (Continued)

Receivable Fund	Payable Fund	Amount
Proprietary Funds:		
Water Utility	General Fund	\$ 2,752
Water Utility	Capital Projects Fund - Tax Incremental District No. 13	549,884
Water Utility	Capital Projects Fund - Tax Incremental District No. 17	488,978
Water Utility	Storm Water Utility	36,562
Waste Water Utility	General Fund	2,866
Solid Waste Utility	General Fund	1,384
Parking Utility	Capital Projects Fund - Tax Incremental District No. 15	300,060
Storm Water Utility	General Fund	1,801
		\$ 1,384,287

Interfund receivables/payables represent taxes receivable and any overdrafts on pooled cash and investment accounts.

A summary of advances from the General Fund and Waste Water Utility at December 31, 2023, is as follows:

Fund	Storm Water Utility
General Fund:	
2008 advance	\$ 1,622,483
Totals	\$ 1,622,483

In 2008, the General Fund advanced \$1,622,483 to the Storm Water Utility for the purchase of capital assets. As of December 31, 2023, no payment schedule has been set up related to the General Fund advance to the Storm Water Utility.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 5: Capital Assets

Capital asset balances and activity for the year ended December 31, 2023, were as follows:

Governmental activities:	Balance 12/31/22	Increases	Decreases	Balance 12/31/23
Capital assets, not being depreciated:				
Land	\$ 4,206,455	\$ 641,832	\$ -	\$ 4,848,287
Construction in progress	314,966	392,715	275,679	432,002
Total capital assets, not being depreciated	4,521,421	1,034,547	275,679	5,280,289
Capital assets, being depreciated:				
Land improvements	7,488,301	-	-	7,488,301
Buildings and improvements	10,505,102	133,980	-	10,639,082
Machinery and equipment	7,539,721	495,707	16,952	8,018,476
Vehicles	5,202,138	175,108	31,303	5,345,943
Infrastructure	43,910,780	1,374,377	-	45,285,157
Total capital assets, being depreciated	74,646,042	2,179,172	48,255	76,776,959
Accumulated depreciation:				
Land improvements	5,480,516	143,238	-	5,623,754
Buildings and improvements	4,033,733	195,935	-	4,229,668
Machinery and equipment	5,835,687	279,403	10,654	6,104,436
Vehicles	3,926,721	291,003	31,304	4,186,420
Infrastructure	20,798,694	1,147,242	-	21,945,936
Total accumulated depreciation	40,075,351	2,056,821	41,958	42,090,214
Total capital assets, being depreciated, net	34,570,691	122,351	6,297	34,686,745
Lease and subscription assets, being amortized:				
Lease ROU asset - building	2,979,679	-	-	2,979,679
Subscription asset - police department	-	41,125	-	41,125
Accumulated amortization:				
Lease ROU asset - building	175,275	175,275	-	350,550
Subscription asset - police department	-	13,708	-	13,708
Total lease and subscription assets, being amortized, net	2,804,404	(147,858)	-	2,656,546
Governmental activities capital assets, net	\$ 41,896,516	\$ 1,009,040	\$ 281,976	\$ 42,623,580

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 5: Capital Assets (Continued)

Depreciation and amortization expense was charged to the governmental functions as follows:

General government	\$ 60,577
Public safety	551,820
Public works	1,370,454
Culture, recreation, and education	262,953
<hr/>	
Total depreciation and amortization expense, governmental activities	\$ 2,245,804

Business-type activities:	Balance 12/31/22	Increases	Decreases	Balance 12/31/23
Capital assets, not being depreciated:				
Land	\$ 2,392,271	\$ -	\$ -	\$ 2,392,271
Construction in progress	5,810,212	5,160,776	10,729,704	241,284
<hr/>				
Total capital assets, not being depreciated	8,202,483	5,160,776	10,729,704	2,633,555
<hr/>				
Capital assets, being depreciated:				
Land improvements	449,782	-	-	449,782
Buildings and improvements	12,476,917	7,364,930	13,276	19,828,571
Machinery and equipment	23,126,684	3,567,280	1,162,754	25,531,210
Vehicles	439,636	47,424	-	487,060
Infrastructure	37,728,587	2,068,268	86,343	39,710,512
<hr/>				
Total capital assets, being depreciated	74,221,606	13,047,902	1,262,373	86,007,135
<hr/>				
Accumulated depreciation:				
Land improvements	433,185	3,018	-	436,203
Buildings and improvements	5,987,222	405,814	13,276	6,379,760
Machinery and equipment	11,206,908	1,196,203	1,162,754	11,240,357
Vehicles	150,468	61,634	-	212,102
Infrastructure	13,896,572	429,170	92,314	14,233,428
<hr/>				
Total accumulated depreciation	31,674,355	2,095,839	1,268,344	32,501,850
<hr/>				
Total capital assets, being depreciated, net	42,547,251	10,952,063	(5,971)	53,505,285
<hr/>				
Business-type activities capital assets, net	\$ 50,749,734	\$ 16,112,839	\$ 10,723,733	\$ 56,138,840

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 5: Capital Assets (Continued)

Depreciation was charged to business-type activities as follows:

Water utility	\$ 552,481
Waste water utility	1,298,581
Storm water utility	220,163
Solid waste utility	3,456
Parking utility	21,158
<hr/>	
Total depreciation expense, business-type activities	<u>\$ 2,095,839</u>

Note 6: Long-Term Obligations

General Obligation Bonds and Notes: Various issues of unmatured general obligation bonds and notes totaling \$28,610,000 are outstanding at December 31, 2023. The bonds and notes bear interest rates ranging from 0.4% to 5.0% and mature in varying amounts with the final payments due in the year ending December 31, 2039.

Revenue Bonds: Three revenue bonds totaling \$16,153,696 are outstanding at December 31, 2023. The bonds bear interest rates ranging from 1.9% to 2.9% and mature in varying amounts with the final payment due in the year ending December 31, 2042.

Lease Liability: The City leases office space for the police department from Dunn County with an original lease term of 20 years, plus two 10-year extension periods. One extension period was exercised through December 2028 and the second is reasonably certain to be exercised, with an expiration date of 2038. The lease liability was measured at a discount rate of 4.0%, which is based on the City's estimated incremental borrowing rate.

Compensated Absences: At December 31, 2023, the noncurrent portion of accumulated compensated absences, based on accumulated vacation and sick leave, is \$1,068,841.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 6: Long-Term Obligations (Continued)

	Fund	December 31, 2022	Issued/ Additions	Retired	December 31, 2023	Current Maturities December 31, 2023
	Liquidating					
Governmental activities:						
General obligation bonds and notes:						
Promissory Note, 2011B	Debt Service	\$ 95,000	\$ -	\$ 95,000	\$ -	-
Promissory Note, 2015A	Debt Service	645,000	-	210,000	435,000	215,000
Promissory Note, 2015B	Debt Service	1,210,000	-	285,000	925,000	295,000
Corporate Purpose Bonds, 2016A	Debt Service	2,110,000	-	190,000	1,920,000	430,000
Corporate Purpose Bonds, 2017A	Debt Service	2,270,000	-	140,000	2,130,000	140,000
Promissory Note, 2017B	Debt Service	1,340,000	-	100,000	1,240,000	225,000
Corporate Purpose Bonds, 2019A	Debt Service	5,865,000	-	15,000	5,850,000	15,000
Corporate Purpose Bonds, 2019B	Debt Service	1,470,000	-	-	1,470,000	-
Promissory Note, 2020A	Debt Service	2,250,000	-	160,000	2,090,000	165,000
Promissory Note, 2021A	Debt Service	2,710,000	-	160,000	2,550,000	190,000
Promissory Note, 2021B	Debt Service	1,390,000	-	480,000	910,000	-
Promissory Note, 2023A	Debt Service	-	1,555,000	-	1,555,000	110,000
Promissory Note, 2023B	Debt Service	-	2,035,000	-	2,035,000	-
Direct borrowings and direct placements:						
Mortgage Note, 2003 (Amended 2011)	TIF No. 13	190,000	-	190,000	-	-
State Trust Fund Loan	TIF No. 17	-	505,000	-	505,000	24,481
Plus deferred amounts:						
Net (debt discount) and premium		427,170	189,886	64,006	553,050	68,103
Total general obligation bonds and notes		21,972,170	4,284,886	2,089,006	24,168,050	1,877,584
Lease liability						
Office space - Police	General Fund	2,935,640	-	44,992	2,890,648	56,867
Total governmental activities		24,907,810	4,284,886	2,133,998	27,058,698	1,934,451

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 6: Long-Term Obligations (Continued)

	Fund	December 31, 2022	Issued/ Additions	Retired	December 31, 2023	Current Maturities December 31, 2023
	Liquidating					
Business-type activities:						
General obligation bonds and notes:						
Corporate Purpose Bonds, 2016A	Water	\$ 320,000	\$ -	\$ 25,000	\$ 295,000	\$ 25,000
Corporate Purpose Bonds, 2017A	Water	600,000	-	30,000	570,000	35,000
Corporate Purpose Bonds, 2017A	Waste Water	105,000	-	5,000	100,000	5,000
Promissory Note, 2017B	Storm Water	270,000	-	35,000	235,000	35,000
Corporate Purpose Bonds, 2019A	Water	820,000	-	40,000	780,000	40,000
Corporate Purpose Bonds, 2019A	Storm Water	105,000	-	5,000	100,000	5,000
Corporate Purpose Bonds, 2019B	Waste Water	290,000	-	40,000	250,000	40,000
Corporate Purpose Bonds, 2019B	Storm Water	830,000	-	40,000	790,000	40,000
Corporate Purpose Bonds, 2019B	Solid Waste	75,000	-	10,000	65,000	10,000
Corporate Purpose Bonds, 2021A	Water	120,000	-	60,000	60,000	60,000
Corporate Purpose Bonds, 2021A	Storm Water	135,000	-	65,000	70,000	70,000
Promissory Note, 2021B	Storm Water	285,000	-	55,000	230,000	25,000
Corporate Purpose Bonds, 2023A	Water	-	1,035,000	-	1,035,000	35,000
Corporate Purpose Bonds, 2023A	Storm Water	-	415,000	-	415,000	-
Plus deferred amounts:						
Net (debt discount) and premium		89,350	64,872	16,310	137,912	15,027
Total general obligation bonds and notes		4,044,350	1,514,872	426,310	5,132,912	440,027

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 6: Long-Term Obligations (Continued)

	Fund Liquidating	December 31, 2022	Issued/ Additions	Retired	December 31, 2023	Current Maturities December 31, 2023
Business-type activities: (Continued)						
Direct borrowings and direct placements:						
Revenue bonds:						
July 28, 2010	Waste Water	\$ 2,221,709	-	\$ 255,025	\$ 1,966,684	\$ 261,200
August 12, 2020	Waste Water	6,608,250	-	311,802	6,296,448	317,676
October 26, 2022	Waste Water	2,641,766	5,248,798	-	7,890,564	317,452
Total revenue bonds		11,471,725	5,248,798	566,827	16,153,696	896,328
Total business-type activities		15,516,075	6,763,670	993,137	21,286,608	1,336,355
Total bonds and notes		40,423,885	11,048,556	3,127,135	48,345,306	3,270,806
Compensated absences		1,662,934	1,055,749	1,039,910	1,678,773	609,932
Net OPEB liability - LRLIF		862,737	-	332,160	530,577	-
Net pension liability - WRS		-	4,011,702	-	4,011,702	-
Total OPEB liability - City plan		892,785	77,876	373,050	597,611	-
Landfill closure and posclosure		312,294	-	464	311,830	-
Total		\$ 44,154,635	\$ 16,193,883	\$ 4,872,719	\$ 55,475,799	\$ 3,880,738

