

City of Fond du Lac, WI
First on the Lake



Annual Comprehensive Financial Report with Single Audit Year ended December 31, 2024

**CITY OF FOND DU LAC, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	1
CERTIFICATE OF ACHIEVEMENT	6
TABLE OF ORGANIZATION	7
LIST OF PRINCIPAL OFFICIALS	8

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	10
MANAGEMENT'S DISCUSSION AND ANALYSIS	15

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION	28
STATEMENT OF ACTIVITIES	29

FUND FINANCIAL STATEMENTS

BALANCE SHEET – GOVERNMENTAL FUNDS	30
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES	31
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	32
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	33
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	34
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	35
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	37
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	38
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUND	40
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUND	41
NOTES TO BASIC FINANCIAL STATEMENTS	42

**CITY OF FOND DU LAC, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – WISCONSIN RETIREMENT SYSTEM	86
SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM	86
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS	87
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	88

SUPPLEMENTARY INFORMATION	90
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	91
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS	94
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – LIBRARY SPECIAL REVENUE FUND	97
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CITY GRANT PROGRAMS SPECIAL REVENUE FUND	98
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – HARBOR AND BOATING FACILITIES SPECIAL REVENUE FUND	99
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SOLID WASTE AND RECYCLING SPECIAL REVENUE FUND	100
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – TRANSIT SPECIAL REVENUE FUND	101
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – COUNTY SALES TAX SPECIAL REVENUE FUND	102
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – HAZMAT AGREEMENT SPECIAL REVENUE FUND	103
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – FUEL PUMP MAINTENANCE SPECIAL REVENUE FUND	104

**CITY OF FOND DU LAC, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – PUBLIC SAFETY TRAINING CENTER FUND	105
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – TIF DISTRICTS SPECIAL REVENUE FUND	106
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – ARPA FUND	107
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – DEBT SERVICE FUND	108
COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS	109
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – INTERNAL SERVICE FUNDS	110
COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS	111
SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS BY SOURCE	112
SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY	113
SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY	114
STATISTICAL SECTION	
NET POSITION BY COMPONENT	116
CHANGES IN NET POSITION	117
FUND BALANCES, GOVERNMENTAL FUNDS	119
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS	120
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	121
PRINCIPAL TAXPAYERS	122
PROPERTY TAX LEVIES AND COLLECTIONS	123
PROPERTY TAX RATES AND TAX LEVIES – DIRECT AND OVERLAPPING GOVERNMENTS	124
RATIO OF OUTSTANDING DEBT BY TYPE	125
RATIO OF GENERAL BONDED DEBT OUTSTANDING	126

**CITY OF FOND DU LAC, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

COMPUTATION OF LEGAL DEBT MARGIN	127
COMPUTATION OF DIRECT AND OVERLAPPING DEBT	128
WATER UTILITY REVENUE BOND COVERAGE	129
WASTEWATER COLLECTION & TREATMENT SYSTEM REVENUE BOND COVERAGE	130
DEMOGRAPHIC AND ECONOMIC STATISTICS	131
PRINCIPAL EMPLOYERS	132
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM	133
OPERATING INDICATORS BY FUNCTION/PROGRAM	134
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM	135
ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	137
FEDERAL AND STATE AWARDS	
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE WISCONSIN <i>STATE SINGLE AUDIT GUIDELINES</i>	140
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	143
SCHEDULE OF EXPENDITURES OF STATE AWARDS	144
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS	145
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	146

INTRODUCTORY SECTION



City of Fond du Lac First on the Lake

Website: www.fdl.wi.gov

City-County Government Center
160 S. Macy Street~P.O. Box 150~Fond du Lac, WI 54936-0150

June 23, 2025

City Council and Citizens of Fond du Lac
City of Fond du Lac
Fond du Lac, WI

We are pleased to present the Annual Comprehensive Financial Report of the City of Fond du Lac for the year ended December 31, 2024. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the Annual Comprehensive Financial Report is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

Wisconsin State Statutes require an annual audit of the financial transactions and accounts of the City by an independent public accountant selected by the City Council. This requirement has been met with the inclusion of the auditor's opinion in this report.

CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Fond du Lac's financial statements for the year ended December 31, 2024 which means that in the opinion of our independent auditor, the financial statements are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is located at the front of the financial section of this report.

The City is required to undergo an annual single audit to conform with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Wisconsin State Single Audit Guidelines. Information related to this single audit, including the schedule of expenditures of federal and state awards, schedule of findings and questioned costs, and reports of the independent certified public accountants on the internal control structure and compliance with applicable laws and regulations, is included in the Single Audit Section of this report.

This letter of transmittal complements the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The City of Fond du Lac's MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements.

Government Profile

The City of Fond du Lac was incorporated in 1852 and is located in Fond du Lac County at the southern shore of Lake Winnebago, the largest inland lake in Wisconsin at 220 square miles. Five major highways lead into the City, which is approximately one hour from each of the largest cities in the State; Milwaukee, Madison and Green Bay. The City encompasses just over 20 square miles and serves a population of 44,152.

Governance is provided by a Council-Manager form of government with seven council members comprising the governing body. The council members are elected at large on an alternating basis for a term of two years, not to exceed three consecutive terms. The City of Fond du Lac provides a full range of municipal services, including police and fire protection, ambulance, parks, public works operations, parking and transit services, water and sewer utilities, community development, and general administrative services.

Financial Information

Reporting Entity

The City uses the criteria set forth by the Governmental Accounting Standards Board to determine the scope of the City's reporting entity. The financial reporting entity includes all the funds of the primary government.

Accounting System and Internal Controls

The accounts of governmental entities such as the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. These accounting entities are separated for the purpose of carrying on specific activities or attaining certain objectives and are used to aid management in demonstrating compliance with legal and contractual requirements.

Management of the City is responsible for establishing and maintaining an internal control structure designed to provide reasonable assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition, and 2) the reliability of the financial records for preparing financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance requires that judgments of management rely on estimates in the evaluation of such controls as to costs and benefits derived. All internal control evaluations occur within that cost to benefit framework.

We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary Controls

The City charter provides that the City Council shall adopt the annual budget prepared by the City's management. This budget is reviewed by the City Council and is formally adopted by the passage of a budget resolution. The City Manager is authorized to transfer budgeted amounts between budget accounts within a department. The level of control over budget adjustments varies for legally adopted budgets as follows: General Fund at the General Government; Public Safety; Public Works; Parks, Culture, and Recreation; and Community Development levels, and Debt Service Fund and Special Revenue Funds at the total fund level. Expenditures may not legally exceed appropriations at the above levels unless authorized by two-thirds vote of the City Council.

Local Economy

The City of Fond du Lac's local unemployment remained historically low throughout 2024. The average unemployment rate in 2024 for the City of Fond du Lac was 3.1 percent, which is up from the average a year ago of 2.7 percent. The average unemployment rate for the State of Wisconsin in 2024 was 2.9 percent.

In 2024, Fond du Lac continued to experience growth in residential, commercial and industrial development. The cost and delay in materials did affect the timing of developments as well as the number of development projects. There were 26 new housing units constructed, of which all were one- and two-family. Commercial and industrial growth slowed in 2024 with \$27 million in construction of 4 new buildings and 145 additions and alterations. The slowdown in growth is typical for the City during a presidential election year. It is anticipated that growth will rebound in 2025.

Total equalized value (estimated fair market value) of real estate increased by 7.6% to \$4.4 billion in 2024 from 2023. Net new construction increased by over \$67.5 million, or 1.61% in 2024.

Froedtert completed its renovation of its new 7,775 sq. ft. clinic space at Johnson Crossing (Festival Foods Shopping Center) and the first phase of their new 25,000 sq ft micro-hospital on West Johnson Street. The City now has three (3) health care options to serve local residents: SSM Health, Froedtert/Thedacare and Aurora.

Bank First completed construction of its new 5600 sq ft building on West Johnson Street. This is part of the ongoing redevelopment of the former Forest Mall site.

Nemesis Metals completed its 48,259 sq. ft. building addition.

Excel Engineering completed its third building expansion with a 12,335 sq. ft. building addition.

Odyssey Theaters completed its \$3.6 million renovation of the former Fond du lac Theater to update amenities to meet today's movie-going patron expectations. The theater was acquired right before the COVID-19 pandemic and has remained closed. It reopened to community in September 2024 to rave reviews by the public.

Within the downtown, 25 new small businesses opened in spaces varying from retail spaces fronting Main Street to upper level office spaces.

Long-term financial planning

Unassigned fund balance in the general fund (30.6% of the originally budgeted general fund expenditures) falls within policy guidelines (i.e. a minimum of 15% of total General Fund expenditures for working capital purposes) set by the Council for budgetary and planning purposes.

The management of the City's capital improvements program is controlled using a long-range plan adopted by the City Council. The Capital Improvements Program projects the City's capital improvement needs for a five-year period and is reviewed and updated annually. The management and accounting of this plan are controlled using capital project funds. The primary sources of financing these improvements include general obligation debt, utility revenue debt, budgeted funds and revenue from Federal and State grants.

Relevant financial policies

The City's debt policy was successful in ensuring that long-term debt was utilized appropriately and in a fiscally prudent manner by limiting long-term borrowing to capital improvements or other long-term projects which cannot and, appropriately should not, be financed from current revenues and/or funds established for equipment replacement. The City's debt policy guidelines were met by further limiting general obligation debt to 60% or less of the statutory debt limit (not to exceed 3% of the equalized value).

In accordance with the capital improvement plan policy, the City prepared and the City Council approved a five-year capital improvement plan which provides comprehensive planning, budget stability and analysis of the long-term capital needs of the City. The plan describes each capital project, estimates the project costs, prioritizes projects, identifies funding, considers alternatives, and estimates the impact on the annual budget

The revenue policy ensures that one-time revenues shall not be used to fund continuous operating costs, except to manage a short-term spike in program costs, such as the phasing of a new or expanded program, making investments that have future payoffs, and to smooth out the impacts of significant state and/or federal funding reductions

Major Initiatives

The budget for 2024 included a 1.6% decrease in the equalized property tax levy and no rate increases for residential garbage pickup or water and sewer utilities. The most significant issues facing the City for 2025 and beyond relate to the continuing effects of a very restrictive state-mandated property tax levy limit and increasing debt payments.

An on-going program of reconstructing the City's sanitary sewer system in an effort to eliminate the entrance of clear water into the sanitary sewer system continues to be funded and performed on an annual basis.

2011 Wisconsin Act 10 eliminated most collective bargaining rights for City employees except public safety and Transit employees and continues to affect City operations and its annual budget. As of 2016, the police local union, the police supervisory association, the Transit union as well as non-represented employees, including decertified union employees, pay 50% of general Wisconsin State Retirement System (WRS) pension costs (the employee share) contributions. The Fire/Rescue local union and supervisory association contracts started a phase-in of employee share of WRS contributions in 2018. Newly hired Fire/Rescue employees are required to pay a share of their WRS costs, which is the same rate as paid by general employees upon employment. Each year this has a larger budget impact as turnover occurs.

Awards and Acknowledgement

Awards

The City of Fond du Lac will submit this Annual Comprehensive Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting.

To be awarded this honor, the financial reporting entity must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. This report satisfies both generally accepted accounting principles and applicable legal requirements.

This is the thirtieth consecutive year the City of Fond du Lac has prepared an Annual Comprehensive Financial Report. The City received the Certificate of Achievement from the GFOA for the 1995 through 2023 Annual Comprehensive Financial Reports.

Acknowledgment

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the professional, efficient and dedicated staff of the City of Fond du Lac Comptroller's Division. We would like to express our thanks to them and to the members of the City Council for their continued interest and support in the financial operations of the City.

Respectfully submitted,



Joseph P. Moore
City Manager



Tricia M. Davi
Director of Administration/Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fond du Lac
Wisconsin**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrell

Executive Director/CEO

CITY OF FOND DU LAC

Master Table of Organization

CITY COUNCIL
7 Members

Boards, Commissions,
& Committees

CITY MANAGER

Library
Board

**Community
Development
Director**

Community
Development
Inspections
Senior Center
Parking Facilities

**Director of
Administration/
Chief Financial
Officer**

Comptroller
Clerk
Elections
Central Payments
Central Services
Assessor

**Director of
Information
Technology
Services**

Information
Technology

**Human
Resources
Director/City
Attorney**

Human Resources
City Attorney

**Public Works
Director**

Engineering
Fleet Operations
Construction &
Maintenance
Municipal Service
Center
Street Maintenance
Snow & Ice Removal
Stormwater
Electrical
Street Lighting
Parks
Tree Care
Pools
Solid Waste
Recycling
Harbor Fund
Transit
Water Utility
Wastewater Utility

Fire Chief

Fire/Rescue

Police Chief

Police Department

Library

CITY OF FOND DU LAC

List of Principal Officials

December 31, 2024

Elected Officials

		<u>Term Expires</u>
Tiffany S. Brault	City Council President	April, 2025
Keith D. Heisler	City Council Vice-President	April, 2025
Antonio Godfrey Sr.	City Council Member	April, 2026
Angela C. Luehring	City Council Member	April, 2026
Patrick C. Mullen	City Council Member	April, 2025
Thomas A. Schuessler	City Council Member	April, 2026
Brett A. Zimmermann	City Council Member	April, 2026

Non-Elected Officials

Joseph P. Moore	City Manager
Tricia M. Davi	Director of Administration/Chief Financial Officer
Deborah S.R. Hoffmann	City Attorney/Director of Human Resources
Paul C. De Vries	Director of Public Works
Dyann L. Benson	Director of Community Development
Kathryn A. Duveneck	Director of Information Technology Services
Aaron T. Goldstein	Chief of Police
Erick S. Gerritson	Fire Chief
Jon Mark Bolthouse	Public Library Director
Christopher S. Johnson	City Engineer
Margaret L. Hefter	City Clerk

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

City Council
City of Fond du Lac, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fond du Lac, Wisconsin (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison of the General Fund 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As described in Note 20, effective December 31, 2024, the City changed accounting policies related to accounting changes and error corrections by adopting Governmental Accounting Standards Board Statement (GASB Statement) No. 100, *Accounting Changes and Error Corrections*, in 2024. The guidance requires the disclosure of certain accounting changes and error corrections. Our opinions are not modified with respect to this matter.

As discussed in Note 21 to the financial statements, effective January 1, 2024, the City adopted new accounting guidance for compensated absences. The guidance requires the City to recognize a liability for all leave benefits that are more likely than not to be used in subsequent reporting periods. Our opinions are not modified with respect to this matter.

As discussed in Note 21 to the financial statements, the City restated beginning net position in the governmental activities in the amount of \$3,040,296 to correct accumulated depreciation as reported in previously issued financial statements. 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules relating to pension and other postemployment benefits 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements, individual fund budget to actual comparison schedules, combining statements of the internal service funds, and schedules of capital assets by source, and by function and activity, and the schedule of changes in capital assets by function and activity are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration are also presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining nonmajor fund financial statements, individual fund budget to actual comparison schedules, combining statements of the internal service funds, and schedules of capital assets by source, and by function and activity, and the schedule of changes in capital assets by function and activity and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
June 19, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

This section of the City of Fond du Lac's annual financial report presents our narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report and the City's financial statements which follow this section.

Financial Highlights

- The City has strong general fund reserves and a moderate overall debt burden.
- A net positive budget variance for 2024 general fund operations was experienced through a combination of favorable outcomes in both revenues and expenses.
- The assets and deferred outflows of the City exceeded the liabilities and deferred inflows of resources on December 31, 2024, by \$289.7 million. Of this amount, \$81.3 million is unrestricted net position and may be used to meet City obligations to citizens and creditors.
- The City reported a total net position increase of \$11.6 million over the January 1 net position. The business-type activities had a \$5.3 million increase while the governmental activities had a \$6.3 million increase.
- The unrestricted net position of the governmental activities was \$34.1 million.
- The unrestricted net position of the business-type activities was \$47.2 million.
- The City's general fund balance increased by \$2.2 million, compared to the 2023 fund balance increase of \$1.8 million. While fund balance was budgeted to decrease \$139,000 in 2024, careful managing of expenditures, staffing vacancies and extremely favorable investment income led to an increase in fund balance.
- The debt service fund balance increased by \$101,000, while in 2023 the fund balance decreased \$361,000. This shift was due to higher than anticipated premiums on debt issued.
- The internal service fund for the self-funded City group health insurance benefits started 2024 with a net position of \$670,000 and finished with a net position of \$1.6 million. Premium revenues increased slightly due to a change in the mix of single and family coverage participants enrolled in the health plan. Expenditures, primarily medical and prescription claims, came in lower than budget and are responsible for the increase in net position for 2024. Medical claims decreased 15% when compared to 2023 and prescription claims 4% when compared to the same time period.
- Other governmental funds had combined decrease in fund balances of 1.6 million. All non-major governmental funds, with the exception of the transit, solid waste and recycling fund, and parks capital project fund had positive fund balances on December 31, 2024.
- During 2024, non-major capital project funds produced a net \$2.7 million decrease in fund balance. Capital project funds contain large capital purchases and construction projects which are often funded for and completed in different years. The Storm Sewer, Parks and Special Assessments Funds completed capital purchases and construction that were funded and started prior to 2023 which caused the net decrease in those fund balances. All other capital project funds had a net increase in fund balance due to the funding of projects that were not completed at year end.
- Non-major special revenue funds had an overall increase in fund balance of \$977,000. Significant increases and decreases are explained in more detail below:
 - The Transit Fund had a decrease in fund balance of \$875,000. This is due to the timing of the receipt of Federal Operating Aids. Funds for program year 2024 were not made available to the City until June of 2025, resulting in a recording of deferred revenues in 2024. The funds were received in 2025 and returned the Transit fund to a more positive fund balance.
 - The Community Development Block Grant loan repayments were higher than loan project expenditures which contributed to the net increase in fund balance of \$168,000.
 - The Library Fund had an increase in fund balance of \$93,000 due to short-term staffing vacancies throughout the year and a more focused approach to expenditure monitoring.
 - The Solid Waste and Recycling fund had a decrease in fund balance of \$26,000. In the Solid Waste portion of the fund, revenues were slightly higher than costs, which resulted in an increase in fund balance of \$21,000. In the Recycling portion of the fund, fund balance decreased by \$47,000 costs for disposal of recycling materials continued to outpace the funding received from the State Recycling Grant.
 - The Tax Incremental Financing Districts Fund experienced a \$1.1 million decrease in fund balance increment values in the TIDs. This was due to closing 3 of the TID districts in 2023, which reduced the amount of increment received by the Fund. The average increase in each of the City's 9 active TIDs was 9%.
 - The Harbor and Boating Facilities fund experienced an \$8,000 decrease in fund balance, due to the repair of a pedestrian bridge in Lakeside Park.

City of Fond du Lac, Wisconsin

MANAGEMENT’S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

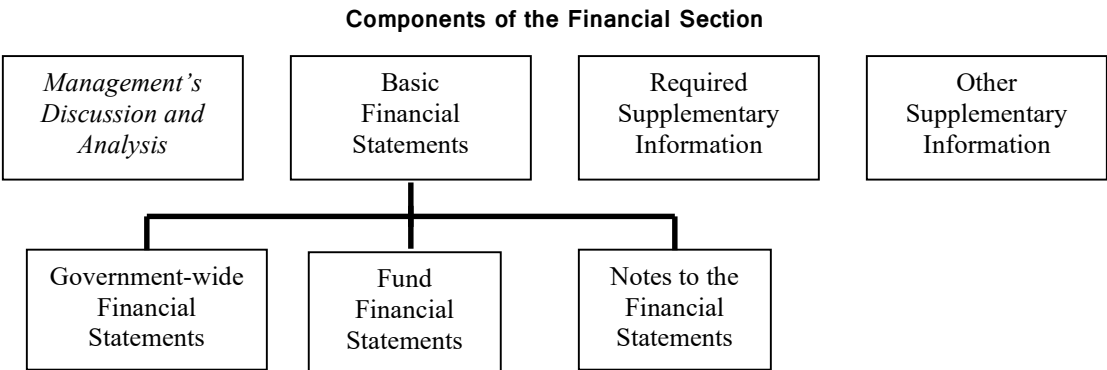
Overview of the Financial Statement

This annual report consists of four parts - management’s discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government and report the City’s operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements provide short and long-term financial information about the activities the government operates similar to businesses, such as the water and sewer system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds, each of which are added together and presented in single columns in the basic financial statements.



Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Fond du Lac’s finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Fond du Lac’s assets and liabilities and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Fond du Lac is improving or deteriorating.

The statement of activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Fond du Lac that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Fond du Lac include general government, public safety, public works, culture and recreation, community development and interest on long-term debt. The business-type activities of the City of Fond du Lac include the Water Utility and Wastewater Collection and Treatment System.

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Data from the other twenty-three governmental funds are combined into single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Fond du Lac adopts an annual appropriated budget for its general fund, debt service fund and certain special revenue funds. Budgetary comparison statements have been provided for these budgeted funds to demonstrate compliance with this budget.

Proprietary funds. The City of Fond du Lac maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Fond du Lac uses enterprise funds to account for its Water Utility and Wastewater Treatment and Resource Recovery Facility. The City of Fond du Lac uses internal service funds to account for the transactions of the City's self-funded employee health insurance program and the information technology fund. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility and Wastewater Treatment and Resource Recovery Facility, both of which are considered to be major funds of the City of Fond du Lac.

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2024

Government-wide Financial Analysis

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Fond du Lac, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$289,741,524 at the close of 2024.

By far, the largest portion of the City of Fond du Lac's net position, 65 percent, reflects its investment in capital assets, net of depreciation, less the outstanding debt that was used to acquire those assets. The following table presents a summary of the Statements of Net Position.

Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 101,767	\$ 104,485	\$ 59,109	\$ 31,004	\$ 160,876	\$ 135,489
Capital assets	154,632	143,422	188,499	185,280	343,131	328,702
Total assets	256,399	247,907	247,608	216,284	504,007	464,191
Deferred outflows of resources						
Pension/OPEB	27,299	40,368	1,859	3,084	29,158	43,452
Non-current liabilities	95,996	98,974	51,749	28,010	147,745	126,984
Current and other liabilities	29,394	31,389	11,949	10,299	41,343	41,688
Total liabilities	125,390	130,363	63,698	38,309	189,088	168,672
Deferred inflows of resources						
Property taxes	36,533	36,227	-	-	36,533	36,227
Pension /OPEB/Other	16,634	22,808	1,168	1,772	17,802	24,580
Total deferred inflows	53,167	59,035	1,168	1,772	54,335	60,807
Net position:						
Net investment in						
capital assets	60,181	55,876	128,594	150,737	188,775	206,613
Restricted	10,887	12,178	8,784	8,124	19,671	20,302
Unrestricted	34,073	30,823	47,223	20,426	81,296	51,249
Total net position	\$ 105,141	\$ 98,877	\$ 184,601	\$ 179,287	\$ 289,742	\$ 278,164

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2024

Statement of Activities

The following table summarizes the changes in net position for the City of Fond du Lac for the fiscal year ended December 31, 2024.

Changes in Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 6,758	\$ 8,677	\$ 26,715	\$ 26,518	\$ 33,473	\$ 35,195
Operating grants and contributions	8,591	12,620	-	58	8,591	12,678
Capital grants and contributions	1,749	1,861	199	550	1,948	2,411
General revenues:						
Property taxes	34,787	33,564	-	-	34,787	33,564
Other taxes	564	547	-	-	564	547
Federal and State grants and other contributions not restricted to specific functions	14,588	8,227	-	-	14,588	8,227
Interest and investment earnings	3,573	3,371	783	618	4,356	3,989
Miscellaneous	421	131	-	-	421	131
Gain on sale of asset	186	107	-	4	186	111
Total revenues	71,217	69,105	27,697	27,748	98,914	96,853
Expenses:						
General government	3,655	3,796	-	-	3,655	3,796
Public safety	24,588	26,926	-	-	24,588	26,926
Public works	23,126	24,356	-	-	23,126	24,356
Culture and recreation	8,323	9,300	-	-	8,323	9,300
Community and development	4,098	6,510	-	-	4,098	6,510
Interest and fiscal charges	2,539	2,206	-	-	2,539	2,206
Water	-	-	9,995	8,567	9,995	8,567
Wastewater	-	-	10,505	10,329	10,505	10,329
Total expenses	66,329	73,094	20,500	18,896	86,829	91,990
Increase (decrease) in net position before transfers	4,888	(3,989)	7,197	8,852	12,085	4,863
Transfers	1,624	1,679	(1,624)	(1,679)	-	-
Increase (decrease) in net position	6,512	(2,310)	5,573	7,173	12,085	4,863
Net position - 1/1	98,630	100,990	179,028	171,855	277,658	272,845
Net position - 12/31	\$ 105,142	\$ 98,630	\$ 184,601	\$ 179,028	\$ 289,743	\$ 277,658

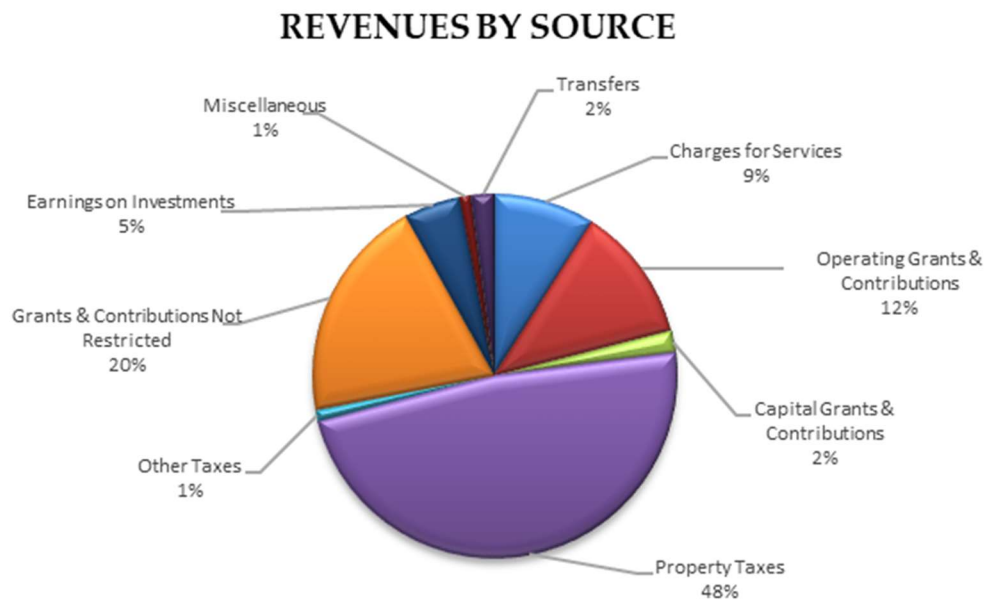
City of Fond du Lac, Wisconsin

MANAGEMENT’S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Governmental activities.

