



Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2024



City of Middleton, Wisconsin

City of Middleton

Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2024

Prepared by:

Finance Department
William Burns, Finance Director

City of Middleton

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CITY OF MIDDLETON

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June 2, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Middleton:

The Annual Comprehensive Financial Report for the City of Middleton (City) for the year ended December 31, 2024, is hereby submitted. This report consists of management's representations concerning the finances of the City of Middleton. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurances that the financial statements are free of any material misstatements.

The City Council retained the accounting firm of Baker Tilly US to perform an audit of the City's financial statements. Baker Tilly US concluded based on its audit procedures that the City's financial statements are presented fairly, in all material respects, in accordance with Generally Accepted Accounting Principles (GAAP). They have issued an unmodified opinion regarding the fair presentation of the financial statements for the year ended December 31, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the City of Middleton

The City of Middleton is located in Dane County, approximately six miles from the state capitol in Madison, Wisconsin. Incorporated in 1963, the City of Middleton covers 9.1 square miles and has a population of 23,868 according to the Wisconsin Department of Administration. The City operates under a mayor-council form of government. Policymaking and legislative authority is vested with the city council, which consists of a mayor and an eight-member council.

The governing body is responsible, among other things, for passing resolutions and ordinances, adopting the budget, setting the property tax levy, and hiring the City's administrator. The city administrator is responsible for carrying out the policies of the council and overseeing the day-to-day operations of City government. The mayor presides at city council meetings and is responsible for appointing committees, boards, and commissions, subject to the approval of the city council. The mayor and council are elected on a non-partisan basis. Council members are elected from within individual districts to staggered two-year terms with four members up for election each year. The mayor is elected at large to three-year terms.

The area that is now the City of Middleton was first platted in 1856. In 1856 a railroad line was built connecting Madison to the Mississippi River at Prairie du Chien. A rail depot, Middleton Station, was established in what is now downtown Middleton. In 1905 the Village of Middleton was incorporated and in 1963 Middleton was incorporated as a city. Today the City of Middleton has a thriving downtown core with significant business and office park development and a variety of housing options.

The City provides a full range of local government services including police protection, paramedic level ambulance service, street construction and maintenance, sanitation, recreation, library, and other cultural and general government services. Middleton's parks, recreation, and forestry department, as well as other city departments, manages over 1,400 acres of parks, conservancy areas and other permanent public open spaces

representing in total approximately 25% of the City's total land area. In addition, the City operates a municipal airport, golf course, water, sewer, and storm water utilities. The city council exercises control over a Community Development Authority that is reported in the City's financial statements as a component unit. Fire protection is provided by the Middleton Fire District which is reported as a fiduciary fund in the City's financial statements.

The annual budget process serves as the basis for financial planning and control. Operating and capital budget requests are prepared by department heads and are submitted in August of each year. The initial review of the budget requests is conducted by the city administrator and finance department. The requests are then presented to mayor and finance & personnel committee by department heads along with recommendations from finance and administration. The finance & personnel committee approves a recommended budget for consideration by the council. A public hearing on the proposed budget is held prior to approval by the council, which typically occurs in mid-November. The level of budgetary control is established at the department level. Budget to actual comparisons for the general fund are presented as part of the required supplementary information in the financial statements.

Factors Affecting the City's Economic Condition

Local Economy

Middleton benefits from its proximity to the City of Madison which is the location of the state capital and the flagship University of Wisconsin campus. Over the past five years, Middleton's total equalized value has increased by an average of 8.1% per year adding \$1.8 billion in additional value. The City has made a commitment to the diversification of its tax base with significant non-residential development including corporate headquarters and major facilities for Capital Brewery, Electronic Theatre Controls (ETC), Fiskars, Spectrum Brands, Standard Imaging, and Thermo Fisher Scientific. The Dane County unemployment rate was 2.1% in December 2024, which was lower than state and federal levels. The City maintains an Aa1 bond rating from Moody's Investors Service.

The City of Middleton received \$2.1 million in federal State and Local Fiscal Recover Funds authorized under the American Rescue Plan Act (ARPA). The City Council approved a plan for the use of these funds for several projects including providing assistance to populations impacted by the pandemic, sustainability and stormwater enhancements, premium pay for public safety employees, and capital equipment and other one-time costs. At the end of 2024, the City had expended \$1,926,930 in ARPA funds with the remaining \$170,000 obligated with planned expenditure in 2025.

The State of Wisconsin fully exempted personal property from taxation beginning with the 2024 tax year, collectable in 2025. Beginning in 2025, the City of Middleton will receive additional general exempt personal property aid to make up for the reduction in personal property tax revenue in the amount of \$287,462. Middleton's tax increment districts will receive an additional \$1,048,325 in Act 12 exempt personal property aid. Upon closure of the TIDs, this aid will be appropriated to the overlying taxing jurisdictions with about 28% allocated to the City of Middleton.

The City has utilized Tax Incremental Financing (TIF) extensively to help promote both new development and redevelopment in the community. Middleton has two active TIF Districts. TID #3 encompasses much of the City's business parks and the historic downtown core. As of January 1, 2024, TID #3 had a value increment of \$679 million making it the one of the largest active TIDs in Wisconsin. Due to the success of the district the City has been able to use subtraction amendments to remove over \$480 million of value from the TID to increase the City's general tax base. TID #3 is required to close by 2030. However, the City has collected sufficient increment to pay the remaining obligations of the TIF. On April 15, 2025 the Middleton Common Council approved a resolution extending the life of the TID by one additional year to provide funding for affordable housing. The final year of increment from the 2025/2026 tax year will go to a new affordable housing fund and the City anticipates taking action to terminate TID #3 by April 15, 2026.

TID #5 was created in 2009 to help facilitate redevelopment between the Highway 12 and Parmenter Street corridors, in the Allen Boulevard commercial area as well as in Middleton's urban greenway. It had an incremental value of \$258 million in 2024. An addition/subtraction amendment was approved in 2021 to remove properties unlikely to be redeveloped during the life of the TID and to extend the district to include a portion of the University Avenue corridor and the Belle Farm development on the City's north side. That mixed-use development is projected to add over \$200 million in value at full build out. At the end of 2024, TID #5 had repaid all of the funds advanced from TID #3 and the district had a positive fund balance of \$605,622.

Financial Planning

The City of Middleton is committed to sound community and financial planning. Each year the City updates its five-year capital improvement plan as part of the budget process. This plan identifies capital needs for all the City's funds and lists priorities and financing sources. In conjunction with the plan, the City maintains capital equipment and vehicle replacement schedules that project future capital needs up to twenty years in the future. Financial models for the City's operating funds, debt service, and tax increment financing districts assist the City in evaluating the long-term impacts of budgetary decisions. The budgetary philosophy of the City has been one of stability in budgets, tax rates, and user fees.

In March of 2021, the City Council approved an update to the City's Comprehensive Plan. Middleton went through a comprehensive strategic planning process in 2021 and 2022 culminating in adoption of a plan by the City Council in November 2022. The City has begun incorporating these strategic planning priorities in the budget process and the approved budget document.

Financial Policies

The Middleton Common Council has adopted several financial policies related to general fund balance, capital assets, debt management, and overall budget development to provide guidance for the City's financial management. For example, Middleton's fund balance policy sets a target for unassigned fund balance of two to four months of subsequent year general fund budgeted expenditures excluding transfers (16.7% to 33.3%). In 2024 the City increased its unassigned fund balance by \$378,060 to \$7,936,794. This represents 30.9% of the subsequent year's budgeted expenditures excluding one-time transfers. The City's general fund also had \$6,064,218 in assigned fund balance at the end of 2024 for future compensated absence payments, public safety capital reserves, and other projects.

The City of Middleton's debt management policy provides guidance to help ensure that long-term debt is utilized in a fiscally prudent manner. Included in the policy is an objective of above average principal retirement and limiting the term of non-facility debt to maintain the flexibility to meet future long-term needs. Currently 99.7% of the City's debt is scheduled to be paid within ten years. In addition, the City has only utilized 12.3% of its legally available general obligation debt capacity. This available debt capacity and the rapid repayment of principal provide an opportunity for the City to take on additional capital borrowing to finance future projects. In 2023 the City began an update to the Community Campus Plan to look at future facility needs for city hall, the public library, and senior center which are all located in older buildings in the downtown.