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 6: Long-Term Obligations (Continued)

Debt service requirements to maturity are as follows:

Years	Governmental-Type Long-Term Debt		Business-Type Long-Term Debt		Totals
	Principal	Interest	Principal	Interest	
2024	\$ 1,785,000	\$ 710,768	\$ 425,000	\$ 177,824	\$ 3,098,592
2025	1,780,000	600,177	340,000	143,855	2,864,032
2026	1,810,000	548,458	360,000	134,412	2,852,870
2027	1,775,000	502,648	380,000	123,173	2,780,821
2028	1,810,000	461,880	335,000	114,155	2,721,035
2029-2033	8,220,000	1,506,173	1,885,000	354,535	11,965,708
2034-2038	4,295,000	615,295	855,000	159,730	5,925,025
2039-2043	1,635,000	93,175	415,000	41,825	2,185,000
Total	\$ 23,110,000	\$ 5,038,574	\$ 4,995,000	\$ 1,249,509	\$ 34,393,083

Years	Governmental Direct Borrowings and Direct Placements		Business-Type Direct Borrowings and Direct Placements		Totals
	Principal	Interest	Principal	Interest	
2024	\$ 24,481	\$ 15,288	\$ 896,328	\$ 383,611	\$ 1,319,708
2025	15,744	24,026	917,815	361,859	1,319,444
2026	16,531	23,239	939,832	339,570	1,319,172
2027	17,357	22,412	962,394	316,728	1,318,891
2028	18,166	21,603	985,515	293,321	1,318,605
2029 - 2033	105,674	93,174	4,345,898	1,128,774	5,673,520
2034 - 2038	134,882	63,966	4,224,124	634,173	5,057,145
2039 - 2043	172,165	26,684	2,881,790	135,716	3,216,355
Total	\$ 505,000	\$ 290,392	\$ 16,153,696	\$ 3,593,752	\$ 20,542,840

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 6: Long-Term Obligations (Continued)

Years	Governmental Lease Liability		Totals
	Principal	Interest	
2024	\$ 56,867	\$ 114,591	\$ 171,458
2025	69,836	112,080	181,916
2026	83,984	109,029	193,013
2027	99,398	105,389	204,787
2028	116,171	101,108	217,279
2029 - 2033	887,429	414,704	1,302,133
2034 - 2038	1,576,963	173,822	1,750,785
Total	\$ 2,890,648	\$ 1,130,723	\$ 4,021,371

Long-Term Debt Margin: Pursuant to Section 67.03 of the Wisconsin Statutes, the total indebtedness of the City for general purposes may not exceed 5% of the value of the taxable property.

	Amount
Equalized value at January 1, 2022	\$ 1,681,990,300
Legal debt margin percentage	5 %
	84,099,515
Outstanding general obligation debt subject to debt limit	\$ 28,610,000
Less amount available in Debt Service Fund	432,637
	28,177,363
Legal debt margin	\$ 55,922,152

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 7: Lease Accounting - As Lessor

City as Lessor

The City, as a lessor, has entered into multiple lease agreements for office space in the city hall building. The lease terms vary between leases from 2-5 years and the leases receivable were measured using a discount rate of 4.0%. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows recognized during the fiscal year was \$121,546. There are no variable and other payments not previously included in the measurement of the lease receivable.

Note 8: Restricted and Assigned Fund Balance and (Non-GAAP) Budget Presentation

Various General Fund revenues are restricted or assigned in the General Fund for specific purposes. The activity of these funds and the effect on revenues and expenditures of the General Fund are included in the statement of revenues, expenditures, and changes in fund balances – governmental funds. The activity is not reflected in the adopted budget of the General Fund; therefore, the effect of the activity of these funds is shown as a single-line item just prior to beginning fund balances on the statement of revenues, expenditures, and changes in fund balance – budget and actual – General Fund.

Changes in these General Fund restricted and assigned balances consist of the following:

	Balance December 31, 2022	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Balance December 31, 2023
Assigned - Industrial land *	\$ (69,049)	\$ -	\$ -	\$ (69,049)
Restricted - Park lands	10,376	-	-	10,376
Restricted - Tourism	193,218	-	1,153	192,065
Total	\$ 134,545	\$ -	\$ 1,153	\$ 133,392

* The fund balance assigned for industrial land will be shown as part of unassigned fund balance while in a deficit position.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 9: Interfund Transfers

The following is a schedule of interfund transfers in the fund financial statements:

Fund Transferred To	Fund Transferred From	Amount
General Fund	Budgeted Debt Service Fund	\$ 64,000
	Enterprise Fund - Water Utility	261,775
	Enterprise Fund - Parking Utility	100,000
Special Revenue Funds		
Tourism	General Fund	1,153
Business Improvement District	General Fund	50,767
Business Improvement District	TIF No. 15 Special Revenue Fund	25,000
Debt Service Funds		
Budgeted Debt Service	TIF No. 12 Debt Service Fund	89,700
	TIF No. 13 Debt Service Fund	147,850
	TIF No. 14 Special Revenue Fund	60,600
	TIF No. 15 Debt Service Fund	121,635
	TIF No. 16 Capital Project Fund	92,898
TIF No. 13 Debt Service Fund	TIF No. 12 Special Revenue Fund	93,593
	TIF No. 13 Capital Projects Fund	172,550
Capital Project Funds		
TIF No. 18 Capital Project Fund	TIF No. 13 Capital Project Fund	<u>2,228,583</u>
		<u>\$ 3,510,104</u>

Interfund transfers represent amounts transferred for payments related to long-term debt, property tax equivalent, special assessments, and donor district increments.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 10: Net Position

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

Governmental Activities:

Net investment in capital assets:

Land	\$ 4,848,287
Construction in progress	432,002
Other capital assets, net of accumulated depreciation and amortization	37,343,291
Less: Related long-term liabilities outstanding (net of unspent proceeds of debt)	<u>(23,467,811)</u>

Total net investment in capital assets	19,155,769
--	------------

Restricted for:

Park land fees - Park improvements	10,376
Room tax - Tourism expenses	192,065
Community development loans	2,284,317
Library expenses	78,843
Capital projects	332,896
Housing	1,580,171
Project plan expenditures	3,340,320
Debt service	208,193
Economic development	<u>60,448</u>

Total restricted	8,087,629
------------------	-----------

Unrestricted	<u>5,253,652</u>
--------------	------------------

Total net position	<u><u>\$ 32,497,050</u></u>
--------------------	-----------------------------

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 10: Net Position (Continued)

Business-Type Activities:

Net investment in capital assets:

Land	\$ 2,392,271
Construction in progress	241,284
Other capital assets, net of accumulated depreciation	53,505,285
Less: Related long-term debt outstanding (net of unspent proceeds of debt)	<u>(21,286,608)</u>

Total net investment in capital assets 34,852,232

Restricted for:

Debt service 2,040,738

Total restricted 2,040,738

Unrestricted 10,818,854

Total net position \$ 47,711,824

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 11: Governmental Fund Balances

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

Restricted

Major Funds:

General Fund:

Park land fees - Park improvements	\$ 10,376
Room tax - Tourism expenditures	192,065
Library expenditures	78,843
	\$ 281,284

Nonmajor Funds:

TIF Housing:

Housing	\$ 1,580,171
---------	--------------

Budgeted Debt Service Fund:

Debt service	432,637
--------------	---------

CDBG:

Community development loans	262,324
-----------------------------	---------

Tax Incremental District No. 12:

Project plan expenditures	636,731
---------------------------	---------

Tax Incremental District No. 14:

Project plan expenditures	310,195
---------------------------	---------

Tax Incremental District No. 15:

Project plan expenditures	107,202
---------------------------	---------

Tax Incremental District No. 16:

Project plan expenditures	47,445
---------------------------	--------

Tax Incremental District No. 17:

Project plan expenditures	575,151
---------------------------	---------

Business Improvement District:

Economic development	60,448
----------------------	--------

Tax Incremental District No. 18:

Project plan expenditures	1,663,596
---------------------------	-----------

\$ 5,675,900

Assigned

Major Funds

CDBG:

Economic development	\$ 668,372
----------------------	------------

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 12: Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position

Deferred inflows of resources that are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds.

Unavailable revenue - Special assessments	\$ 195,760
Unavailable revenue - Loans	2,035,714
Unavailable revenue - Advances to other funds	1,622,483
<hr/>	
Total	\$ 3,853,957

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.

Bonds and notes payable	\$ 23,615,000
Deferred amount on refunding	(3,623)
Net unamortized (debt discount) and premium	553,050
Lease liability	2,890,648
Net pension liability - WRS	3,646,323
Net OPEB liability - LRLIF	417,413
Total OPEB liability - City plan	544,117
Compensated absences	1,405,468
Accrued interest	224,444
<hr/>	
Total	\$ 33,292,840

Note 13: Tax Incremental District Funds

As provided by Statute Number 66.1105, the City of Menomonie has established tax incremental districts for the development of areas in the City. All expenditures by the City for these areas are expected to be repaid through the increase in taxes resulting from the development of these areas. The increase in taxes will be deposited in the Tax Incremental District Funds as provided by Statute 66.1105(6)(b) and will be used to repay loans and make other expenditures of the districts.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System

Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (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 online 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 and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System (Continued)

Postretirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2013	(9.6)%	9.0 %
2014	4.7 %	25.0 %
2015	2.9 %	2.0 %
2016	0.5 %	(0.5)%
2017	2.0 %	4.0 %
2018	2.4 %	17.0 %
2019	- %	(10.0)%
2020	1.7 %	21.0 %
2021	51.0 %	13.0 %
2022	7.4 %	15.0 %

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, executives, and elected officials. Starting on January 1, 2016, the executive 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 \$903,511 in contributions from the employer.

Contribution rates as of December 31, 2023, are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.80 %	6.80 %
Protective with social security	6.80 %	13.20 %
Protective without social security	6.80 %	18.10 %

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System (Continued)

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

At December 31, 2023, the City reported a liability of \$4,011,702 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.07572528%, which was an increase of 0.00054135% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$2,036,029.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,389,396	\$ 8,394,232
Changes in assumptions	788,866	-
Net differences between projected and actual earnings on pension plan investments	6,814,954	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,501	8,513
Employer contributions subsequent to the measurement date	903,511	-
Total	\$ 14,900,228	\$ 8,402,745

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System (Continued)

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

\$903,511 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ 232,000
2025	1,156,572
2026	1,186,730
2027	3,018,670

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	December 31, 2021
Measurement date of net pension liability (asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial cost method	Entry Age Normal
Asset valuation method	Fair market value
Long-term expected rate of return	6.8%
Discount rate	6.8%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement adjustments*	1.7%

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

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System (Continued)

Actuarial Assumptions (Continued)

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

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

Asset Allocation Targets and Expected Returns

As of December 31, 2022

	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund:			
Global equities	48.0 %	7.6 %	5.0 %
Fixed income	2.5 %	5.3 %	2.7 %
Inflation sensitive assets	19.0 %	3.6 %	1.1 %
Real estate	8.0 %	5.2 %	2.6 %
Private equity/debt	15.0 %	9.6 %	6.9 %
Total core fund	115.0 %	7.4 %	4.8 %
Variable Fund:			
U.S. equities	70.0 %	7.2 %	4.6 %
International equities	30.0 %	8.1 %	5.5 %
Total variable fund	100.0 %	7.7 %	5.1 %

New England Consultants Long-Term US CPI (Inflation) Forecast: 2.5%

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

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

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 14: Employee Retirement Plans - Wisconsin Retirement System (Continued)

Actuarial Assumptions (Continued)

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 6.80% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's proportionate share of the net pension liability (asset)	\$ 13,314,704	\$ 4,011,702	\$ (2,387,967)

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-eft/reports-and-studies/financial-reports-and-statements>.