In the City’s governmental activities, revenues and transfers amounted to \$72.8 million. The primary revenue source, comprising 34 percent of total revenues, is property taxes, which saw an increase due of 2.2 percent due to the State of Wisconsin mandate to remove personal property from the tax roll. The total value of personal property removed was \$121 million, resulting in an overall decrease in assessed value of \$70 million.

The sources of revenues are shown in the pie graph below:



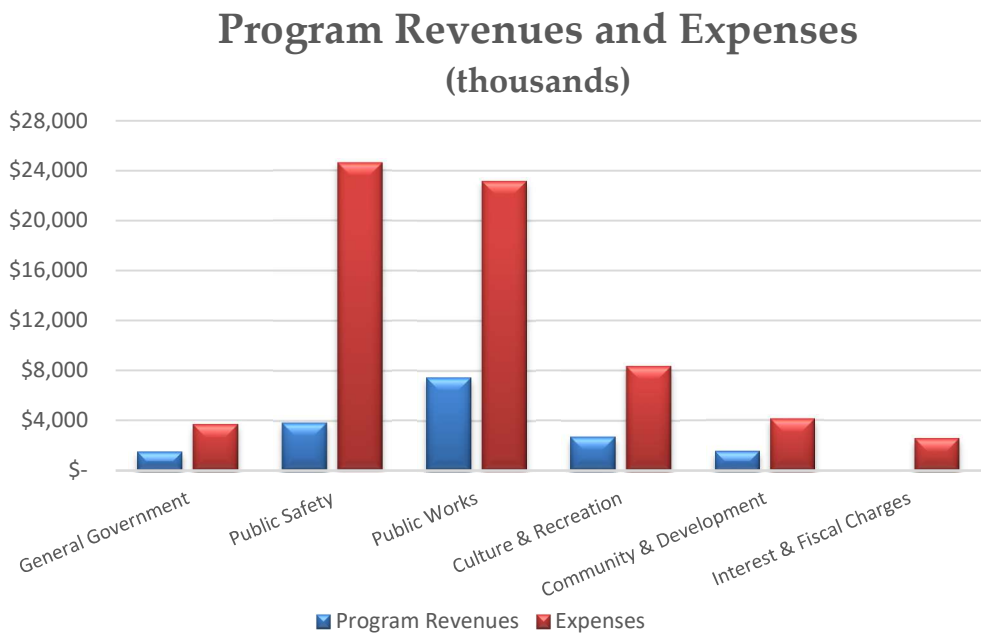
The bar graph below compares the activities and expenses by function. Public works represents the largest expense at \$23.3 million or 35 percent. Public safety is the next largest area of expense at \$23.1 million or 34 percent. Public Safety and Public Works are all primarily people-dependent, with wages and benefits equating to 87% and 69% respectively.

The blue bars indicate the program revenues by function. The graph reflects that most of the expenses are not financed by program revenues, but rather by general property tax and other general revenues.

Community Development includes the Inspections Division which collects significant revenues in the form of building permits. Public Safety includes ambulance services with fees billed to the patient. Public works program revenues include state transportation aids for streets and highways, solid waste collection user fees, state recycling grants, and state and federal transit aids and user fees.

City of Fond du Lac, Wisconsin

MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024



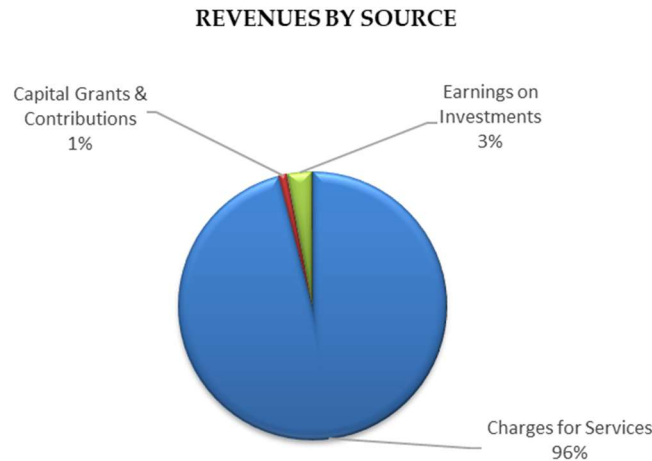
Business-type activities.

The business-type activities of the Water and Wastewater utilities increased the City’s net position by \$5.6 million.

Water rate increases must be submitted to the Wisconsin Public Service Commission (PSCW) for approval. The last water rate increase was granted by the PSCW in 2015.

The last Wastewater Utility- rate increase was implemented in 2009.

Highly favorable interest rates for investments led to a notable increase in interest earnings, thereby causing a slight shift in the composition of elements depicted in the pie chart. In 2023, Charges for Services constituted 96 percent, while Earnings on Investments represented 2 percent. In 2024, 96 percent for Charges for Services remained the same while percent for Earning Investments increased to 3 percent.



City of Fond du Lac, Wisconsin

MANAGEMENT’S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

The bar graph below illustrates the operational trends of Enterprise funds, where program revenues consistently exceed expenses. Both Water and Wastewater rates, along with service billings, consistently cover the necessary operations and maintenance costs for each utility.



Financial Analysis of the Government’s Funds

As noted earlier, the City of Fond du Lac uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The general fund is the chief operating fund of the City of Fond du Lac. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The City Council has adopted a general fund working capital designation of 15 percent of the annual budgeted general fund appropriations. Unassigned general fund balance as of December 31, 2024 represents 30.2 percent of total actual 2024 general fund expenditures, while total fund balance represents 34.1 percent of that same amount. The unassigned fund balance includes the working capital goal of 15 percent of the 2024 budgeted expenditures. Total general fund balance increased by \$2,228,560 in 2024, significantly better than the budgeted decrease of \$139,356 due to favorable budget variances for both revenues and expenditures.

Proprietary funds. The City of Fond du Lac’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The total net position increased \$5.4 million during 2024. The net investment in capital assets decreased from \$151 million in 2023 to \$129 million in 2024. A decrease in large capital projects offset by annual depreciation costs resulted in the decreased net investment in capital assets. Favorable experience with operating revenues has also contributed to overall positive net position.

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

General Fund Budgetary Highlights

The total difference between the original budget and the final amended budget was a net decrease in fund balance of \$304,163. The changes between original budget and the final budget were the result of the roll-over of encumbrances from 2024. The encumbrance items were budgeted in previous years, but the purchase orders remained outstanding at the end of the year. As a result, the funds remained in fund balance and were re-appropriated to the 2025 budget.

General fund revenue and expenditure budget variances-explanation.

During this year, the net increase in fund balance was \$2.7 million higher than budget. The primary reasons for this are:

- Revenues produced a net \$2,700,000 positive budget variance.
 - The primary driving forces for the significant positive budget variance were due to interest on investments, and an intergovernmental agreement for ambulance services.
 - The City budgeted very conservatively on interest income, and due to extremely favorable interest rates, interest on investments was \$2,300,000 higher than budgeted.
 - The City has negotiated agreements to provide ambulance service with out-lying Towns. In 2024, on Town paid an outstanding amount of \$208,000 in addition to their 2024 amount of \$204,000. Due to period of availability, the City had recorded the amount as deferred revenue in 2023 and recognized the revenue in 2024.
 - Increases in certain State Aids, such as Transportation Aids, contributed to the remaining \$192,000 positive budget variance.
- Total expenditures provided for a net \$316,000 favorable budget variance across all general fund divisions.
 - General government had an overall positive variance of \$63,000 due to delays in filling vacancies, and postponement of consulting services for property revaluation.
 - Public safety saw an unfavorable budget variance of \$36,000. Police wages and benefits were over budget by \$123,000, and Fire Rescue wages and benefits were over budget by \$33,000. This was due in large part to a younger workforce having life events in which they switched from single health insurance coverage to family health insurance coverage. Favorable budget variances of \$120,000 in other Public Safety operating accounts helped offset the overages in wages and benefits for the net unfavorable variance.
 - The department of public works had a net \$116,000 unfavorable variance.
 - Engineering ended 2023 with a \$133,000 unfavorable budget variance, due to more design and construction inspection services being outsourced to consultants rather than being performed with existing staff.
 - Fleet Operations experienced a positive variance of \$26,000 due to a change in inventory management practices.
 - Due to vacancies, the Construction & Maintenance division experienced a \$149,000 positive budget variance.
 - The Municipal Service Center ended with a \$18,000 unfavorable variance. The variance is due to the high price of automotive maintenance and supplies.
 - Increased costs and quantities of repairs within Storm Water and Waterway Maintenance caused an unfavorable variance of \$70,000.
 - Electrical ended with an unfavorable budget variance of \$39,000 and Street Lighting with an unfavorable budget variance of \$118,000 due to an increase in unanticipated equipment maintenance.
 - Favorable spending compared to budget in Highway Maintenance, Snow and Ice Removal, Electrical, Street Lighting, and Tree Care in 2024 make up the remaining \$87,000 favorable variance for public works.
 - Culture and recreation had a \$23,000 favorable variance.
 - Parks had an unfavorable budget variance of \$17,500 primarily due an increase in workforce choosing family health coverage.
 - The Senior Center had a favorable budget variance of \$40,500, due to postponing office furniture purchases and maintenance and upkeep costs being less than projected.

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2024

- Community and development had a \$420,000 favorable variance.
 - Community development had a favorable variance of \$153,000 due to an employment vacancy and concentrating efforts on grant-funded redevelopment projects.
 - Economic development had a favorable variance of \$167,000, due to a decrease in funding requests for various downtown improvement projects. The majority of these funds have been encumbered to 2024 for projects that could reach completion in 2025.
 - Parking Facilities had a \$62,000 favorable variance in road repair and supplies due to actual expenses being less than budgeted for the year.
 - Inspections had a \$38,000 favorable variance in outside services due to less required demolition work on blighted properties.
- Debt service principal and interest charges of \$38,000 for GASB-related lease entries account for the remainder of the net budget variance in the general fund.

Capital Asset and Debt Administration

Capital assets.

The City of Fond du Lac's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$343,131,574 (net of accumulated depreciation and amortization). This investment in capital assets includes land and construction in progress, infrastructure, buildings, improvements other than buildings, equipment, and right to use assets.

Capital assets net of depreciation and amortization increased by \$11.4 million, or 3.4 percent. The business-type activities had a net increase of \$3.2 million. Governmental capital assets, net of depreciation and amortization increased by \$8.2 million due largely to depreciation and amortization expense outpacing 2024 capital asset additions.

Major governmental capital activity included street and stormwater infrastructure of \$3.2 million and facility investments of \$370,000. Construction in progress at the end of the year includes the Street reconstruction projects and building renovations to various facilities with combined costs incurred of \$14.2 million. Additions and retirements of large pieces of public works equipment and squad cars are on a normal replacement schedule with no major changes planned.

Major business-type capital asset additions in the Water Utility included \$2.5 million of utility street reconstruction. Significant Wastewater projects included \$965,000 of utility street reconstruction. Depreciation and amortization expense for 2024 was \$6.4 million which included \$3.1 million for water and \$3.3 million for wastewater.

Additional information on the City's capital assets can be found in Note 6 of the Notes to Basic Financial Statements.

Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and construction in progress	\$ 23,167	\$ 13,873	\$ 4,399	\$ 2,470	\$ 27,566	\$ 16,343
Infrastructure	98,570	101,016	-	-	98,570	101,016
Buildings and improvements	14,657	15,546	46,980	49,315	61,637	64,861
Land improvements	6,208	3,322	115,030	114,015	121,238	117,337
Machinery and equipment	11,142	11,694	22,078	19,462	33,220	31,156
Right-to-use lease assets	88	122	13	17	101	139
Subscription based information technology	800	889	-	-	800	889
Total	\$ 154,632	\$ 146,462	\$ 188,500	\$ 185,279	\$ 343,132	\$ 331,741

City of Fond du Lac, Wisconsin

MANAGEMENT’S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Long-term debt.

At the end of the current fiscal year, the City of Fond du Lac had total general obligation and revenue bond debt outstanding of \$152,285,144.

Outstanding Debt - General Obligation Debt and Revenue Bonds
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 9,470	\$ 11,160	\$ -	\$ -	\$ 9,470	\$ 11,160
General obligation notes	86,985	81,745	-	-	86,985	81,745
Revenue bonds	-	-	55,830	33,598	55,830	33,598
Total	\$ 96,455	\$ 92,905	\$ 55,830	\$ 33,598	\$ 152,285	\$ 126,503

The total debt of the City of Fond du Lac increased \$25.8 million, or 20.4 percent during 2024.

- The City issued tax-exempt general obligation notes of \$13,800,000 to finance the portion of the City’s 2024 general capital improvement projects not funded by operating revenues or existing financial resources.
- The City issued waterworks system revenue bonds of \$9,150,000 to finance the portion of the Utility’s 2024 and 2025 capital improvement projects not funded by operating revenues or existing financial resources.
- The City issued sewer system revenue bonds of \$20,590,000 to finance the portion of the Utility’s 2024 and 2025 capital improvement projects not funded by operating revenues or existing financial resources.

The City of Fond du Lac maintains an “AA-/Stable” rating from Standard & Poor’s for its general obligation debt. The revenue bonds of the water utility have been rated “A/Negative” by Standard & Poor’s, while the revenue bonds of the wastewater utility have been rated “A+/Stable” from Standard & Poor’s.

State statutes limit the amount of general obligation debt a government entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City on December 31, 2024, was \$220,711,450, which was in excess of the net outstanding general obligation debt applicable to debt limitation of \$96,455,000. The available legal margin for new debt was \$124,256,450.

Additional information on the City’s debt may be found in note 8 of the Notes to Basic Financial Statements.

Economic Factors and Next Year’s budgets and Rates

- The 2024 average unemployment rate for the City of Fond du Lac was 3.1 percent, which is up from an average of 2.7 percent a year ago. The current unemployment rate is drastically lower than the coronavirus pandemic induced 19.3 percent from April 2020.
- Population in the City of Fond du lac decreased slightly from 2023 to 2024.
- The City’s total 2024 property tax levy to fund the 2025 budget increased 5.9 percent. \$436,000 of the increase was the result of the allowable growth increase, but increased debt service was the primary source of the levy limit increase.
- The State of Wisconsin passed historic Act 12 legislation that increased previously stagnant State Shared revenues to municipalities. For 2024, The City’s increase was 27.7% over 2023. The influx of State revenues will allow for a significant decrease in the amount of fund balances applied toward the operating budget and allow for flexibility in adapting to a growing community.

City of Fond du Lac, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Rates for the City's business-type activities for 2024 are as follows:

- The water utility had a 6.8 percent rate increase in December 2015, with no proposed rate increase for 2025. The 2015 increase was used to pay for capital expenditures such as replacing water mains in conjunction with road rehabilitation and replacing and upgrading water filtration plant pumps.
- The wastewater utility rates remained the same from 2009 to 2025 with no proposed increases.

These factors were considered in preparing the City of Fond du Lac's budget for 2025.

Requests for Information

This financial report is designed to provide a general overview of the City of Fond du Lac's finances and to demonstrate the City's accountability for the money it receives to our citizens, taxpayers, customers, and investors and creditors. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administration, City of Fond du Lac, 160 South Macy Street, PO Box 150, Fond du Lac, WI 54936-0150.

BASIC FINANCIAL STATEMENTS

CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 56,588,193	\$ 40,628,382	\$ 97,216,575
Receivables:			
Taxes and Special Charges	34,617,887	-	34,617,887
Delinquent Taxes	921,860	-	921,860
Accounts	2,401,417	5,726,944	8,128,361
Special Assessments	145,852	1,461,111	1,606,963
Interest	409,076	-	409,076
Loans	4,782,722	-	4,782,722
Leases	22,068	-	22,068
Internal Balances	(471,142)	471,142	-
Due from Other Governments	1,015,963	1,458,470	2,474,433
Prepaid Supplies and Items	1,332,769	502,525	1,835,294
Other Noncurrent Assets	-	76,138	76,138
Restricted Assets:			
Cash and Investments	-	8,783,203	8,783,203
Capital Assets, Not Being Depreciated and Amortized	23,166,880	4,399,236	27,566,116
Capital Assets, Being Depreciated and Amortized, Net	131,464,728	184,100,730	315,565,458
Total Assets	<u>256,398,273</u>	<u>247,607,881</u>	<u>504,006,154</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	26,804,124	1,804,260	28,608,384
Other Postemployment Benefit Related Amounts	494,672	54,963	549,635
Total Deferred Outflows of Resources	<u>27,298,796</u>	<u>1,859,223</u>	<u>29,158,019</u>
LIABILITIES			
Accounts Payable	3,159,846	1,401,434	4,561,280
Accrued and Other Current Liabilities	3,143,628	1,965,327	5,108,955
Due to Other Governments	1,279,085	-	1,279,085
Accrued Interest Payable	1,107,543	588,708	1,696,251
Special Deposits	1,038,162	1,600	1,039,762
Unearned Revenues	4,266,053	32,047	4,298,100
Long-Term Obligations:			
Due Within One Year	15,394,688	7,954,378	23,349,066
Due in More Than One Year:			
Net Pension Liability	90,848,729	51,309,182	142,157,911
Other Postemployment Benefits Liability:	2,993,399	205,478	3,198,877
Due Within One Year	5,000	5,000	10,000
Due in More Than One Year	2,153,620	234,847	2,388,467
Total Liabilities	<u>125,389,753</u>	<u>63,698,001</u>	<u>189,087,754</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	36,511,334	-	36,511,334
Lease Related	22,068	-	22,068
Pension Related Amounts	16,009,947	1,098,982	17,108,929
Other Postemployment Benefit Related Amounts	623,307	69,257	692,564
Total Deferred Inflows of Resources	<u>53,166,656</u>	<u>1,168,239</u>	<u>54,334,895</u>
NET POSITION			
Net Investment in Capital Assets	60,180,635	128,594,207	188,774,842
Restricted for:			
Debt Service	-	3,486,643	3,486,643
Equipment Replacement	-	5,296,560	5,296,560
Community Development and Loans	7,185,918	-	7,185,918
Tax Incremental District Activities	3,701,337	-	3,701,337
Unrestricted	<u>34,072,770</u>	<u>47,223,454</u>	<u>81,296,224</u>
Total Net Position	<u>\$ 105,140,660</u>	<u>\$ 184,600,864</u>	<u>\$ 289,741,524</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Change in Net Position		Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
GOVERNMENTAL ACTIVITIES							
General Government	\$ 3,655,375	\$ 973,486	\$ 533,790	\$ -	\$ (2,148,099)	\$ -	\$ (2,148,099)
Public Safety:							
Police	14,131,387	234,914	456,162	-	(13,440,311)	-	(13,440,311)
Fire and Rescue	10,457,246	2,038,760	1,127,950	-	(7,290,536)	-	(7,290,536)
Public Works	23,126,199	1,874,317	4,149,904	1,428,609	(15,673,369)	-	(15,673,369)
Culture and Recreation	8,322,625	637,904	1,856,303	220,692	(5,607,726)	-	(5,607,726)
Community and Development	4,097,748	998,647	467,145	99,667	(2,532,289)	-	(2,532,289)
Interest and Fiscal Charges	2,539,168	-	-	-	(2,539,168)	-	(2,539,168)
Total Governmental Activities	66,329,748	6,758,028	8,591,254	1,748,968	(49,231,498)	-	(49,231,498)
BUSINESS-TYPE ACTIVITIES							
Water Utility	9,995,238	13,254,584	-	198,772	-	3,458,118	3,458,118
Wastewater Utility	10,504,528	13,460,192	-	-	-	2,955,664	2,955,664
Total Business-Type Activities	20,499,766	26,714,776	-	198,772	-	6,413,782	6,413,782
Total	<u>\$ 86,829,514</u>	<u>\$ 33,472,804</u>	<u>\$ 8,591,254</u>	<u>\$ 1,947,740</u>	(49,231,498)	6,413,782	(42,817,716)
GENERAL REVENUES AND TRANSFERS							
Taxes:							
Property Taxes					34,787,388	-	34,787,388
Other Taxes					563,715	-	563,715
Federal and State Grants and Other Contributions							
Not Restricted to Specific Functions					14,587,560	-	14,587,560
Interest and Investment Earnings					3,572,615	782,723	4,355,338
Miscellaneous					420,591	-	420,591
Gain on Sale of Asset					186,292	-	186,292
Transfers					1,624,431	(1,624,431)	-
Total General Revenues and Transfers					55,742,592	(841,708)	54,900,884
CHANGE IN NET POSITION					6,511,094	5,572,074	12,083,168
Net Position - Beginning of Year, as Originally Reported					98,877,197	179,286,431	278,163,628
Prior Period Adjustment					3,040,296	-	3,040,296
Change in Accounting Principle					(3,287,927)	(257,641)	(3,545,568)
Net Position - Beginning of Year, as Restated					98,629,566	179,028,790	277,658,356
NET POSITION - END OF YEAR					<u>\$ 105,140,660</u>	<u>\$ 184,600,864</u>	<u>\$ 289,741,524</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	General	Debt Service	Nonmajor Governmental Funds	Totals
ASSETS				
Cash and Investments	\$ 15,020,497	\$ 354,870	\$ 38,577,733	\$ 53,953,100
Receivables:				
Taxes and Special Charges	15,859,307	12,898,738	5,859,842	34,617,887
Delinquent Taxes	921,860	-	-	921,860
Accounts	2,093,983	-	253,520	2,347,503
Special Assessments	124,136	-	21,716	145,852
Interest	409,076	-	-	409,076
Loans	-	-	4,782,722	4,782,722
Leases	22,068	-	-	22,068
Due from Other Funds	892,597	-	-	892,597
Due from Other Governments	130,249	-	885,714	1,015,963
Prepaid Supplies and Items	1,196,957	-	46,116	1,243,073
	<u>36,670,730</u>	<u>13,253,608</u>	<u>50,427,363</u>	<u>100,351,701</u>
Total Assets	\$ 36,670,730	\$ 13,253,608	\$ 50,427,363	\$ 100,351,701
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 494,956	\$ -	\$ 2,726,061	\$ 3,221,017
Accrued and Other Current Liabilities	1,925,466	-	156,896	2,082,362
Due to Other Funds	-	-	892,597	892,597
Due to Other Governments	1,279,085	-	-	1,279,085
Special Deposits	1,032,662	-	5,500	1,038,162
Unearned Revenues	56,163	-	4,209,890	4,266,053
Total Liabilities	<u>4,788,332</u>	<u>-</u>	<u>7,990,944</u>	<u>12,779,276</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Levied for				
Subsequent Year	17,755,129	12,898,738	5,857,467	36,511,334
Loans Receivable	-	-	4,782,722	4,782,722
Lease Related	22,068	-	-	22,068
Special Assessments	113,962	-	-	113,962
Other Unavailable Revenues	1,031,529	-	767,122	1,798,651
Total Deferred Inflows of Resources	<u>18,922,688</u>	<u>12,898,738</u>	<u>11,407,311</u>	<u>43,228,737</u>
FUND BALANCES				
Nonspendable	1,196,957	-	46,116	1,243,073
Restricted	-	354,870	14,246,611	14,601,481
Committed	134,200	-	17,732,761	17,866,961
Assigned	133,334	-	-	133,334
Unassigned	11,495,219	-	(996,380)	10,498,839
Total Fund Balances	<u>12,959,710</u>	<u>354,870</u>	<u>31,029,108</u>	<u>44,343,688</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 36,670,730</u>	<u>\$ 13,253,608</u>	<u>\$ 50,427,363</u>	<u>\$ 100,351,701</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Fund Balances - Total Governmental Funds	\$ 44,343,688
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	154,000,427
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Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the funds.	6,695,335
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Net position of the internal service fund is reported in the Statement of Net Position as governmental activities.	1,779,498
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Some deferred outflows and inflows of resources are not reported in the funds.