Award and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Middleton for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This was the sixth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible through the dedicated services of the finance department staff with the advice of our independent auditors Baker Tilly US. We express our appreciation to all City staff that assisted and contributed to the preparation of this report. We also thank the mayor, the city council, and the city administrator for their continued interest and support in the financial operations of the City.

Respectfully submitted,



William Burns, CPFO
Assistant City Administrator/Finance Director
City of Middleton

Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2024



City of Middleton, Wisconsin

7426 Hubbard Avenue
Middleton, Wisconsin 53562

ELECTED OFFICIALS

Emily Kuhn	Mayor
John Schaffer	Aldersperson, District 1
Kim Madden	Aldersperson, District 2
Katy Nelson	Aldersperson, District 3 (Council President)
Todd Kalish	Aldersperson, District 4
Jeffrey Jackson	Aldersperson, District 5
Lisa Janairo	Aldersperson, District 6
David Lorman	Aldersperson, District 7
Randall Crow	Aldersperson, District 8

ADMINISTRATION

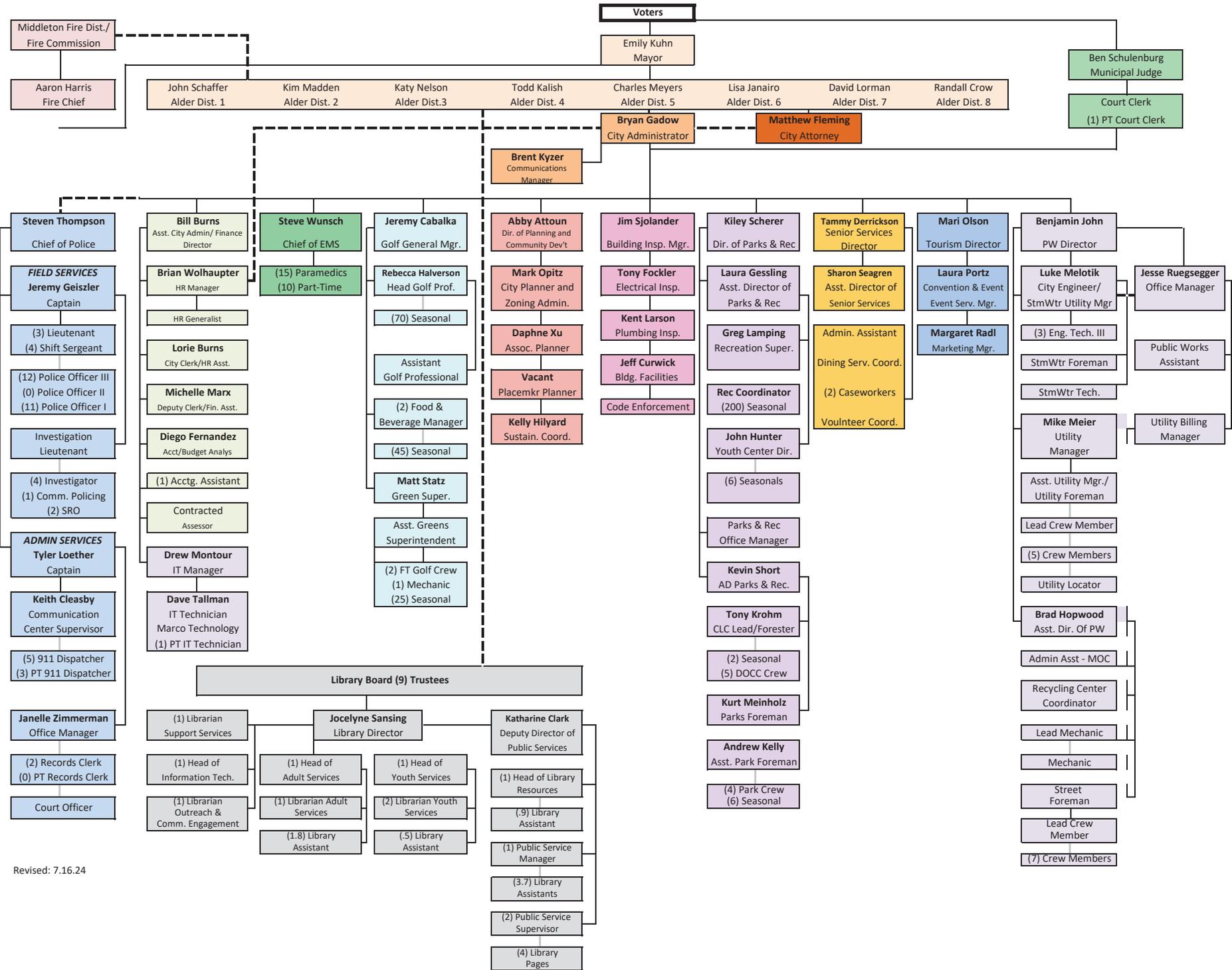
Bryan Gadow	City Administrator
Bill Burns	Assistan Administrator/Finance Director
Abby Attoun	Director of Planning and Community Development
Jeremy Calbaka	Golf Course General Manager
Tammy Derrickson	Senior Center Director
Troy Hellenbrand	Chief of Police
Drew Montour	Information Technology Manager
Mari Olson	Director of Tourism
Jocelyne Sansing	Library Director
Kiley Scherer	Director of Public Lands, Recreation & Forestry
Jim Sjolander	Building Inspection Manager
Shawn Stauske	Public Works Director / City Engineer
Steve Wunsch	Chief of EMS
Aaron Harris	Fire Chief, Middleton Fire District

OFFICIALS ISSUING REPORT

Bill Burns	Assistant Administrator/Finance Director
Diego Fernandez	Accountant/Budget Analyst

Officials as of December 31, 2024

City of Middleton Organizational Chart



Revised: 7.16.24



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Middleton
Wisconsin**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Independent Auditors' Report

To the City Council of
City of Middleton

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Middleton, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory Section and Statistical Section 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 2, 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.

Baker Tilly US, LLP

Madison, Wisconsin
June 2, 2025

City of Middleton

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

This section of the City of Middleton's (City) annual financial statements provides the reader with management's narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, and (4) identify any changes in the City's financial plan (approved budget). The financial discussion and analysis presented in the section is intended to be used in conjunction with the accompanying financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Middleton exceeded its liabilities and deferred inflows by \$224,962,688 (net position) as of December 31, 2024. Of this amount, \$158,089,453 represents the City's net investment in capital assets and \$42,246,090 is restricted for various purposes. The City's unrestricted net position is \$24,627,145.
- At the end of 2024, the City's governmental activities reported a positive balance in unrestricted net position of \$6,419,103. Continued strong tax increment revenue in Tax Increment Financing Districts (TIDs) #3 and #5 contributed to the increase along with an increase in investment income due to higher interest rates.
- In 2021 and 2022, the City received a total of \$2,096,930 in general federal American Rescue Plan funds. The City has allocated these funds for several projects to address the impact of the COVID-19 pandemic, enhance sustainability, and make stormwater improvements. These funds are accounted for in a special revenue fund. At the end of 2024, there was \$179,421 remaining in unexpended funds.
- At the end of the current fiscal year, the general fund had \$7,936,794 of unassigned fund balance which is equal to 30.9% of the subsequent year's budgeted general fund expenditures excluding one-time transfers.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Middleton's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The City's basic financial statements include two government-wide financial statements, the Statement of Net Position and the Statement of Activities. These financial statements are designed to provide the reader with a broad overview of the City of Middleton's finances. Financial reporting at this level uses a perspective similar to that found in the private sector, utilizing full accrual accounting and the elimination or reclassification of internal activities.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred 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, as a whole, is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of the timing of related cash flows.

City of Middleton

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs from fees and charges. Governmental activities include general government, public safety, public works, health and human services, leisure activities, and conservation and economic development. Business-type activities include water, sewer, golf course, storm water utility, utility district, and airport funds.

The government-wide financial statements include not only funds of the City of Middleton (primary government), but also a legally separate Community Development Authority (component unit) for which the City of Middleton is financially accountable. Financial information for this component unit is presented in a discrete column in the financial statements. The Middleton Community Development Authority does not issue separate financial statements. See Note 1 of the Notes to Financial Statements for more information.