Payables to the Pension Plan

At December 31, 2023, the City reported a payable of \$147,131 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2023.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 15: Other Postemployment Benefits - City Plan

The City administers a single-employer defined benefit health care plan. The plan provides medical insurance benefits to eligible retirees and their spouses through the City's group medical insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and individual employment contracts. The eligibility requirements are based on the retiree's position, years of service, and age at retirement. If eligible, the retiree may receive medical insurance benefits until they are eligible for Medicare. The plan does not issue a standalone report.

Membership of the plan consisted of one retiree receiving benefits and 94 active plan members at December 31, 2022, the date of the most recent actuarial valuation.

The City's total OPEB liability at December 31, 2023 was \$597,611. The total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2022. The total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases:	
Inflation	3.0%
Merit	0.1% - 4.8%
Healthcare cost	7.0% decreasing to 6.5%, then decreasing by .10% per year down to 4.5%, and level thereafter
Discount rate	4.31%
Mortality	2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010
Actuarial assumptions	Based on an experience study conducted in 2021 using WRS experience from 2018-2020

The 4.31 percent discount rate used to measure the total OPEB liability was determined by the actuary at Bond Buyer Go for a 20-year AA municipal bond as of December 31, 2022.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 15: Other Postemployment Benefits - City Plan (Continued)

Changes in the total OPEB liability for the year ended December 31, 2023, are as follows:

Balance at December 31, 2022	\$ 892,785
Changes for the year:	
Service cost	59,426
Interest	18,450
Differences between expected and actual experience	(286,461)
Changes of assumptions or other input	(86,589)
Net changes	(295,174)
Balance at December 31, 2023	\$ 597,611

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.31%) or 1 percentage point higher (5.31%) than the current rate:

	1% Decrease to Discount Rate (3.31%)	Current Discount Rate (4.31%)	1% Increase to Discount Rate (5.31%)
City's total OPEB liability	\$ 654,026	\$ 597,611	\$ 545,822

The following represents the City's total OPEB liability calculated using the healthcare cost trend rate of 7.0% decreasing to 4.5%, as well as what the City's total OPEB liability would be if it were calculated using the healthcare cost trend rate that is 1 percentage point lower (6.0% decreasing to 3.5%) or 1 percentage point higher (8.0% decreasing to 5.5%) than the current rate:

	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase to (8.0% decreasing to 5.5%)
City's total OPEB liability	\$ 527,115	\$ 597,611	\$ 680,947

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 15: Other Postemployment Benefits - City Plan (Continued)

For the year ended December 31, 2023, the City recognized OPEB expense of \$25,180. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 132,401	\$ 283,241
Changes of assumptions or other input	86,910	378,213
Total	\$ 219,311	\$ 661,454

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

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (52,696)
2025	(52,696)
2026	(52,696)
2027	(52,697)
2028	(54,662)
Thereafter	(176,696)

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

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

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

Benefits Provided

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

Contributions

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

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

Contribution rates as of December 31, 2023, are as follows:

Coverage Type	Employer Contribution
25% postretirement coverage	20% of member contribution

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund (Continued)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022, are as listed below:

Life Insurance Member Contribution Rates*
For the Year Ended December 31, 2022

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

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

During the reporting period, the LRLIF recognized \$2,601 in contributions from the employer.

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

At December 31, 2023, the City reported a liability of \$530,577 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022, rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.13926500%, which was a decrease of 0.00670500% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense of \$47,250.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 51,925
Net differences between projected and actual earnings on OPEB plan investments	190,623	-
Changes in assumptions	9,956	313,185
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,343	65,900
Employer contributions subsequent to the measurement date	2,601	-
Total	\$ 219,523	\$ 431,010

\$2,601 reported as deferred outflows related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (16,690)
2025	(22,068)
2026	(17,452)
2027	(42,735)
2028	(63,057)
Thereafter	(52,086)

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund (Continued)

Actuarial Assumptions

The total OPEB liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	January 1, 2022
Measurement date of net OPEB liability	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial cost method	Entry age normal
20 year tax-exempt municipal bond yield	3.72%
Long-term expected rate of return	4.25%
Discount rate	3.76%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from the prior year, including the price inflation, mortality and separation rates. The Total OPEB Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund (Continued)

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

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. intermediate credit bonds	Bloomberg US Interm Credit	50%	2.45%
U.S. mortgages	Bloomberg US MBS	50%	2.83%
Inflation			2.30%
Long-term expected rate of return			4.25%

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

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 16: Other Postemployment Benefits - Local Retiree Life Insurance Fund (Continued)

Actuarial Assumptions (Continued)

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

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate: The following presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 3.76%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.76%) or 1 percentage point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
City's proportionate share of the net OPEB liability	\$ 723,384	\$ 530,577	\$ 382,811

OPEB Plan Fiduciary Net Position

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

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 17: Self-Funded Health Insurance Fund

The City has a self-funded health care plan that provides medical and dental benefits to full-time employees and retired employees electing to remain covered at their own expense. Health care cost is expensed as incurred and is based on actual claims paid, insurance premiums, and administrative fees. The plan pays all claims up to \$90,000 per year per family for medical. The City has insurance to cover employees above these amounts.

The City's cost related to this plan for 2023 was \$2,974,950.

Note 18: Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For all risks of loss other than for employee health and dental care, the City's policy is to purchase commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City has retained the risk of loss for its health care program and dental care program beginning April 1, 1995. An Internal Service Fund is used to account for these risk financing activities. As part of the health care coverage, the City purchases stop-loss coverage that pays medical claims in excess of \$90,000 per individual.

The City establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported. The estimate was determined by review of subsequent claims. At December 31, 2023, the amount of these liabilities was \$113,668. The following represents changes in those liabilities for the City during the past three years:

	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2022	\$ 100,940	\$ 2,543,948	\$ 2,432,097	\$ 212,791
2023	\$ 212,791	\$ 2,348,321	\$ 2,447,444	\$ 113,668

City of Menomonie, Wisconsin

Notes to Basic Financial Statements

Note 19: Closure and Postclosure Care Costs

State and federal laws and regulations require that the City of Menomonie place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 40 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs was \$311,830 as of December 31, 2023, which is based on 100% usage (filled) of the landfill. The estimated total current cost of the landfill postclosure care, \$311,830, is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of December 31, 2023. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City of Menomonie is required by state and federal laws and regulations to make annual contributions to finance closure and postclosure care. The City is in compliance with these requirements, and at December 31, 2023, investments of \$278,332 are held for these purposes. These investments are in a certificate of deposit and are presented on the City's statement of net position as "Restricted Cash and Investments." It is anticipated that future inflation costs will be financed in part from earnings on investments held by the trustee. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

Note 20: Contingent Liabilities

The City is involved in numerous litigation matters arising in the ordinary course of operations. Substantially all matters are individually insignificant, covered by insurance, or without much merit according to the City attorney and management.

Note 21: Waste Water Utility Revenue Pledges

The City has pledged future waste water customer revenues, net of specified operating expenses, to repay \$21,168,203 in sewerage system mortgage revenue bonds. Proceeds from the bonds provided financing for various waste water system improvements. The bonds are payable solely from the waste water customer net revenues and are payable through May 1, 2042. Annual principal and interest payments on the bonds are expected to require less than 100% of net revenues. The total principal and interest remaining to be paid on the waste water bonds is \$19,747,434. Principal and interest paid for the current year and total customer net revenues were \$876,051 and \$1,602,159 for the waste water utility.

Required Supplementary Information

City of Menomonie, Wisconsin

Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund

Year Ended December 31, 2023

	Original Budget	Adjustments	Final Budget	GAAP Actual	Budgetary Adjustments	Actual	Variance Positive (Negative)
Revenues:							
Taxes	\$ 6,575,823	\$ -	\$ 6,575,823	\$ 6,123,839	\$ -	\$ 6,123,839	\$ (451,984)
Special assessments	10,000	-	10,000	57,372	-	57,372	47,372
Intergovernmental revenues	4,983,918	-	4,983,918	5,643,728	(529,732)	5,113,996	130,078
Licenses and permits	274,400	-	274,400	404,218	-	404,218	129,818
Fines and forfeits	196,000	-	196,000	150,825	-	150,825	(45,175)
Public charges for services	2,172,600	-	2,172,600	2,262,278	(18,083)	2,244,195	71,595
Intergovernmental charges for services	233,217	-	233,217	208,344	-	208,344	(24,873)
Other	650,000	-	650,000	1,333,165	-	1,333,165	683,165
Total revenues	15,095,958	-	15,095,958	16,183,769	(547,815)	15,635,954	539,996
Expenditures:							
Current:							
General government	5,164,377	(3,000)	5,161,377	5,287,813	-	5,287,813	(126,436)
Public safety	6,477,588	-	6,477,588	6,127,447	-	6,127,447	350,141
Public works	2,551,354	1,000	2,552,354	2,497,950	-	2,497,950	54,404
Health and human services	38,314	-	38,314	55,971	-	55,971	(17,657)
Culture and recreation	795,443	2,000	797,443	1,946,359	(995,999)	950,360	(152,917)
Conservation and development	87,890	-	87,890	60,117	-	60,117	27,773
Debt service							
Principal on leases	2,500	-	2,500	44,993	-	44,993	(42,493)
Interest and fiscal charges	450	-	450	116,607	-	116,607	(116,157)
Total expenditures	15,117,916	-	15,117,916	16,137,257	(995,999)	15,141,258	(23,342)
Revenues over (under) expenditures	(21,958)	-	(21,958)	46,512	448,184	494,696	516,654
Other financing sources (uses):							
Transfers in	497,000	-	497,000	425,775	-	425,775	(71,225)
Transfers out	(440,000)	-	(440,000)	(51,920)	(440,000)	(491,920)	(51,920)
Net other financing sources (uses)	57,000	-	57,000	373,855	(440,000)	(66,145)	(123,145)
Change in fund balance	35,042	-	35,042	420,367	8,184	428,551	393,509
Fund balance at beginning	2,411,616	-	2,411,616	2,498,643	(87,027)	2,411,616	-
Fund balance at end	\$ 2,446,658	\$ -	\$ 2,446,658	\$ 2,919,010	\$ (78,843)	\$ 2,840,167	\$ 393,509

See accompanying notes to Statement of Revenues, Expenditures, and Change in Fund Balance - General Fund.
See Independent Auditor's Report.