Deferred Outflows Related to Pensions	26,804,124
Deferred Inflows Related to Pensions	(16,009,947)
Deferred Outflows Related to Other Postemployment Benefits	494,672
Deferred Inflows Related to Other Postemployment Benefits	(623,307)

Internal service funds are used by management to charge the costs of insurance programs and information technology services to individual funds. The net expense of certain activities of internal service funds is reported with proprietary activities.	(471,142)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and Notes Payable	(96,455,000)
Lease Liability	(93,900)
Debt Premium	(4,208,601)
Compensated Absences	(4,863,242)
Net Pension Liability	(2,993,399)
Other Postemployment Benefits Liability	(2,158,620)
Accrued Interest on Long-Term Obligations	<u>(1,099,926)</u>

Net Position of Governmental Activities	<u><u>\$ 105,140,660</u></u>
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CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General Fund	ARPA	Debt Service Fund	Nonmajor Governmental Funds	Totals
REVENUES					
Taxes	\$ 18,175,805	\$ -	\$ 10,560,000	\$ 6,513,199	\$ 35,249,004
Special Assessments	23,153	-	-	-	23,153
Intergovernmental	12,195,174	-	-	11,066,267	23,261,441
Licenses and Permits	1,194,088	-	-	-	1,194,088
Fines and Forfeits	348,872	-	-	-	348,872
Public Charges for Services	3,056,863	-	-	1,962,123	5,018,986
Intergovernmental Charges for Services	4,041	-	-	-	4,041
Miscellaneous	3,641,726	-	-	1,760,030	5,401,756
Total Revenues	38,639,722	-	10,560,000	21,301,619	70,501,341
EXPENDITURES					
Current:					
General Government	3,232,795	-	10,200	1,816,898	5,059,893
Public Safety	23,715,030	-	-	335,072	24,050,102
Public Works	6,693,852	-	-	4,013,634	10,707,486
Culture and Recreation	2,357,938	-	-	4,174,361	6,532,299
Community and Development	1,541,163	-	-	1,119,379	2,660,542
Debt Service:					
Principal	33,414	-	10,250,000	212,100	10,495,514
Interest and Fiscal Charges	5,454	-	3,146,375	-	3,151,829
Capital Outlay	-	-	-	24,171,408	24,171,408
Total Expenditures	37,579,646	-	13,406,575	35,842,852	86,829,073
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,060,076	-	(2,846,575)	(14,541,233)	(16,327,732)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	13,800,000	13,800,000
Proceeds from Issuance of Subscription	-	-	-	212,100	212,100
Premium on Debt Issued	-	-	1,031,306	-	1,031,306
Proceeds from Sale of Capital Assets	6,979	-	-	179,033	186,012
Transfers In	1,624,430	-	1,916,193	4,646,484	8,187,107
Transfers Out	(462,925)	-	-	(5,847,210)	(6,310,135)
Total Other Financing Sources (Uses)	1,168,484	-	2,947,499	12,990,407	17,106,390
NET CHANGE IN FUND BALANCES	2,228,560	-	100,924	(1,550,826)	778,658
Fund Balances - Beginning of Year, as Originally Reported	10,731,150	41	253,946	32,579,893	43,565,030
Change Within Financial Reporting Entity Major to Nonmajor Fund	-	(41)	-	41	-
Fund Balances - Beginning of Year, as Restated	10,731,150	-	253,946	32,579,934	43,565,030
FUND BALANCES - END OF YEAR	<u>\$ 12,959,710</u>	<u>\$ -</u>	<u>\$ 354,870</u>	<u>\$ 31,029,108</u>	<u>\$ 44,343,688</u>

See accompanying Notes to Basic Financial Statements.

CITY OF FOND DU LAC, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Net Changes in Fund Balances - Total Governmental Funds \$ 778,658

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Assets Reported as Capital Outlay in Governmental Fund Statements	24,171,408
Items Reported as Capital Outlay, But Not Capitalized	(6,691,672)
Depreciation and Amortization Expense Reported in the Statement of Activities	(8,920,215)
Net Book Value of Disposals	(131,778)

Governmental funds do not present revenues that are not available to pay current
obligations. In contrast, such revenues are reported in the Statement
of Activities when earned. (296,757)

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

Long-Term Debt Issued	(13,800,000)
Subscription Liability Issued	(212,100)
Premium on Debt Issued	(1,031,306)
Principal Repaid on General Obligation Bonds and Notes	10,250,000
Principal Repaid on Lease Liability	33,414
Principal Repaid on Subscription Liability	212,100

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

Accrued Interest on Long-Term Debt	(136,009)
Amortization of Premiums	748,668
Compensated Absences	173,103
Net Pension Liability	7,624,077
Deferred Outflows of Resources Related to Pensions	(12,944,984)
Deferred Inflows of Resources Related to Pensions	6,240,756
Other Postemployment Benefits Liability	(129,676)
Deferred Outflows of Resources Related to Other Postemployment Benefits	(124,414)
Deferred Inflows of Resources Related to Other Postemployment Benefits	(66,671)

Internal service funds are used by management to charge the costs of certain
activities to individual funds. The net revenue (expense) of the internal service
funds is reported with governmental activities.

764,492

Change in Net Position of Governmental Activities \$ 6,511,094

CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2024

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 18,222,313	\$ 18,222,313	\$ 18,175,805	\$ (46,508)
Special Assessments	100,000	100,000	23,153	(76,847)
Intergovernmental	11,640,465	11,640,465	12,195,174	554,709
Licenses and Permits	1,322,135	1,322,135	1,194,088	(128,047)
Fines and Forfeits	430,000	430,000	348,872	(81,128)
Public Charges for Services	2,981,042	2,981,042	3,056,863	75,821
Intergovernmental Charges for Services	5,000	5,000	4,041	(959)
Miscellaneous	1,210,200	1,210,200	3,641,726	2,431,526
Total Revenues	35,911,155	35,911,155	38,639,722	2,728,567
EXPENDITURES				
Current:				
General Government	3,246,398	3,296,090	3,232,795	63,295
Public Safety	23,613,559	23,679,422	23,715,030	(35,608)
Public Works	6,561,083	6,578,364	6,693,852	(115,488)
Culture and Recreation	2,375,680	2,380,912	2,357,938	22,974
Community and Development	1,794,891	1,960,986	1,541,163	419,823
Debt Service:				
Principal	-	-	33,414	(33,414)
Interest and Fiscal Charges	-	-	5,454	(5,454)
Total Expenditures	37,591,611	37,895,774	37,579,646	316,128
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,680,456)	(1,984,619)	1,060,076	3,044,695
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	2,500	2,500	6,979	4,479
Transfers In	1,850,000	1,850,000	1,624,430	(225,570)
Transfers Out	(311,400)	(311,400)	(462,925)	(151,525)
Total Other Financing Sources (Uses)	1,541,100	1,541,100	1,168,484	(372,616)
NET CHANGE IN FUND BALANCE	(139,356)	(443,519)	2,228,560	2,672,079
Fund Balance - Beginning of Year	10,731,150	10,731,150	10,731,150	-
FUND BALANCE - END OF YEAR	<u>\$ 10,591,794</u>	<u>\$ 10,287,631</u>	<u>\$ 12,959,710</u>	<u>\$ 2,672,079</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Totals	
ASSETS				
Current Assets:				
Cash and Investments	\$ 15,067,912	\$ 25,560,470	\$ 40,628,382	\$ 2,635,092
Receivables:				
Customer Accounts	3,022,900	2,710,148	5,733,048	53,914
Special Assessments	1,054,405	406,706	1,461,111	-
Prepaid Supplies and Items	502,525	-	502,525	89,696
Total Current Assets	19,647,742	28,677,324	48,325,066	2,778,702
Noncurrent Assets:				
Restricted Assets:				
Cash and Investments	3,486,643	5,296,560	8,783,203	-
Due from Other Governments	-	1,452,366	1,452,366	-
Other Assets	76,138	-	76,138	-
Total Noncurrent Assets	3,562,781	6,748,926	10,311,707	-
Capital Assets:				
Not Being Depreciated and Amortized	387,830	4,011,406	4,399,236	-
Being Depreciated and Amortized, Net	75,689,448	108,411,282	184,100,730	631,181
Total Capital Assets	76,077,278	112,422,688	188,499,966	631,181
Total Noncurrent Assets	79,640,059	119,171,614	198,811,673	631,181
Total Assets	99,287,801	147,848,938	247,136,739	3,409,883
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Amounts	814,108	990,152	1,804,260	-
Other Postemployment Benefit Related Amounts	32,978	21,985	54,963	-
Total Deferred Outflows of Resources	847,086	1,012,137	1,859,223	-

See accompanying Notes to Basic Financial Statements.

CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2024

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Totals	
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 265,605	\$ 1,135,829	\$ 1,401,434	\$ 44,320
Accrued and Other Current Liabilities	1,867,589	97,738	1,965,327	955,775
Accrued Interest Payable	310,548	278,160	588,708	7,617
Special Deposits	1,600	-	1,600	-
Unearned Revenue	11,936	20,111	32,047	-
Compensated Absences	82,324	146,105	228,429	42,685
Current Portion of Long-Term Debt	3,455,693	4,265,206	7,720,899	-
Current Portion of Lease Liability	2,605	2,445	5,050	330
Current Portion of Subscription Liability	-	-	-	169,780
Current Portion of Other Postemployment Benefits Liability	2,500	2,500	5,000	-
Total Current Liabilities	6,000,400	5,948,094	11,948,494	1,220,507
Long-Term Obligations, Less Current Portion:				
Revenue Bonds	26,680,511	24,515,254	51,195,765	-
Lease Liability	4,513	3,739	8,252	561
Subscription Liability	-	-	-	391,467
Compensated Absences	38,756	66,409	105,165	-
Net Pension Liability	90,222	115,256	205,478	-
Other Postemployment Benefits Liability	141,408	93,439	234,847	17,850
Total Long-Term Liabilities	26,955,410	24,794,097	51,749,507	409,878
Total Liabilities	32,955,810	30,742,191	63,698,001	1,630,385
DEFERRED INFLOWS OF RESOURCES				
Pension Related Amounts	482,547	616,435	1,098,982	-
Other Postemployment Benefit Related Amounts	41,554	27,703	69,257	-
Total Deferred Inflows of Resources	524,101	644,138	1,168,239	-
NET POSITION				
Net Investment in Capital Assets	45,783,351	82,810,856	128,594,207	69,043
Restricted for Debt Service	3,486,643	-	3,486,643	-
Restricted for Equipment Replacement	-	5,296,560	5,296,560	-
Unrestricted	17,384,982	29,367,330	46,752,312	1,710,455
Total Net Position	\$ 66,654,976	\$ 117,474,746	184,129,722	\$ 1,779,498
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			471,142	
Net Position of Business-Type Activities as Reported on the Statement of Net Position			\$ 184,600,864	

See accompanying Notes to Basic Financial Statements.

CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Totals	
OPERATING REVENUES				
Charges for Services	\$ 13,130,190	\$ 13,358,051	\$ 26,488,241	\$ 9,370,494
Other	71,855	102,141	173,996	-
Total Operating Revenues	13,202,045	13,460,192	26,662,237	9,370,494
OPERATING EXPENSES				
Personal Services	1,122,862	2,050,369	3,173,231	719,388
Contractual Services	1,042,081	2,223,344	3,265,425	975,516
Materials and Supplies	3,146,087	1,493,053	4,639,140	316,255
Utilities	646,176	686,480	1,332,656	5,966
Insurance Claims and Expenses	-	-	-	5,941,554
Depreciation and Amortization	3,139,620	3,294,911	6,434,531	258,754
Taxes	99,757	-	99,757	-
Total Operating Expenses	9,196,583	9,748,157	18,944,740	8,217,433
OPERATING INCOME	4,005,462	3,712,035	7,717,497	1,153,061
NONOPERATING REVENUES (EXPENSES)				
Miscellaneous	41,619	-	41,619	-
Interest Income	387,219	395,504	782,723	-
Gain on Disposal of Capital Assets	-	-	-	7,272
Interest and Fiscal Charges	(861,352)	(823,816)	(1,685,168)	(13,158)
Merchandising and Jobbing	10,920	-	10,920	-
Total Nonoperating Revenues (Expenses)	(421,594)	(428,312)	(849,906)	(5,886)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	3,583,868	3,283,723	6,867,591	1,147,175
Capital Contributions	198,772	-	198,772	-
Transfers Out	(1,624,431)	-	(1,624,431)	(252,541)
CHANGE IN NET POSITION	2,158,209	3,283,723	5,441,932	894,634
Net Position - Beginning of Year, as Originally Reported	64,593,356	114,352,075	178,945,431	935,876
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	(96,589)	(161,052)	(257,641)	(51,012)
Net Position - Beginning of Year, as Restated	64,496,767	114,191,023	178,687,790	884,864
NET POSITION - END OF YEAR	<u>\$ 66,654,976</u>	<u>\$ 117,474,746</u>	<u>\$ 184,129,722</u>	<u>\$ 1,779,498</u>
Change in Net Position, Per Above			\$ 5,441,932	
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			130,142	
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities			<u>\$ 5,572,074</u>	

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 13,504,766	\$ 14,624,716	\$ 28,129,482	\$ 9,416,772
Cash Received from Other	124,394	102,141	226,535	-
Cash Paid for Employee Wages and Benefits	(2,062,914)	(2,024,188)	(4,087,102)	(663,016)
Cash Paid to Suppliers	(3,828,124)	(4,324,866)	(8,152,990)	(7,506,918)
Net Cash Provided by Operating Activities	7,738,122	8,377,803	16,115,925	1,246,838
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer Out	(1,624,431)	-	(1,624,431)	(252,541)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(2,699,010)	(6,266,562)	(8,965,572)	-
Special Assessments Collected (Levied)	(153,339)	(25,791)	(179,130)	-
Capital Contributions	198,772	-	198,772	-
Sale of Capital Assets	-	-	-	7,273
Proceeds from Issuance of Long-Term Debt	9,150,000	20,590,000	29,740,000	-
Premium on Long-Term Debt	552,591	1,917,295	2,469,886	-
Principal Paid on Long-Term Debt	(3,340,941)	(4,167,171)	(7,508,112)	-
Principal Paid on Lease Liability	(2,605)	(2,444)	(5,049)	(330)
Interest Paid on Long-Term Debt	(979,631)	(585,194)	(1,564,825)	(6,326)
Proceeds from Issuance of Subscription	-	-	-	-
Principal Paid on Subscription Liability	-	-	-	(207,906)
Interest Paid on Subscription Liability	-	-	-	(13,122)
Net Cash Provided (Used) by Capital and Related Financing Activities	2,725,837	11,460,133	14,185,970	(220,411)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	387,219	395,504	782,723	-
CHANGE IN CASH AND INVESTMENTS	9,226,747	20,233,440	29,460,187	773,886
Cash and Investments - Beginning of Year	9,327,808	10,623,590	19,951,398	1,861,206
CASH AND INVESTMENTS - END OF YEAR	<u>\$ 18,554,555</u>	<u>\$ 30,857,030</u>	<u>\$ 49,411,585</u>	<u>\$ 2,635,092</u>

See accompanying Notes to Basic Financial Statements.

CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Totals	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	\$ 4,005,462	\$ 3,712,035	\$ 7,717,497	\$ 1,153,061
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	3,139,620	3,294,911	6,434,531	258,754
Depreciation Charged to Operating Accounts	246,869	-	246,869	-
Merchandising and Jobbing	10,920	-	10,920	-
Miscellaneous	41,619	-	41,619	-
Effects of Changes in Operating Assets, Deferred Outflows, Liabilities, and Deferred Inflows:				
Accounts Receivables	372,982	390,335	763,317	40,278
Due from Other Governments	1,594	876,330	877,924	6,000
Prepaid Supplies and Items	24,636	-	24,636	(89,696)
Accounts Payable	(65,225)	78,011	12,786	(126,919)
Accrued and Other Current Liabilities	(62,737)	16,727	(46,010)	6,400
Compensated Absences	13,297	21,768	35,065	(1,040)
Change in WRS Pension Asset/ Liability	(180,627)	(380,234)	(560,861)	-
Change in WRS Pension Related Deferred Outflows of Resources	340,857	846,434	1,187,291	-
Change in WRS Pension Related Deferred Inflows of Resources	(168,010)	(421,947)	(589,957)	-
Change in Postemployment Benefits Liability	3,981	(67,309)	(63,328)	-
Change in Postemployment Benefits Deferred Outflows of Resources	9,718	27,826	37,544	-
Change in Postemployment Benefits Deferred Inflows of Resources	3,166	(17,084)	(13,918)	-
Net Cash Provided by Operating Activities	<u>\$ 7,738,122</u>	<u>\$ 8,377,803</u>	<u>\$ 16,115,925</u>	<u>\$ 1,246,838</u>
RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION				
Cash and Investments in Current Assets	\$ 15,067,912	\$ 25,560,470	\$ 40,628,382	\$ 2,635,092
Cash and Investments in Restricted Assets	3,486,643	5,296,560	8,783,203	-
Total Cash and Investments	<u>\$ 18,554,555</u>	<u>\$ 30,857,030</u>	<u>\$ 49,411,585</u>	<u>\$ 2,635,092</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITY				
Capital Related Accounts Payable	<u>\$ 150,605</u>	<u>\$ 825,188</u>	<u>\$ 975,793</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2024**

ASSETS

Cash and Investments	\$ 5,524,099
Receivables:	
Taxes and Special Charges	23,883,204
Due from Other Governments	<u>17,802,617</u>
Total Assets	<u>47,209,920</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes Levied for Subsequent Year	<u>47,209,920</u>
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FIDUCIARY NET POSITION

Restricted for Other Governments	<u><u>\$ -</u></u>
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See accompanying Notes to Basic Financial Statements.

**CITY OF FOND DU LAC, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2024**

ADDITIONS

Property Tax Collections	\$ 47,362,847
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DEDUCTIONS

Current:

Payments to Other Taxing Jurisdictions	<u>47,362,847</u>
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CHANGE IN NET POSITION

-

Net Position - Beginning of Year

-

NET POSITION - END OF YEAR

\$ -

See accompanying Notes to Basic Financial Statements.

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Fond du Lac, Wisconsin (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

The City is a municipal corporation governed by an elected seven-member council. In accordance with U.S. GAAP, the basic financial statements are required to include the City and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

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

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major governmental funds:

General Fund

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

The City reports the following major enterprise funds:

Water Utility Fund

This fund accounts for all activities necessary to provide water services to residential, commercial, and industrial customers within the City. Fund activities include administration, billing and collection, operations, construction, maintenance, financing, and related debt service.

Wastewater Utility Fund

This fund accounts for all activities necessary to provide sewer services to residential, commercial, and industrial customers of the City and various outlying sanitary districts. Fund activities include administration, operations, construction, and maintenance of the sewerage collection and treatment system, financing, and related debt service.

Additionally, the City reports the following fund type:

Internal Service Fund

This fund accounts for health self-insurance and information technology provided to other departments of the City on a cost reimbursement basis.

The City also reports the following fiduciary fund:

Custodial Fund

The fund accounts for property taxes and special charges collected on behalf of other governments.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and custodial fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers ambulance revenues to be available if they are collected within 150 days and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accruals include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines, and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and wastewater functions and various other functions of the City. 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 City's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

2. Property Taxes and Special Charges/Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City. Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.

In addition to its levy, the City also levies and collects taxes for the Fond du Lac School District, North Fond du Lac School District, Fond du Lac County, and Moraine Park Technical College. Tax settlements with each of the taxing units occurs 15 day after each installment due date with the final settlement with the County on August 15.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. An allowance for uncollectible accounts has been provided in the basic financial statements.

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

5. Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

6. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds."

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

7. Prepaid Supplies and Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid supplies and items and are expensed during the period benefitted.

Prepaid supplies and items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

8. Capital Assets (Continued)

Capital assets are capitalized and reported at cost or estimated historical cost except for intangible right-to-use lease, the measurement of which is discussed in Note 1.D.12. The costs of normal maintenance and repairs that do not add to the value of the asset or materiality extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use lease equipment, and infrastructure are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
	Years	
Land Improvements	15 to 20	15 to 20
Buildings and Improvements	30 to 40	12 to 47
Machinery and Equipment	2 to 20	5 to 45
Improvements Other Than Buildings	-	25 to 77
Infrastructure	20 to 40	-
Subscription Based Information Technology	2 to 5	2 to 5
Right-to-Use Lease Asset - Machinery and Equipment	3 to 5	3 to 5

SBITA assets are initially measured as the sum of present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any ABITA vendor incentives from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the short of the subscription term or the useful life of the underlying IT assets.

9. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

10. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future reporting periods. Deferred inflows of resources represent an acquisition of net assets by the government that is applicable to future reporting periods. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments, accounts receivable and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

11. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds 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.

12. Leases

The City is a lessee and lessor for various pieces of equipment and land.

Lessee

The City recognizes a lease liability and an intangible right-to-use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87, *Leases*.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Leases (Continued)

Lessee (Continued)

At the commencement of a lease, the City determines based on the criteria dictated in GASB Statement No. 87, *Leases*, if the lease is a financed purchased or a lease liability. Then the City initially measures the lease liability at the present value of payments expected to be made during the lease term.

Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

An intangible right-to-use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to-use lease asset is reported with the City capital assets in its own category called Leased Assets (Right-to-Use).

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Lessor

The City determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position and fund financial statements.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Leases (Continued)

Lessor (Continued)

Lease receivables represent the City's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lease at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and traditional manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The City recognizes payments received for short-term leases with a lease term of 12 months or less, including options to extend, as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the City has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Pensions

Wisconsin Retirement System

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

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

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

14. Other Postemployment Benefits Other Than Pensions (OPEB)

Single-Employer Defined Postemployment Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Information about the fiduciary net position of the City's other postemployment benefit plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

15. Fund Balance

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable.** Amounts that are not in spendable form (such as prepaid supplies or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position or Fund Balance (Continued)

15. Fund Balance (Continued)

Governmental Fund Financial Statements (Continued)

- **Committed.** Amounts that are constrained for specific purposes by action of the City Council (resolution). These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- **Assigned.** Amounts that are constrained for specific purposes by action of City Council, in accordance with the City's adopted fund balance policy. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

16. Net Position

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation or amortization, and capital related deferred outflows of resources less outstanding balances of any bonds and related premiums, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

When both restricted and unrestricted resources are available for use, the City utilizes restricted resources first, then unrestricted resources as they are needed.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Use of Estimates

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

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. On or about October 1, the City Manager submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council resolution.
2. Budgets are adopted on a basis consistent with U.S. GAAP for the general fund, debt service fund and special revenue funds, except for the Community Development Block Grant, Community Projects, Special Events, Property Insurance Deductible, Residential Development Improvement Program, Highway 45 Transfer, and Affordable Housing special revenue funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for all funds adopting a budget.
4. The budget as enacted includes total expenditures, which cannot legally exceed appropriations at the function level. The governmental funds have legally adopted budgets.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures over Budget Appropriations

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2024, as follows:

Fund	Excess Expenditures
General:	
Public Safety	\$ 35,608
Public Works	155,488
Debt Service:	
Principal	33,414
Interest and Fiscal Charges	5,454

The excess expenditure variances were funded using favorable revenue variances and available fund balance in the various funds.

The following fund had deficit fund balance at December 31, 2024:

Funds	Deficit Fund Balance
Special Revenue:	
Solid Waste and Recycling	\$ 372,511
Transit	467,361
Capital Projects:	
Parks	\$ 35,235

The City expects to fund the deficit fund balances with future revenues of the funds.

C. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2024 and 2023 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2024 budget was 1.23%. The actual limit for the City for the 2025 budget was 1.61%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and Investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled \$111,523,877 on December 31, 2024, as summarized below:

Petty Cash and Cash On Hand	\$ 2,550
Deposits with Financial Institutions	45,214,424
Investments	66,306,903
Total	<u><u>\$ 111,523,877</u></u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 97,216,575
Restricted Cash and Investments	8,783,203
Fiduciary Fund Statement of Net Position:	
Cash and Investments	5,524,099
Total	<u><u>\$ 111,523,877</u></u>

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2024:

	Fair Value Measurements Using:			
	Level 1	Level 2	Level 3	Total
Investments:				
U.S. Treasury Securities	\$ -	\$ 28,637,185	\$ -	\$ 28,637,185
Federal Farm Credit Bank	-	7,031,684	-	7,031,684
Fond du Lac Area Foundation	-	-	257,444	257,444
Federal Home Loan Bank	-	6,113,927	-	6,113,927
Federal Home Loan Mortgage Corp.	-	3,425,196	-	3,425,196
Federal National Mortgage Assoc.	-	4,431,197	-	4,431,197
Total	<u><u>\$ -</u></u>	<u><u>\$ 49,639,189</u></u>	<u><u>\$ 257,444</u></u>	<u><u>\$ 49,896,633</u></u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

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

<u>Investment Type</u>	<u>Valuation Method</u>
U.S. Treasury Securities	Institutional bond quotes - evaluations based on various market and industry inputs
Federal Farm Credit Bank	Institutional bond quotes - evaluations based on various market and industry inputs
Fond du Lac Area Foundation	Net asset value as provided by the foundation
Federal Home Loan Bank	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal Home Loan Mortgage Corp.	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal National Mortgage Assoc.	Mortgage backed securities pricing - evaluations based on various market and industry inputs

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the City's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

Custodial Credit Risk (Continued)

As of December 31, 2024, the City's bank balances related to deposits with financial institutions were in excess of federal and state depository limits by \$45,600,898. This entire balance was collateralized with securities held by the pledging financial institution in the City's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy.

Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Not Rated
U.S. Treasury Securities	\$ 28,637,185	\$ 28,637,185	\$ -	\$ -
Federal Farm Credit Bank	7,031,684	-	7,031,684	-
Fond du Lac Area Foundation	257,444	-	-	257,444
Federal Home Loan Bank	6,113,927	-	6,113,927	-
Federal Home Loan Mortgage Corp.	3,425,196	-	3,425,196	-
Federal National Mortgage Assoc.	4,431,197	-	4,431,197	-
Wisconsin Local Government Investment Pool	16,410,270	-	-	16,410,270
Total	<u>\$ 66,306,903</u>	<u>\$ 28,637,185</u>	<u>\$ 21,002,004</u>	<u>\$ 16,667,714</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal Farm Credit Bank	Bonds	\$ 7,031,684	11 %
Federal Home Loan Bank	Bonds	6,113,927	9
Federal Home Loan Mortgage Corp.	Bonds	3,425,196	5
Federal National Mortgage Assoc.	Bonds	4,431,197	7

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City's investment policy follows Wisconsin Statutes, which limit investment maturities to seven years, as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)		
		12 Months or Less	13 to 24 Months	25 to 60 Months
U.S. Treasury Securities	\$ 28,637,185	\$ 3,442,230	\$ 9,036,780	\$ 16,158,175
Federal Farm Credit Bank	7,031,684	2,110,102	-	4,921,582
Federal Home Loan Bank	6,113,927	1,052,633	2,050,970	3,010,324
Federal Home Loan Mortgage Corp.	3,425,196	2,318,062	1,107,134	-
Federal National Mortgage Assoc.	4,431,197	2,174,604	1,099,597	1,156,996
Wisconsin Local Government Investment Pool	16,410,270	16,410,270	-	-
Total	<u>\$ 66,049,459</u>	<u>\$ 27,507,901</u>	<u>\$ 13,294,481</u>	<u>\$ 25,247,077</u>

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$16,410,270 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. As of December 31, 2024, the Wisconsin local government investment pool has a weighted average maturity of 9 days.

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 RESTRICTED ASSETS

Restricted assets on December 31, 2024, totaled \$8,783,203 and consisted of cash and investments held for the following purposes:

	<u>Amount</u>	<u>Purpose</u>
Enterprise:		
Water Utility:		
Bond Redemption	\$ 3,486,643	To meet debt service requirements
Wastewater Utility:		
Equipment Replacement	<u>5,296,560</u>	For future equipment replacement needs
Total Enterprise Funds	<u>\$ 8,783,203</u>	

NOTE 5 LEASES RECEIVABLE

The City has entered into written agreements to rent land that provide for annual installments of \$11,200. The agreement does not include a stated interest rate, therefore, the City has elected to use an incremental borrowing rate of 2% to calculate the present value of the expected lease payments. During the year ended December 31, 2024, the City recognized \$10,871 and \$329 in lease revenue and interest revenue, respectively.

Principal and interest payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 10,979	\$ 221	\$ 11,200
2026	11,089	111	11,200
Total	<u>\$ 22,068</u>	<u>\$ 332</u>	<u>\$ 22,400</u>

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 CAPITAL ASSETS

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

	Beginning Balance Restated*	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable/Nonamortizable:				
Land	\$ 6,827,020	\$ -	\$ -	\$ 6,827,020
Construction In Progress	7,046,192	16,339,860	7,046,192	16,339,860
Total Capital Assets, Nondepreciable/Nonamortizable	13,873,212	16,339,860	7,046,192	23,166,880
Capital Assets, Depreciated and Amortized:				
Land Improvements	12,922,574	3,080,937	585,257	15,418,254
Buildings and Improvements	35,862,450	-	157,637	35,704,813
Machinery and Equipment	36,036,667	1,690,901	1,534,601	36,192,967
Infrastructure	233,204,133	3,202,129	-	236,406,262
Right-to-Use Lease Assets				
Machinery and Equipment	167,662	-	-	167,662
Subscription Based Information Technology	1,089,225	212,100	87,127	1,214,198
Total Capital Assets, Depreciated and Amortized	319,282,711	8,186,067	2,364,622	325,104,156
Less Accumulated Depreciation and Amortization for:				
Land Improvements	9,600,158	194,686	585,257	9,209,587
Buildings and Improvements	20,316,291	771,218	39,410	21,048,099
Machinery and Equipment	24,342,776	2,229,446	1,521,050	25,051,172
Infrastructure	132,187,277	5,649,337	-	137,836,614
Right-to-Use Lease Assets				
Machinery and Equipment	46,382	33,538	-	79,920
Subscription Based Information Technology	200,419	300,744	87,127	414,036
Total Accumulated Depreciation and Amortization	186,693,303	9,178,969	2,232,844	193,639,428
Total Capital Assets, Depreciated and Amortized	132,589,408	(992,902)	131,778	131,464,728
Governmental Activities Capital Assets, Net	<u>\$ 146,462,620</u>	<u>\$ 15,346,958</u>	<u>\$ 7,177,970</u>	154,631,608
Less: Capital Related Debt				96,090,000
Add: Unspent Bond Proceeds				7,992,078
Less: Debt Premium				4,208,601
Less: Lease Liability				94,791
Less: Subscription Liability				561,247
Less: Contracts Payable Related to Capital Assets				1,488,412
Net Investment in Capital Assets				<u>\$ 60,180,635</u>

* Beginning balance restated. See Note 21 for additional information.

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable/Nonamortizable:				
Land	\$ 387,830	\$ -	\$ -	\$ 387,830
Construction In Progress	2,082,276	2,894,966	965,836	4,011,406
Total Capital Assets Nondepreciable/Nonamortizable	2,470,106	2,894,966	965,836	4,399,236
Capital Assets, Depreciated and Amortized:				
Buildings and Improvements	89,657,280	49,627	-	89,706,907
Machinery and Equipment	49,539,919	4,469,238	22,948	53,986,209
Improvements Other Than Buildings	155,062,211	3,432,331	238,382	158,256,160
Right-to-Use Lease Assets				
Machinery and Equipment	23,912	-	-	23,912
Total Capital Assets, Depreciated and Amortized	294,283,322	7,951,196	261,330	301,973,188
Less Accumulated Depreciation and Amortization for:				
Buildings and Improvements	40,342,140	2,385,268	-	42,727,408
Machinery and Equipment	30,077,741	1,866,960	36,940	31,907,761
Improvements Other Than Buildings	41,047,354	2,463,972	285,429	43,225,897
Right-to-Use Lease Assets				
Machinery and Equipment	6,612	4,780	-	11,392
Total Accumulated Depreciation and Amortization	111,473,847	6,720,980	322,369	117,872,458
Total Capital Assets, Depreciated and Amortized, Net	182,809,475	1,230,216	(61,039)	184,100,730
Business-Type Activities Capital Assets, Net	<u>\$ 185,279,581</u>	<u>\$ 4,125,182</u>	<u>\$ 904,797</u>	188,499,966
Less: Capital Related Debt				55,830,144
Less: Debt Premium				3,086,520
Less: Lease Liability				13,302
Less: Capital Related Accounts Payable				975,793
Net Investment in Capital Assets				<u>\$ 128,594,207</u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	\$ 429,688
Public Safety:	
Police	533,549
Fire and Rescue	757,372
Public Works	7,020,087
Culture and Recreation	438,273
Total Governmental Activities	<u>\$ 9,178,969</u>
Business-Type Activities:	
Water Utility	\$ 3,139,620
Water Utility Charged to Operating Accounts	286,449
Wastewater Utility	3,294,911
Total Business-Type Activities	<u>\$ 6,720,980</u>

NOTE 7 INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund receivables and payables as of December 31, 2024, were as follows:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
Governmental Funds:		
General	\$ 892,597	\$ -
Nonmajor Governmental Funds:		
City Grant Programs	-	37,954
Solid Waste and Recycling	-	333,641
Transit	-	360,229
Parks	-	160,773
Totals	<u>\$ 892,597</u>	<u>\$ 892,597</u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended December 31, 2024, were as follows:

	Transfer In	Transfer Out
General Fund	\$ 1,624,430	\$ 462,925
Debt Service Fund	1,916,193	-
Nonmajor Governmental Funds:		
Solid Waste and Recycling	-	150,000
Community Projects	310,937	-
HazMat Agreement	7,500	-
Public Safety Training Fund	88,900	-
TIF Districts	42,170	3,022,182
Highway 45 Transfer	-	34,330
Affordable Housing	1,747,594	-
County Sales Tax	-	42,170
General Capital Projects	1,155,374	1,338,849
Streets	484,448	620,468
Storm Sewers	809,561	639,211
Subtotal Nonmajor Governmental Funds	4,646,484	5,847,210
Enterprise Fund:		
Water Utility	-	1,624,431
Internal Service Fund:		
Information Technology	-	252,541
Total	<u>\$ 8,187,107</u>	<u>\$ 8,187,107</u>

Interfund transfers were made for the following purposes:

Tax Equivalent Payment Made by Water Utility to General Fund	\$ 1,624,430
Transfers to Debt Service for Debt Retirement	1,916,193
To Move Unrestricted Revenues to Finance Various Programs	449,507
Transfer to Affordable Housing from TIF District	1,747,594
To Provide Financing for Capital Projects	2,449,383
Total	<u>\$ 8,187,107</u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2024:

	Beginning Balance Restated (1)	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 11,160,000	\$ -	\$ 1,690,000	\$ 9,470,000	\$ 1,225,000
Notes	81,745,000	13,800,000	8,560,000	86,985,000	9,625,000
Subtotal	92,905,000	13,800,000	10,250,000	96,455,000	10,850,000
Debt Premium	3,925,963	1,031,306	748,668	4,208,601	812,560
Lease Liability	128,535	-	33,744	94,791	35,404
Subscription Liability	769,153	212,100	420,006	561,247	169,780
Compensated Absences	5,097,920	1,913,482	2,087,623	4,923,779	3,526,944
Total	<u>\$ 102,826,571</u>	<u>\$ 16,956,888</u>	<u>\$ 13,540,041</u>	<u>\$ 106,243,418</u>	<u>\$ 15,394,688</u>
Business-Type Activities:					
Revenue Bonds	\$ 13,760,000	\$ 29,740,000	\$ 1,405,000	\$ 42,095,000	\$ 1,475,000
Revenue Bonds - Direct					
Borrowings and Placements	19,838,256	-	6,103,112	13,735,144	6,245,899
Debt Premium	823,969	2,469,886	207,335	3,086,520	-
Lease Liability	18,351	-	5,049	13,302	5,050
Compensated Absences	298,529	75,953	40,888	333,594	228,429
Total	<u>\$ 34,739,105</u>	<u>\$ 32,285,839</u>	<u>\$ 7,761,384</u>	<u>\$ 59,263,560</u>	<u>\$ 7,954,378</u>

(1) The beginning balance was restated due to the implementation of GASB Statement No. 101, See Note 21 for additional information.

Total interest paid during the year on long-term debt totaled \$3,884,915.

The City's outstanding notes from direct borrowings related to business type activities of \$13,735,144 contain the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/24
2014 Taxable Bonds	7/9/14	6/1/28	4.04%	\$ 1,055,000	\$ 365,000
2015 Refunding Bonds	3/11/15	3/1/30	2.90%	7,275,000	4,750,000
2015 Capital Improvement Project Notes	3/11/15	3/1/25	2.53%	2,800,000	475,000
2016 Refunding Bonds	3/9/16	3/1/28	2.74%	2,275,000	1,325,000
2016 Capital Improvement Project Notes	3/9/16	3/1/26	2.32%	2,525,000	900,000
2016 TIF #10 Notes	3/9/16	3/1/26	2.60%	1,300,000	300,000
2017 G.O. Promissory Notes	3/22/17	3/1/27	2.00-3.00%	5,025,000	2,700,000
2018 G.O. Promissory Notes	3/28/18	3/1/28	2.00-3.50%	9,025,000	6,350,000
2019 G.O. Promissory Note	10/23/19	4/1/28	2.00-2.75%	6,295,000	5,695,000
2020 G.O. Promissory Note	8/27/20	3/1/30	1.25-3.00%	19,630,000	13,050,000
2021A G.O. Promissory Note	12/1/21	3/1/31	2.00-3.00%	19,350,000	14,785,000
2021B G.O. Refunding Bonds	12/1/21	4/1/33	0.50-2.20%	3,825,000	3,030,000
2022 G.O. Promissory Note	10/19/22	9/1/29	4.00-5.00%	16,015,000	14,055,000
2023 G.O. Promissory Note	10/4/23	3/1/33	3.44-5.00%	15,975,000	14,875,000
2024 G.O. Promissory Note	10/3/24	3/1/34	4.00-5.00%	13,800,000	13,800,000
Total Outstanding General Obligation Debt					<u>\$ 96,455,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$96,455,000 on December 31, 2024, are detailed below:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 10,850,000	\$ 3,256,790	\$ 14,106,790
2026	10,235,000	2,972,799	13,207,799
2027	9,890,000	2,653,133	12,543,133
2028	10,170,000	2,340,105	12,510,105
2029	10,275,000	2,031,580	12,306,580
2029 - 2034	45,035,000	4,069,383	49,104,383
Total	<u>\$ 96,455,000</u>	<u>\$ 17,323,790</u>	<u>\$ 113,778,790</u>

Estimated payments of compensated absences and the other post-employment benefit liability are not included in the debt service requirement schedules.

CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2024, was \$124,256,450 as follows:

Equalized Valuation of the City	\$ 4,414,229,000
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	220,711,450
Total Outstanding General Obligation Debt Applicable to Debt Limitation	96,455,000
Legal Margin for New Debt	<u><u>\$ 124,256,450</u></u>

Revenue Bonds

Revenue bonds outstanding on December 31, 2024, totaled \$55,830,144 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/24
Safe Drinking Water Loan	4/23/08	5/1/27	2.37%	\$ 21,753,247	\$ 4,117,815
Safe Drinking Water Loan	2/23/11	5/1/29	2.20%	10,990,743	3,344,164
Clean Water Fund Loan	12/14/05	5/1/25	2.37%	59,000,000	4,117,165
Clean Water Fund Loan	4/25/18	5/1/37	1.87%	3,131,186	2,156,000
2021 Waterworks System Revenue Bonds	12/1/21	9/1/29	3.00-4.00%	9,300,000	6,730,000
2022 Waterworks System Revenue Bonds	10/19/22	9/1/42	4.25-6.00%	3,280,000	3,065,000
2023 Waterworks System Revenue Bonds	10/4/23	9/1/38	4.00-6.00%	2,695,000	2,560,000
2024 Waterworks System Revenue Bond	10/3/24	9/1/39	4.00-5.00%	9,150,000	9,150,000
2024 Sewerage System Revenue Bond	10/3/24	5/1/34	5.00%	20,590,000	20,590,000
Total Outstanding Revenue Bonds					<u><u>\$ 55,830,144</u></u>

Annual principal and interest maturities of the outstanding revenue bonds of \$55,830,144 on December 31, 2024, are detailed below:

Year Ended December 31,	Business-Type Activities					
	Bonded Debt		Direct Borrowings / Placements		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,475,000	\$ 2,019,034	\$ 6,245,899	\$ 235,786	\$ 7,720,899	\$ 2,254,820
2026	3,370,000	1,866,263	2,177,292	137,886	5,547,292	2,004,149
2027	3,690,000	1,706,813	2,226,958	87,650	5,916,958	1,794,463
2028	4,300,000	1,532,313	839,727	53,270	5,139,727	1,585,583
2029	4,530,000	1,327,338	857,684	35,119	5,387,684	1,362,457
2030 - 2034	13,845,000	3,926,638	843,001	90,913	14,688,001	4,017,551
2035 - 2039	10,170,000	974,738	544,583	15,401	10,714,583	990,139
2040 - 2042	715,000	72,750	-	-	715,000	72,750
Total	<u><u>\$ 42,095,000</u></u>	<u><u>\$ 13,425,887</u></u>	<u><u>\$ 13,735,144</u></u>	<u><u>\$ 656,025</u></u>	<u><u>\$ 55,830,144</u></u>	<u><u>\$ 14,081,912</u></u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Utility Revenues Pledged

The City has pledged future water and wastewater customer charges for services revenues, net of specified operating expenses as identified in the debt resolutions, to repay the revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water and wastewater customer net revenues and are payable through 2042 and 2037, respectively. The total principal and interest remaining to be paid on the water bonds is \$36,644,018. Principal and interest paid for the current year and total customer net revenues were \$4,109,320 and \$7,532,301, respectively. The total principal and interest remaining to be paid on the wastewater bonds is \$33,268,035. Principal and interest paid for the current year and total customer net revenues were \$4,354,083 and \$7,402,450, respectively.

NOTE 9 CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, there were three series of industrial revenue bonds outstanding. The aggregate principal amount payable was \$8,686,981.

NOTE 10 LEASES PAYABLE

The City leases various pieces of equipment under long-term, noncancelable lease agreements. The leases expire at various dates through 2027. Total principal and interest payments for such leases for governmental funds and business type-activities were \$39,234 and \$5,595, respectively, for the year ended December 31, 2024. The remaining principal and interest payments for these agreements are as follows:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 35,404	\$ 3,831	\$ 5,050	\$ 546	\$ 40,454	\$ 4,377
2026	37,160	2,075	5,299	296	42,459	2,371
2027	22,227	363	2,953	52	25,180	415
Total	<u>\$ 94,791</u>	<u>\$ 6,269</u>	<u>\$ 13,302</u>	<u>\$ 894</u>	<u>\$ 108,093</u>	<u>\$ 7,163</u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 10 LEASES PAYABLE (CONTINUED)

Right-to-use assets acquired through outstanding leases are as follows:

	Governmental Activities	Business-Type Activities	Total
Machinery and Equipment	\$ 167,662	\$ 23,912	\$ 191,574
Less Accumulated Amortization for:			
Machinery and Equipment	79,920	11,392	91,312
Total	<u>\$ 87,742</u>	<u>\$ 12,520</u>	<u>\$ 100,262</u>

NOTE 11 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City has entered into subscription-based information technology arrangements (SBITAs) for GIS, Utility, and other governmental technology. The SBITA arrangements expire at various dates through 2027.

As of December 31, 2024, SBITA assets and the related accumulated amortization totals \$1,214,198 and \$414,036, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		Total
	Principal	Interest	
2025	\$ 169,780	\$ 14,101	\$ 183,881
2026	186,961	9,609	196,570
2027	204,506	4,911	209,417
Total	<u>\$ 561,247</u>	<u>\$ 28,621</u>	<u>\$ 589,868</u>

NOTE 12 PENSION PLAN

A. Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing, multiemployer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

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

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.

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

Final average earnings are the average of the participant's three highest earning 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 employees may retire at, or after age 55 (50 for protective occupations) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

B. Postretirement Adjustments

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

C. 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, and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ended December 31, 2024, the WRS recognized \$3,157,684 in contributions from the City. Contribution rates for the reporting period are:

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

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

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

At December 31, 2024, the City reported a liability of \$3,198,877 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.21515094%, which was a decrease of 0.04782500% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense of \$2,205,078.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 12,897,840	\$ 17,083,269
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	11,147,567	-
Changes in Assumptions	1,394,298	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	10,995	25,660
Employer Contributions Subsequent to the Measurement Date	3,157,684	-
Total	<u>\$ 28,608,384</u>	<u>\$ 17,108,929</u>

\$3,157,684 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2025	\$ 1,707,048
2026	1,788,272
2027	6,992,535
2028	(2,146,084)
Total	<u>\$ 8,341,771</u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

E. 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, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

E. Actuarial Assumptions (Continued)

Long-Term Expected Return on Plan Assets (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate Return %
<u>Core Fund Asset Class</u>			
Public Equity	40.0 %	7.3 %	4.5 %
Public Fixed Income	27.0	5.8	3.0
Inflation Sensitive	19.0	4.4	1.7
Real Estate	8.0	5.8	3.0
Private Equity/Debt	18.0	9.6	6.7
Leverage	(12.0)	3.7	1.0
Total Core Fund	<u>100.0 %</u>	7.4	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0 %	6.8 %	4.0 %
International Equities	30.0	7.6	4.8
Total Variable Fund	<u>100.0 %</u>	7.3	4.5

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 7%

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. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members 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.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 12 PENSION PLAN (CONTINUED)

E. Actuarial Assumptions (Continued)

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

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 30,918,692	\$ 3,198,877	\$ (16,197,850)

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/publications/cafr.htm>.

F. Payables to the Pension Plan

At December 31, 2024, the City reported a payable of \$409,026 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2024.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the City up to the age of 65. Eligible retired employees contribute 100% of the premium for family coverage or 100% of the premium for single coverage.

Benefits Provided

The City provides specified amounts for good attendance bonuses and not using sick leave. The credits and amounts paid vary for different classes of employees. Amounts are deposited in either the employees PEHP or a health savings account to be used towards the cost of their medical premium as noted above.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	7
Active Employees	279
Total	<u>286</u>

Total OPEB Liability

The City's total other postemployment benefit (OPEB) liability was determined by an actuarial valuation as of December 31, 2023 and includes a measurement date of December 31, 2023.

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal (Level Percent of Salary)
Inflation	2.50%
Salary Increases	3.00%
Discount Rate	4.00%
Healthcare Cost Trend Rates	7.00% Decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and Level Thereafter
Mortality Assumptions	2020 WRS Experience Tables

The actuarial assumptions used in the December 31, 2023 valuation were based on the "2020 WRS Experience Tables". Based on the experience study, actuarial assumptions used to measure the total OPEB liability changed from the prior year, including the discount rate, mortality and separation rates and the healthcare cost trend rates.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.00% for the current and prior year. The 20-year tax-exempt AA Municipal bond rate or higher was used as of the measurement date for all years of benefit payments to determine the discount rate. The Plan is on a pay as you go basis and no assets have been accumulated in an irrevocable trust.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance - December 31, 2022	\$ 2,332,119
Changes for the Year:	
Service Cost	163,037
Interest	101,204
Differences Between Expected and Actual Experience	(120,260)
Changes of Assumptions or Other Input	(12,901)
Benefit Payments	(64,732)
Net Changes	<u>66,348</u>
Balance - December 31, 2023	<u>\$ 2,398,467</u>

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current rate:

	1% Decrease to Discount Rate (3.00%)	Current Discount Rate (4.00%)	1% Increase to Discount Rate (5.00%)
Total OPEB Liability	\$ 2,572,929	\$ 2,398,467	\$ 2,233,901

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

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

	1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB Liability	\$ 2,066,391	\$ 2,398,467	\$ 2,700,831

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended December 31, 2024, the City recognized OPEB expense of \$275,081. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 121,029	\$ 292,573
Changes in Assumptions	421,516	399,990
City Benefit Payments Made Subsequent to the Measurement Date	7,090	-
Total	<u>\$ 549,635</u>	<u>\$ 692,563</u>

\$7,090 reported as deferred outflows of resources related to OPEB resulting from City benefit refunds made subsequent to the measurement date will be recognized as an addition of the total OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2025	\$ 10,810
2026	10,840
2027	10,840
2028	10,840
2029	10,873
Thereafter	(204,221)
Total	<u>\$ (150,018)</u>

NOTE 14 DEFERRED COMPENSATION

The City offers its employees two different deferred compensation plans, both were created in accordance with the Internal Revenue Code Section 457. The plans are administered through Nationwide and ICMA/Mission Square and are available to all City employees. Both of these plans permit eligible participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred compensation plan assets are placed in trust for the sole benefit of employees and beneficiaries participating in the Plan and, therefore, are not recorded on these financial statements. The City makes no employer contribution to either of these plans.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 FUND EQUITY

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2024, nonspendable fund balances were as follows:

General Fund:	
Prepaid Supplies and Items	\$ 1,196,957
Special Revenue Funds:	
Prepaid Supplies and Items	
Solid Waste and Recycling	<u>46,116</u>
Total Nonspendable Fund Balance	<u><u>\$ 1,243,073</u></u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2024, restricted fund balance was as follows:

Special Revenue Funds:	
Restricted for:	
Community Development Block Grant:	
Community Development Projects and Loans	\$ 2,553,196
TIF Districts:	
Tax Incremental Districts	3,701,337
Debt Service Fund:	
Restricted for:	
Debt Service	354,870
Capital Projects Funds:	
Restricted for:	
Capital Projects	<u>7,992,078</u>
Total Restricted Fund Balance	<u><u>\$ 14,601,481</u></u>

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 FUND EQUITY (CONTINUED)

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2024, governmental fund balance was committed as follows:

General Fund:

Committed for:

Public Site Fee	\$ 134,200
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Special Revenue Funds:

Committed for:

Library	624,008
ARPA	41
Harbor and Boating Facilities	823,453
Community Projects	848,693
Projects and Programs	422,770
HazMat Agreement	99,874
Fuel Pump Maintenance	125,006
Special Events	328,979
Property Insurance Deductible	35,409
Residential Development Improvement Program	78,375
Affordable Housing	2,451,405
Public Safety Training Center	12,531
Highway 45 Transfer	2,721,579
Total Special Revenue Funds Committed	<u>8,572,123</u>

Capital Projects Funds:

Committed for:

General Capital Projects	1,595,904
Streets	2,585,302
Storm Sewers	4,793,754
Special Assessments	56,956
Harbor Improvements	128,722
Total Capital Improvements Funds Committed	<u>9,160,638</u>

Total Committed Fund Balance	<u><u>\$ 17,866,961</u></u>
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Assigned Fund Balance

In the fund financial statements, portions of government fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2024, fund balance has been assigned as follows:

General Fund:

Assigned for Subsequent Years Budget	<u><u>\$ 133,334</u></u>
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**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 15 FUND EQUITY (CONTINUED)

Minimum General Fund Balance Policy

The City has also adopted a minimum fund balance policy of 15% of subsequent year budgeted expenditures for the general fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2025 General Fund Expenditures	\$ 39,966,960
Minimum Fund Balance %	(x) 15%
Minimum Fund Balance Amount	<u>\$ 5,995,044</u>

The City's unassigned general fund balance of \$11,495,219 is above the minimum fund balance at approximately 28.8% of budgeted 2025 general fund expenditures.