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 Middleton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant (major) funds rather than the City as a whole. Major funds are separately reported while other funds are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of the report. All of the funds of the City of Middleton can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the focus of fund financial statements is on the short-term use of spendable resources and balances of spendable resources available at the end of the year. Such information may be useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the focus of governmental funds is narrower than that of government-wide financial statements, comparisons of the information for governmental funds presented in the fund financial statements with similar information for governmental activities presented in the government-wide statements may provide insight into the long-term impact of short-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.

In 2024, the City of Middleton utilized twenty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Tax Increment Financing Districts #3 and #5, and Capital Projects Fund, which are considered to be major funds. Data from the other seventeen nonmajor funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Middleton adopts annual budgets for its various funds in accordance with state statutes. Budgetary comparison statements and schedules are included in the Required Supplementary Information section for the General Fund. Budgetary comparison statements and schedules for other funds are included in the Supplementary Information section.

City of Middleton

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

Proprietary funds

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. There are two types of proprietary funds, enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Services are provided to customers external to the City. The proprietary fund financial statements provide separate information on the City's four major enterprise funds: Water Utility, Sewer Utility, Pleasant View Golf Course, and Stormwater Utility. Individual fund information for the City's other enterprise funds is provided in the form of combining statements in a later section of this report.

Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City has one internal service fund for Risk Management Activities.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties other than the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support City programs. The City of Middleton maintains fiduciary funds to record the tax roll and collections for other taxing governmental agencies and for the Middleton Fire District. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. A detailed budgetary comparison schedule for the General Fund is presented to demonstrate compliance with the budget.

Government-wide Financial Analysis`

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes therein. It should be noted that the financial position could also be affected by nonfinancial factors, including economic conditions, population growth, and changes in the regulatory environment.

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the City as a whole. At the close of 2024, total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$224,962,688.

General capital assets (e.g. land, construction in progress, land improvements, buildings, machinery, infrastructure, and equipment) for governmental activities of the City (less any outstanding debt to acquire those assets) equals \$101,119,655 or 67.5% of governmental net position. Including governmental and business-type activities, \$158,089,453 or 70.3% of total net position is represented by capital assets. The percentage of governmental activities net position represented by capital assets decreased from 72.6% to 67.5 % from 2023 to 2024 despite a \$4,381,034 increase in net investment in capital assets. Additions to restricted net position for community development and unrestricted net position contributed to the change.

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For business-type activities there was a decrease from 79.1% to 75.7% primarily due to increases in unrestricted net position for all of the City's major business-type activity funds.

The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's total net position (\$42,246,090 or 28.2%) represents resources that are subject to external restrictions in how they may be used. This portion increased from the prior year due largely to a \$6,407,419 increase restricted net position for community development resulting from strong performance of the City's two active TIDs.

Financial Analysis of the City as a Whole

The City as a whole had a positive unrestricted net position of \$24,627,145 at the close of 2024. Included in this total is a positive unrestricted net position for governmental activities of \$6,419,103. Continued strong revenue in the City's TIDs and higher investment income contributed to the positive unrestricted net position. Business-type activities had a positive unrestricted net position of \$18,208,042 at the close of 2024.

The following table provides a summary of the City's net position:

Statement of Net Position Years Ended December 31, 2024 and 2023 (Amounts expressed in thousands)

	Governmental Activities		Business Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 102,636	\$ 91,684	\$ 20,730	\$ 16,080	\$ 123,366	\$ 107,763
Capital assets	125,524	123,326	56,970	55,445	182,494	178,771
Total assets	228,160	215,009	77,700	71,525	305,860	286,534
Deferred outflows of resources	11,407	16,635	819	1,208	12,226	17,843
Current and other liabilities	12,305	6,925	1,170	815	13,475	7,740
Non-current liabilities	33,978	45,895	384	686	34,362	46,581
Total liabilities	46,284	52,820	1,554	1,501	47,838	54,321
Deferred inflows of resources	43,499	45,520	1,787	1,151	45,286	46,670
Net position:						
Net investment in capital assets	101,120	96,739	56,970	55,445	158,089	152,184
Restricted	42,246	33,674	-	-	42,246	33,674
Unrestricted	6,419	2,892	18,208	14,636	24,627	17,528
Total net position	\$ 149,785	\$ 133,305	\$ 75,178	\$ 70,081	\$ 224,963	\$ 203,386

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Changes in Net Position

Net position of the City of Middleton increased by \$21,576,645 (10.6%) in 2024. Of this increase, 76.4% was from governmental activities and 23.6% was from business-type activities.

Governmental Activities

Governmental activities increased the City's net position by \$16,480,250. This increase was primarily a result of additional property tax collections for the City's TIDs and higher investment income and a reduction in the net pension liability.

Business-Type Activities

Business-type activities increased the City's net position by \$5,096,395. A significant portion of this increase is from \$2,186,484 in capital contributions for the water and sewer utilities from developer-installed improvements for the Belle Farms and Redtail Ridge subdivisions.

The following table provides a summary of the changes in net position for the City of Middleton:

Change in Net Position
Years Ended December 31, 2024 and 2023
(Amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 5,008	\$ 4,541	\$ 12,806	\$ 11,532	\$ 17,814	\$ 16,073
Operating grants	2,873	1,542	-	-	2,873	1,542
Capital grants/ contributions	4,568	6,834	2,201	2,649	6,769	9,484
General Revenues:						
Property taxes, levied for general purposes	20,972	20,562	-	-	20,972	20,562
Property taxes, levied for tax increment districts	14,767	13,054	-	-	14,767	13,054
Room taxes	2,270	2,177	-	-	2,270	2,177
Intergovernmental, not for specific programs	3,649	2,432	-	-	3,649	2,432
Investments	3,036	2,799	664	483	3,700	3,282
Gain on sale of property	25	1	-	-	25	1
Miscellaneous	315	77	51	27	366	104
Total revenues	57,484	54,020	15,722	14,691	73,206	68,711

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	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Expenses:						
General government	3,686	3,380	-	-	3,686	3,380
Public safety	11,947	11,376	-	-	11,947	11,376
Public works	9,303	9,609	-	-	9,303	9,609
Health & human services	679	658	-	-	679	658
Leisure activities	5,653	4,786	-	-	5,653	4,786
Conservation/development	9,369	11,009	-	-	9,369	11,009
Interest on long-term debt	936	940	-	-	936	940
Water utility	-	-	2,378	2,395	2,378	2,395
Sewer utility	-	-	3,785	3,410	3,785	3,410
Pleasant View Golf Course	-	-	3,089	2,849	3,089	2,849
Stormwater Utility	-	-	470	466	470	466
Nonmajor enterprise funds	-	-	334	216	334	216
Total expenses	<u>41,573</u>	<u>41,758</u>	<u>10,056</u>	<u>9,336</u>	<u>51,629</u>	<u>51,094</u>
Increase (decrease) in net position before transfers	15,911	12,262	5,666	5,356	21,577	17,617
Net Transfers	<u>569</u>	<u>560</u>	<u>(569)</u>	<u>(560)</u>	<u>-</u>	<u>-</u>
Change in net position	16,480	12,822	5,096	4,795	21,577	17,617
Net position-beginning	<u>133,305</u>	<u>120,483</u>	<u>70,081</u>	<u>65,286</u>	<u>203,386</u>	<u>185,769</u>
Net position-ending	<u>\$ 149,785</u>	<u>\$ 133,305</u>	<u>\$ 75,178</u>	<u>\$ 70,081</u>	<u>\$ 224,963</u>	<u>\$ 203,386</u>

Financial Analysis of the City's Funds

Fund Financial Analysis

As noted earlier, the City of Middleton uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial reporting focuses on short-term spendable resources and balances of spendable resources available at year-end.

Governmental Funds

As of December 31, 2024, the City's governmental funds had a combined ending fund balance of \$60,090,140. Of this balance, \$236,427 is nonspendable and \$45,852,701 is restricted. The remaining balance of \$14,001,012 includes \$6,064,218 assigned for specific purposes and \$7,936,794 that is unassigned.