City of Menomonie, Wisconsin
Notes to Statement of Revenues, Expenditures, and Change in Fund
Balance - Budget and Actual - General Fund

Year Ended December 31, 2023

Note 1: Budgetary Information

The City's budget is adopted in accordance with state law. Budget amounts in the budgetary comparison schedule include appropriations authorized in the original budget resolution and subsequent revisions authorized by the City. Budgets are formally adopted for the General Fund, Budgeted Debt Service Fund, and the Budgeted Construction Fund. Reported budget amounts represent the originally adopted budget as amended. Amendments to the originally adopted budget require a two-thirds vote by the City Council.

Unexpended budgeted amounts lapse at the end of the year. Spending control for the General Fund is established by the amount of expenditures budgeted for major departments within the funds, but management control is exercised at budgetary line item levels.

The City does not prepare annual operating budgets for special revenue, other debt service, other capital projects, and proprietary funds for financial reporting purposes.

City of Menomonie, Wisconsin

Notes to Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund (Continued)

Year Ended December 31, 2023

Note 2: Budgetary Comparisons

GAAP requires a budgetary comparison for the General Fund and each major special revenue fund. Required comparisons are between the final budget and actual on a budgetary basis. The “original budget” represents the budget as approved by the City Council after it sets the tax to be levied for the fiscal year. The “final budget” is the “original budget” adjusted for any budget amendments approved by the City Council during the fiscal year and up to the time the financial statements are ready to be issued. The “actual on a budgetary basis” excludes the activity related to the library fund, tourism, park lands, and industrial lands, which are not reflected in the adopted budget of the General Fund for budgetary purposes. The following schedule reconciles the “budgetary basis” revenues and expenditures of the statement of revenues, expenditures, and change in fund balance - budget and actual - general fund to the governmental funds – statement of revenues, expenditures, and changes in fund balances (deficits):

Revenues:

Actual "budgetary basis" revenues per the Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund	\$ 15,635,954
--	---------------

Adjustments:

Library	<u>547,815</u>
---------	----------------

"GAAP basis" revenues per the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$ 16,183,769</u></u>
--	-----------------------------

Expenditures:

Actual "budgetary basis" expenditures per the Statement of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund	\$ 15,141,258
--	---------------

Adjustments:

Library	<u>995,999</u>
---------	----------------

"GAAP basis" expenditures per the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$ 16,137,257</u></u>
--	-----------------------------

City of Menomonie, Wisconsin

Schedules of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System

Last 10 Years*

Schedule of the Employer's Proportionate Share of the Net Pension Liability (Asset) Wisconsin Retirement System (WRS)

Last 10 Calendar Years*

Measurement Date December 31,	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.07572528%	\$ 4,011,702	\$ 8,502,261	47.18 %	95.72 %
2021	0.07518393%	(6,059,962)	8,216,687	(73.75)%	106.02 %
2020	0.07451208%	(4,651,892)	7,981,956	(58.28)%	105.26 %
2019	0.07376737%	(2,378,597)	7,927,567	(30.00)%	102.96 %
2018	0.07172459%	2,551,736	7,631,965	33.43 %	96.45 %
2017	0.06964999%	(2,067,990)	7,455,854	(27.74)%	102.93 %
2016	0.06811173%	561,404	7,299,792	7.69 %	99.12 %
2015	0.06722712%	1,092,428	7,080,629	15.43 %	98.20 %
2014	0.06855573%	(1,683,956)	7,085,987	(23.76)%	102.74 %

Schedule of the Employer Contributions Wisconsin Retirement System (WRS)

Last 10 Fiscal Years*

Year Ended December 31,	Contractually Required Contributions for the Fiscal Period	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll for the Fiscal Year	Contributions as a Percentage of Covered Payroll
2023	\$ 903,511	\$ (903,511)	\$ -	\$ 8,755,059	10.32 %
2022	903,511	(903,511)	-	8,502,261	10.63 %
2021	874,530	(874,530)	-	8,216,687	10.64 %
2020	846,020	(846,020)	-	7,981,956	10.60 %
2019	783,156	(783,156)	-	7,927,567	9.88 %
2018	753,574	(753,574)	-	7,631,965	9.87 %
2017	735,738	(735,738)	-	7,455,854	9.87 %
2016	658,090	(658,090)	-	7,299,792	9.02 %
2015	643,346	(643,346)	-	7,080,629	9.09 %

City of Menomonie, Wisconsin

Schedules of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System

(Continued)

Notes to the Schedules:

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

Changes of assumptions:

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

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

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

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

*These schedules are intended to present information for the last 10 years. Additional information will be presented as it becomes available.

See Independent Auditor's Report.

City of Menomonie, Wisconsin

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

Contributions:

	2022	2021	2020	2019	2018
Valuation Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Actuarial Cost Method:	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll-Closed Amortization Period 30 Year closed from	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll-Closed Amortization Period 30 Year closed from	Frozen Entry Age Level Percent of Payroll-Closed Amortization Period 30 Year closed from
Amortization Method:	30 Year closed from date of participation in WRS	date of participation in WRS	30 Year closed from date of participation in WRS	date of participation in WRS	date of participation in WRS
Amortization Period:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Asset Valuation Method:	5.4%	5.4%	5.5%	5.5%	5.5%
Actuarial Assumptions					
Net Investment Rate of Return:	7.0%	7.0%	7.2%	7.2%	7.2%
Weighted based on assumed rate for:					
Pre-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Post-retirement:					
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.9%	1.9%	2.1%	2.1%	2.1%

City of Menomonie, Wisconsin

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

	2022	2021	2020	2019	2018
Retirement Age:	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

City of Menomonie, Wisconsin

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

	2017	2016	2015	2014	2013
Valuation Date:	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period	Frozen Entry Age Level Percent of Payroll- Closed Amortization Period
Amortization Method:	30 Year closed from date of participation in WRS Five Year Smoothed Market (Closed)	30 Year closed from date of participation in WRS Five Year Smoothed Market (Closed)	30 Year closed from date of participation in WRS Five Year Smoothed Market (Closed)	30 Year closed from date of participation in WRS Five Year Smoothed Market (Closed)	30 Year closed from date of participation in WRS Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment					
Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%

City of Menomonie, Wisconsin

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

	2017	2016	2015	2014	2013
Retirement Age:	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006 - 2008.	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006 - 2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.

City of Menomonie, Wisconsin
Schedule of Changes in the City's Total OPEB Liability
and Related Ratios - City Plan

Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Measurement date	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Total OPEB Liability							
Service cost	\$ 59,426	\$ 55,608	\$ 58,714	\$ 45,242	\$ 56,868	\$ 54,335	\$ 54,335
Interest	18,450	18,630	27,141	32,678	31,971	31,823	31,390
Changes of benefit terms	-	-	-	-	(117,784)	-	-
Differences between expected and actual experience	(286,461)	-	189,146	-	(60,983)	-	-
Changes of assumptions or other input	(86,589)	18,334	(428,974)	99,224	9,710	19,629	-
Benefit payments	-	-	(6,801)	(20,964)	-	(84,419)	(63,951)
Net change in total OPEB liability	(295,174)	92,572	(160,774)	156,180	(80,218)	21,368	21,774
Total OPEB liability - Beginning	892,785	800,213	960,987	804,807	885,025	863,657	841,883
Total OPEB liability - Ending	\$ 597,611	\$ 892,785	\$ 800,213	\$ 960,987	\$ 804,807	\$ 885,025	863,657
Covered-employee payroll	\$7,644,634	\$ 7,493,328	\$ 7,493,328	\$ 6,356,668	\$ 6,356,668	\$ 6,674,091	6,938,875
Total OPEB liability as a percentage of covered-employee payroll	7.82 %	11.91 %	10.68 %	15.12 %	12.66 %	13.26 %	14.54 %

City of Menomonie, Wisconsin
Schedules of the Employer's Proportionate Share of the Net Pension
Liability (Asset) and Employer Contributions - Wisconsin Retirement System
(Continued)

Notes to Schedule:

Changes of assumptions: In 2022, the discount rate was changed to 4.31% to be reflective of the 20-year AA municipal bond rates. The study also utilized revised retiree and dependent participation assumptions.

*This schedule is intended to present information for the past 10 years. Additional information will be presented as it becomes available.

See Independent Auditor's Report.

City of Menomonie, Wisconsin

Schedules of the Employer's Proportionate Share of the Net OPEB Liability and Employer Contributions - Local Retiree Life Insurance (LRLIF)

Last 10 Fiscal Years*

Schedule of the Employer's Proportionate Share of the Net OPEB Liability - Local Retiree Life Insurance Fund (LRLIF)

Measurement Date,	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/22	0.13926500 %	\$530,577	\$8,475,830	6.26%	38.81%
12/31/21	0.14597000 %	\$862,737	\$8,216,687	10.50%	29.57%
12/31/20	0.15912300 %	\$875,291	\$7,981,956	10.97%	31.36%
12/31/19	0.15649300 %	\$666,378	\$7,927,567	8.41%	37.58%
12/31/18	0.15847600 %	\$408,922	\$7,631,965	5.36%	48.69%
12/31/17	0.15101100 %	\$454,329	\$7,455,854	6.09%	44.81%

Schedule of the Employer Contributions Local Retiree Life Insurance Fund (LRLIF)

Last 10 Fiscal Years*

Year Ended December 31,	Contractually Required Contributions for the Fiscal Period	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll for the Fiscal Period	Contribution as a Percentage of Covered Payroll
2023	\$2,601	\$(2,601)	\$-	\$8,755,059	0.03%
2022	\$2,822	\$(2,822)	\$-	\$8,475,830	0.03%
2021	\$2,941	\$(2,941)	\$-	\$8,216,687	0.04%
2020	\$3,154	\$(3,154)	\$-	\$7,981,956	0.04%
2019	\$2,829	\$(2,829)	\$-	\$7,927,567	0.04%
2018	\$3,053	\$(3,053)	\$-	\$7,631,965	0.04%

City of Menomonie, Wisconsin

Schedules of the Employer's Proportionate Share of the Net OPEB Liability and Employer Contributions - Local Retiree Life Insurance (LRLIF) (continued)

Notes to the Schedules:

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

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

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

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

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

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

*These schedules are intended to present information for the last 10 years. Additional information will be presented as it becomes available

See Independent Auditor's Report.

Supplementary Financial Information

City of Menomonie, Wisconsin

General Fund - Combining Balance Sheet

December 31, 2023

<i>Assets</i>	General Fund	Library Fund	Total General Fund
Cash and investments	\$ 5,623,424	\$ 101,558	\$ 5,724,982
Receivables:			
Property taxes	8,380,140	-	8,380,140
Accounts	177,187	-	177,187
Special assessments	194,929	-	194,929
Due from other funds	423,980	-	423,980
Advances to other funds	1,622,483	-	1,622,483
Leases receivable	670,044	-	670,044
TOTAL ASSETS	\$ 17,092,187	\$ 101,558	\$ 17,193,745
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>			
Liabilities:			
Accounts payable	\$ 233,441	\$ 8,334	\$ 241,775
Accrued payroll	284,229	14,381	298,610
Deposits	30,363	-	30,363
Unearned revenue	1,659,681	-	1,659,681
Due to other governments	9,230	-	9,230
Due to other funds	3,919,538	-	3,919,538
Total liabilities	6,136,482	22,715	6,159,197
Deferred inflows of resources:			
Property taxes for subsequent year	5,665,476	-	5,665,476
Unavailable revenue - Special assessments	195,760	-	195,760
Related to leases	631,819	-	631,819
Unavailable revenue - Advances to other funds	1,622,483	-	1,622,483
Total deferred inflows of resources	8,115,538	-	8,115,538
Fund balances:			
Restricted	202,441	78,843	281,284
Unassigned	2,637,726	-	2,637,726
Total fund balances	2,840,167	78,843	2,919,010
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 17,092,187	\$ 101,558	\$ 17,193,745

See Independent Auditor's Report.