NOTE 16 TAX INCREMENTAL FINANCIAL DISTRICTS

The City has established separate special revenue funds for its Tax Incremental Districts (TIDs) which were created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within the Districts were "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The City's Districts are still eligible to incur project costs.

The intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 13	2030
TID No. 14	2037
TID No. 15	2038
TID No. 19	2042
TID No. 20	2044
TID No. 21	2044
TID No. 22	2044
TID No. 23	2038
TID No. 25	2050

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 17 TAX ABATEMENTS

The City has created tax incremental financing districts (the Districts) in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the Districts, the City entered into agreements with developers for a creation of tax base within the Districts. The agreements require the City to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2024, the City abated property taxes totaling \$129,496 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- Property tax abatements of \$67,526 to developers for residential apartment and housing projects within the Districts.
- Property tax abatements of \$61,970 to local business related to development within the Districts.

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; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage.

The City is also exposed to various risks of loss related to medical claims. The City's risk management fund (an Internal Service Fund) is used to account for and finance its uninsured health risk of loss. Under this program, the risk management fund provides coverage for up to an annual maximum of \$175,000 for each individual's total claims with group claims limited to 125% of expected claims annually. The City purchases commercial stop loss insurance for health claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial insurance coverage since inception of the fund.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 18 RISK MANAGEMENT (CONTINUED)

All funds of the City participate in the health program and are charged amounts needed to pay prior and current year claims and to establish a reserve for future insurance costs. On December 31, 2024, the City's health insurance internal service fund reported ending net position in the amount of \$1,555,843. The claims payable liability of \$925,194 reported in the fund at December 31, 2024 is based on requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the funds reported liability amount for 2024 and 2023 follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2024	\$ 1,030,685	\$ 5,941,554	\$ 6,047,045	\$ 925,194
2023	843,418	6,710,376	6,523,109	1,030,685

All other risks, which include comprehensive general liability, automobile, workers' compensation, law enforcement, property, crime, public officials, and storage tank pollution are covered by commercial insurance. There has been no reduction in insurance coverage from coverage in the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

NOTE 19 CONTINGENCIES

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

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

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 20 ACCOUNTING CHANGES

The ARPA fund previously met the criteria to be reported as a major governmental fund. However, effective December 31, 2024, this fund no longer meets the criteria to be reported as a major fund and is reported as a nonmajor fund for the fiscal year ended December 31, 2024. The effect of these changes to or within the financial reporting entity is shown in column C of the table below:

	January 1, 2024 as Previously Reported	Change to or Within the Financial Reporting Entity (C)	January 1, 2024 as Adjusted
Governmental Funds:			
Major Funds:			
General Fund	\$ 10,731,150	\$ -	\$ 10,731,150
Debt Service	253,946	-	253,946
ARPA	41	(41)	-
Nonmajor Funds	32,579,893	41	32,579,934
Total Governmental Funds	<u>\$ 43,565,030</u>	<u>\$ -</u>	<u>\$ 43,565,030</u>

NOTE 21 RESTATEMENTS

A. Change in Accounting Principle

Effective January 1, 2024, the City implemented GASB Statement No. 101, Compensated Absences. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of January 1, 2024 was restated by \$3,287,927 in the governmental activities, \$96,589 in the water utility fund, \$161,052 in the wastewater utility fund, and \$51,012 in the internal services fund. The effect of the implementation of this standard is shown in the tables below.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 21 RESTATEMENTS (CONTINUED)

B. Prior Period Adjustment

The City recorded a prior period adjustment of \$3,040,296 in the governmental activities to correct accumulated depreciation for infrastructure that was over depreciated in the prior year. The net position restatement for governmental activities is shown in the table below.

	Internal Service Funds	Governmental Activities		Water Utility	Wastewater Utility	Business-Type Activities
Net Position - Beginning of Year, as Originally Reported	\$ 935,876	\$ 98,877,197		\$ 64,593,356	\$ 114,352,075	\$ 179,028,790
Prior Period Adjustment	-	3,040,296		(96,589)	(161,052)	(257,641)
Change in Accounting Principle	(51,012)	(3,287,927)		64,496,767	114,191,023	178,771,149
Net Position - Beginning of Year, as Restated	<u>\$ 884,864</u>	<u>\$ 98,629,566</u>				

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (Plan Year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.19595847 %	\$ (4,813,276)	\$ 20,528,426	23.45 %	102.74 %
12/31/15	0.19530561 %	3,173,677	21,180,641	14.98 %	98.20 %
12/31/16	0.19611985 %	1,616,496	21,155,154	7.64 %	99.12 %
12/31/17	0.20136218 %	(5,978,682)	21,892,897	27.31 %	102.93 %
12/31/18	0.20740352 %	7,378,767	22,751,027	32.43 %	96.45 %
12/31/19	0.21198614 %	(6,835,399)	23,067,146	29.63 %	102.96 %
12/31/20	0.21429154 %	(13,378,518)	23,684,460	56.49 %	105.26 %
12/31/21	0.21376472 %	(17,229,829)	23,910,499	72.06 %	106.02 %
12/31/22	0.21562919 %	11,423,395	24,820,472	46.02 %	95.72 %
12/31/23	0.21515094 %	3,198,877	25,386,349	12.60 %	98.85 %

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 1,899,480	\$ 1,899,480	\$ -	\$ 21,180,641	8.97 %
12/31/16	1,874,921	1,874,921	-	21,155,154	8.86 %
12/31/17	2,298,229	2,298,229	-	21,892,897	10.50 %
12/31/18	2,236,512	2,236,512	-	22,751,027	9.83 %
12/31/19	2,225,922	2,225,922	-	23,067,146	9.65 %
12/31/20	2,471,229	2,471,229	-	23,684,460	10.43 %
12/31/21	2,500,270	2,500,270	-	23,910,499	10.46 %
12/31/22	2,550,579	2,550,579	-	24,820,472	10.28 %
12/31/23	2,883,905	2,883,905	-	25,386,349	11.36 %
12/31/24	3,157,684	3,157,684	-	26,238,672	12.03 %

See Notes to Requirement Supplementary Information.

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT PERIODS*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Service Cost	\$ 163,037	\$ 213,947	\$ 205,495	\$ 185,389	\$ 133,879	\$ 139,898	\$ 139,898
Interest	101,204	58,352	60,590	67,990	71,810	69,438	74,256
Changes of Benefit Terms	-	-	-	-	(275,384)	-	-
Differences Between Expected and Actual Experience	(120,260)	(54,713)	(189,158)	-	221,884	-	-
Changes of Assumptions	(12,901)	(346,725)	(96,708)	89,204	692,660	(75,127)	-
Benefit Payments	(64,732)	(50,341)	(117,485)	(146,787)	(240,165)	(399,620)	(304,035)
Net Change in Total OPEB Liability	66,348	(179,480)	(137,266)	195,796	604,684	(265,411)	(89,881)
Total OPEB Liability - Beginning	2,332,119	2,511,599	2,648,865	2,453,069	1,848,385	2,113,796	2,203,677
Total OPEB Liability - Ending	<u>\$ 2,398,467</u>	<u>\$ 2,332,119</u>	<u>\$ 2,511,599</u>	<u>\$ 2,648,865</u>	<u>\$ 2,453,069</u>	<u>\$ 1,848,385</u>	<u>\$ 2,113,796</u>
Covered-Employee Payroll	\$ 23,588,397	\$ 22,354,804	\$ 22,354,804	\$ 21,795,396	\$ 21,795,396	\$ 21,223,899	\$ 21,223,899
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.17 %	10.43 %	11.24 %	12.15 %	11.25 %	8.71 %	9.96 %

* Data is being accumulated annually to present 10 years of the reported information.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024**

NOTE 1 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

Single-Employer Defined Postemployment Benefit Plan

Changes in assumption and other inputs that affected the measurement of the total OPEB liability for the December 31, 2023 actuarial valuation include the following:

- Demographic assumptions have been updated based upon the most recent WRS experience study.
- Mortality assumptions have been updated based on the 2020 WRS Experience Tables adjusted for future mortality improvements using the MP-2021 fully generated improvement scale.
- Medical care trend rates have been updated from a starting point of 7.00% down to 4.5% per the December 31, 2023 actuarial valuation.
- Discount rate has been revised to 4.00%.

Changes in assumptions and other inputs that effected the December 31, 2023 measurement period include the change in discount rate. Please refer to the actuarial assumptions section of Note 13.

No assets have been accumulated in an irrevocable trust, so the Plan's discount rate applied to all periods is based on a 20-year, tax-exempt general obligation municipal bond index.

The City is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024**

NOTE 2 WISCONSIN RETIREMENT SYSTEM

The City is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

Changes of Benefit Terms

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

Changes of Assumptions

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the 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.

SUPPLEMENTARY INFORMATION

**CITY OF FOND DU LAC, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	Special Revenue							
	Library	City Grant Programs	Community Development Block Grant	Harbor and Boating Facilities	Community Projects	Solid Waste and Recycling	Transit	County Sales Tax
ASSETS								
Cash and Investments	\$ 764,414	\$ -	\$ 2,524,811	\$ 836,377	\$ 865,754	\$ -	\$ -	\$ 422,770
Receivables:								
Taxes and Special Charges	2,109,398	-	-	-	-	1,979,970	210,120	-
Accounts	43,258	-	-	-	7,660	5,674	4,823	-
Special Assessments	-	-	-	-	-	21,716	-	-
Loans	-	-	4,632,722	-	-	-	-	-
Due from Other Governments	-	41,586	59,305	-	12,179	-	769,657	-
Prepaid Supplies and Items	-	-	-	-	-	46,116	-	-
Total Assets	<u>\$ 2,917,070</u>	<u>\$ 41,586</u>	<u>\$ 7,216,838</u>	<u>\$ 836,377</u>	<u>\$ 885,593</u>	<u>\$ 2,053,476</u>	<u>\$ 984,600</u>	<u>\$ 422,770</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 73,278	\$ -	\$ 30,920	\$ 12,924	\$ 31,400	\$ 101,817	\$ 79,674	\$ -
Accrued and Other Current Liabilities	110,386	-	-	-	-	12,934	33,576	-
Due to Other Funds	-	37,954	-	-	-	333,641	360,229	-
Special Deposits	-	-	-	-	5,500	-	-	-
Unearned Revenues	-	3,632	-	-	-	-	1,240	-
Total Liabilities	<u>183,664</u>	<u>41,586</u>	<u>30,920</u>	<u>12,924</u>	<u>36,900</u>	<u>448,392</u>	<u>474,719</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Property Taxes Levied for Subsequent Year	2,109,398	-	-	-	-	1,977,595	210,120	-
Loans Receivable	-	-	4,632,722	-	-	-	-	-
Other Unavailable Revenues	-	-	-	-	-	-	767,122	-
Total Deferred Inflows of Resources	<u>2,109,398</u>	<u>-</u>	<u>4,632,722</u>	<u>-</u>	<u>-</u>	<u>1,977,595</u>	<u>977,242</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	46,116	-	-
Restricted	-	-	2,553,196	-	-	-	-	-
Committed	624,008	-	-	823,453	848,693	-	-	422,770
Unassigned	-	-	-	-	-	(418,627)	(467,361)	-
Total Fund Balances	<u>624,008</u>	<u>-</u>	<u>2,553,196</u>	<u>823,453</u>	<u>848,693</u>	<u>(372,511)</u>	<u>(467,361)</u>	<u>422,770</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,917,070</u>	<u>\$ 41,586</u>	<u>\$ 7,216,838</u>	<u>\$ 836,377</u>	<u>\$ 885,593</u>	<u>\$ 2,053,476</u>	<u>\$ 984,600</u>	<u>\$ 422,770</u>

**CITY OF FOND DU LAC, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2024**

	Special Revenue									
	HazMat Agreement	Fuel Pump Maintenance	Special Events	TIF Districts	Property Insurance Deductible	Residential Development Improvement Program	Highway 45 Transfer	Public Safety Training Center	Affordable Housing	ARPA
ASSETS										
Cash and Investments	\$ 76,489	\$ 125,006	\$ 328,979	\$ 3,703,542	\$ 35,409	\$ 78,375	\$ 2,721,579	\$ 16,719	\$ 2,451,405	\$ 4,346,270
Receivables:										
Taxes and Special Charges	-	-	-	879,522	-	-	-	-	-	-
Accounts	23,425	-	-	-	-	-	-	-	-	4,393
Special Assessments	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Due from Other Governments	2,987	-	-	-	-	-	-	-	-	-
Prepaid Supplies and Items	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 102,901</u>	<u>\$ 125,006</u>	<u>\$ 328,979</u>	<u>\$ 4,583,064</u>	<u>\$ 35,409</u>	<u>\$ 78,375</u>	<u>\$ 2,721,579</u>	<u>\$ 16,719</u>	<u>\$ 2,451,405</u>	<u>\$ 4,350,663</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable	\$ 3,027	\$ -	\$ -	\$ 2,205	\$ -	\$ -	\$ -	\$ 4,188	\$ -	\$ 145,604
Accrued and Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Special Deposits	-	-	-	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-	-	-	4,205,018
Total Liabilities	<u>3,027</u>	<u>-</u>	<u>-</u>	<u>2,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,188</u>	<u>-</u>	<u>4,350,622</u>
DEFERRED INFLOWS OF RESOURCES										
Property Taxes Levied for Subsequent Year	-	-	-	879,522	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-	-
Other Unavailable Revenues	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>879,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	3,701,337	-	-	-	-	-	-
Committed	99,874	125,006	328,979	-	35,409	78,375	2,721,579	12,531	2,451,405	41
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>99,874</u>	<u>125,006</u>	<u>328,979</u>	<u>3,701,337</u>	<u>35,409</u>	<u>78,375</u>	<u>2,721,579</u>	<u>12,531</u>	<u>2,451,405</u>	<u>41</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 102,901</u>	<u>\$ 125,006</u>	<u>\$ 328,979</u>	<u>\$ 4,583,064</u>	<u>\$ 35,409</u>	<u>\$ 78,375</u>	<u>\$ 2,721,579</u>	<u>\$ 16,719</u>	<u>\$ 2,451,405</u>	<u>\$ 4,350,663</u>

**CITY OF FOND DU LAC, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2024**

	Capital Projects						
	General Capital Projects	Streets	Storm Sewers	Parks	Special Assessments	Harbor Improvements	Totals
ASSETS							
Cash and Investments	\$ 9,003,308	\$ 2,838,859	\$ 7,251,989	\$ -	\$ 56,956	\$ 128,722	\$ 38,577,733
Receivables:							
Taxes and Special Charges	615,832	-	40,000	25,000	-	-	5,859,842
Accounts	7,518	10,989	-	145,780	-	-	253,520
Special Assessments	-	-	-	-	-	-	21,716
Loans	150,000	-	-	-	-	-	4,782,722
Due from Other Governments	-	-	-	-	-	-	885,714
Prepaid Supplies and Items	-	-	-	-	-	-	46,116
Total Assets	<u>\$ 9,776,658</u>	<u>\$ 2,849,848</u>	<u>\$ 7,291,989</u>	<u>\$ 170,780</u>	<u>\$ 56,956</u>	<u>\$ 128,722</u>	<u>\$ 50,427,363</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ 715,735	\$ 264,546	\$ 1,240,501	\$ 20,242	\$ -	\$ -	\$ 2,726,061
Accrued and Other Current Liabilities	-	-	-	-	-	-	156,896
Due to Other Funds	-	-	-	160,773	-	-	892,597
Special Deposits	-	-	-	-	-	-	5,500
Unearned Revenues	-	-	-	-	-	-	4,209,890
Total Liabilities	<u>715,735</u>	<u>264,546</u>	<u>1,240,501</u>	<u>181,015</u>	<u>-</u>	<u>-</u>	<u>7,990,944</u>
DEFERRED INFLOWS OF RESOURCES							
Property Taxes Levied for Subsequent Year	615,832	-	40,000	25,000	-	-	5,857,467
Loans Receivable	150,000	-	-	-	-	-	4,782,722
Other Unavailable Revenues	-	-	-	-	-	-	767,122
Total Deferred Inflows of Resources	<u>765,832</u>	<u>-</u>	<u>40,000</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>11,407,311</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	46,116
Restricted	6,699,187	-	1,217,734	75,157	-	-	14,246,611
Committed	1,595,904	2,585,302	4,793,754	-	56,956	128,722	17,732,761
Unassigned	-	-	-	(110,392)	-	-	(996,380)
Total Fund Balances	<u>8,295,091</u>	<u>2,585,302</u>	<u>6,011,488</u>	<u>(35,235)</u>	<u>56,956</u>	<u>128,722</u>	<u>31,029,108</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,776,658</u>	<u>\$ 2,849,848</u>	<u>\$ 7,291,989</u>	<u>\$ 170,780</u>	<u>\$ 56,956</u>	<u>\$ 128,722</u>	<u>\$ 50,427,363</u>

CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	Special Revenue							
	Library	City Grant Programs	Community Development Block Grant	Harbor and Boating Facilities	Community Projects	Solid Waste and Recycling	Transit	County Sales Tax
REVENUES								
Taxes	\$ 2,088,512	\$ -	\$ -	\$ -	\$ -	\$ 700,000	\$ 210,120	\$ -
Intergovernmental	1,460,022	50,529	467,145	-	42,122	156,757	489,453	278,523
Public Charges for Services	34,749	-	-	251,145	-	1,418,626	215,760	-
Miscellaneous	307,393	-	670,249	52,754	296,687	18,704	46,668	-
Total Revenues	3,890,676	50,529	1,137,394	303,899	338,809	2,294,087	962,001	278,523
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	38,221
Public Safety	-	50,529	-	-	121,481	-	-	-
Public Works	-	-	-	-	-	2,169,996	1,837,141	-
Culture and Recreation	3,797,612	-	-	215,292	61,924	-	-	-
Conservation and Development	-	-	265,884	-	195,965	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Capital Outlay	-	-	826,845	96,554	-	-	-	-
Total Expenditures	3,797,612	50,529	1,092,729	311,846	379,370	2,169,996	1,837,141	38,221
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	93,064	-	44,665	(7,947)	(40,561)	124,091	(875,140)	240,302
OTHER FINANCING SOURCES (USES)								
Long-Term Debt Issued	-	-	-	-	-	-	-	-
Proceeds from Issuance of Subscription	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	123,121	-	-	-	-	-
Transfers In	-	-	-	-	310,937	-	-	-
Transfers Out	-	-	-	-	-	(150,000)	-	(42,170)
Total Other Financing Sources (Uses)	-	-	123,121	-	310,937	(150,000)	-	(42,170)
NET CHANGE IN FUND BALANCES	93,064	-	167,786	(7,947)	270,376	(25,909)	(875,140)	198,132
Fund Balances - Beginning of Year, as Originally Reported	530,944	-	2,385,410	831,400	578,317	(346,602)	407,779	224,638
Change Within Financial Reporting Entity								
Major to Nonmajor Fund	-	-	-	-	-	-	-	-
Fund Balances - Beginning of Year, as Restated	530,944	-	2,385,410	831,400	578,317	(346,602)	407,779	224,638
FUND BALANCES - END OF YEAR	\$ 624,008	\$ -	\$ 2,553,196	\$ 823,453	\$ 848,693	\$ (372,511)	\$ (467,361)	\$ 422,770

CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Special Revenue									
	HazMat Agreement	Fuel Pump Maintenance	Special Events	TIF Districts	Property Insurance Deductible	Residential Development Improvement Program	Highway 45 Transfer	Public Safety Training Center	Affordable Housing	APRA
REVENUES										
Taxes	\$ -	\$ -	\$ 114,478	\$ 2,350,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	47,507	-	-	103,280	-	-	900,000	-	-	5,603,643
Public Charges for Services	41,843	-	-	-	-	-	-	-	-	-
Miscellaneous	-	21,405	-	-	42,506	-	-	1,595	-	-
Total Revenues	89,350	21,405	114,478	2,453,869	42,506	-	900,000	1,595	-	5,603,643
EXPENDITURES										
Current:										
General Government	-	-	-	13,804	46,630	-	-	-	-	1,718,243
Public Safety	72,188	-	-	-	-	-	-	90,874	-	-
Public Works	-	6,497	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	99,533	-	-	-	-	-	-	-
Conservation and Development	-	-	-	573,836	-	-	-	-	83,694	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Capital Outlay	117,306	-	-	-	-	-	-	-	-	3,885,400
Total Expenditures	189,494	6,497	99,533	587,640	46,630	-	-	90,874	83,694	5,603,643
EXCESS OF REVENUES OVER (UNDER)										
EXPENDITURES	(100,144)	14,908	14,945	1,866,229	(4,124)	-	900,000	(89,279)	(83,694)	-
OTHER FINANCING SOURCES (USES)										
Long-Term Debt Issued	-	-	-	-	-	-	-	-	-	-
Proceeds from Issuance of Subscription	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	7,497	-	-	-	-	-	-	-	-	-
Transfers In	7,500	-	-	42,170	-	-	-	88,900	1,747,594	-
Transfers Out	-	-	-	(3,022,182)	-	-	(34,330)	-	-	-
Total Other Financing Sources (Uses)	14,997	-	-	(2,980,012)	-	-	(34,330)	88,900	1,747,594	-
NET CHANGE IN FUND BALANCES	(85,147)	14,908	14,945	(1,113,783)	(4,124)	-	865,670	(379)	1,663,900	-
Fund Balances - Beginning of Year, as Originally Reported	185,021	110,098	314,034	4,815,120	39,533	78,375	1,855,909	12,910	787,505	-
Change Within Financial Reporting Entity Major to Nonmajor Fund	-	-	-	-	-	-	-	-	-	41
Fund Balances - Beginning of Year, as Restated	185,021	110,098	314,034	4,815,120	39,533	78,375	1,855,909	12,910	787,505	41
FUND BALANCES - END OF YEAR	\$ 99,874	\$ 125,006	\$ 328,979	\$ 3,701,337	\$ 35,409	\$ 78,375	\$ 2,721,579	\$ 12,531	\$ 2,451,405	\$ 41

CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Capital Projects						
	General Capital Projects	Streets	Storm Sewers	Parks	Special Assessments	Harbor Improvements	Totals
REVENUES							
Taxes	\$ 869,500	\$ -	\$ 130,000	\$ 50,000	\$ -	\$ -	\$ 6,513,199
Intergovernmental	72,251	1,074,410	320,625	-	-	-	11,066,267
Public Charges for Services	-	-	-	-	-	-	1,962,123
Miscellaneous	258,659	-	-	43,410	-	-	1,760,030
Total Revenues	1,200,410	1,074,410	450,625	93,410	-	-	21,301,619
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	1,816,898
Public Safety	-	-	-	-	-	-	335,072
Public Works	-	-	-	-	-	-	4,013,634
Culture and Recreation	-	-	-	-	-	-	4,174,361
Conservation and Development	-	-	-	-	-	-	1,119,379
Debt Service:							
Principal	212,100	-	-	-	-	-	212,100
Capital Outlay	6,776,404	3,807,036	6,831,295	1,829,734	834	-	24,171,408
Total Expenditures	6,988,504	3,807,036	6,831,295	1,829,734	834	-	35,842,852
EXCESS OF REVENUES OVER (UNDER)							
EXPENDITURES	(5,788,094)	(2,732,626)	(6,380,670)	(1,736,324)	(834)	-	(14,541,233)
OTHER FINANCING SOURCES (USES)							
Long-Term Debt Issued	7,821,250	3,695,000	1,803,750	480,000	-	-	13,800,000
Proceeds from Issuance of Subscription	212,100	-	-	-	-	-	212,100
Proceeds from Sale of Capital Assets	46,415	-	-	2,000	-	-	179,033
Transfers In	1,155,374	484,448	809,561	-	-	-	4,646,484
Transfers Out	(1,338,849)	(620,468)	(639,211)	-	-	-	(5,847,210)
Total Other Financing Sources (Uses)	7,896,290	3,558,980	1,974,100	482,000	-	-	12,990,407
NET CHANGE IN FUND BALANCES	2,108,196	826,354	(4,406,570)	(1,254,324)	(834)	-	(1,550,826)
Fund Balances - Beginning of Year, as Originally Reported	6,186,895	1,758,948	10,418,058	1,219,089	57,790	128,722	32,579,893
Change Within Financial Reporting Entity Major to Nonmajor Fund	-	-	-	-	-	-	41
Fund Balances - Beginning of Year, as Restated	6,186,895	1,758,948	10,418,058	1,219,089	57,790	128,722	32,579,934
FUND BALANCES - END OF YEAR	<u>\$ 8,295,091</u>	<u>\$ 2,585,302</u>	<u>\$ 6,011,488</u>	<u>\$ (35,235)</u>	<u>\$ 56,956</u>	<u>\$ 128,722</u>	<u>\$ 31,029,108</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
LIBRARY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 2,088,512	\$ 2,088,512	\$ 2,088,512	\$ -
Intergovernmental	1,121,063	1,121,063	1,460,022	338,959
Public Charges for Services	33,700	33,700	34,749	1,049
Miscellaneous	570,206	570,206	307,393	(262,813)
Total Revenues	3,813,481	3,813,481	3,890,676	77,195
EXPENDITURES				
Current:				
Culture and Recreation	3,813,076	3,813,076	3,797,612	15,464
EXCESS OF REVENUES OVER EXPENDITURES	406	406	93,064	92,658
Fund Balance - Beginning of Year	530,944	530,944	530,944	-
FUND BALANCE - END OF YEAR	<u>\$ 531,350</u>	<u>\$ 531,350</u>	<u>\$ 624,008</u>	<u>\$ 92,658</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
CITY GRANT PROGRAMS SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 50,529	\$ 45,529
EXPENDITURES				
Current:				
Public Safety	5,000	5,000	50,529	(45,529)
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
HARBOR AND BOATING FACILITIES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Public Charges for Services	\$ 263,700	\$ 263,700	\$ 251,145	\$ (12,555)
Miscellaneous	3,000	3,000	52,754	49,754
Total Revenues	266,700	266,700	303,899	37,199
EXPENDITURES				
Current:				
Culture and Recreation	169,647	169,647	215,292	(45,645)
Capital Outlay	14,000	14,000	96,554	(82,554)
Total Expenditures	183,647	183,647	311,846	(128,199)
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	83,053	83,053	(7,947)	(91,000)
Fund Balance - Beginning of Year	831,400	831,400	831,400	-
FUND BALANCE - END OF YEAR	<u>\$ 914,453</u>	<u>\$ 914,453</u>	<u>\$ 823,453</u>	<u>\$ (91,000)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
SOLID WASTE AND RECYCLING SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 700,000	\$ 700,000	\$ 700,000	\$ -
Intergovernmental	157,389	157,389	156,757	(632)
Public Charges for Services	1,346,441	1,346,441	1,418,626	72,185
Miscellaneous	12,000	12,000	18,704	6,704
Total Revenues	2,215,830	2,215,830	2,294,087	78,257
EXPENDITURES				
Current:				
Public Works	1,945,809	1,945,809	2,169,996	(224,187)
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	270,021	270,021	124,091	(145,930)
OTHER FINANCING USES				
Transfers Out	-	-	(150,000)	(150,000)
NET CHANGE IN FUND BALANCE	270,021	270,021	(25,909)	(295,930)
Fund Balance - Beginning of Year	(346,602)	(346,602)	(346,602)	-
FUND BALANCE - END OF YEAR	<u>\$ (76,581)</u>	<u>\$ (76,581)</u>	<u>\$ (372,511)</u>	<u>\$ (295,930)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
TRANSIT SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 210,120	\$ 210,120	\$ 210,120	\$ -
Intergovernmental	1,943,377	1,943,377	489,453	(1,453,924)
Public Charges for Services	234,000	234,000	215,760	(18,240)
Miscellaneous	30,000	30,000	46,668	16,668
Total Revenues	2,417,497	2,417,497	962,001	(1,455,496)
EXPENDITURES				
Current:				
Public Works	2,153,727	2,153,511	1,837,141	316,370
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	263,770	263,986	(875,140)	(1,139,126)
Fund Balance - Beginning of Year	407,779	407,779	407,779	-
FUND BALANCE - END OF YEAR	<u>\$ 671,549</u>	<u>\$ 671,765</u>	<u>\$ (467,361)</u>	<u>\$ (1,139,126)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
COUNTY SALES TAX SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 275,498	\$ 275,498	\$ 278,523	\$ 3,025
EXPENDITURES				
Current:				
General Government	238,000	238,000	38,221	199,779
EXCESS OF REVENUES OVER EXPENDITURES	37,498	37,498	240,302	202,804
OTHER FINANCING USES				
Transfers Out	(46,159)	(46,159)	(42,170)	3,989
NET CHANGE IN FUND BALANCE	(8,661)	(8,661)	198,132	206,793
Fund Balance - Beginning of Year	224,638	224,638	224,638	-
FUND BALANCE - END OF YEAR	<u>\$ 215,977</u>	<u>\$ 215,977</u>	<u>\$ 422,770</u>	<u>\$ 206,793</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
HAZMAT AGREEMENT SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 31,514	\$ 31,514	\$ 47,507	\$ 15,993
Public Charges for Services	-	-	41,843	41,843
Total Revenues	31,514	31,514	89,350	57,836
EXPENDITURES				
Current:				
Public Safety	53,322	53,322	72,188	(18,866)
Capital Outlay	-	-	117,306	(117,306)
Total Expenditures	53,322	53,322	189,494	(136,172)
EXCESS OF REVENUES UNDER EXPENDITURES	(21,808)	(21,808)	(100,144)	(78,336)
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	7,497	7,497
Transfers In	7,500	7,500	7,500	-
Total Other Financing Sources	7,500	7,500	14,997	7,497
NET CHANGE IN FUND BALANCE	(14,308)	(14,308)	(85,147)	(70,839)
Fund Balance - Beginning of Year	185,021	185,021	185,021	-
FUND BALANCE - END OF YEAR	<u>\$ 170,713</u>	<u>\$ 170,713</u>	<u>\$ 99,874</u>	<u>\$ (70,839)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
FUEL PUMP MAINTENANCE SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 22,000	\$ 22,000	\$ 21,405	\$ (595)
EXPENDITURES				
Current:				
Public Works	9,363	9,363	6,497	2,866
EXCESS OF REVENUES OVER EXPENDITURES	12,637	12,637	14,908	2,271
Fund Balance - Beginning of Year	110,098	110,098	110,098	-
FUND BALANCE - END OF YEAR	<u>\$ 122,735</u>	<u>\$ 122,735</u>	<u>\$ 125,006</u>	<u>\$ 2,271</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
PUBLIC SAFETY TRAINING CENTER FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,595	\$ 1,595
EXPENDITURES				
Current:				
Public Works	75,969	75,969	90,874	(14,905)
EXCESS OF REVENUES UNDER EXPENDITURES	(75,969)	(75,969)	(89,279)	(13,310)
OTHER FINANCING SOURCES				
Transfers In	88,900	88,900	88,900	-
NET CHANGE IN FUND BALANCE	12,931	12,931	(379)	(13,310)
Fund Balance - Beginning of Year	12,910	12,910	12,910	-
FUND BALANCE - END OF YEAR	<u>\$ 25,841</u>	<u>\$ 25,841</u>	<u>\$ 12,531</u>	<u>\$ (13,310)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
TIF DISTRICTS SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,369,068	\$ 2,369,068	\$ 2,350,589	\$ (18,479)
Intergovernmental	123,990	123,990	103,280	(20,710)
Total Revenues	2,493,058	2,493,058	2,453,869	(39,189)
EXPENDITURES				
Current:				
General Government	1,950	1,950	13,804	(11,854)
Conservation and Development	325,470	325,470	573,836	(248,366)
Debt Service:				
Interest and Fiscal Charges	2,250	2,250	-	2,250
Capital Outlay	800,000	800,000	-	800,000
Total Expenditures	1,129,670	1,129,670	587,640	542,030
EXCESS OF REVENUES OVER EXPENDITURES	1,363,388	1,363,388	1,866,229	502,841
OTHER FINANCING SOURCES (USES)				
Transfers In	46,159	46,159	42,170	(3,989)
Transfers Out	-	-	(3,022,182)	(3,022,182)
Total Other Financing Sources (Uses)	46,159	46,159	(2,980,012)	(3,026,171)
NET CHANGE IN FUND BALANCE	1,409,547	1,409,547	(1,113,783)	(2,523,330)
Fund Balance - Beginning of Year	4,815,120	4,815,120	4,815,120	-
FUND BALANCE - END OF YEAR	<u>\$ 6,224,667</u>	<u>\$ 6,224,667</u>	<u>\$ 3,701,337</u>	<u>\$ (2,523,330)</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
ARPA FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 5,603,643	\$ 5,603,643
EXPENDITURES				
Current:				
General Government	2,059,527	2,059,527	1,718,243	341,284
Capital Outlay	730,000	730,000	3,885,400	(3,155,400)
Total Expenditures	<u>2,789,527</u>	<u>2,789,527</u>	<u>5,603,643</u>	<u>(2,814,116)</u>
NET CHANGE IN FUND BALANCE	(2,789,527)	(2,789,527)	-	2,789,527
Fund Balance - Beginning of Year	<u>41</u>	<u>41</u>	<u>41</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$(2,789,486)</u></u>	<u><u>\$(2,789,486)</u></u>	<u><u>\$ 41</u></u>	<u><u>\$ 2,789,527</u></u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 10,560,000	\$ 10,560,000	\$ 10,560,000	\$ -
EXPENDITURES				
Current:				
General Government	10,000	10,000	10,200	(200)
Debt Service:				
Principal	9,150,000	9,150,000	10,250,000	(1,100,000)
Interest and Fiscal Charges	2,236,693	2,236,693	3,146,375	(909,682)
Total Expenditures	<u>11,396,693</u>	<u>11,396,693</u>	<u>13,406,575</u>	<u>(2,009,882)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(836,693)	(836,693)	(2,846,575)	(2,009,882)
OTHER FINANCING SOURCES				
Premium on Debt Issued	-	-	1,031,306	1,031,306
Transfers In	897,600	897,600	1,916,193	1,018,593
Total Other Financing Sources	<u>897,600</u>	<u>897,600</u>	<u>2,947,499</u>	<u>2,049,899</u>
NET CHANGE IN FUND BALANCE	60,907	60,907	100,924	40,017
Fund Balance - Beginning of Year	<u>253,946</u>	<u>253,946</u>	<u>253,946</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 314,853</u>	<u>\$ 314,853</u>	<u>\$ 354,870</u>	<u>\$ 40,017</u>

**CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2024**

	Health Insurance	Information Technology	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 2,427,123	\$ 207,969	\$ 2,635,092
Receivables:			
Accounts	53,914	-	53,914
Prepaid Supplies and Items	-	89,696	89,696
Total Current Assets	<u>2,481,037</u>	<u>297,665</u>	<u>2,778,702</u>
Capital Assets:			
Being Depreciated and Amortized, Net	<u>-</u>	<u>631,181</u>	<u>631,181</u>
Total Assets	2,481,037	928,846	3,409,883
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	44,320	44,320
Accrued and Other Current Liabilities	925,194	30,581	955,775
Accrued Interest Payable	-	7,617	7,617
Current Portion of Compensated Absences	-	42,685	42,685
Current Portion of Lease Liability	-	330	330
Current Portion of Subscription Liability	-	169,780	169,780
Total Current Liabilities	<u>925,194</u>	<u>295,313</u>	<u>1,220,507</u>
Noncurrent Liabilities:			
Lease Liability	-	561	561
Subscription Liability	-	391,467	391,467
Compensated Absences	-	17,850	17,850
Total Noncurrent Liabilities	<u>-</u>	<u>409,878</u>	<u>409,878</u>
Total Liabilities	<u>925,194</u>	<u>705,191</u>	<u>1,630,385</u>
NET POSITION			
Net Investment in Capital Assets	-	69,043	69,043
Unrestricted	1,555,843	154,612	1,710,455
Total Net Position	<u>\$ 1,555,843</u>	<u>\$ 223,655</u>	<u>\$ 1,779,498</u>

CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2024

	Health Insurance	Information Technology	Total
OPERATING REVENUES			
Charges for Services	\$ 6,826,986	\$ 2,543,508	\$ 9,370,494
OPERATING EXPENSES			
Personal Services	-	719,388	719,388
Contractual Services	-	975,516	975,516
Materials and Supplies	-	316,255	316,255
Utilities	-	5,966	5,966
Insurance Claims and Expenses	5,941,554	-	5,941,554
Depreciation and Amortization	-	258,754	258,754
Total Operating Expenses	<u>5,941,554</u>	<u>2,275,879</u>	<u>8,217,433</u>
OPERATING INCOME	885,432	267,629	1,153,061
NONOPERATING REVENUES (EXPENSES)			
Gain on Disposal of Capital Assets	-	7,272	7,272
Interest and Fiscal Charges	-	(13,158)	(13,158)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(5,886)</u>	<u>(5,886)</u>
INCOME BEFORE TRANSFERS	885,432	261,743	1,147,175
Transfers Out	<u>-</u>	<u>(252,541)</u>	<u>(252,541)</u>
CHANGE IN NET POSITION	<u>885,432</u>	<u>9,202</u>	<u>894,634</u>
Net Position - Beginning of Year, as Originally Stated	670,411	265,465	935,876
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	<u>-</u>	<u>(51,012)</u>	<u>(51,012)</u>
Net Position - Beginning of Year, as Restated	<u>670,411</u>	<u>214,453</u>	<u>884,864</u>
NET POSITION - END OF YEAR	<u><u>\$ 1,555,843</u></u>	<u><u>\$ 223,655</u></u>	<u><u>\$ 1,779,498</u></u>

**CITY OF FOND DU LAC, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Health Insurance	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 6,867,264	\$ 2,549,508	\$ 9,416,772
Cash Paid for Employee Wages and Benefits	-	(663,016)	(663,016)
Cash Paid to Suppliers	(6,047,045)	(1,459,873)	(7,506,918)
Net Cash Provided by Operating Activities	820,219	426,619	1,246,838
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer Out	-	(252,541)	(252,541)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sale of Capital Assets	-	7,273	7,273
Principal Paid on Lease Liability	-	(330)	(330)
Interest Paid on Lease Liability	-	(6,326)	(6,326)
Principal Paid on Subscription Liability	-	(207,906)	(207,906)
Interest Paid on Subscription Liability	-	(13,122)	(13,122)
Net Cash Flows Used by Capital and Related Financing Activities	-	(220,411)	(220,411)
CHANGE IN CASH AND INVESTMENTS	820,219	(46,333)	773,886
Cash and Investments - Beginning of Year	1,606,904	254,302	1,861,206
CASH AND INVESTMENTS - END OF YEAR	<u>\$ 2,427,123</u>	<u>\$ 207,969</u>	<u>\$ 2,635,092</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ 885,432	\$ 267,629	\$ 1,153,061
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	-	258,754	258,754
Effect of Changes in Operating Assets and Liabilities:			
Accounts Receivable	40,278	-	40,278
Due from Other Governments	-	6,000	6,000
Prepaid Supplies and Items	-	(89,696)	(89,696)
Accounts Payable	(105,491)	(21,428)	(126,919)
Accrued and Other Current Liabilities	-	6,400	6,400
Compensated Absences	-	(1,040)	(1,040)
Net Cash Provided by Operating Activities	<u>\$ 820,219</u>	<u>\$ 426,619</u>	<u>\$ 1,246,838</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS BY SOURCE
DECEMBER 31, 2024

Governmental Capital Assets:	
Land	\$ 6,827,020
Buildings and Improvements	35,704,813
Land Improvements	15,418,254
Machinery and Equipment	36,192,967
Infrastructure	236,406,262
Right-to-Use Lease Machinery and Equipment	167,662
Subscription Based Information Technology	1,214,198
Construction In Progress	<u>16,339,860</u>
Total Governmental Capital Assets	<u><u>\$ 348,271,036</u></u>
Investments in Governmental Capital Assets	
Capital Projects Funds - General Obligation Bonds/Notes/Lease Liability	\$ 281,979,446
General Fund Revenues	42,247,190
Gifts	605,091
Private Development	3,458,365
City Owned	67,750
Noncash Transactions	26,922
Special Revenue Funds	9,226,145
Federal Grants	9,925,908
State Grants	<u>734,219</u>
Total Investments in Governmental Capital Assets	<u><u>\$ 348,271,036</u></u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2024

	Land	Buildings and Improvements	Land Improvements	Machinery and Equipment	Infrastructure	Right-to-Use Lease Machinery and Equipment	Subscription Based Information Technology	Construction in Progress	Total
General Government	\$ 1,812,198	\$ 3,210,881	\$ 585,123	\$ 3,774,095	\$ -	\$ 55,888	\$ 1,214,198	\$ 608,623	\$ 11,261,006
Public Safety:									
Police Protection	490,200	3,714,056	116,469	3,916,550	-	55,887	-	3,139,601	11,432,763
Fire Protection	712,056	8,181,502	638,331	6,532,698	-	55,887	-	1,920,860	18,041,334
Ambulance	-	-	-	2,308,582	-	-	-	462,994	2,771,576
Public Works	223,605	6,249,248	120,677	13,155,745	236,406,262	-	-	6,919,208	263,074,745
Culture and Recreation	1,576,750	3,531,734	12,806,619	1,846,256	-	-	-	3,203,700	22,965,059
Library	19,200	5,516,439	84,133	325,017	-	-	-	84,874	6,029,663
Transit	-	485,272	127,483	4,218,337	-	-	-	-	4,831,092
Parking	1,993,011	4,815,681	939,419	115,687	-	-	-	-	7,863,798
Total Governmental Capital Assets	<u>\$ 6,827,020</u>	<u>\$ 35,704,813</u>	<u>\$ 15,418,254</u>	<u>\$ 36,192,967</u>	<u>\$ 236,406,262</u>	<u>\$ 167,662</u>	<u>\$ 1,214,198</u>	<u>\$ 16,339,860</u>	<u>\$ 348,271,036</u>

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY
YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Additions and Transfers In	Deductions and Transfers Out	Balance December 31, 2024
General Government	\$ 11,575,743	\$ 871,095	\$ 1,185,832	\$ 11,261,006
Public Safety:				
Police Protection	9,061,400	3,941,875	1,570,512	11,432,763
Fire Protection	15,679,338	2,361,996	-	18,041,334
Ambulance	1,976,158	795,418	-	2,771,576
Public Works	255,496,431	10,407,491	2,829,177	263,074,745
Culture and Recreation	20,703,254	6,063,178	3,801,373	22,965,059
Library	5,958,654	84,874	13,865	6,029,663
Transit	4,831,092	-	-	4,831,092
Parking	7,873,853	-	10,055	7,863,798
Total Governmental Capital Assets	<u>\$ 333,155,923</u>	<u>\$ 24,525,927</u>	<u>\$ 9,410,814</u>	<u>\$ 348,271,036</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Fond du Lac's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

<u>Category</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	116 - 120
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	121 - 124
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	125 - 130
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	131 -132
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	133 - 135

City of Fond du Lac, Wisconsin

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 66,751,968	\$ 64,124,339	\$ 62,208,570	\$ 62,628,518	\$ 62,680,554	\$ 62,575,834	\$ 53,631,196	\$ 63,746,886	\$ 55,875,944	\$ 60,190,635
Restricted	11,309,785	2,262,072	2,174,764	12,359,657	7,072,529	16,735,150	31,890,087	26,959,258	12,178,450	10,887,255
Unrestricted	17,686,779	24,935,506	22,629,230	10,294,390	13,674,016	4,710,605	9,102,005	10,531,830	30,873,946	34,072,770
Total government activities net assets	\$ 95,748,532	\$ 91,321,917	\$ 87,012,564	\$ 85,282,565	\$ 83,427,099	\$ 84,021,589	\$ 94,623,288	\$ 101,237,974	\$ 98,928,340	\$ 105,150,660
Business-type activities										
Net investment in capital assets	\$ 103,316,344	\$ 109,793,752	\$ 115,427,437	\$ 121,667,593	\$ 127,222,768	\$ 134,751,819	\$ 142,286,554	\$ 147,664,406	\$ 150,737,265	\$ 128,594,207
Restricted	7,056,462	5,979,656	6,233,897	3,468,983	3,637,262	8,142,359	8,135,328	8,752,051	8,123,658	8,783,203
Unrestricted	21,916,243	20,568,256	20,667,978	24,175,806	23,547,207	18,206,574	15,898,255	15,696,565	20,425,508	47,223,454
Total business-type activities net assets	\$ 132,289,049	\$ 136,341,664	\$ 142,329,312	\$ 149,312,382	\$ 154,407,237	\$ 161,100,752	\$ 166,320,137	\$ 172,113,022	\$ 179,286,431	\$ 184,600,864
Primary government										
Net investment in capital assets	\$ 170,068,312	\$ 173,918,091	\$ 177,636,007	\$ 184,296,111	\$ 189,903,322	\$ 197,327,653	\$ 195,917,750	\$ 211,411,292	\$ 206,613,209	\$ 186,684,331
Restricted	18,366,247	8,241,728	8,408,661	15,828,640	10,709,791	24,877,509	40,025,415	35,772,850	20,302,108	19,670,458
Unrestricted	39,603,022	45,503,762	43,297,208	34,470,196	37,221,223	22,917,179	25,000,260	26,228,395	51,299,454	81,296,224
Total primary government	\$ 228,037,581	\$ 227,663,581	\$ 229,341,876	\$ 234,594,947	\$ 237,834,336	\$ 245,122,341	\$ 260,943,425	\$ 273,350,996	\$ 278,214,771	\$ 289,751,524

Note: In 2020, Restricted governmental activities was broken out to include Tax Incremental Districts and Pension Assets. Data on these items are not available for years 2015 through 2019.

City of Fond du Lac, Wisconsin

CHANGES IN NET POSITION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
General government	\$ 4,034,444	\$ 4,949,836	\$ 4,457,171	\$ 3,732,198	\$ 3,946,183	\$ 3,468,986	\$ 2,863,982	\$ 3,420,020	\$ 3,795,802	\$ 3,655,375
Public safety										
Police	9,629,937	10,270,290	10,961,595	11,413,736	11,568,063	11,682,058	11,679,797	12,121,884	15,938,337	14,131,387
Fire/Rescue	8,701,785	10,286,387	10,333,308	10,231,849	9,969,649	9,686,193	6,943,652	8,686,938	10,987,441	10,457,246
Public works	15,748,791	16,618,135	17,515,777	16,314,987	19,672,209	17,674,112	14,756,219	18,463,648	24,356,280	23,126,199
Culture and recreation	6,091,789	5,623,319	5,829,457	5,725,394	5,968,960	6,082,329	5,687,074	6,178,699	9,300,184	8,322,625
Community and development	2,727,994	2,298,011	3,002,089	4,547,770	4,500,545	3,421,614	5,693,986	5,934,201	6,510,338	4,097,748
Interest and fiscal charges	2,674,934	2,900,767	2,793,449	2,618,981	2,847,029	2,650,519	2,380,328	1,858,431	2,205,729	2,539,168
Total governmental activities expenses	<u>49,609,674</u>	<u>52,946,745</u>	<u>54,892,846</u>	<u>54,584,915</u>	<u>58,472,638</u>	<u>54,665,811</u>	<u>50,005,038</u>	<u>56,663,821</u>	<u>73,094,111</u>	<u>66,329,748</u>
Business-type activities										
Water Utility	8,394,123	8,450,320	9,119,285	8,167,128	8,186,352	7,896,757	8,133,455	8,745,669	8,567,390	9,995,238
Wastewater Utility	9,279,524	9,957,259	8,394,201	9,034,623	10,217,055	9,557,290	9,694,168	9,892,152	10,329,002	10,504,528
Total business-type activities	<u>17,673,647</u>	<u>18,407,579</u>	<u>17,513,486</u>	<u>17,201,751</u>	<u>18,403,407</u>	<u>17,454,047</u>	<u>17,827,623</u>	<u>18,637,821</u>	<u>18,896,392</u>	<u>20,499,766</u>
Total primary government expenses	<u>\$ 67,283,321</u>	<u>\$ 71,354,324</u>	<u>\$ 72,406,332</u>	<u>\$ 71,786,666</u>	<u>\$ 76,876,045</u>	<u>\$ 72,119,858</u>	<u>\$ 67,832,661</u>	<u>\$ 75,301,642</u>	<u>\$ 91,990,503</u>	<u>\$ 86,829,514</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,221,332	\$ 2,495,323	\$ 2,304,418	\$ 2,680,806	\$ 2,377,348	\$ 1,113,696	\$ 1,077,321	\$ 1,129,913	\$ 996,460	\$ 973,486
Public safety										
Police	161,408	178,203	180,661	220,665	197,685	203,160	138,311	171,270	140,563	234,914
Fire/Rescue	1,696,421	1,666,188	1,941,549	1,957,224	2,120,596	1,819,191	2,531,383	2,100,284	2,970,500	2,038,760
Public works	1,294,954	1,708,605	1,900,004	1,953,057	1,429,898	1,751,622	1,814,142	1,968,219	1,938,537	1,874,317
Culture and recreation	547,380	579,350	540,277	554,945	565,293	405,634	487,444	559,083	609,119	637,904
Community and development	922,074	266,434	387,496	215,478	260,202	1,098,511	1,309,516	1,485,569	2,021,662	998,647
Interest and fiscal charges	-	-	133,849	-	1	-	-	-	-	-
Operating grants and contributions	6,159,199	6,484,854	6,297,493	6,608,228	6,952,887	7,931,237	7,452,692	8,601,558	12,569,319	8,591,254
Capital grants and contributions	105,428	665,058	469,051	308,237	419,226	456,476	5,039,814	3,715,597	1,860,785	1,748,968
Total governmental activities program revenue	<u>13,108,196</u>	<u>14,044,015</u>	<u>14,154,798</u>	<u>14,498,640</u>	<u>14,323,136</u>	<u>14,779,527</u>	<u>19,850,623</u>	<u>19,731,493</u>	<u>23,106,945</u>	<u>17,098,250</u>
Business-type activities										
Charges for services:										
Water Utility	12,119,334	12,611,440	12,690,954	12,882,550	12,891,819	12,269,432	12,719,274	13,595,801	13,215,129	13,254,584
Wastewater Utility	11,716,802	11,412,924	12,396,642	12,265,217	11,995,418	12,267,350	11,989,363	12,514,920	13,303,708	13,460,192
Operating grants and contributions	-	-	-	-	-	575,106	-	286,493	58,572	-
Capital grants and contributions	-	1,030	-	551,056	-	627,836	-	-	549,734	198,772
Total business-type activities program revenue	<u>23,836,136</u>	<u>24,025,394</u>	<u>25,087,596</u>	<u>25,698,823</u>	<u>24,887,237</u>	<u>25,739,724</u>	<u>24,708,637</u>	<u>26,397,214</u>	<u>27,127,143</u>	<u>26,913,548</u>
Total primary government program revenue	<u>\$ 36,944,332</u>	<u>\$ 38,069,409</u>	<u>\$ 39,242,394</u>	<u>\$ 40,197,463</u>	<u>\$ 39,210,373</u>	<u>\$ 40,519,251</u>	<u>\$ 44,559,260</u>	<u>\$ 46,128,707</u>	<u>\$ 50,234,088</u>	<u>\$ 44,011,798</u>