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General Fund

The General Fund is the primary operating fund of the City and supports the majority of day-to-day services provided by the City. The total fund balance of the General Fund as of December 31, 2024 is \$14,237,439 of which \$236,427 was nonspendable, \$6,064,218 was assigned, and \$7,936,794 was unassigned. The General Fund assigned fund balance consisted of the following items as of December 31, 2024:

• Compensated absences (sick accrual)	\$2,935,632
• Public safety reserve (Fire)	\$1,422,746
• Public safety reserve (EMS)	\$540,000
• Carryovers	\$247,678
• Revaluation	\$225,000
• Subsequent year transfers to other funds	\$693,162

The General Fund had an increase in fund balance of \$857,025. There were several items that contributed to this increase which are described below in the General Fund Budgetary highlights section.

Debt Service Fund

Debt Service fund balance as of December 31, 2024, totaled \$370,900, a decrease of \$94,755 due to the planned use of fund balance. The City levied \$5,725,000 in property taxes for debt service in 2024. Principal and interest payments totaled \$6,398,632. The debt service fund also recognized \$195,661 for the issuance premium on the 2024 general obligation note issue and received transfers from the City's safety impact fee and economic development grant funds totaling \$315,000. Debt service payments for the City's TIDs were reported in the individual funds rather than the debt service fund.

TIF District No. 3

The fund balance for the TID #3 fund increased from \$24,047,485 to \$29,912,233 in 2024. Tax incremental revenue continues to be strong for TID #3 with an increase of \$901,143 (9.0%). The addition of a new apartment building and the continued appreciation of property values contributed to the increase. Capital outlay expenditures also decreased from \$11,948,558 in 2023 to \$3,467,883 in 2024 as the Pleasant View Road reconstruction and expansion project nears completion.

TIF District No. 5

The fund balance for the TID #5 fund increased by \$2,596,821 in 2024 resulting in a positive fund balance of \$605,622. TID #5 tax increment revenue increased by \$811,912 (26.3%) due to the construction of additional housing development in the TID including two new apartment buildings. Expenditures in 2024 included \$1,541,959 for administration and economic development and \$54,731 for capital outlay. There were also debt service payments totaling \$652,450 in 2024.

Capital Projects Funds

The total fund balance for the City's Capital Projects Fund was \$3,328,353 as of December 31, 2024. Capital improvement projects expenditures for 2024 totaled \$3,740,485. Major expenditures for the year included the following projects:

• Street Resurfacing Projects	\$848,468
• Lake Street & Dewey Court Reconstruction	\$711,290
• Parks Capital Equipment Purchases	\$281,651
• Police Capital Equipment & Vehicle Purchases	\$228,652
• Street Surface Treatments	\$222,999

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Proprietary Funds

The City's propriety fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds are addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The 2024 General Fund final budget included revenues of \$24,109,455 and other financing sources of \$709,562, for a total of \$24,819,017. Budgeted expenditures were \$23,371,276 with \$2,403,171 of other financing uses for a total of \$25,774,447. There was a budgeted deficit of \$955,430 with a planned use of fund balance.

Actual revenues and other financing sources were \$25,903,952 which was \$1,084,935 above budget. There was a positive variance of \$727,520 from expenditures and other financing uses with an actual amount of \$25,046,927. The combined variances of actuals to budget were a positive \$1,812,455. While the final budget included the planned use of \$955,430 of fund balance, the actual result was an increase in fund balance of \$857,025. Some of the significant variances in the General Fund were as follows:

Revenues and Other Financing Sources

- Taxes were \$29,250 over budget primarily due to higher than anticipated room tax collections. Room tax collections were up 4.2% compared to 2023 due to strong hotel revenue in the first and second quarters of 2024. The general fund portion of room tax collections was \$56,915 above the 2024 budget estimate. Fees in lieu of taxes were \$40,166 under budget due to a delay in implementation of a new payment in lieu of taxes agreement.
- Intergovernmental revenues were \$60,684 over the final budget. The City received \$33,645 in law enforcement aid for special enforcement activities that was not budgeted. Fire insurance dues were \$10,298 higher than budgeted. County aid for signals and senior citizen programs were also above budget by \$7,414 and \$7,511 respectively due to increases in Dane County funding levels.
- Licenses and permits were \$422,312 over budget. There was a significant increase in building permit activity in 2024 including three new apartment buildings in the City's TIDs and single-family home construction in the Belle Farms and Redtail Ridges subdivisions. Other miscellaneous fee revenue was \$116,976 higher than budgeted due to additional administrative and engineering fees from the new subdivisions.
- Fines and forfeitures revenue decreased 6.0% from 2023 to 2024 and was \$48,351 under budget. The decrease is due in part to lower levels of court activity.
- Public charges for services were \$182,599 under budget driven by ambulance service revenue that was \$281,368 below the 2023 level. Due to a technical error by the City's billing provider, there was a delay in invoicing some 2024 ambulance runs until early 2025. The City estimates that the collectable portion of the delayed invoices is \$182,379 which was booked as a receivable and deferred revenue.
- Interdepartmental charges were on budget with \$1,074,080 in revenue.
- Special assessments revenue was \$21,911 below budget due to fewer assessable costs in the 2024 street reconstruction and sidewalk projects.
- Investment income increased by \$100,618 (8.0%) in 2024 compared to the prior year due primarily to the reinvestment of funds at higher rates as investment matured. Revenues were budgeted conservatively due to the uncertainty of interest rates. The City ended 2024 with general fund investment income over budget by \$855,581.
- Miscellaneous revenues were \$6,463 under budget. This is primarily due to other miscellaneous income that was \$10,190 lower than the budget estimate. There was a risk reimbursement payment of \$7,000 in 2023 that was not recorded in the general fund in 2024.

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- Transfers in from other funds was \$23,568 under budget due to a lower than anticipated Payment in Lieu of Taxes (PILOT) calculation for the City's water utility. Continued strong growth in equalized property values and the cumulative impact of levy limits have lowered local tax rates resulting in a lower tax equivalent calculation.

Expenditures and Other Financing Uses

- General government expenditures were \$220,139 under budget. The 2024 approved budget included a larger elections budget of \$157,700 to provide additional funds for the presidential election. While election costs were up \$38,046 over the prior year, there were savings compared to budget of \$77,857. The use of electronic pollbooks helped to limit number of additional election workers needed resulting in savings. Miscellaneous expenditures were under budget by \$66,985 due to unexpended funds from a community campus plan that were carried over to 2025. Information technology expenditures were also \$25,411 under budget in 2024 as a result of fewer equipment replacements.
- Expenditures for public safety were \$382,881 lower than budgeted. Vacancies in the police department resulted in expenditures for that department that were under budget by \$123,638. Expenditures for the EMS department were lower than budgeted by \$151,232. Of this amount, \$80,000 was budgeted for a capital reserve and added to assignment fund balance. There were also savings in EMT wages due to turnover and in outside services due to reduced billing company fees resulting from a reduction in ambulance billing revenue.
- Public works expenditures were \$108,132 under budget. A mild winter with fewer snow events contributed to savings of \$37,255 in the snow removal budget. Fleet maintenance costs were \$19,567 less than budget due to lower fuel prices and additional department charges compared to the budgeted estimates. There were also savings in several line items for engineering and administration, traffic signs and markings, and recycling.
- Expenditures for health and human services (senior center) were under budget by \$21,554. There were savings in benefits costs due to a shift in health and dental benefits taken at the single level while budgeted at the family level.
- Leisure activities expenditures were \$116,547 over budget. There was a reorganization of parks and recreation staffing in 2024 that resulted in additional costs being allocated to recreation administration and public lands. The increases are largely offset by \$77,682 in conservancy lands. Operating costs for recreation administration were also offset by additional recreation revenues.
- Expenditures for conservation and development were \$111,361 lower than budgeted. In addition to the savings in conservancy lands, planning department expenditures were \$32,295 under budget due to changes in benefit level selections and a reduced need for outside consultant services.

Capital Assets and Debt Administration

Capital Assets

At the end of 2024, the City had invested \$182,493,714 in capital assets net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, equipment and furniture, infrastructure, and construction in progress.