City of Menomonie, Wisconsin
General Fund - Combining Statement of Revenues,
Expenditures, and Change in Fund Balances

Year Ended December 31, 2023

	General Fund	Library Fund	Eliminations	Total General Fund
Revenues:				
Taxes	\$ 6,123,839	\$ -	\$ -	6,123,839
Special assessments	57,372	-	-	57,372
Intergovernmental revenues	5,113,996	529,732	-	5,643,728
Licenses and permits	404,218	-	-	404,218
Fines and forfeits	150,825	-	-	150,825
Public charges for services	2,244,195	18,083	-	2,262,278
Intergovernmental charges for services	208,344	-	-	208,344
Other	1,333,165	-	-	1,333,165
Total revenues	15,635,954	547,815	-	16,183,769
Expenditures:				
Current:				
General government	5,287,813	-	-	5,287,813
Public safety	6,127,447	-	-	6,127,447
Public works	2,497,950	-	-	2,497,950
Health and human services	55,971	-	-	55,971
Culture and recreation	950,360	995,999	-	1,946,359
Conservation and development	60,117	-	-	60,117
Debt service				
Principal on lease liability	44,993	-	-	44,993
Interest on lease liability	116,607	-	-	116,607
Total expenditures	15,141,258	995,999	-	16,137,257
Excess of revenues (under) expenditures	494,696	(448,184)	-	46,512
Other financing sources (uses):				
Transfers in	425,775	440,000	(440,000)	425,775
Transfers out	(491,920)	-	440,000	(51,920)
Net other financing sources (uses)	(66,145)	440,000	-	373,855
Change in fund balances	428,551	(8,184)	-	420,367
Fund balances at beginning	2,411,616	87,027	-	2,498,643
Fund balances at end	\$ 2,840,167	\$ 78,843	\$ -	\$ 2,919,010

See Independent Auditor's Report.

City of Menomonie, Wisconsin

Nonmajor Governmental Funds - Combining Balance Sheet

December 31, 2023

Assets	Special Revenue Funds					
	TIF	Tourism	Tax	Tax	Business	CDBG
	Housing		Incremental	Incremental	Improvement	
	No. 12	No. 14	District	District	District	
Cash and investments	\$ 1,580,171	\$ -	\$ 332,731	\$ 310,195	\$ 61,765	\$ 1,031,073
Receivables:						
Loans	-	-	-	-	-	2,035,714
Other	-	84,134	-	-	-	-
Due from other funds	-	-	717,279	183,841	51,348	-
Property held for sale	-	-	304,181	-	-	-
TOTAL ASSETS	\$ 1,580,171	\$ 84,134	\$ 1,354,191	\$ 494,036	\$ 113,113	\$ 3,066,787
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	\$ -	\$ 74,523	\$ 181	\$ -	\$ 763	\$ -
Accrued payroll	-	-	-	-	305	-
Deposits	-	-	-	-	-	-
Due to other funds	-	9,611	-	-	-	100,377
Total liabilities	-	84,134	181	-	1,068	100,377
Deferred inflows of resources:						
Property taxes for subsequent year	-	-	717,279	183,841	51,597	-
Unavailable revenue - Loans	-	-	-	-	-	2,035,714
Total deferred inflows of resources	-	-	717,279	183,841	51,597	2,035,714
Fund balances (deficit):						
Restricted	1,580,171	-	636,731	310,195	60,448	262,324
Assigned	-	-	-	-	-	668,372
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	1,580,171	-	636,731	310,195	60,448	930,696
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 1,580,171	\$ 84,134	\$ 1,354,191	\$ 494,036	\$ 113,113	\$ 3,066,787

City of Menomonie, Wisconsin

Nonmajor Governmental Funds - Combining Balance Sheet (Continued)

December 31, 2023

Assets	Debt Service Funds			
	Budgeted Debt Service Fund	Tax Incremental District No. 12	Tax Incremental District No. 13	Tax Incremental District No. 15
Cash and investments	\$ 436,887	\$ -	\$ -	-
Receivables:				
Loans	-	-	-	-
Other	-	-	-	-
Due from other funds	1,979,525	-	-	-
Property held for sale	-	-	-	-
TOTAL ASSETS	\$ 2,416,412	\$ -	\$ -	-
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>				
Liabilities:				
Accounts payable	\$ 4,250	\$ -	\$ -	-
Accrued payroll	-	-	-	-
Deposits	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	4,250	-	-	-
Deferred inflows of resources:				
Property taxes for subsequent year	1,979,525	-	-	-
Unavailable revenue - Loans	-	-	-	-
Total deferred inflows of resources	1,979,525	-	-	-
Fund balances (deficit):				
Restricted	432,637	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	432,637	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 2,416,412	\$ -	\$ -	-

City of Menomonie, Wisconsin

Nonmajor Governmental Funds - Combining Balance Sheet (Continued)

December 31, 2023

	Capital Project Funds		
	Tax Incremental District No. 13	Tax Incremental District No. 15	Tax Incremental District No. 16
Assets			
Cash and investments	\$ 33	\$ 407,362	\$ 47,445
Receivables:			
Loans	-	-	-
Other	-	-	-
Due from other funds	385,969	467,866	124,907
Property held for sale	-	500	-
TOTAL ASSETS	\$ 386,002	\$ 875,728	\$ 172,352
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$ 33	\$ 600	\$ -
Accrued payroll	-	-	-
Deposits	-	-	-
Due to other funds	549,884	300,060	-
Total liabilities	549,917	300,660	-
Deferred inflows of resources:			
Property taxes for subsequent year	385,969	467,866	124,907
Unavailable revenue - Loans	-	-	-
Total deferred inflows of resources	385,969	467,866	124,907
Fund balances (deficit):			
Restricted	-	107,202	47,445
Assigned	-	-	-
Unassigned	(549,884)	-	-
Total fund balances (deficit)	(549,884)	107,202	47,445
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 386,002	\$ 875,728	\$ 172,352

City of Menomonie, Wisconsin

Nonmajor Governmental Funds - Combining Balance Sheet (Continued)

December 31, 2023

Assets	Capital Project Funds		Total
	Tax Incremental District No. 17	Tax Incremental District No. 18	
Cash and investments	\$ 456,275	\$ 183,991	\$ 4,847,928
Receivables:			
Loans	-	-	2,035,714
Other	431	105	84,670
Due from other funds	-	-	3,910,735
Property held for sale	1,425,943	1,479,779	3,210,403
TOTAL ASSETS	\$ 1,882,649	\$ 1,663,875	\$ 14,089,450
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>			
Liabilities:			
Accounts payable	\$ 456,274	\$ 279	\$ 536,903
Accrued payroll	-	-	305
Deposits	362,246	-	362,246
Due to other funds	488,978	-	1,448,910
Total liabilities	1,307,498	279	2,348,364
Deferred inflows of resources:			
Property taxes for subsequent year	-	-	3,910,984
Unavailable revenue - Loans	-	-	2,035,714
Total deferred inflows of resources	-	-	5,946,698
Fund balances (deficit):			
Restricted	575,151	1,663,596	5,675,900
Assigned	-	-	668,372
Unassigned	-	-	(549,884)
Total fund balances (deficit)	575,151	1,663,596	5,794,388
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 1,882,649	\$ 1,663,875	\$ 14,089,450

See Independent Auditor's Report.

City of Menomonie, Wisconsin
Nonmajor Governmental Funds - Combining Statement of Revenues,
Expenditures, and Change in Fund Balances (Deficit)

Year Ended December 31, 2023

Special Revenue Funds							
	TIF		Tax	Tax	Business		
	Housing	Tourism	Incremental	Incremental	Improvement	CDBG	
			District	District	District		
			No. 12	No. 14	District		
Revenues:							
Taxes	\$	-	\$ 366,968	\$ 377,642	\$ 92,898	\$ -	-
Intergovernmental revenues		-	-	14,328	5,783	-	-
Other		-	-	-	-	30,859	267,302
Total revenues		-	366,968	391,970	98,681	30,859	267,302
Expenditures:							
Current:							
General government		-	400	734	650	-	-
Conservation and development		-	367,721	3,925	26,150	104,365	32,380
Capital outlay		-	-	-	-	-	237,115
Debt service							
Principal retirement		-	-	-	-	-	-
Interest and fiscal charges		-	-	-	-	-	-
Total expenditures		-	368,121	4,659	26,800	104,365	269,495
Excess of revenues over (under) expenditures		-	(1,153)	387,311	71,881	(73,506)	(2,193)
Other financing sources (uses):							
Transfers in		-	1,153	-	-	75,767	-
Transfers out		-	-	(93,593)	(60,600)	-	-
Issuance of long-term debt		-	-	-	-	-	-
Net other financing sources (uses)		-	1,153	(93,593)	(60,600)	75,767	-
Change in fund balances (deficit)		-	-	293,718	11,281	2,261	(2,193)
Fund balances at beginning	1,580,171	-	343,013	298,914	58,187	932,889	
Fund balances (deficit) at end	\$ 1,580,171	\$ -	\$ 636,731	\$ 310,195	\$ 60,448	\$ 930,696	

City of Menomonie, Wisconsin
Nonmajor Governmental Funds - Combining Statement of Revenues,
Expenditures, and Change in Fund Balances (Deficit)(Continued)

Year Ended December 31, 2023

	Debt Service Funds			
	Budgeted Debt Service Fund	Tax Incremental District No. 12	Tax Incremental District No. 13	Tax Incremental District No. 15
Revenues:				
Taxes	\$ 1,645,563	\$ 89,700	\$ 86,378	\$ 121,635
Intergovernmental revenues	-	-	-	-
Other	-	-	-	-
Total revenues	1,645,563	89,700	86,378	121,635
Expenditures:				
Current:				
General government	-	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal retirement	1,835,000	-	190,000	-
Interest and fiscal charges	543,315	-	14,671	-
Total expenditures	2,378,315	-	204,671	-
Excess of revenues over (under) expenditures	(732,752)	89,700	(118,293)	121,635
Other financing sources (uses):				
Transfers in	512,683	-	266,143	-
Transfers out	(64,000)	(89,700)	(147,850)	(121,635)
Issuance of long-term debt	-	-	-	-
Net other financing sources (uses)	448,683	(89,700)	118,293	(121,635)
Change in fund balances (deficit)	(284,069)	-	-	-
Fund balances at beginning	716,706	-	-	-
Fund balances (deficit) at end	\$ 432,637	\$ -	\$ -	\$ -

City of Menomonie, Wisconsin
Nonmajor Governmental Funds - Combining Statement of Revenues,
Expenditures, and Change in Fund Balances (Deficit)(Continued)