City of Fond du Lac, Wisconsin

CHANGES IN NET POSITION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	\$ (36,501,478)	\$ (38,902,730)	\$ (40,738,048)	\$ (40,086,275)	\$ (44,149,502)	\$ (39,886,284)	\$ (30,154,415)	\$ (36,932,328)	\$ (49,987,166)	\$ (49,231,498)
Business-type activities	6,162,489	5,617,815	7,574,110	8,497,072	6,483,830	8,285,677	6,881,014	7,759,393	8,230,751	6,413,782
Total primary government net expense	<u>\$ (30,338,989)</u>	<u>\$ (33,284,915)</u>	<u>\$ (33,163,938)</u>	<u>\$ (31,589,203)</u>	<u>\$ (37,665,672)</u>	<u>\$ (31,600,607)</u>	<u>\$ (23,273,401)</u>	<u>\$ (29,172,935)</u>	<u>\$ (41,756,415)</u>	<u>\$ (42,817,716)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 23,836,592	\$ 25,147,399	\$ 26,929,681	\$ 28,462,381	\$ 29,651,751	\$ 30,116,264	\$ 30,317,955	\$ 32,433,029	\$ 33,563,922	\$ 34,787,388
Other taxes	445,272	458,974	433,384	454,154	479,813	393,115	455,065	526,031	547,373	563,715
Federal and state grants and other contributions not restricted to specific functions	6,587,921	6,651,626	6,818,710	6,879,397	7,422,565	7,392,272	7,458,353	7,595,989	8,227,153	14,587,560
Gain on sale of asset	33,887	87,795	34,385	129,917	82,829	106,578	138,797	269,880	107,101	186,292
Interest and investment earnings	193,223	222,364	254,756	688,413	740,430	352,839	(32,159)	336,132	3,370,833	3,572,615
Miscellaneous	20,491	10,931	35,985	4,036	155,786	226,070	588,951	323,573	130,777	420,591
Transfers	1,857,027	1,897,026	1,921,794	1,945,017	1,942,047	1,893,636	1,829,153	2,232,865	1,679,230	1,624,431
Total governmental activities	<u>32,974,413</u>	<u>34,476,115</u>	<u>36,428,695</u>	<u>38,563,315</u>	<u>40,475,221</u>	<u>40,480,774</u>	<u>40,756,115</u>	<u>43,717,499</u>	<u>47,626,389</u>	<u>55,742,592</u>
Business-type activities:										
Investment earnings	321,961	331,826	316,698	443,467	545,063	302,399	138,976	226,353	617,743	782,723
Federal and state grants and other contributions not restricted to specific functions	-	-	-	-	2,808	-	14,890	-	-	-
Gain on disposal of capital assets	-	-	18,634	-	5,201	-	13,658	40,004	4,145	-
Miscellaneous	-	-	-	-	-	(925)	-	-	-	-
Transfers	(1,857,027)	(1,897,026)	(1,921,794)	(1,945,017)	(1,942,047)	(1,893,636)	(1,829,153)	(2,232,865)	(1,679,230)	(1,624,431)
Total business-type activities	<u>(1,535,066)</u>	<u>(1,565,200)</u>	<u>(1,586,462)</u>	<u>(1,501,550)</u>	<u>(1,388,975)</u>	<u>(1,592,162)</u>	<u>(1,661,629)</u>	<u>(1,966,508)</u>	<u>(1,057,342)</u>	<u>(841,708)</u>
Total primary government	<u>\$ 31,439,347</u>	<u>\$ 32,910,915</u>	<u>\$ 34,842,233</u>	<u>\$ 37,061,765</u>	<u>\$ 39,086,246</u>	<u>\$ 38,888,612</u>	<u>\$ 39,094,486</u>	<u>\$ 41,750,991</u>	<u>\$ 46,569,047</u>	<u>\$ 54,900,884</u>
Changes in Net Position										
Governmental activities	\$ (4,524,568)	\$ (3,527,065)	\$ (4,309,353)	\$ (1,522,960)	\$ (3,674,281)	\$ 594,490	\$ 10,601,700	\$ 6,785,171	\$ (2,360,777)	\$ 6,511,094
Business-type activities	4,183,583	4,627,423	5,987,648	6,995,522	5,094,855	6,693,515	5,219,385	5,792,885	7,173,409	5,572,074
Total primary government	<u>\$ (340,985)</u>	<u>\$ 1,100,358</u>	<u>\$ 1,678,295</u>	<u>\$ 5,472,562</u>	<u>\$ 1,420,574</u>	<u>\$ 7,288,005</u>	<u>\$ 15,821,085</u>	<u>\$ 12,578,056</u>	<u>\$ 4,812,632</u>	<u>\$ 12,083,168</u>

City of Fond du Lac, Wisconsin

Fund Balances, Governmental Funds Last Ten Fiscal Years

	2015	2016	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund											
Nonspendable	\$ 822,550	\$ 843,454	\$ 791,799	\$ 791,799	\$ 784,385	\$ 815,164	\$ 703,254	\$ 913,767	\$ 719,001	\$ 1,090,453	\$ 1,196,957
Committed	160,900	261,300	313,300	313,300	-	56,400	7,600	48,000	110,600	120,600	134,200
Assigned	1,043,484	866,644	422,359	422,359	243,028	480,431	1,283,018	1,561,055	2,919,895	247,312	133,334
Unassigned	7,076,721	5,897,565	5,743,724	5,743,724	6,792,648	6,940,067	6,546,363	5,750,198	5,231,282	9,272,785	11,495,219
Total general fund	\$ 9,103,655	\$ 7,868,963	\$ 7,271,182	\$ 7,271,182	\$ 7,820,061	\$ 8,292,062	\$ 8,540,235	\$ 8,273,020	\$ 8,980,778	\$ 10,731,150	\$ 12,959,710
All other governmental funds											
Nonspendable	\$ 19,321	\$ 21,088	\$ 10,543	\$ 10,543	\$ 11,185	\$ 11,297	\$ 13,688	\$ 22,581	\$ 37,338	\$ 20,061	\$ 46,116
Restricted, reported in:											
Debt service fund	41,007	30,188	-	-	21,073	35,893	181,493	10,468,343	614,987	253,946	354,870
Other governmental funds	1,898,434	2,262,072	2,174,764	2,174,764	5,965,673	5,474,975	8,166,165	8,234,173	17,660,749	17,673,760	14,246,611
Committed	5,465,935	6,987,986	7,489,633	7,489,633	6,042,368	8,962,822	6,048,845	7,775,161	7,299,170	15,723,244	17,732,761
Unassigned	-	-	(132,616)	(132,616)	-	(158,287)	(704,902)	(293,149)	(1,469,692)	(837,131)	(996,380)
Total all other governmental funds	\$ 7,424,697	\$ 9,301,334	\$ 9,542,324	\$ 9,542,324	\$ 12,040,299	\$ 14,326,700	\$ 13,705,289	\$ 26,207,109	\$ 24,142,552	\$ 32,833,880	\$ 31,383,978

Note:

The City adopted GASB #54 for 2011 and previous years have been restated to conform to the new reporting standards.

City of Fond du Lac, Wisconsin

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES										
Taxes	\$ 24,281,864	\$ 25,606,373	\$ 27,363,065	\$ 28,916,535	\$ 30,146,246	\$ 30,509,379	\$ 30,773,020	\$ 32,959,060	\$ 34,111,295	\$ 35,249,004
Licenses and permits	1,575,530	1,643,086	1,540,425	1,761,773	1,510,136	1,327,625	1,388,206	1,595,292	1,391,550	1,194,088
Intergovernmental	12,464,374	12,985,438	13,048,834	13,425,085	14,288,465	15,140,668	19,352,148	17,756,363	23,261,100	23,261,441
Public charges for services	4,267,404	4,401,524	4,651,047	4,673,901	4,818,651	4,235,217	3,956,177	4,274,085	4,918,833	5,018,986
Fines and forfeits	315,075	340,309	350,905	487,268	452,391	371,255	345,423	325,740	304,094	348,872
Special assessments	105,428	477,806	269,051	108,237	219,226	154,398	139,814	107,774	71,414	23,153
Intergovernmental charges for services	-	-	6,388	6,472	4,046	3,125	2,993	3,661	4,950	4,041
Miscellaneous	1,557,074	1,469,201	1,175,931	1,538,684	2,008,987	1,776,656	2,194,634	1,657,334	4,787,823	5,401,756
Total revenues	<u>44,566,749</u>	<u>46,923,737</u>	<u>48,405,646</u>	<u>50,917,955</u>	<u>53,448,148</u>	<u>53,518,323</u>	<u>58,152,415</u>	<u>58,679,309</u>	<u>68,851,059</u>	<u>70,501,341</u>
EXPENDITURES										
Current:										
General government	2,895,749	3,633,660	3,464,037	2,931,192	3,102,300	3,457,495	3,322,769	3,817,279	3,774,659	5,059,893
Public safety	17,625,723	18,388,065	19,081,135	19,781,489	20,066,298	20,478,753	20,129,437	21,093,838	22,164,524	24,050,102
Public works	9,009,131	9,503,060	10,184,967	9,763,684	10,096,733	9,946,537	9,636,789	10,129,415	10,595,085	10,707,486
Culture and recreation	4,758,803	4,944,540	4,816,143	5,089,696	5,249,645	5,070,898	5,349,233	5,794,662	6,171,832	6,532,299
Community and development	2,651,454	2,202,852	1,364,290	3,400,009	3,817,626	1,660,463	1,491,965	2,446,904	4,550,197	2,660,542
Other	8,400	12,300	-	-	-	-	-	-	-	-
Debt service:										
Principal	11,050,000	6,895,000	5,435,000	6,310,000	7,170,000	7,470,000	11,605,000	8,206,649	9,762,137	10,495,514
Interest and fiscal charges	2,970,803	2,772,456	3,018,509	2,827,421	2,972,124	3,075,613	2,943,185	2,301,565	2,652,020	3,151,829
Capital outlay	5,228,945	6,169,361	8,813,385	13,202,924	9,623,199	13,866,574	11,076,516	14,648,378	18,102,530	24,171,408
Total expenditures	<u>56,199,008</u>	<u>54,521,294</u>	<u>56,177,466</u>	<u>63,306,415</u>	<u>62,097,925</u>	<u>65,026,333</u>	<u>65,554,894</u>	<u>68,438,690</u>	<u>77,772,984</u>	<u>86,829,073</u>
Excess (deficiency) of revenues over expenditures	<u>(11,632,259)</u>	<u>(7,597,557)</u>	<u>(7,771,820)</u>	<u>(12,388,460)</u>	<u>(8,649,777)</u>	<u>(11,508,010)</u>	<u>(7,402,479)</u>	<u>(9,759,381)</u>	<u>(8,921,925)</u>	<u>(16,327,732)</u>
OTHER FINANCING SOURCES (USES)										
Long-term debt issued	10,075,000	6,100,000	12,075,000	12,825,000	8,990,000	19,630,000	23,175,000	16,181,100	15,975,000	13,800,000
SBITA Proceeds	-	-	-	-	-	-	-	-	-	212,100
Premium on debt issued	132,350	125,000	255,564	347,620	212,975	1,567,782	1,264,127	679,938	1,263,609	1,031,306
Payment to current noteholder	-	-	(7,050,000)	-	-	(12,265,000)	(6,970,000)	(10,250,000)	-	-
Proceeds from sale of capital assets	-	-	42,718	130,141	81,823	104,020	70,112	269,880	113,584	186,012
Transfers in	4,152,677	5,419,914	5,185,819	6,430,383	5,539,528	5,863,145	10,387,767	6,213,626	7,173,356	8,357,919
Transfers out	(2,208,818)	(3,405,412)	(3,094,072)	(4,297,830)	(3,416,147)	(3,765,175)	(8,289,923)	(3,693,785)	(5,162,114)	(6,480,947)
Total other financing sources (uses)	<u>12,151,209</u>	<u>8,239,502</u>	<u>7,415,029</u>	<u>15,435,314</u>	<u>11,408,179</u>	<u>11,134,772</u>	<u>19,637,083</u>	<u>9,400,759</u>	<u>19,363,435</u>	<u>17,106,390</u>
Net change in fund balances	<u>\$ 518,950</u>	<u>\$ 641,945</u>	<u>\$ (356,791)</u>	<u>\$ 3,046,854</u>	<u>\$ 2,758,402</u>	<u>\$ (373,238)</u>	<u>\$ 12,234,604</u>	<u>\$ (358,622)</u>	<u>\$ 10,441,510</u>	<u>\$ 778,658</u>
Debt service (net of principal refinancings) as a percentage of noncapital expenditures	26.65%	19.23%	16.75%	17.30%	18.35%	19.61%	25.01%	18.64%	18.49%	19.68%

City of Fond du Lac, Wisconsin

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total¹ Assessed Value	Total Direct Tax Rate	Estimated² Actual Value	Ratio of³ Total Assessed to Estimated Actual Value
2024	\$ 3,078,504,300	\$ -	\$ 3,078,504,300	11.280	\$ 4,414,229,000	69.74
2023	\$ 3,027,746,500	\$ 121,086,770	\$ 3,148,833,270	10.626	\$ 4,184,416,900	75.23
2022	\$ 3,005,546,800	\$ 114,359,750	\$ 3,119,906,550	10.245	\$ 3,703,015,500	84.25
2021	\$ 2,979,436,000	\$ 112,065,390	\$ 3,091,501,390	9.997	\$ 3,329,718,700	92.85
2020	\$ 2,947,629,200	\$ 118,068,250	\$ 3,065,697,450	9.460	\$ 3,149,182,700	97.35
2019	\$ 2,908,751,900	\$ 114,997,220	\$ 3,023,749,120	9.577	\$ 3,003,275,800	100.65
2018	\$ 2,612,902,300	\$ 106,000,770	\$ 2,718,903,070	10.468	\$ 2,894,535,500	93.96
2017	\$ 2,597,239,700	\$ 130,759,720	\$ 2,727,999,420	9.955	\$ 2,812,603,900	96.89
2016	\$ 2,553,171,500	\$ 135,242,100	\$ 2,688,413,600	9.615	\$ 2,716,586,500	98.94
2015	\$ 2,510,001,500	\$ 128,040,160	\$ 2,638,041,660	9.244	\$ 2,662,872,500	99.05
2014	\$ 2,482,152,700	\$ 127,669,520	\$ 2,609,822,220	8.891	\$ 2,597,744,000	100.46

Notes:

¹ Assessed Property Values are determined by the City of Fond du Lac Assessor's office in conjunction with the Wisconsin Department of Revenue Property Assessment Manual.

² Estimated Actual Values (Equalized Values) are provided by the Wisconsin Department of Revenue Supervisor of Assessments.

³ Ratio of Total Assessed to Estimated Actual Value (Aggregate Ratio) is provided by the Wisconsin Department of Revenue .

City of Fond du Lac, Wisconsin

PRINCIPAL TAXPAYERS

Current Year and Nine Years Ago

2024				2015			
Name	Type of Business	Assessed ^a Valuation	Percent Total Assessed Valuation	Name	Type of Business	Assessed ^b Valuation	Percent Total Assessed Valuation
Agnesian Healthcare Inc	Hospital/Health Care Facility	\$ 41,415,500	1.35%	Mercury Marine	Manufacturer of Boat Engines	\$ 51,346,500	1.95%
Mercury Marine	Manufacturer of Boat Engines	33,282,500	1.08%	Agnesian Healthcare Inc	Hospital/Health Care Facility	39,473,937	1.50%
Aurora Medical Group	Health Care Facility	32,864,000	1.07%	McNeilus Steel Inc	Warehouse	24,690,089	0.94%
Edward Rose Development Company	Apartments	30,195,300	0.98%	John Mark Apt. Complexes	Apartments	17,345,705	0.66%
Grande Cheese Company	Dairy Processing	28,597,100	0.93%	Simon Properties	Shopping Mall	16,938,700	0.64%
Badger Liquor	Retail/Liquor	26,299,500	0.85%	Aurora Medical Group	Health Care Facility	15,957,021	0.60%
East Central Warehouse	Warehouses	15,452,600	0.50%	Eagle Fond du Lac	Warehouse	15,725,400	0.60%
Silver Lake Land & Cattle LLC	Automotive	14,148,800	0.46%	Wal-Mart	Retail Shopping Facility	14,309,639	0.54%
Walmart	Retail/Grocery	13,027,700	0.42%	J.F. Ahern	Metal Fabrication	13,755,071	0.52%
J.F. Ahern	Metal Fabrication	12,632,400	0.41%	1115 East Johnson LLC	Grocery / Retail	13,199,861	0.50%
Principal Taxpayers Total		247,915,400	8.05%	Principal Taxpayers Total		222,741,923	8.44%
All Other		2,830,588,900	91.95%	All Other		2,415,299,737	91.56%
Total		\$ 3,078,504,300	100.00%	Total		\$ 2,638,041,660	100.00%

Sources:

^a 2024 City Assessment Roll.

^b 2015 City Assessment Roll.

City of Fond du Lac, Wisconsin

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal¹ Year		Total^{2 a} Tax Levied		Current^{3 b} Tax Collected	Percent of Levy Collected
2024	\$	34,725,720	\$	34,647,337	99.774
2023	\$	33,678,254	\$	33,617,595	99.820
2022	\$	32,694,592	\$	32,617,747	99.765
2021	\$	30,889,400	\$	30,773,020	99.623
2020	\$	30,545,749	\$	24,389,495	79.846
2019	\$	29,991,482	\$	29,974,789	99.944
2018	\$	28,737,677	\$	28,717,184	99.929
2017	\$	27,185,263	\$	27,180,019	99.981
2016	\$	25,243,083	\$	25,233,388	99.962
2015	\$	23,836,590	\$	23,829,111	99.969

Notes:

¹ Fiscal year is the year in which the tax is collected. The 2024 fiscal year consists of the 2023 tax bills due in 2024 and used to finance the 2024 budget.

² Total tax includes real estate property taxes and the TIF increment levied for the City of Fond du Lac jurisdiction only.

³ Real estate taxes are paid in full each year. Fond du Lac County buys the delinquent real estate taxes and handles all collections.

Delinquent personal property taxes are charged back to the overlying taxing jurisdictions. The City only carries the municipal portion of the delinquent personal property taxes receivable.

Sources:

^a Tax levy reconciliation file.

^b Total tax levied less City portion of delinquent personal property taxes on the year-end balance due report.

City of Fond du Lac, Wisconsin

PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

Fiscal ¹ Year	City of Fond du Lac		Fond du Lac School District		Moraine Park Technical College		Fond du Lac County		State of Wisconsin		Gross Tax Rate	State Tax Credit		Net Tax Rate	Total
Tax Rates per \$1,000 of Assessed Value and Percent of Total															
2024	11.280	45.3%	8.557	34.4%	0.789	3.2%	6.078	24.4%	0.000	0.0	26.704	1.806	7.3%	24.898	100.0
2023	10.626	43.5%	8.585	35.2%	0.776	3.2%	6.092	25.0%	0.000	0.0	26.079	1.671	6.8%	24.408	100.0
2022	9.997	43.50	7.902	34.4	0.578	2.5	5.962	25.9	0.000	0.0	24.439	1.440	6.3	22.999	100.0
2021	9.460	41.2	8.583	37.4	0.622	2.7	5.777	25.1	0.000	0.0	24.442	1.467	6.4	22.975	100.0
2020	9.577	41.7	8.647	37.6	0.613	2.7	5.654	24.6	0.000	0.0	24.491	1.504	6.5	22.987	100.0
2019	10.468	43.0	8.813	36.2	0.677	2.8	6.125	25.2	0.000	0.0	26.083	1.747	7.2	24.336	100.0
2018	9.955	41.4	9.105	37.9	0.669	2.7	6.072	25.3	0.000	0.0	25.801	1.775	7.4	24.026	100.0
2017	9.615	39.9	9.37	38.9	0.663	2.7	5.977	24.8	0.170	0.7	25.795	1.678	7.0	24.117	100.0
2016	9.244	38.0	9.969	40.9	0.678	2.8	5.979	24.6	0.171	0.7	26.041	1.710	7.0	24.331	100.0
2015	8.891	37.6	9.525	40.3	0.672	2.8	5.903	25.0	0.169	0.7	25.160	1.523	6.4	23.637	100.0
Tax Levies											Total				
2024	32,436,771		25,517,581		2,367,990		18,596,956		-		78,919,298				
2023	30,713,712		21,964,679		1,695,645		17,907,702		-		72,281,738				
2022	29,669,049		22,824,730		1,716,718		17,692,059		-		71,902,556				
2021	30,889,400		24,546,863		1,827,680		16,982,983		-		74,246,926				
2020	30,545,749		24,539,941		1,787,309		16,487,349		-		73,360,348				
2019	29,991,482		22,497,590		1,773,730		16,053,639		-		70,316,441				
2018	28,737,677		23,310,960		1,759,476		15,957,640		-		69,765,753				
2017	27,185,263		23,777,445		1,726,339		15,569,739		461,021		68,719,807				
2016	25,243,083		25,118,585		1,753,880		15,463,386		451,906		68,030,840				
2015	23,836,590		23,855,726		1,726,281		15,172,847		440,853		65,032,297				
<div>Notes:</div> <div>¹Fiscal year is the year in which the tax is collected. The 2024 fiscal year consists of the 2023 tax bills due in 2024 and used to finance the 2024 budget.</div>															

Notes:

¹Fiscal year is the year in which the tax is collected. The 2024 fiscal year consists of the 2023 tax bills due in 2024 and used to finance the 2024 budget.

City of Fond du Lac, Wisconsin

RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	General Obligation Notes	Lease Liability ¹	Subscription Liability ¹	Revenue Bond Debt	Lease Liability ¹			
2024	9,532,772	91,130,829	94,791	561,247	58,916,664	13,302	160,249,605	N/A	3,629
2023	11,239,406	85,591,556	128,535	769,153	34,422,225	18,351	132,169,226	4.7%	2,972
2022	13,475,202	76,489,309	160,971	-	39,378,120	22,934	129,526,536	4.7%	2,913
2021	23,915,038	68,372,576	-	-	43,908,032	-	136,195,646	4.3%	3,071
2020	32,887,182	53,918,133	-	-	52,086,434	-	138,891,749	3.9%	3,137
2019	46,049,327	39,521,851	-	-	59,524,063	-	145,095,241	3.6%	3,275
2018	51,296,471	32,397,755	-	-	66,534,776	-	150,229,002	3.3%	3,420
2017	56,263,615	20,683,911	-	-	70,676,773	-	147,624,299	3.2%	3,380
2016	60,599,603	16,579,585	-	-	77,388,896	-	154,568,084	3.0%	3,480
2015	61,905,892	16,002,096	-	-	83,909,719	-	161,817,707	2.8%	3,665

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

N/A = Not Available.

¹ Lease liabilities and subscription liabilities are not bonded debt.

² See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Fond du Lac, Wisconsin

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Population^a	General Bonded Debt	Less: Amounts Available from Restricted Net Position-Debt Service	Total	Percentage of Assessed Value¹	Percentage of Equalized Value¹	Per Capita²
2024	44,152	100,663,601	-	100,663,601	3.27	2.28	2,279.93
2023	44,470	96,830,962	-	96,830,962	2.96	2.31	2,177.44
2022	44,412	89,964,511	-	89,964,511	2.78	2.34	2,025.68
2021	44,349	92,287,614	9,825,199	82,462,415	2.67	2.48	1,859.40
2020	44,279	86,805,315	-	86,805,315	2.83	2.76	1,960.42
2019	44,303	85,571,178	-	85,571,178	2.74	2.76	1,931.50
2018	43,921	83,694,226	-	83,694,226	3.08	2.89	1,905.56
2017	43,679	76,947,526	-	76,947,526	2.82	2.74	1,761.66
2016	44,412	77,179,188	-	77,179,188	2.87	2.84	1,737.80
2015	44,152	77,907,988	41,007	77,866,981	2.95	2.92	1,763.61

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.

²Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Fond du Lac, Wisconsin

COMPUTATION OF LEGAL DEBT MARGIN

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed Value ^a	\$ 2,638,041,660	\$ 2,688,413,600	\$ 2,727,999,420	\$ 2,718,903,070	\$ 3,023,749,120	\$ 3,065,697,450	\$ 3,091,501,390	\$ 3,119,906,550	\$ 3,148,833,270	\$ 3,078,504,300
Equalized Value ^a	2,662,872,500	2,716,586,500	2,812,603,900	2,894,535,500	3,003,275,800	3,149,182,700	3,329,718,700	3,703,015,500	4,184,416,900	4,414,229,000
Debt Limit Five Percent of Equalized Value ¹	133,143,625	135,829,325	140,630,195	144,726,775	150,163,790	157,459,135	166,485,935	185,150,775	209,220,845	220,711,450
Amount of Debt Applicable to Debt Limit:										
General Obligation Bonds	61,545,000	60,205,000	55,790,000	50,900,000	45,730,000	32,645,000	23,750,000	13,365,000	9,635,000	9,470,000
General Obligation Notes	15,925,000	16,470,000	20,475,000	31,880,000	36,175,000	49,155,000	65,345,000	73,295,000	83,270,000	86,985,000
Total Debt	77,470,000	76,675,000	76,265,000	82,780,000	81,905,000	81,800,000	89,095,000	86,660,000	92,905,000	96,455,000
Deduct:										
Debt Service Fund Balance	30,188	-	-	21,073	-	-	-	-	-	-
Total Amount of Debt Applicable to Debt Limit	77,439,812	76,675,000	76,265,000	82,758,927	81,905,000	81,800,000	89,095,000	86,660,000	92,905,000	96,455,000
Legal Debt Margin	\$ 55,703,813	\$ 59,154,325	\$ 64,365,195	\$ 61,967,848	\$ 68,258,790	\$ 75,659,135	\$ 77,390,935	\$ 98,490,775	\$ 116,315,845	\$ 124,256,450
Percent of Legal Debt Limit Available	41.8%	43.6%	45.8%	42.8%	45.5%	48.1%	46.5%	53.2%	55.6%	56.3%

Notes:

¹ State Statutes (67.03 and 119.49) limit direct general obligation debt to 5% of the equalized valuation of taxable property in the municipality.

Sources:

^a Assessed and Equalized (Estimated Actual Value) of Taxable Property Table.

City of Fond du Lac, Wisconsin

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

December 31, 2024

	Net Debt Outstanding	Percentage Applicable to City of Fond du Lac¹	City of Fond du Lac Share of Debt
Direct Debt:			
City of Fond du Lac	\$ 101,319,639	100.0 %	<u>\$ 101,319,639</u>
Overlapping Debt:			
Fond du Lac County	52,950,000	37.1	19,633,860
Moraine Park Technical College	68,990,000	10.1	6,936,496
Fond du Lac School District	78,865,000	72.4	57,106,147
North Fond du Lac School District	39,453,345	11.9	<u>4,694,948</u>
Total - overlapping debt			<u>88,371,451</u>
TOTAL			<u><u>\$ 189,691,090</u></u>

Note: Overlapping taxing jurisdictions are those that coincide, at least in part, with the geographical boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Fond du Lac.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the taxable assessed value that is within the government's boundaries and dividing it by the total taxable assessed value for that jurisdiction.

City of Fond du Lac, Wisconsin

Water Utility Revenue Bond Coverage

Last Ten Fiscal Years

Fiscal Year	Operating Revenue	Operating ¹ Expenses	Interest and Other Revenue	Income Available for Debt Service	Debt Service Requirements			Coverage
					Principal ²	Interest	Total	
2024	13,202,045	6,056,963	439,758	7,584,840	3,340,941	776,986	4,117,927	1.84
2023	13,197,860	4,718,449	226,401	8,705,812	3,382,202	740,985	4,123,187	2.11
2022	13,595,801	4,917,290	353,605	9,032,116	3,749,452	623,799	4,373,251	2.07
2021	12,524,604	4,020,564	252,510	8,756,550	3,732,668	983,697	4,716,365	1.86
2020	12,269,551	3,892,314	58,200	8,435,437	3,616,830	1,090,508	4,707,338	1.79
2019	12,853,004	4,038,331	164,542	8,979,215	3,501,915	1,182,510	4,684,425	1.92
2018	12,879,093	3,998,332	103,379	8,984,140	3,387,904	1,269,972	4,657,876	1.93
2017	12,673,108	4,025,216	73,369	8,721,261	3,274,774	1,354,731	4,629,505	1.88
2016	12,610,507	4,119,707	66,938	8,557,738	3,162,506	1,427,493	4,589,999	1.86
2015	12,096,367	4,044,784	73,545	8,125,128	3,101,081	1,519,336	4,620,417	1.76

Notes:

¹ Operating expenses do not include depreciation and property tax equivalent.

² Principal payments are shown net of debt principal refundings.

City of Fond du Lac, Wisconsin

Wastewater Collection & Treatment System Revenue Bond Coverage

Last Ten Fiscal Years

Fiscal Year	Operating Revenue	Operating ¹ Expenses	Interest and Other Revenue	Income Available for Debt Service	Debt Service Requirements ²			Coverage
					Principal ³	Interest	Total	
2024	13,460,192	6,153,246	395,504	7,702,450	4,167,171	186,912	4,354,083	1.77
2023	13,303,708	6,803,299	471,328	6,971,737	4,071,392	283,819	4,355,211	1.60
2022	12,514,920	6,335,617	199,245	6,378,548	3,977,818	378,495	4,356,313	1.46
2021	11,989,453	6,185,215	117,415	5,921,653	3,886,398	470,992	4,357,390	1.36
2020	12,842,337	5,974,149	243,274	7,111,462	3,797,073	561,324	4,358,397	1.63
2019	12,007,514	6,568,587	415,249	5,854,176	3,705,493	645,301	4,350,794	1.35
2018	12,265,217	5,453,922	343,545	7,154,840	3,494,534	678,798	4,173,332	1.71
2017	12,398,145	5,445,261	278,306	7,231,190	3,413,631	760,659	4,174,290	1.73
2016	11,412,924	6,245,828	271,543	5,438,639	3,257,401	918,740	4,176,141	1.30
2015	11,716,802	5,528,095	271,383	6,460,090	3,481,988	1,166,946	4,648,934	1.39

Notes:

¹ Operating expenses do not include depreciation.

² Includes principal and interest of revenue bonds only.

³ Principal payments are shown net of refinancings and additional payments for the early retirement of debt.

City of Fond du Lac, Wisconsin

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population^a	Adjusted^b Gross Income Per Tax Return	Total Personal Income^c thousands of dollars	Per Capita Personal Income^{1c}	Median^d Age	Annual^e Unemployment Rate	Public^f School Enrollment	Public^f High School Graduates
2024	44,295	n/a	n/a	n/a	37.9	3.1	6,446	449
2023	44,152	\$ 66,722	\$ 6,238,742	\$ 60,018	37.9	2.7	6,603	475
2022	44,470	\$ 58,675	\$ 6,043,639	\$ 58,204	37.2	2.6	6,675	477
2021	44,349	\$ 58,905	\$ 5,883,749	\$ 56,378	38.9	3.5	6,662	476
2020	44,279	\$ 55,631	\$ 5,434,541	\$ 52,813	38.9	6.5	7,050	486
2019	44,303	\$ 54,201	\$ 5,164,866	\$ 49,949	38.5	3.1	7,084	490
2018	43,921	\$ 54,777	\$ 4,960,128	\$ 48,126	37.3	2.9	7,204	528
2017	43,679	\$ 48,129	\$ 4,691,921	\$ 45,753	36.9	3.0	7,242	510
2016	44,412	\$ 51,099	\$ 4,562,299	\$ 44,665	36.9	3.6	7,319	494
2015	44,152	\$ 50,193	\$ 4,462,797	\$ 43,764	36.9	4.3	7,310	493

Notes:

N/A = Not Available.

¹ Includes Fond du Lac County and Metropolitan Area

Sources:

^a Demographic Services Center - State of Wisconsin (2010 - U.S. Census Bureau)

^b Wisconsin Department of Revenue

^c U.S. Department of Commerce, Bureau of Economic Analysis

^d U.S. Department of Labor - Bureau of Labor Statistics

^e U.S. Department of Labor - Bureau of Labor Statistics - average rate, not seasonally adjusted

^f Wisconsin Center for Education Statistics, Bureau for Information Management, Fond du Lac School District

City of Fond du Lac, Wisconsin

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2024			2015		
Name	Employees ^a	Percentage of Total City Employment ¹	Name	Employees ^a	Percentage of Total City Employment ¹
SSM Health	3,450	7.19%	Agnesian Health Care	3,278	6.83%
Mercury Marine	3,100	6.46%	Mercury Marine	2,825	5.89%
Fond du Lac County	894	1.86%	Fond du Lac County	875	1.82%
Fond du Lac School District	834	1.74%	Fond du Lac School District	850	1.77%
C.D. Smith Construction Inc	450	0.94%	J.F. Ahern Co.	535	1.11%
J.F. Ahern Co	400	0.83%	Moraine Park Technical College	416	0.87%
Moraine Park Technical College	389	0.81%	Taycheedah Correctional Facility	390	0.81%
Taycheedah Correctional Facility	382	0.80%	Walker Group Holdings (Brenner Tan	350	0.73%
Fives Machining Systems Inc	375	0.78%	City of Fond du Lac	311	0.65%
Total	10,274	23.10%	Total	6,552	13.65%

Notes:

¹ Wisconsin's WorkNet Current Employment Statistics

Sources:

^a Hutchinson, Shockey, Erley & Co. Revenue Bond Official Statement

City of Fond du Lac, Wisconsin

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works	Culture and Recreation	Community Development	Total
2024	24.0	163.0	66.0	12.0	11.0	276.0
2023	23.0	163.0	66.0	12.0	11.0	275.0
2022	27.0	161.5	69.0	12.5	12.0	282.0
2021	27.0	150.0	71.0	13.0	12.0	273.0
2020	27.0	150.0	70.8	13.2	12.0	273.0
2019	27.0	150.0	70.8	13.2	12.0	273.0
2018	26.0	150.0	70.8	13.2	12.0	272.0
2017	24.7	150.0	70.8	13.2	12.0	270.7
2016	20.4	148.8	69.1	12.4	10.8	261.5
2015	20.3	147.3	68.2	12.4	11.0	259.2

Notes:

Contains governmental funds permanent full and part-time employees under City Council's authority.

Does not include Library employees or enterprise fund employees.

In 2012 Transit operations, 8.4 FTE's were moved from Community Development to Public Works.

In 2013 Information Technology Services, 4 FTE's were moved from General Government to an internal service fund.

City of Fond du Lac, Wisconsin

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
Community Development										
Building Permits Issued	2,655	1,683	3,724	3,807	4,257	1,346	1,315	1,378	1,121	1,096
Total Valuation of Building Permits	\$ 85,143,513	\$ 40,960,146	\$ 52,278,825	\$ 90,173,120	\$ 73,233,575	\$ 98,770,669	\$ 80,652,243	\$ 146,273,582	\$ 87,684,743	\$ 76,467,379
New site plans reviewed	17	32	26	30	28	27	47	36	17	12
Rezoning/special use permits applied for	14	18	13	16	8	11	14	11	16	8
Variances applied for	14	15	27	14	10	17	8	12	11	19
New lots/parcels created	2	2	4	-	17	7	17	18	18	8
Housing Code Enforcement-complaints filed	415	458	513	552	509	426	439	418	444	440
Housing Code Enforcement-violations cured	645	542	526	544	441	329	347	447	449	454
Housing rehabilitation value of loans approved	\$ 172,099	\$ 142,179	\$ 377,050	\$ 191,300	\$ 93,295	\$ 104,900	\$ 94,009	\$ 113,500	\$ 223,855	\$ 304,664
Downtown parking revenue (permits & meter)	\$ 288,452	\$ 296,981	\$ 306,351	\$ 310,534	\$ 305,663	\$ 227,255	\$ 206,015	\$ 208,889	\$ 239,443	\$ 229,397
Transit ridership	206,139	209,119	200,540	206,364	193,050	103,427	99,403	120,525	130,032	147,643
Transit farebox revenue	\$ 246,530	\$ 256,947	\$ 330,351	\$ 249,051	\$ 250,502	\$ 26,320	\$ 30,094	\$ 35,554	\$ 184,913	\$ 215,760
Culture and Recreation										
Library	1	1	1	1	1	1	1	1	1	1
Library Volumes	204,418	209,864	203,464	208,313	206,235	204,929	194,396	194,480	194,511	197,875
Circulation-Physical Material	709,154	680,674	641,827	627,249	590,624	453,768	379,826	404,581	395,553	373,004
Circulation- Electronic Material	-	-	-	-	-	-	-	91,781	111,517	129,904
Senior Center number of visits	51,948	63,359	63,113	62,208	66,274	11,511	45,472	50,091	50,347	69,650
Senior Center volunteer hours worked	21,052	18,114	15,751	15,203	16,644	4,785	17,807	2,665	2,642	3,317
Business-type activities:										
Water Utility										
Average No. of Customers:										
Residential	14,202	14,246	14,358	14,391	14,433	14,449	14,474	14,541	14,359	14,472
Commercial	1,199	1,204	1,215	1,220	1,222	1,234	1,262	1,300	1,357	1,297
Industrial	53	53	53	54	52	53	55	53	66	63
Multifamily	297	301	311	309	318	309	317	322	326	242
Public	77	75	77	76	76	82	82	81	102	96
Gallons of Water Sold:										
Residential	546,756,404	530,939,376	524,086,200	527,408,068	516,562,068	538,111,948	523,540,908	525,140,132	639,825,140	528,260,788
Commercial	269,906,076	274,917,758	268,340,512	269,833,520	283,578,020	265,229,580	282,623,572	350,415,560	341,058,944	290,784,500
Industrial	290,630,912	279,349,576	262,631,776	309,956,240	261,161,956	219,665,908	248,039,792	377,967,392	364,109,824	298,637,696
Multifamily	83,877,728	81,969,580	83,892,688	85,010,200	92,238,124	90,256,672	93,084,112	103,305,532	121,872,289	89,073,336
Public	63,676,492	68,326,060	63,710,900	63,324,932	75,286,948	67,460,624	64,295,088	81,160,992	67,151,372	63,966,424
Plant Capacity (gallons/day)	6,606,000	5,956,000	6,212,000	6,394,000	5,867,000	5,729,000	7,078,000	6,726,000	6,726,000	6,726,000
Wastewater Collection & Treatment System										
Average No. of Customers:										
Residential	14,202	14,246	14,358	14,391	14,433	14,449	14,474	14,541	14,359	14,472
Commercial	1,199	1,204	1,215	1,220	1,222	1,234	1,262	1,300	1,357	1,297
Industrial	53	53	53	54	52	53	55	53	66	63
Multifamily	297	301	311	309	318	309	317	322	326	242
Public	77	75	77	76	76	82	82	81	102	96
System Usage in Gallons										
Residential	546,756,404	530,939,376	524,086,200	527,408,068	516,562,068	538,111,948	523,540,908	525,140,132	639,825,140	528,260,788
Commercial	269,906,076	274,917,758	268,340,512	269,833,520	283,578,020	265,229,580	282,623,572	350,415,560	341,058,944	290,784,500
Industrial	290,630,912	279,349,576	262,631,776	309,956,240	261,161,956	219,665,908	248,039,792	377,967,392	364,109,824	298,637,696
Multifamily	83,877,728	81,969,580	83,892,688	85,010,200	92,238,124	90,256,672	93,084,112	103,305,532	121,872,289	89,073,336
Public	63,676,492	68,326,060	63,710,900	63,324,932	75,286,948	67,460,624	64,295,088	81,160,992	67,151,372	63,966,424

Notes: N/A = Not Available

Sources:

City of Fond du Lac departmental statistic reports

City of Fond du Lac, Wisconsin

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
Public Safety										
Police Protection										
Sworn Personnel - Authorized Positions	73	73	72	72	73	73	64	67	69	76
Fire and EMS Protection										
Number of Stations	3	3	3	3	3	3	3	3	3	3
Firefighting Force	65	65	65	65	65	65	65	64	67	71
Firefighting Vehicles	6	6	6	6	6	6	6	6	6	6
Ambulances	5	5	5	5	6	6	6	6	6	6
Public Works										
Miles of Streets	171	171	171	176	177	177	177	177	177	178
Miles of Storm Sewers	175	175	182	192	228	227	237	237	209	213
Recreation and Culture										
Playgrounds	15	16	16	17	17	18	18	18	19	19
City Parks	21	22	22	22	22	23	23	23	23	20
Acres of City Park Land	520	530	530	530	530	530	530	530	530	530
Indoor Skating Facility	1	1	1	1	1	1	1	1	1	0
Outdoor Skating Facility	1	2	2	2	2	2	2	2	2	1
Outdoor Skateboarding Facility	1	1	1	1	1	1	1	1	1	1
Outdoor Pools	1	1	1	1	1	1	1	1	1	1
Outdoor Water Park	1	1	1	1	1	1	1	1	1	1
Disc Golf Course	1	1	1	1	1	1	1	1	1	1
Band Shelters	1	1	1	1	1	1	1	1	1	1
Boat Launches	18	18	18	18	18	18	18	18	18	18
Business-type activities:										
Water Utility										
Miles of Mains	223	223	223	224	225	225	216	216	226	226
Hydrants	1,830	1,836	1,836	1,842	1,846	1,856	1,862	1,819	1,823	1,826
Wastewater Collection & Treatment System										
Miles of Sanitary Sewers	198	198	198	203	206	205	205	205	205	207

Sources:

City of Fond du Lac departmental statistic reports

City of Fond du Lac adopted budget

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



**INDEPENDENT AUDITORS' 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 Fond du Lac, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fond du Lac, Wisconsin (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 19, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

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 of Fond du Lac, Wisconsin's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
June 19, 2025

FEDERAL AND STATE AWARDS



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
THE WISCONSIN STATE SINGLE AUDIT GUIDELINES**

City Council
City of Fond du Lac, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal Program and the Major State Program

We have audited the City of Fond du Lac, Wisconsin's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the City's major federal programs and major state program for the year ended December 31, 2024. The City's major federal programs and major state program are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and the major state program for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program and the Major 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 Auditing Standards* issued by the Comptroller General of the United States; and 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*. Our responsibilities under those standards, the Uniform Guidance and the *State Single Audit Guidelines* are further described in the Auditors' 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 program and the major 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 the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state program.

Auditors' 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*, Uniform Guidance, and the *State Single Audit Guidelines*, 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 program and the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines* 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 the 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 Uniform Guidance and the *State Single Audit Guidelines*, 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 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 requirement of a federal or state program that is less severe than a material weakness in internal control over 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 Auditors' 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 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
June 19, 2025

CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/2024	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/24	Total Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE								
U.S. Forest Service Great Lakes Restoration Initiative	10.675	Bay Lake Regional Planning Commission	16006-10D	\$ (2,500)	\$ -	\$ 2,500	\$ -	\$ -
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
Community Development Block Grants/Entitlement Grants	14.218	Direct Program	N/A	(164,661)	572,503	59,303	467,145	-
COVID-19: Community Development Block Grants/Entitlement Grants	14.218	Direct Program	N/A	(12,451)	12,451	-	-	-
Community Development Block Grant-Revolved Loan Funds								
Program Income	14.218	Direct Program	N/A	-	701,077	-	701,077	-
Total Community Development Block Grants and U.S. Department of Housing and Urban Development				(177,112)	1,286,031	59,303	1,168,222	-
U.S. Department of the Interior								
Knowles-Nelson Stewardship Program, Land and Water Conservation Aids	15.916	WI Dept. of Natural Res.	55-01918	(283,829)	283,829	-	-	-
U.S. DEPARTMENT OF JUSTICE								
Edward Byrne Memorial Justice Assistance Grant	16.738	Direct Program	N/A	-	14,823	12,179	27,002	-
Asset Forfeiture Programs Equitable Sharing	16.922	Direct Program	N/A	4,648	-	(4,648)	-	-
Total U.S. Department of Justice				4,648	14,823	7,531	27,002	-
U.S. DEPARTMENT OF TRANSPORTATION								
Federal Transit Cluster:								
Federal Transit Formula Grants	20.507	Direct Program	N/A	51,143	(51,143)	767,122	767,122	-
COVID-19: Federal Transit Formula Grants	20.507	Direct Program	N/A	-	121,712	-	121,712	-
Bus and Bus Facilities Formula Program	20.526	Direct Program	N/A	-	63,251	-	63,251	-
Total Federal Transit Cluster and U.S. Department of Transportation				51,143	133,820	767,122	952,085	-
U.S. DEPARTMENT OF TREASURY								
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct Program	N/A	9,808,662	-	(4,205,018)	5,603,644	-
U.S. DEPARTMENT OF HOMELAND SECURITY								
Assistance to Firefighters Grant	97.044	Direct Program	N/A	-	-	41,586	41,586	-
Total Expenditures of Federal Awards				\$ 9,401,012	\$ 1,718,503	\$ (3,326,976)	\$ 7,792,539	\$ -

See Notes to the Schedules of Expenditures of Federal and State Awards.

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2024**

State Grantor/Pass-Through Grantor/ Program or Cluster Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 1/1/24	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/24	Total State Expenditures	Passed Through to Subrecipients
DEPARTMENT OF TRANSPORTATION								
Transit Operating Aids	395.104	Direct Program	N/A	\$ -	\$ 310,646	\$ -	\$ 310,646	\$ -
DEPARTMENT OF HEALTH SERVICES								
EMS Funding Assistance Program	435.167	Direct Program	N/A	3,177	9,398	(3,632)	8,943	-
DEPARTMENT OF MILITARY AFFAIRS								
Regional Emergency Response Teams	465.306	Direct Program	N/A	-	16,514	2,987	19,501	-
Hazardous Materials Emergency Preparedness	465.308	Fond du Lac County	11036 & 11163	-	28,006	-	28,006	-
Total Department of Military Affairs				-	44,520	2,987	47,507	-
TOTAL STATE PROGRAMS				<u>\$ 3,177</u>	<u>\$ 364,564</u>	<u>\$ (645)</u>	<u>\$ 367,096</u>	<u>\$ -</u>

See Notes to the Schedules of Expenditures of Federal and State Awards.

**CITY OF FOND DU LAC, WISCONSIN
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
DECEMBER 31, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the Schedules) for the City are presented in accordance with the 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.

The Schedules include all federal and state awards of the City. Because the Schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the Schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2024 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines*. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded City expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The City has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3 OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal	U.S. Department of Transportation
State	Wisconsin Department of Transportation

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR.516(a)? yes x no

Identification of Major Federal Programs

Assistance Listing Numbers

20.507
20.526
21.027

Name of Federal Program or Cluster

Federal Transit Cluster
Federal Transit Formula Grants
Bus and Bus Facilities Formula Program
COVID-19: Coronavirus State and Local
Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes x no

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified? _____ yes x none reported

2. Type of auditors' report issued on compliance for state programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with *State Single Audit Guidelines*? _____ yes x no

Identification of Major State Program

State I.D. Number

395.104

Name of State Program

Transit Operating Assistance

Dollar threshold used to distinguish between Type A and Type B state projects:

\$ 250,000

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

Finding No.

2024-001 Adjustment to the City's Financial Records

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During the audit process, an overstatement of accumulated depreciation related to the City's governmental activities that was material to the City's financial statements was identified and recorded.

Criteria or Specific Requirement: Material adjusting journal entries that are recorded during the audit process are considered to be an internal control deficiency.

Effect: Year-end financial records prepared by the City may contain material misstatements.

Cause: As of December 31, 2023, the City overstated the amount of accumulated depreciation related to the City's governmental activities by a material amount because the City's internal control and review process failed to identify a manually entered error in one of the City's capital asset spreadsheets that is used to rollforward accumulated depreciation.

Recommendation: We also recommend that the City review year-end procedures related to the identification and recording of capital asset additions and disposals, as well as the calculation and recording of depreciation and accumulated depreciation.

Management's Response: Management will continue to review adjusting and closing entries, as well as continue to review a draft of the financial statements prior to issuance. Management will also review year-end procedures related to capital asset reporting.

Section III – Findings and Questioned Costs – Federal and State Award Programs

Uniform Guidance and State Single Audit Guidelines Findings

There are no findings related to the Federal and State Awards required to be reported under 2 CFR 200.516(a) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration for the year ended December 31, 2024.

**CITY OF FOND DU LAC, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section IV – Other Issues

1. Does the auditor have substantial doubt about the auditee's ability to continue as a going concern? No

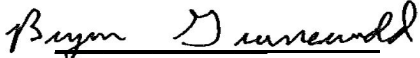
2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grants/contracts with funding agencies that require audits to be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

Department of Transportation No

Department of Health Services No

Department of Military Affairs No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of principal 
Bryan Grunewald, CPA

5. Date of Report June 19, 2025