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City of Middleton Capital Assets (Net of Accumulated Depreciation) (Amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land & Right-of-Way	\$ 32,957	\$ 32,621	\$ 6,416	\$ 6,416	\$ 39,373	\$ 39,038
Buildings & improvements	27,817	28,796	14,701	15,181	42,518	43,976
Equipment & furnishings	4,874	4,732	581	694	5,454	5,426
Streets	30,753	30,897	-	-	30,753	30,897
Storm Sewers	5,318	5,514	-	-	5,318	5,514
Traffic Signals	495	573	-	-	495	573
Sidewalks	4,149	4,281	-	-	4,149	4,281
Bridges	2,231	2,315	-	-	2,231	2,315
Fiber Optic	65	67	-	-	65	67
Rail Spur	76	93	-	-	76	93
Water Utility	-	-	23,637	22,361	23,637	22,361
Sewer Utility	-	-	11,492	10,750	11,492	10,750
Infrastructure	43,087	43,741	35,129	33,110	78,216	76,851
Construction in Progress	16,790	13,435	143	44	16,933	13,479
Total capital assets	\$ 125,524	\$ 123,326	\$ 56,970	\$ 55,445	\$ 182,494	\$ 178,771

Governmental Activities

Total capital assets net of depreciation from governmental activities increased by \$2,198,102 in 2024. Major capital assets events during the current fiscal year included the following:

- \$3,175,907 in construction in progress additions for the Pleasant View Road Reconstruction project.
- \$1,272,192 in machinery and equipment for various capital equipment including several vehicle replacements, a traffic signal installation, mower purchases.
- \$781,862 in street infrastructure for the Lake Street and Dewey Court reconstruction project.
- \$258,739 for right of way acquired for the Pleasant View Road Reconstruction project.
- \$222,800 for the Middleton Public Library Bathroom Remodel project.

Business-Type Activities

Total capital assets net of depreciation from business-type activities increased by \$1,524,500. This includes \$1,276,376 for the water utility, \$753,346 for the sewer utility, and decreases of \$145,995 for the Pleasant View Golf Course, \$262,696 for the stormwater utility, and \$96,531 for nonmajor enterprise funds. Major capital assets events during the current fiscal year included the following:

- \$1,269,126 in capital contributions to the water utility for transmission and distribution main additions, services, and hydrants for the Belle Farms and Redtail Ridge subdivisions.
- \$917,358 in capital contributions to the sewer utility for collecting mains and accessory additions for the Belle Farms and Redtail Ridge subdivisions.

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- \$583,686 in water utility transmission and distribution main additions, services, and hydrants from the Lake Street and Dewey Court reconstruction project.
- \$119,427 in sewer utility collection mains and accessory additions for the Lake Street and Dewey Court reconstruction project.

Additional information on the City of Middleton's capital assets can be found in Note 4.

Long-Term Debt

At the end of the current fiscal year, the City of Middleton had total general obligation debt outstanding of \$34,788,193 which is all backed by the full faith and credit of the city.

City of Middleton Outstanding Debt For the Years Ended December 31, 2024 and 2023 (Amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
General obligation bonds and notes	\$ 34,788	\$ 36,635	\$ -	\$ -	\$ 34,788	\$ 36,635
Total outstanding debt	\$ 34,788	\$ 36,635	\$ -	\$ -	\$ 34,788	\$ 36,635

State Statutes limit the amount of general obligation debt a government entity may issue to five percent of its total equalized valuation. The debt limit for the City of Middleton as of December 31, 2024, is \$281,758,955 of which the City has utilized 12.3% for its current outstanding general obligation debt.

The City of Middleton's total outstanding debt decreased by \$1,846,929 (5%) during the current fiscal year. The City issued \$4,000,000 of new general obligation debt and made principal payments totaling \$5,846,929 in 2024. See Note 4. for detailed information on the City's long-term debt.

Economic Factors and Next Year's Budget and Rates

The City of Middleton is located in Dane County, Wisconsin approximately six miles from downtown Madison, the state capital. Over the past ten years, the City has experienced significant growth in its population and total equalized value. The City maintains two active TIDs, several office and business parks, retail shopping areas, and nine hotels with over 1,100 hotel rooms.

Key Economic Factors

- The City's equalized property valuation has increased from \$2.9 billion to \$5.6 billion over the past ten years, an increase of 93.8%.
- Middleton's estimated population has increased from 18,810 to 23,868 between 2015 and 2024, an increase of 26.9%.
- Unemployment remains low in Dane County at 2.1% in 2024, below the State of Wisconsin rate of 3.0% and the national rate of 4.1%.
- Per capita adjusted gross income in the City of Middleton was \$68,277 in 2023. That is an increase of \$7,772 (12.8%) since 2015.
- The City maintains an Aa1 bond rating from Moody's Investors Service, based in part on the strong economic climate of the City.

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American Rescue Plan Act Funds

The federal American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. ARPA includes direct assistance to all municipal governments in the United States. The City of Middleton's allocation is \$2,096,930. These funds must be obligated by December 31, 2024, with final payments made by December 31, 2026. At the end of 2024 the City had spent \$1,917,509 of its general ARPA allocation with \$179,421 in obligated funds remaining.

Since the City's total allocation is under \$10 million, the City is eligible to use the standard allowance for revenue loss allowing all the funds to be used for any non-prohibited public purpose. Treasury Department guidelines specify that ARPA funds may not be used for deposits to pension funds, debt service, legal settlements, or deposits to rainy day funds or financial reserves.

2025 Approved Budget

The City of Middleton adopts operating budgets for its governmental funds (general, special revenue, debt service, and capital projects), enterprise funds (water, sewer, and stormwater utilities, golf course, airport, and special utility district), and internal service fund. The 2025 fiscal year General Fund budget includes \$25,700,164 in projected revenues and other financing sources and \$25,700,164 in projected expenditures and other financing uses.

Funding for the operating budget of the City is provided from many sources, including property taxes, room taxes, grants and aids from the state and county, user fees, permits and licenses, fines, and other miscellaneous revenues. Several revenue sources are sensitive to economic factors, in particular building permits, room taxes, and investment earnings. Building permit and engineering review fee revenues increased in 2024 due to the development of two new subdivisions and continued strong demand for housing in the region. Room tax collections continued to increase during 2024 driven primarily in travel for sporting events and leisure. Continued high interest rates in 2024 contributed to a general fund surplus in 2024. The City has budgeted investment income conservatively in 2025 in anticipation of potential interest rate reductions.

Personnel expenditures for wages and benefits continue to increase due to employee turnover and higher levels of inflation. Operating costs are increasing faster than the growth in property tax revenues which are generally limited to the percentage change in net new construction. The 2025 budget includes a 2.5% increase in cost-of-living wage adjustments for non-union employees and increases of 2.75% for police and EMS union employees. All eligible City employees are contributing toward the cost of the pension program through the Wisconsin Retirement System. Net city health insurance premium and HRA costs are estimated to increase by 9.0% in 2025. For the 2024 tax year, collectable in 2025, the State of Wisconsin fully exempted personal property from taxation. The City of Middleton will receive an additional \$287,462 in general exempt personal property aid in 2025. However, the City's allowable property tax levy limit was reduced by this amount. As a result, the general property tax levy decreased by \$66,108 despite a 1.64% increase in net new construction. General fund investment income is budgeted at \$750,000 in 2025 which is an increase of \$250,000. This increase is based on additional funds available to invest and revised interest rate estimates. Future revenue projections reflect a gap in future years between the estimated allowable property tax levy compared to the anticipated costs of providing services to a growing community.

Request for Financial Information

This financial report is designed to provide users with a general overview of the City of Middleton's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, contact the Finance Department, City of Middleton 7426 Hubbard Avenue, Middleton, WI 53562.