Year Ended December 31, 2023

	Capital Projects Funds		
	Tax Incremental District No. 13	Tax Incremental District No. 15	Tax Incremental District No. 16
Revenues:			
Taxes	\$ -	\$ 253,772	\$ 98,922
Intergovernmental revenues	-	13,413	-
Other	13,100	-	-
Total revenues	13,100	267,185	98,922
Expenditures:			
Current:			
General government	1,973	5,650	650
Conservation and development	70,655	45,475	149
Capital outlay	234,274	59,456	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	306,902	110,581	799
Excess of revenues over (under) expenditures	(293,802)	156,604	98,123
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(2,401,133)	(25,000)	(92,898)
Issuance of long-term debt	-	-	-
Net other financing sources (uses)	(2,401,133)	(25,000)	(92,898)
Change in fund balances (deficit)	(2,694,935)	131,604	5,225
Fund balances at beginning	2,145,051	(24,402)	42,220
Fund balances (deficit) at end	\$ (549,884)	\$ 107,202	\$ 47,445

City of Menomonie, Wisconsin
Nonmajor Governmental Funds - Combining Statement of Revenues,
Expenditures, and Change in Fund Balances (Deficit)(Continued)

Year Ended December 31, 2023

	<u>Capital Projects Funds</u>		<u>Total</u>
	<u>Tax</u> <u>Incremental</u> <u>District</u> <u>No. 17</u>	<u>Tax</u> <u>Incremental</u> <u>District</u> <u>No. 18</u>	
Revenues:			
Taxes	\$ -	\$ -	\$ 3,133,478
Intergovernmental revenues	341,009	-	374,533
Other	62,443	92,298	466,002
Total revenues	403,452	92,298	3,974,013
Expenditures:			
Current:			
General government	4,573	545	15,175
Conservation and development	1,027,551	-	1,678,371
Capital outlay	625,464	656,740	1,813,049
Debt service			
Principal retirement	-	-	2,025,000
Interest and fiscal charges	-	-	557,986
Total expenditures	1,657,588	657,285	6,089,581
Excess of revenues over (under) expenditures	(1,254,136)	(564,987)	(2,115,568)
Other financing sources (uses):			
Transfers in	-	2,228,583	3,084,329
Transfers out	-	-	(3,096,409)
Issuance of long-term debt	505,000	-	505,000
Net other financing sources (uses)	505,000	2,228,583	492,920
Change in fund balances (deficit)	(749,136)	1,663,596	(1,622,648)
Fund balances at beginning	1,324,287	-	7,417,036
Fund balances (deficit) at end	\$ 575,151	\$ 1,663,596	\$ 5,794,388

See Independent Auditor's Report.

City of Menomonie, Wisconsin
Nonmajor Proprietary Funds - Combining
Statement of Net Position

December 31, 2023

<i>Assets and Deferred Outflows of Resources</i>	Parking Utility	Solid Waste Utility	Total
Current assets:			
Cash and investments	\$ 413,479	\$ 328,977	\$ 742,456
Receivables:			
Accounts	-	148,285	148,285
Due from other funds	300,060	1,384	301,444
Total current assets	713,539	478,646	1,192,185
Noncurrent assets:			
Restricted:			
Cash and investments	-	278,332	278,332
Capital assets:			
Land	892,796	364,926	1,257,722
Land improvements	389,890	59,892	449,782
Buildings and improvements	-	49,494	49,494
Machinery and equipment	801,706	332,804	1,134,510
Accumulated depreciation	(922,741)	(379,888)	(1,302,629)
Total noncurrent assets	1,161,651	705,560	1,867,211
Total assets	1,875,190	1,184,206	3,059,396
Deferred outflows of resources:			
Related to pensions - WRS	-	88,783	88,783
Related to OPEB - LRLIF	-	7,510	7,510
Total deferred outflows of resources	-	96,293	96,293
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,875,190	\$ 1,280,499	\$ 3,155,689

City of Menomonie, Wisconsin
Nonmajor Proprietary Funds - Combining
Statement of Net Position (Continued)

December 31, 2023

<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	Parking Utility	Solid Waste Utility	Total
Current liabilities:			
Accounts payable	\$ 27,095	\$ 42,777	\$ 69,872
Accrued payroll	-	5,506	5,506
Accrued interest	-	400	400
Due to other funds	52,217	-	52,217
Current portion of long-term obligations			
Bonds and notes payable	-	10,147	10,147
Compensated absences	-	7,951	7,951
Total current liabilities	79,312	66,781	146,093
Noncurrent liabilities:			
Compensated absences	-	9,149	9,149
Bonds and notes payable	-	55,623	55,623
Landfill closure and postclosure	-	311,830	311,830
Net OPEB liability - LRLIF	-	18,151	18,151
Net pension liability - WRS	-	23,637	23,637
Total noncurrent liabilities	-	418,390	418,390
Total liabilities	79,312	485,171	564,483
Deferred inflows of resources:			
Related to pensions - WRS	-	49,510	49,510
Related to OPEB - LRLIF	-	14,744	14,744
Total deferred inflows of resources	-	64,254	64,254
Net position:			
Net investment in capital assets	1,161,651	361,458	1,523,109
Unrestricted	634,227	369,616	1,003,843
Total net position	1,795,878	731,074	2,526,952
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 1,875,190	\$ 1,280,499	\$ 3,155,689

See Independent Auditor's Report.

City of Menomonie, Wisconsin
Nonmajor Proprietary Funds - Combining Statement of Revenues,
Expenses, and Changes in Net Position
Year Ended December 31, 2023

	Parking Utility	Solid Waste Utility	Total
Operating revenues:			
Charges for services:			
Residential	\$ -	\$ 572,962	\$ 572,962
Public authority	-	1,830	1,830
Other	184,565	-	184,565
State grants	-	51,312	51,312
Other	-	3,853	3,853
Total operating revenues	184,565	629,957	814,522
Operating expenses			
Operation and maintenance	143,724	529,584	673,308
Taxes	8,403	-	8,403
Depreciation and amortization	21,158	3,456	24,614
Total operating expenses	173,285	533,040	706,325
Operating income	11,280	96,917	108,197
Nonoperating income:			
Interest income	9,209	8,988	18,197
Interest expense	-	(1,750)	(1,750)
Total nonoperating income	9,209	7,238	16,447
Income before operating transfers	20,489	104,155	124,644
Transfers out	(100,000)	-	(100,000)
Change in net position	(79,511)	104,155	24,644
Net position at beginning	1,875,389	626,919	2,502,308
Net position at end	\$ 1,795,878	\$ 731,074	\$ 2,526,952

See Independent Auditor's Report.

City of Menomonie, Wisconsin

Nonmajor Proprietary Funds - Combining

Statement of Cash Flows

Year Ended December 31, 2023

	Parking Utility	Solid Waste Utility	Total
Cash flows from operating activities:			
Cash received from customers	\$ 184,565	\$ 623,164	\$ 807,729
Cash paid to suppliers for goods and services	(110,865)	(336,550)	(447,415)
Cash paid to employees for services	(42,022)	(168,417)	(210,439)
Net cash provided by operating activities	31,678	118,197	149,875
Cash flows from noncapital financing activities:			
Decrease in due from other funds	-	(590)	(590)
Increase in due to other funds	40,066	-	40,066
Transfers from (to) other funds	(100,000)	-	(100,000)
Net cash used in noncapital financing activities	(59,934)	(590)	(60,524)
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(1,620)	-	(1,620)
Decrease in liability for postclosure costs	-	(464)	(464)
Principal paid on long-term debt	-	(10,000)	(10,000)
Interest paid on long-term debt	-	(1,800)	(1,800)
Net cash used in capital and related financing activities	(1,620)	(12,264)	(13,884)
Cash flows from investing activities:			
Interest received	9,209	8,842	18,051
Net cash provided by investing activities	9,209	8,842	18,051
Net change in cash and cash equivalents	(20,667)	114,185	93,518
Cash and cash equivalents at beginning of year	434,146	493,124	927,270
Cash and cash equivalents at end of year	\$ 413,479	\$ 607,309	\$ 1,020,788

City of Menomonie, Wisconsin
Nonmajor Proprietary Funds - Combining
Statement of Cash Flows (Continued)

Year Ended December 31, 2023

	Parking Utility	Solid Waste Utility	Total
Reconciliation:			
Cash and investments per statement of net position	\$ 413,479	\$ 328,977	\$ 742,456
Restricted cash and investments	-	278,332	278,332
Cash and cash equivalents	\$ 413,479	\$ 607,309	\$ 1,020,788
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 11,280	\$ 96,917	\$ 108,197
Adjustments to reconcile operating income to net cash provided by operating activities:			
Provision for depreciation and amortization	21,158	3,456	24,614
Changes in operating assets and liabilities:			
Accounts receivable	-	(6,793)	(6,793)
Net pension asset - WRS	-	29,513	29,513
Net pension liability - WRS	-	23,637	23,637
Net OPEB liability - LRLIF	-	5,741	5,741
Deferred outflows of resources related to pensions - WRS	-	(30,082)	(30,082)
Deferred outflows of resources related to OPEB - LRLIF	-	(3,215)	(3,215)
Deferred inflows of resources related to pensions - WRS	-	(20,001)	(20,001)
Deferred inflows of resources related to OPEB - LRLIF	-	12,828	12,828
Accounts payable	(760)	7,074	6,314
Accrued and other liabilities	-	(878)	(878)
Total adjustments	20,398	21,280	41,678
Net cash provided by operating activities	\$ 31,678	\$ 118,197	\$ 149,875

See Independent Auditor's Report.

City of Menomonie, Wisconsin

General Fund - Detail of Revenues - Non-GAAP

Years Ended December 31, 2023

	2023
Taxes:	
General property tax	\$ 5,825,059
Mobile home parking permit fees	81,595
Room tax	157,272
From housing authority	59,883
Interest on taxes	30
Total taxes	6,123,839
Special assessments:	
Business improvements	50,767
Curb and gutter	6,010
Sidewalk	595
Total special assessments	57,372
Intergovernmental:	
Shared taxes from state	3,352,790
Fire insurance tax from state	63,571
State aid - Computer	45,534
State aid - Personal property	165,510
State aid - Medical transport	66,150
State aid - Service to state facilities	316,836
State aid - Police training	3,840
State aid - Road allotment	972,064
Payment from Department of Natural Resources	270
State aid - Hazardous material	30,935
Federal Routes to Recovery	22,023
State aid - Other	74,473
Total intergovernmental	5,113,996

City of Menomonie, Wisconsin

General Fund - Detail of Revenues - Non-GAAP (Continued)

Years Ended December 31, 2023

2023

Licenses and permits:

Liquor and malt beverage licenses	\$ 27,390
Operators' licenses	9,595
Electrical contractors licenses	125
Housing licenses	70
Cigarette licenses	3,200
Dog licenses	1,302
Cat licenses	1,082
Sundry licenses	6,376
Building permits	179,414
Electrical permits	17,166
Plumbing permits	29,837
Mechanical permits	15,010
Erosion control permits	2,685
Television franchise	105,516
Board of zoning appeals	4,200
Rezoning fees	1,250

Total licenses and permits	404,218
----------------------------	---------

Fines and forfeits:

Court penalties and costs	60,455
Parking and meter violations	89,805
Judgments and damages	565

Total fines and forfeits	150,825
--------------------------	---------

City of Menomonie, Wisconsin

General Fund - Detail of Revenues - Non-GAAP (Continued)

Years Ended December 31, 2023

2023

Public charges for services:		
Clerk fees	\$	236
License publication fees		843
Sale of materials and supplies		2,204
Other general revenues		4,535
Police department fees		25,407
Fire department fees		25,855
Ambulance		1,471,044
Animal control		390
Street maintenance		49,478
Snow and ice control		651
Street lighting revenue		5,455
Pool/beaches		140,204
Recreation		187,813
Dog park revenue		2,391
Leisure services revenue		15,691
Parks		1,100
Subdivision control		1,400
Airport revenue		270,265
Street equipment rental revenue		39,233
<hr/>		
Total public charges for services		2,244,195

City of Menomonie, Wisconsin

General Fund - Detail of Revenues - Non-GAAP (Continued)

Years Ended December 31, 2023

	2023
Intergovernmental charges for services:	
Police school liaison	\$ 148,117
Election	1,183
Fire service - Townships	59,044
Total intergovernmental charges for services	208,344
Other:	
Insurance - Social security and retirement funds from utilities	51,101
City Administrator/Mayor-Utilities share	4,168
City Treasurer - Utilities share	7,387
Sale of city property	34,383
Land sales proceeds	10,000
Sale and transfer of gasoline	211,143
Tax incremental district closeout proceeds	350
Donations	1,200
Interest on general fund Investments	722,969
Rent of city buildings	69,932
City hall lease revenue	220,004
Interest on special assessments	528
Total other	1,333,165
Total revenues	\$ 15,635,954

See Independent Auditor's Report.

City of Menomonie, Wisconsin

General Fund - Detail of Expenditures - Non-GAAP

Years Ended December 31, 2023

2023

General government:

Council	\$ 54,885
Administrator/Mayor	359,863
Clerk	87,241
Elections	48,218
License and permits, publication fee	451
Comptroller	121,842
Assessment of taxes	44,303
Treasurer	87,043
Special accounting and auditing	83,747
Information technology	63,501
Legal	123,467
City Hall	159,164
Other buildings	35,000
Property and liability insurance	243,911
Workers' compensation	152,939
Retirement fund	900,381
Social security fund	407,113
Health insurance	2,287,580
Life insurance	11,319
Refund of prior year's revenue	4,732
Sick leave incentive	11,113

Total general government	5,287,813
--------------------------	-----------

Public safety:

Police department	2,915,800
Police uniform allowance	49,533
Fire department	2,986,140
Building inspection	173,089
Sealer of weights and measures	2,800
Weather warning system	85

Total public safety	6,127,447
---------------------	-----------

City of Menomonie, Wisconsin

General Fund - Detail of Expenditures - Non-GAAP (Continued)

Years Ended December 31, 2023

	2023
Public works:	
Machinery and equipment	\$ 273,316
Garages and sheds	70,390
Purchase of fuel	231,990
Street supervision	299,559
Street maintenance	330,385
Engineer	138,061
Street oiling	177,671
Curb and gutter	11,241
Snow and ice control	158,756
Street signs and markings	86,570
Traffic control	20,384
Street lighting	220,923
Tree and brush control	146,413
Sidewalk replacement	6,720
Airport	324,469
Weed control	1,102
Total public works	2,497,950
Health and social services:	
Pest and animal control	33,313
Cemeteries	22,658
Total health and social services	55,971
Culture and recreation:	
Recreation department	240,916
Pool and beach	234,590
Skating rinks	2,767
Celebration and entertainment	26,837
Parks	262,639
Leisure services center	182,611
Total culture and recreation	950,360

City of Menomonie, Wisconsin
General Fund - Detail of Expenditures - Non-GAAP (Continued)

Years Ended December 31, 2023

	2023
<hr/>	
Conservation and development:	
Dutch Elm disease control	\$ 11,431
Plan commission	35,657
Advertising and promotion	8,444
Economic development	3,786
Board of zoning appeals	799
<hr/>	
Total conservation and development	60,117
<hr/>	
Debt service:	
Principal retirement	44,993
Interest and fiscal charges	116,607
<hr/>	
Total debt service	161,600
<hr/>	
Total expenditures	\$ 15,141,258

See Independent Auditor's Report.

City of Menomonie, Wisconsin
Budgeted Debt Service Fund - Statement of Revenues, Expenditures,
and Change in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Taxes	\$ 1,132,677	\$ 1,132,677	\$ 1,645,563	\$ 512,886
Total revenues	1,132,677	1,132,677	1,645,563	512,886
Expenditures:				
Debt service:				
Principal retirement	1,835,000	1,835,000	1,835,000	-
Interest and fiscal charges	600,433	600,433	543,315	57,118
Issuance costs	9,300	9,300	-	9,300
Total expenditures	2,444,733	2,444,733	2,378,315	66,418
Excess of revenues over (under) expenditures	(1,312,056)	(1,312,056)	(732,752)	579,304
Other financing sources (uses):				
Transfers in	-	-	512,683	512,683
Transfers out	-	-	(64,000)	(64,000)
Premium on debt issuance	764,126	764,126	-	(764,126)
Interest from utilities	512,886	512,886	-	(512,886)
Net other financing sources (uses)	1,277,012	1,277,012	448,683	(828,329)
Change in fund balance	(35,044)	(35,044)	(284,069)	(249,025)
Fund balance at beginning	716,706	716,706	716,706	-
Fund balance at end	\$ 681,662	\$ 681,662	\$ 432,637	\$ (249,025)

See Independent Auditor's Report.

City of Menomonie, Wisconsin
Budgeted Construction Fund - Statement of Revenues, Expenditures,
and Change in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 2,986,000	\$ 2,986,000	\$ 1,726,879	\$ (1,259,121)
Other	50,000	50,000	86,810	36,810
Total revenues	3,036,000	3,036,000	1,813,689	(1,222,311)
Expenditures:				
Current:				
General government	55,000	55,000	7,896	47,104
Capital outlay	8,213,000	8,213,000	3,292,593	4,920,407
Debt service:				
Issuance costs	-	-	128,856	(128,856)
Total expenditures	8,268,000	8,268,000	3,429,345	4,838,655
Excess of revenues over (under) expenditures	(5,232,000)	(5,232,000)	(1,615,656)	3,616,344
Other financing sources (uses):				
Issuance of long-term debt	6,900,000	6,900,000	3,590,000	(3,310,000)
Premium on debt issuance	-	-	189,886	189,886
Net other financing sources (uses)	6,900,000	6,900,000	3,779,886	(3,120,114)
Change in fund balance	1,668,000	1,668,000	2,164,230	496,230
Fund balance at beginning	1,755,928	1,755,928	1,755,928	-
Fund balance at end	\$ 3,423,928	\$ 3,423,928	\$ 3,920,158	\$ 496,230

See Independent Auditor's Report.

City of Menomonie, Wisconsin

Schedule of Expenditures of Federal and State Awards

Year Ended December 31, 2023

Grantor Agency/Program Title	AL	Pass-Through Entity ID Number	Federal Expenditures	Passed Through to Subrecipients
Federal Awards				
U.S. Department of Commerce Direct awards Investments for Public Works and Economic Development Facilities	11.300	N/A	\$ 690,795	\$ -
U.S. Department of Justice Direct Awards Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	N/A	163,167	-
U.S. Department of Transportation Wisconsin Department of Transportation Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	211-284	45,000	-
U.S. Department of Treasury Wisconsin Department of Revenue COVID-19 State and Local Fiscal Recovery Funds	21.027	100-121	35,945	-
Wisconsin Department of Health Services COVID-19 State and Local Fiscal Recovery Funds	21.027	100-843	62,198	-
Total COVID-19 State and Local Fiscal Recovery Funds			98,143	-
Department of Homeland Security Wisconsin Department of Military Affairs Homeland Security Grant Program	97.067	100-350	8,745	-
Total Federal Awards			\$ 1,005,850	\$ -

Grantor Agency/Program Title	State ID Number	Pass-Through Entity ID Number	State Expenditures	Passed Through to Subrecipients
State Awards				
Wisconsin Department of Military Affairs Regional Emergency Response Teams	465.306	N/A	\$ 15,824	\$ -
Urban Search and Rescue Task Force	465.314	N/A	6,366	-
Total State Awards			\$ 22,190	\$ -

See Independent Auditor's Report.

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Menomonie, Wisconsin

Notes to the Schedule of Expenditures of Federal and State Awards

Year Ended December 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state grant activity of the City of Menomonie under programs of the federal and state governments for the year ended December 31, 2023. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the *State of Wisconsin Single Audit Guidelines*. Because the schedule presents only a selected portion of the operations of the City of Menomonie, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Menomonie.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Indirect Cost Rate

The City of Menomonie has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Sub-Recipients

The City of Menomonie does not have any sub-recipients of federal or state awards.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

City Council
City of Menomonie
Menomonie, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Menomonie, Wisconsin (the "City") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 30, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 to be material weaknesses.

Report on Compliance and Other Matters

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

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the audit procedures applied in the audit of the financial statements, and accordingly we express no opinion on the response.

Purpose of This Report

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

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

Wipfli LLP

September 30, 2024
Eau Claire, Wisconsin

Uniform Guidance Information

Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by the Uniform Guidance and State Single Audit Guidelines

City Council
City of Menomonie
Menomonie, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited City of Menomonie, Wisconsin's (the "City") compliance with the types of compliance requirements identified as subject to audit in the the OMB Compliance Supplement and the *State Single Audit Guidelines* that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023. The City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal and state program for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Audit Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and the State Single Audit Guidelines, issued by the Wisconsin Department of Administration. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statues, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, the State Single Audit Guidelines, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, State Single Audit Guidelines, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Guidelines and the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance and regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

September 30, 2024
Eau Claire, Wisconsin

City of Menomonie, Wisconsin

Schedule of Findings and Questioned Costs

Year Ended December 31, 2023

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> X </u>	Yes	<u> </u>	No
Significant deficiency(ies) identified?	<u> </u>	Yes	<u> X </u>	None reported

Noncompliance material to the financial statements?	<u> </u>	Yes	<u> X </u>	No
---	---------------	-----	--------------	----

Federal Awards

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u>	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	<u> </u>	Yes	<u> X </u>	None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

	<u> </u>	Yes	<u> X </u>	No
--	---------------	-----	--------------	----

Identification of major federal programs:

CFDA Number	Name of Federal Program or Cluster					
11.300	Investments for Public Works and Economic Development Facilities					
Dollar threshold used to distinguish between Type A and Type B Programs	\$750,000					
Auditee qualified as a low-risk auditee?	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"></td> <td style="width: 10%; text-align: center;"><u> </u></td> <td>Yes</td> <td style="width: 10%; text-align: center;"><u> X </u></td> <td>No</td> </tr> </table>		<u> </u>	Yes	<u> X </u>	No
	<u> </u>	Yes	<u> X </u>	No		

City of Menomonie, Wisconsin

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2023

I. Summary of Auditor's Results (Continued)

State Awards

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Type of auditor's report issued on compliance for major state programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *State of Wisconsin Single Audit Guidelines*?

_____ Yes X No

Identification of major state programs:

State I.D. Number

Name of State Program

465.306

Regional Emergency Response Teams

City of Menomonie, Wisconsin

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2023

II. Financial Statement Findings

2023-001: Financial Accounting and Reporting

Criteria - Government Auditing Standards considers the inability to report financial data reliably in accordance with accounting principles generally accepted in the United States (GAAP) to be an internal control deficiency.