City of Middleton

Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and investments	\$ 62,871,749	\$ 15,386,004	\$ 78,257,753	\$ 718,571
Receivables (net):				
Taxes	36,302,312	-	36,302,312	-
Special assessments	207,203	1,788,713	1,995,916	-
Accounts	1,673,130	2,265,883	3,939,013	1,801
Lease	728,116	1,290,392	2,018,508	-
Loans	-	-	-	27,490
Accrued interest	293,374	-	293,374	-
Internal balances	360,167	(360,167)	-	-
Inventories	65,649	57,888	123,537	-
Prepaid items	134,643	-	134,643	-
Property held for future use	-	301,087	301,087	-
Capital assets:				
Land	9,494,362	6,416,264	15,910,626	154,000
Construction in progress	16,790,089	142,898	16,932,987	-
Right of way	23,462,141	-	23,462,141	-
Land improvements	15,862,295	6,708,396	22,570,691	-
Improvements other than buildings	-	9,361,913	9,361,913	-
Buildings and improvements	31,024,592	2,252,500	33,277,092	3,025,449
Machinery and equipment	13,087,263	1,687,644	14,774,907	-
Infrastructure	62,879,440	-	62,879,440	-
Plant in service	-	57,129,159	57,129,159	-
Less accumulated depreciation	(47,076,266)	(26,728,976)	(73,805,242)	(1,577,510)
Total assets	<u>228,160,259</u>	<u>77,699,598</u>	<u>305,859,857</u>	<u>2,349,801</u>
Deferred Outflows of Resources				
Unamortized loss on refunding	489,717	-	489,717	-
Pension related amounts	10,917,623	818,943	11,736,566	-
Total deferred outflows of resources	<u>11,407,340</u>	<u>818,943</u>	<u>12,226,283</u>	<u>-</u>
Liabilities				
Accounts payable	2,455,106	960,597	3,415,703	20,235
Other accrued liabilities	630,471	44,519	674,990	-
Accrued interest	366,424	-	366,424	-
Due to other governments	31,144	-	31,144	-
Deposits	1,199,207	-	1,199,207	-
Unearned revenue	179,421	-	179,421	-
Long-term liabilities due within one year	7,443,653	164,764	7,608,417	-
Noncurrent liabilities:				
Due in more than one year	32,760,590	294,078	33,054,668	-
Net pension liability	1,217,798	89,782	1,307,580	-
Total liabilities	<u>46,283,814</u>	<u>1,553,740</u>	<u>47,837,554</u>	<u>20,235</u>
Deferred Inflows of Resources				
Property taxes levied for next period	36,297,120	-	36,297,120	-
Pension related amounts	6,503,782	510,248	7,014,030	-
Lease related amounts	698,035	1,276,713	1,974,748	-
Total deferred inflows of resources	<u>43,498,937</u>	<u>1,786,961</u>	<u>45,285,898</u>	<u>-</u>
Net Position				
Net investment in capital assets	101,119,655	56,969,798	158,089,453	1,601,939
Restricted for:				
Community development	30,625,360	-	30,625,360	-
Library	761,175	-	761,175	-
Impact fees	4,720,479	-	4,720,479	-
Tourism	3,726,954	-	3,726,954	-
Senior center	181,810	-	181,810	-
Debt service	4,476	-	4,476	-
Subdividers' deposits	1,722,731	-	1,722,731	-
Transit services	311,865	-	311,865	-
Public safety	92,784	-	92,784	-
Youth activities	98,456	-	98,456	-
Unrestricted	6,419,103	18,208,042	24,627,145	727,627
Total net position	<u>\$ 149,784,848</u>	<u>\$ 75,177,840</u>	<u>\$ 224,962,688</u>	<u>\$ 2,329,566</u>

See notes to financial statements

City of Middleton

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental activities:								
General government	\$ 3,686,484	\$ 680,025	\$ -	\$ -	\$ (3,006,459)	\$ -	\$ (3,006,459)	\$ -
Public safety	11,946,767	2,364,919	253,673	5,964	(9,322,211)	-	(9,322,211)	-
Public works	9,303,145	535,295	1,254,568	2,194,251	(5,319,031)	-	(5,319,031)	-
Health and human services	678,630	90,950	201,119	-	(386,561)	-	(386,561)	-
Leisure activities	5,653,255	754,708	1,163,544	1,381,025	(2,353,978)	-	(2,353,978)	-
Conservation and economic development	9,369,270	582,151	-	987,188	(7,799,931)	-	(7,799,931)	-
Interest and fiscal charges	935,689	-	-	-	(935,689)	-	(935,689)	-
Total governmental activities	41,573,240	5,008,048	2,872,904	4,568,428	(29,123,860)	-	(29,123,860)	-
Business-type activities:								
Water utility	2,378,079	3,110,597	-	1,269,126	-	2,001,644	2,001,644	-
Sewer utility	3,785,050	3,917,792	-	917,358	-	1,050,100	1,050,100	-
Pleasant View golf course	3,088,689	4,217,801	-	14,500	-	1,143,612	1,143,612	-
Stormwater utility	470,177	879,446	-	-	-	409,269	409,269	-
Middleton utility district	-	534,955	-	-	-	534,955	534,955	-
Airport	333,805	145,149	-	-	-	(188,656)	(188,656)	-
Total business-type activities	10,055,800	12,805,740	-	2,200,984	-	4,950,924	4,950,924	-
Total primary government	\$ 51,629,040	\$ 17,813,788	\$ 2,872,904	\$ 6,769,412	(29,123,860)	4,950,924	(24,172,936)	-
Component Unit, Business-Type Activities								
Community Development Authority	\$ 243,756	\$ -	\$ -	\$ 91,952	-	-	-	(151,804)
General Revenues								
Taxes:								
Property taxes, levied for general purposes					15,247,292	-	15,247,292	-
Property taxes, levied for debt service					5,725,000	-	5,725,000	-
Property taxes, levied for TIF purposes					14,767,460	-	14,767,460	-
Room taxes					2,269,832	-	2,269,832	-
Intergovernmental revenues not restricted to specific programs					3,649,428	-	3,649,428	140,000
Investment income					3,035,551	664,461	3,700,012	29,389
Gain on sale of capital assets					24,884	-	24,884	-
Miscellaneous					315,169	50,504	365,673	6,864
Transfers					569,494	(569,494)	-	-
Total general revenues and transfers					45,604,110	145,471	45,749,581	176,253
Change in net position					16,480,250	5,096,395	21,576,645	24,449
Net Position, Beginning					133,304,598	70,081,445	203,386,043	2,305,117
Net Position, Ending					\$ 149,784,848	\$ 75,177,840	\$ 224,962,688	\$ 2,329,566

See notes to financial statements

City of Middleton

Balance Sheet -
Governmental Funds
December 31, 2024

	General	Debt Service	Capital Projects Funds		Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
			TIF District No. 3	TIF District No. 5			
Assets							
Cash and investments	\$ 14,382,997	\$ 370,900	\$ 29,673,317	\$ 723,160	\$ 3,461,969	\$ 13,787,237	\$ 62,399,580
Receivables (net):							
Taxes	15,299,539	6,000,000	10,900,187	4,144,695	-	-	36,344,421
Special assessments	26,514	-	138,580	-	-	-	165,094
Accrued interest	293,374	-	-	-	-	-	293,374
Other	956,388	-	1,543	-	135,816	546,279	1,640,026
Lease	301,676	-	-	426,440	-	-	728,116
Inventories	65,649	-	-	-	-	-	65,649
Prepaid items	134,643	-	-	-	-	-	134,643
Advances to other funds	-	-	450,000	-	-	-	450,000
Total assets	\$ 31,460,780	\$ 6,370,900	\$ 41,163,627	\$ 5,294,295	\$ 3,597,785	\$ 14,333,516	\$ 102,220,903
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities:							
Accounts payable	\$ 722,737	\$ -	\$ 227,601	\$ 131,227	\$ 269,432	\$ 1,100,683	\$ 2,451,680
Other accrued liabilities	555,150	-	-	-	-	75,321	630,471
Deposits	719	-	-	5,990	-	1,192,498	1,199,207
Due to other governmental units	31,144	-	-	-	-	-	31,144
Due to other funds	89,833	-	-	-	-	-	89,833
Unearned revenue	-	-	-	-	-	179,421	179,421
Total liabilities	1,399,583	-	227,601	137,217	269,432	2,547,923	4,581,756
Deferred inflows of resources:							
Property tax levied for next period	15,252,238	6,000,000	10,900,187	4,144,695	-	-	36,297,120
Lease related amounts	291,274	-	-	406,761	-	-	698,035
Unavailable revenue	280,246	-	123,606	-	-	150,000	553,852
Total deferred inflows of resources	15,823,758	6,000,000	11,023,793	4,551,456	-	150,000	37,549,007
Fund balances:							
Nonspendable:							
Noncurrent receivables	36,135	-	-	-	-	-	36,135
Inventories	65,649	-	-	-	-	-	65,649
Prepaid items	134,643	-	-	-	-	-	134,643
Restricted:							
Assigned	-	370,900	29,912,233	605,622	3,328,353	11,635,593	45,852,701
Unassigned	6,064,218	-	-	-	-	-	6,064,218
Unassigned	7,936,794	-	-	-	-	-	7,936,794
Total fund balances	14,237,439	370,900	29,912,233	605,622	3,328,353	11,635,593	60,090,140
Total liabilities, deferred inflows of resources, and fund balances	\$ 31,460,780	\$ 6,370,900	\$ 41,163,627	\$ 5,294,295	\$ 3,597,785	\$ 14,333,516	