Condition - The City's internal control over financial reporting does not end at the general ledger, but extends to the financial statements and notes. The City does not have an internal control system designed to provide for the preparation of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations. Because the City relies on Wipfli to provide the necessary understanding of current accounting and disclosure principles and draft the financial statements and accompanying notes, a material weakness exists in the City's internal controls.

Effect - The completeness of the financial statement disclosures and the accuracy of the financial statement presentation is negatively impacted as outside auditors do not have the same comprehensive understanding of the City as its own management.

Cause - Management and those charged with governance have accepted the degree of risk associated with this condition because of cost.

Recommendation - We recommend that management and those charged with governance continue to evaluate whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management's Response - The City does not have the resources and staff to prepare the financial statements and notes, but will continue to oversee the auditor's services and review and approve the financial statements and notes.

City of Menomonie, Wisconsin

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2023

II. Financial Statement Findings (Continued)

2023-002: Material Adjustments

Criteria - Material adjusting journal entries not prepared by the City's accounting department are considered an internal control deficiency.

Condition - During our audit, Wipfli LLP proposed a number of adjusting journal entries. We deem several of these adjustments to be material in relation to the financial statements. Since the City's internal controls did not discover these adjustments prior to the audit, a material weakness exists in the City's internal controls.

Effect - This means that the proper recording and reporting of financial information may not occur within a timely manner.

Cause - The City does not have policies and procedures in place to ensure that all transactions are properly recorded on the general ledger prior to the audit.

Recommendation - We recommend individuals involved in the accounting function implement policies and procedures to provide sufficient internal control over recording accrual-related journal entries.

Management's Response - The City will work to establish policies and procedures to reduce the number of adjusting journal entries proposed by the auditor.

III. Federal and State Findings and Questioned Costs

None.

City of Menomonie, Wisconsin

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2023

IV. Other Issues

Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue, or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State of Wisconsin Single Audit Guidelines*:

Department of Military Affairs	No
Department of Transportation	No
Department of Revenue	No
Department of Health Services	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

Name of Partner



Rob Ganschow, CPA

Date

September 30, 2024

City of Menomonie, Wisconsin

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2023

Financial Statement Findings:

No matters were reported.

Federal and State Findings and Questioned Costs

No matters were reported.

FORM OF LEGAL OPINION

(See following pages)

FRYBERGER

— LAW FIRM —

§ _____
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A
CITY OF MENOMONIE, WISCONSIN

We have acted as Bond Counsel in connection with the authorization, issuance and delivery by the City of Menomonie, Dunn County, Wisconsin (the “Issuer”), of its § _____ General Obligation Promissory Notes, Series 2025A, dated May 6, 2025, as the date of original issue (the “Notes”). The Notes are issued pursuant to Chapter 67, Wisconsin Statutes.

For purposes of this opinion, we have examined the law and certified copies of certain proceedings taken, and certain affidavits and certificates furnished by the Issuer in the authorization, sale and issuance of the Notes. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials furnished to us without undertaking to verify such facts by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement or other offering material relating to the Notes, and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based upon such examination, and assuming the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals, and assuming the genuineness of the signatures thereon and the accuracy of the facts and representations stated therein, and on the basis of laws, regulations, rulings and decisions in effect on the date hereof, but excluding any legislation which may have a retroactive effective date prior to the date hereof, it is our opinion that:

1. The Notes are valid and binding general obligations of the Issuer enforceable in accordance with their terms.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of and interest on the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent the necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A.

CLOQUET
813 Cloquet Ave.
Cloquet, MN 55720
p: (218) 879-6830

DULUTH
302 West Superior St.
Ste 700
Duluth, MN 55802
p: (218) 722-0861

SUPERIOR
1409 Hammond Ave., Suite 330
Superior, WI 54880
p: (715)392-7405

fryberger.com

Page 2

3. The Notes, as of their date of issuance, bear interest which is excluded from gross income of the recipient for federal income tax purposes and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax; however, interest on the Notes may affect the federal alternative tax imposed on certain corporations.

4. The Notes have been designated by the Issuer as “qualified tax-exempt obligations” under and within the meaning of Section 265(b)(3)(b) of the Code.

We express no opinion regarding tax consequences arising with respect to the Notes, other than as set forth in paragraphs 3 and 4 above.

For the purpose of rendering the opinion set forth in paragraphs 3 and 4 above, we have assumed compliance by the Issuer with requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in federal gross income retroactive to the date of issuance of the Notes.

It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors’ rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Dated: May 6, 2025

Respectfully submitted,

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Menomonie, Dunn County, Wisconsin (the “Issuer”) in connection with the issuance of its \$_____ General Obligation Promissory Notes, Series 2025A, dated May 6, 2025 (the “Obligations”). The Obligations are being issued pursuant to a Resolution of the Issuer dated April 21, 2025 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. (a) Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule (defined below). References in this Disclosure Certificate to holders of the Obligations shall include the beneficial owners of the Obligations. This Disclosure Certificate constitutes the written understanding under the Rule.

(b) Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access (“EMMA”) System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Audited Financial Statements” means the Issuer’s annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

“Code” means the Internal Revenue Code of 1986, as amended.

“Dissemination Agent” means such person from time to time designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” means, with respect to the Issuer a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of one of the foregoing. The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with this rule.

“IRS” means the Internal Revenue Service of the Department of the Treasury.

“Listed Events” means any of the events listed in Sections 5(a) and 5(b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, whose current address is 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Official Statement” means the Preliminary Official Statement, dated _____, 2025, delivered in connection with the original issuance and sale of the Obligations, together with the final Official Statement and any amendments thereto or supplements thereof.

“Participating Underwriter” means any of the original underwriter(s) of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time. Reference is also made to SEC Release No. 34-83885 (File No. S7-01-17) for additional information relating to the Issuer’s compliance with this Certificate.

“SEC” means the Securities and Exchange Commission or any successor to its functions governing state and municipal securities.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 12 months after the end of the fiscal year (presently December 31), commencing with the fiscal year ended December 31, 2024, provide to the MSRB, filed in accordance with Section 1(b) of this Disclosure Certificate, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date; provided, however, unaudited financial information will be provided and the Audited Financial Statements will be submitted to the MSRB when and if available. The Issuer may provide the Annual Report by specific reference to documents previously provided to the MSRB or filed with the SEC; provided, however, that if the document so referenced is a final official statement within the meaning of the Rule, such final official statement must be available from the MSRB.

(b) Not later than 15 days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall provide the Annual Report to the Dissemination Agent (if the Issuer is not the Dissemination Agent).

(c) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of such fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

- (a) Current Property Valuations
- (b) Direct Debt
- (c) Debt Limit
- (d) Tax Levies & Collections

Section 5. Reporting of Significant Events.

(a) The Issuer shall give, or cause to be given notice of the occurrence of any of the following events with respect to the Obligations, in a timely manner not in excess of 10 business days after the occurrence of the event:

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, if any, or their failure to perform;
- (5) adverse tax opinions or the issuance by the IRS of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
- (6) tender offers;
- (7) defeasances;
- (8) rating changes;
- (9) bankruptcy, insolvency, receivership or similar event of the Issuer;

or

(10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Obligations, *if material*, in a timely manner not in excess of 10 business days after the occurrence of the event:

(1) non-payment related defaults;

(2) unless described in (a)(5) above, other notices or determinations by the IRS with respect to the tax-exempt status of the Obligations, or other events affecting the tax-exempt status of the Obligations;

(3) modifications to rights of holders of the Obligations;

(4) bond calls;

(5) release, substitution or sale of property securing repayment of the Obligations;

(6) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(7) appointment of a successor or additional trustee or the change of name of a trustee; or

(8) incurrence of a Financial Obligation or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders.

(c) For the purposes of the event identified in subsection (a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(d) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under subsection (b), the Issuer shall as soon as possible determine if such event would constitute material information for holders of Obligations.

(e) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertaking herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Obligations may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may

incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Obligations.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Obligations, and shall create no rights in any other person or entity.

Section 13. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 8 hereof, to modify the undertaking under this Disclosure Certificate if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

Dated as of May 6, 2025.

CITY OF MENOMONIE, WISCONSIN

By _____
Randy Knaack, Mayor

By _____
Kate Martin, City Clerk

NOTICE OF SALE

**\$2,820,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A
CITY OF MENOMONIE, WISCONSIN**

Bids for the purchase of \$2,820,000* General Obligation Promissory Notes, Series 2025A (the "Notes") of the City of Menomonie, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via bondsale@ehlers-inc.com or **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on April 21, 2025, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing the costs of the City's 2025 and 2026 capital projects and equipment and improvements to the storm water utility, the water utility and the sewer utility. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated May 6, 2025, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>
11/01/2026	\$170,000	11/01/2033	\$130,000	11/01/2040	\$95,000
11/01/2027	235,000	11/01/2034	135,000	11/01/2041	105,000
11/01/2028	245,000	11/01/2035	135,000	11/01/2042	110,000
11/01/2029	245,000	11/01/2036	90,000	11/01/2043	110,000
11/01/2030	255,000	11/01/2037	90,000	11/01/2044	115,000
11/01/2031	120,000	11/01/2038	90,000	05/01/2045	130,000
11/01/2032	120,000	11/01/2039	95,000		

ADJUSTMENT OPTION

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2026, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC") to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after November 1, 2034 shall be subject to optional redemption prior to maturity on November 1, 2033 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about May 6, 2025, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

Legal matters incident to the issuance and sale of the Notes and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX MATTERS" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

SUBMISSION OF BIDS

Bids must not be for less than \$2,784,750 plus accrued interest on the principal sum of \$2,820,000 from date of original issue of the Notes to date of delivery. **The maximum proposal allowed will be \$3,102,000.** Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a submission.

A good faith deposit ("Deposit") in the amount of \$56,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Notes from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate, the form of which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date of the Notes (the "Closing Date") has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

City of Menomonie, Wisconsin

BID FORM

The Common Council
City of Menomonie, Wisconsin (the "City")

April 21, 2025

RE: \$2,820,000* General Obligation Promissory Notes, Series 2025A (the "Notes")
DATED: May 6, 2025

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$2,784,750, *and not more than \$3,102,000*) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing as follows:

_____ % due 11/01/2026	_____ % due 11/01/2033	_____ % due 11/01/2040
_____ % due 11/01/2027	_____ % due 11/01/2034	_____ % due 11/01/2041
_____ % due 11/01/2028	_____ % due 11/01/2035	_____ % due 11/01/2042
_____ % due 11/01/2029	_____ % due 11/01/2036	_____ % due 11/01/2043
_____ % due 11/01/2030	_____ % due 11/01/2037	_____ % due 11/01/2044
_____ % due 11/01/2031	_____ % due 11/01/2038	_____ % due 05/01/2045
_____ % due 11/01/2032	_____ % due 11/01/2039	

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$56,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 6, 2025.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ___ NO: ___.

If the competitive sale requirements are not met, we elect to use either the: ___ 10% test, or the ___ hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 6, 2025 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Menomonie, Wisconsin, on April 21, 2025.

By: _____ By: _____
Title: _____ Title: _____