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	125,523,916
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note 4.	553,852
Internal service funds are reported in the statement of net position as governmental funds.	501,847
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note 2.	(40,080,950)
The net pension liability does not relate to current liabilities and is not reported in the governmental funds.	(1,217,798)
Deferred outflows of resources relate to pensions do not relate to current financial resources and are not reported in the governmental funds.	10,917,623
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(6,503,782)
Net Position of Governmental Activities	\$ 149,784,848

See notes to financial statements

City of Middleton

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

	General	Debt Service	Capital Projects Funds		Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
			TIF District No. 3	TIF District No. 5			
Revenues							
Taxes	\$ 15,961,642	\$ 5,725,000	\$ 10,864,736	\$ 3,902,724	\$ -	\$ 1,588,917	\$ 38,043,019
Intergovernmental	3,150,019	-	1,057,728	587,254	90,329	4,285,687	9,171,017
Licenses and permits	1,386,923	-	-	-	-	25,330	1,412,253
Fines, forfeitures and penalties	206,649	-	-	-	-	-	206,649
Public charges for services	1,916,652	-	-	-	-	1,862,211	3,778,863
Interdepartmental charges for services	1,074,080	-	-	-	-	-	1,074,080
Special assessments	78,089	-	170,130	-	-	-	248,219
Investment income	1,356,381	68,216	1,189,697	188,598	-	269,342	3,072,234
Contributions	-	-	-	-	-	171,360	171,360
Miscellaneous	87,523	-	12,871	167,385	7,000	137,888	412,667
Total revenues	25,217,958	5,793,216	13,295,162	4,845,961	97,329	8,340,735	57,590,361
Expenditures							
Current:							
General government	3,507,903	-	561,846	-	-	87,135	4,156,884
Public safety	11,360,503	-	-	-	-	25,433	11,385,936
Public works	3,968,985	-	-	-	-	1,712,019	5,681,004
Health and human services	614,331	-	-	-	-	47,406	661,737
Leisure activities	2,087,842	-	-	-	-	3,015,967	5,103,809
Conservation and development	1,104,192	-	3,400,685	1,541,959	-	2,022,359	8,069,195
Capital outlay	-	-	3,467,883	54,731	3,740,485	746,100	8,009,199
Debt service:							
Principal retirement	-	5,281,929	-	565,000	-	-	5,846,929
Interest and fiscal charges	-	1,116,703	-	87,450	-	-	1,204,153
Total expenditures	22,643,756	6,398,632	7,430,414	2,249,140	3,740,485	7,656,419	50,118,846
Excess (deficiency) of revenues over (under) expenditures	2,574,202	(605,416)	5,864,748	2,596,821	(3,643,156)	684,316	7,471,515
Other Financing Sources (Uses)							
Long-term debt issued	-	-	-	-	4,000,000	-	4,000,000
Premium on debt	-	195,661	-	-	-	-	195,661
Sale of capital assets	-	-	-	-	28,831	-	28,831
Transfers in	685,994	315,000	-	-	405,350	2,424,671	3,831,015
Transfers out	(2,403,171)	-	-	-	-	(858,350)	(3,261,521)
Total other financing sources (uses)	(1,717,177)	510,661	-	-	4,434,181	1,566,321	4,793,986
Net change in fund balance	857,025	(94,755)	5,864,748	2,596,821	791,025	2,250,637	12,265,501
Fund Balances (Deficit), Beginning	13,380,414	465,655	24,047,485	(1,991,199)	2,537,328	9,384,956	47,824,639
Fund Balances, Ending	\$ 14,237,439	\$ 370,900	\$ 29,912,233	\$ 605,622	\$ 3,328,353	\$ 11,635,593	\$ 60,090,140

See notes to financial statements

City of Middleton

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

Net Change in Fund Balances, Total Governmental Funds \$ 12,265,501

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

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	8,009,199
Some items are reported as capital outlay but are not capitalized	(1,718,090)
Depreciation is reported in the government-wide statements	(4,089,060)
Net book value of assets retired	(3,947)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	205,585
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The internal service funds are used by management to charge the cost of insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities	52,859
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Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds	(5,170,680)
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Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds	2,501,855
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Debt and lease issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Debt issued	(4,000,000)
Debt retired	5,846,929
Landfill post-closure liability	(30,095)
Premium debt issued	(195,661)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(540,574)
Amortization of loss on refunding	(56,497)
Amortization of debt premium	314,029
Accrued interest on debt	10,932
Net pension liability	3,077,965

Change in Net Position of Governmental Activities \$ 16,480,250

City of Middleton

Statement of Net Position -
Proprietary Funds
December 31, 2024

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Pleasant View Golf Course	Stormwater	Nonmajor Enterprise		
Assets and Deferred							
Outflows of Resources							
Current assets:							
Cash and investments	\$ 4,970,127	\$ 2,508,775	\$ 2,266,844	\$ 3,943,364	\$ 1,696,894	\$ 15,386,004	\$ 472,169
Accounts receivable	795,400	1,076,524	154,404	221,745	17,810	2,265,883	33,104
Lease receivable	72,015	-	-	-	16,985	89,000	-
Due from other funds	64,968	18,442	-	6,423	-	89,833	-
Inventories	-	-	57,888	-	-	57,888	-
Total current assets	5,902,510	3,603,741	2,479,136	4,171,532	1,731,689	17,888,608	505,273
Noncurrent assets:							
Capital assets:							
Land	222,277	66,830	1,476,500	1,935,149	2,715,508	6,416,264	-
Construction in progress	-	10,892	66,777	65,229	-	142,898	-
Land improvements	-	-	-	5,675,547	1,032,849	6,708,396	-
Improvements other than buildings	-	-	9,361,913	-	-	9,361,913	-
Buildings and improvements	-	-	1,507,208	-	745,292	2,252,500	-
Machinery and equipment	-	-	1,218,041	-	469,603	1,687,644	-
Plant in service	37,688,857	19,440,302	-	-	-	57,129,159	-
Accumulated depreciation	(14,051,844)	(7,948,236)	(2,328,799)	(1,813,629)	(586,468)	(26,728,976)	-
Other assets:							
Lease receivable	870,888	-	-	-	330,504	1,201,392	-
Special assessments	-	1,788,713	-	-	-	1,788,713	-
Property held for future use	301,087	-	-	-	-	301,087	-
Total noncurrent assets	25,031,265	13,358,501	11,301,640	5,862,296	4,707,288	60,260,990	-
Total assets	30,933,775	16,962,242	13,780,776	10,033,828	6,438,977	78,149,598	505,273
Deferred outflows of resources:							
Pension related amounts	228,719	232,111	358,113	-	-	818,943	-
Total deferred outflows of resources	228,719	232,111	358,113	-	-	818,943	-
Total assets and deferred outflows of resources	\$ 31,162,494	\$ 17,194,353	\$ 14,138,889	\$ 10,033,828	\$ 6,438,977	\$ 78,968,541	\$ 505,273
Liabilities, Deferred Inflows of Resources and Net Position							
Current liabilities:							
Accounts payable	\$ 57,391	\$ 727,385	\$ 165,104	\$ -	\$ 10,717	\$ 960,597	\$ 3,426
Other accrued liabilities	18,077	4,427	22,015	-	-	44,519	-
Compensated absences	52,902	22,074	89,788	-	-	164,764	-
Current portion of advances from other funds	-	-	450,000	-	-	450,000	-
Total current liabilities	128,370	753,886	726,907	-	10,717	1,619,880	3,426
Noncurrent liabilities:							
Compensated absences	74,313	27,385	192,380	-	-	294,078	-
Net pension liability	24,642	24,642	40,498	-	-	89,782	-
Total noncurrent liabilities	98,955	52,027	232,878	-	-	383,860	-
Total liabilities	227,325	805,913	959,785	-	10,717	2,003,740	3,426
Deferred inflows of resources:							
Pension related amounts	169,336	125,002	215,910	-	-	510,248	-
Lease related amounts	941,015	-	-	-	335,698	1,276,713	-
Total deferred inflows of resources	1,110,351	125,002	215,910	-	335,698	1,786,961	-
Net position:							
Net investment in capital assets	23,859,290	11,569,788	11,301,640	5,862,296	4,376,784	56,969,798	-
Unrestricted	5,965,528	4,693,650	1,661,554	4,171,532	1,715,778	18,208,042	501,847
Total net position	29,824,818	16,263,438	12,963,194	10,033,828	6,092,562	75,177,840	501,847
Total liabilities, deferred inflows of resources and net position	\$ 31,162,494	\$ 17,194,353	\$ 14,138,889	\$ 10,033,828	\$ 6,438,977	\$ 78,968,541	\$ 505,273

See notes to financial statements

City of Middleton

Statement of Revenues, Expenses and Changes in Net Position -
 Proprietary Funds
 Year Ended December 31, 2024

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Pleasant View Golf Course	Stormwater	Nonmajor Enterprise		
Operating Revenues							
Charges for services	\$ 2,956,719	\$ 3,917,506	\$ 4,217,801	\$ 879,446	\$ 145,149	\$ 12,116,621	\$ 510,850
Special assessments	-	-	-	-	534,955	534,955	-
Miscellaneous operating income	153,878	286	-	-	-	154,164	-
Total operating revenues	3,110,597	3,917,792	4,217,801	879,446	680,104	12,805,740	510,850
Operating Expenses							
Operations and maintenance	1,661,657	3,344,863	2,854,577	186,399	237,274	8,284,770	571,969
Depreciation	716,422	440,187	234,112	283,778	96,531	1,771,030	-
Total operating expenses	2,378,079	3,785,050	3,088,689	470,177	333,805	10,055,800	571,969
Operating income (loss)	732,518	132,742	1,129,112	409,269	346,299	2,749,940	(61,119)
Nonoperating Revenues							
Investment income	232,852	113,099	85,582	155,976	76,952	664,461	56,191
Miscellaneous nonoperating income	25,889	-	-	2,570	22,045	50,504	57,787
Total nonoperating revenues	258,741	113,099	85,582	158,546	98,997	714,965	113,978
Income before contributions and transfers	991,259	245,841	1,214,694	567,815	445,296	3,464,905	52,859
Contributions and Transfers							
Capital contributions	1,269,126	917,358	14,500	-	-	2,200,984	-
Transfers in	17,980	-	-	-	-	17,980	-
Transfers (out)	-	(17,980)	(134,754)	-	-	(152,734)	-
Transfers (out), tax equivalent	(434,740)	-	-	-	-	(434,740)	-
Change in net position	1,843,625	1,145,219	1,094,440	567,815	445,296	5,096,395	52,859
Total Net Position, Beginning	27,981,193	15,118,219	11,868,754	9,466,013	5,647,266	70,081,445	448,988
Total Net Position, Ending	\$ 29,824,818	\$ 16,263,438	\$ 12,963,194	\$ 10,033,828	\$ 6,092,562	\$ 75,177,840	\$ 501,847

See notes to financial statements

City of Middleton

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

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities- Internal Service Fund
	Water Utility	Sewer Utility	Pleasant View Golf Course	Stormwater	Nonmajor Enterprise Funds		
Cash Flows From Operating Activities							
Received from customers	\$ 3,146,749	\$ 3,739,095	\$ 4,133,559	\$ 888,919	\$ 689,462	\$ 12,597,784	\$ 584,683
Paid to suppliers for good and services	(983,610)	(3,004,366)	(1,475,521)	(186,399)	(233,521)	(5,883,417)	(568,951)
Paid to employees	(630,228)	(211,186)	(1,267,925)	-	-	(2,109,339)	-
Net cash flows from operating activities	<u>1,532,911</u>	<u>523,543</u>	<u>1,390,113</u>	<u>702,520</u>	<u>455,941</u>	<u>4,605,028</u>	<u>15,732</u>
Cash Flows From Noncapital Financing Activities							
Advances for cash deficits	-	-	(450,000)	-	-	(450,000)	-
Paid to municipality for tax equivalent	(416,760)	-	-	-	-	(416,760)	-
Transfers in (out)	-	(17,980)	(134,754)	-	-	(152,734)	-
Net cash flows from noncapital financing activities	<u>(416,760)</u>	<u>(17,980)</u>	<u>(584,754)</u>	<u>-</u>	<u>-</u>	<u>(1,019,494)</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities							
Acquisition of and construction of capital assets	(764,661)	(234,726)	(88,117)	(41,707)	-	(1,129,211)	-
Capital contributions	-	-	14,500	-	-	14,500	-
Special assessments received	-	119,933	-	-	-	119,933	-
Net cash flows from capital and related financing activities	<u>(764,661)</u>	<u>(114,793)</u>	<u>(73,617)</u>	<u>(41,707)</u>	<u>-</u>	<u>(994,778)</u>	<u>-</u>
Cash Flows From Investing Activities							
Investment income	232,852	113,099	85,582	155,976	71,923	659,432	56,191
Net cash flows from investing activities	<u>232,852</u>	<u>113,099</u>	<u>85,582</u>	<u>155,976</u>	<u>71,923</u>	<u>659,432</u>	<u>56,191</u>
Net increase (decrease) in cash and cash equivalents	584,342	503,869	817,324	816,789	527,864	3,250,188	71,923
Cash and Cash Equivalents, Beginning	<u>4,385,785</u>	<u>2,004,906</u>	<u>1,449,520</u>	<u>3,126,575</u>	<u>1,169,030</u>	<u>12,135,816</u>	<u>400,246</u>
Cash and Cash Equivalents, Ending	<u>\$ 4,970,127</u>	<u>\$ 2,508,775</u>	<u>\$ 2,266,844</u>	<u>\$ 3,943,364</u>	<u>\$ 1,696,894</u>	<u>\$ 15,386,004</u>	<u>\$ 472,169</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities							
Operating income (loss)	\$ 732,518	\$ 132,742	\$ 1,129,112	\$ 409,269	\$ 346,299	\$ 2,749,940	\$ (61,119)
Adjustments to reconcile operating income (loss) to net cash provided from operating activities:							
Nonoperating income	25,889	-	-	2,570	22,045	50,504	57,787
Depreciation expense	716,422	440,187	234,112	283,778	96,531	1,771,030	-
Depreciation charged to clearing and other utilities	40,989	(41,450)	-	-	-	(461)	-
Changes in assets, liabilities and deferred inflows and outflows:							
Materials and supplies	-	-	8,352	-	-	8,352	-
Accounts receivable	(26,967)	(133,817)	-	5,895	(1,694)	(156,583)	16,046
Other accounts receivable	-	-	(84,242)	-	-	(84,242)	-
Lease receivable	(846,173)	-	-	-	22,379	(823,794)	-
Due from other funds	(6,220)	(3,430)	-	1,008	-	(8,642)	-
Accounts payable	20,846	121,907	65,727	-	3,753	212,233	3,018
Compensated absences	-	-	43,838	-	-	43,838	-
Other current liabilities	38,817	19,251	691	-	-	58,759	-
Unearned revenues	-	-	-	-	(5,636)	(5,636)	-
Lease related deferred inflow of resources	848,634	-	-	-	(27,736)	820,898	-
Pension related deferrals and liabilities	(11,844)	(11,847)	(7,477)	-	-	(31,168)	-
Net cash flows from operating activities	<u>\$ 1,532,911</u>	<u>\$ 523,543</u>	<u>\$ 1,390,113</u>	<u>\$ 702,520</u>	<u>\$ 455,941</u>	<u>\$ 4,605,028</u>	<u>\$ 15,732</u>
Noncash Capital and Related Financing Activities							
Developer financed additions to utility plant	<u>\$ 1,269,126</u>	<u>\$ 917,358</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,186,484</u>	<u>\$ -</u>

See notes to financial statements

City of Middleton

Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2024

	Custodial Funds
Assets	
Cash and investments	\$ 21,483,165
Taxes receivable	<u>33,167,216</u>
Total assets	<u>54,650,381</u>
Liabilities	
Accounts payable	21,057
Accrued liabilities	44,396
Due to other governmental units	<u>54,408,274</u>
Total liabilities	<u>54,473,727</u>
Net Position	
Restricted	<u><u>\$ 176,654</u></u>

See notes to financial statements

City of Middleton

Statement of Changes in Fiduciary Net Position -

Custodial Funds

Year Ended December 31, 2024

	Custodial Funds
Additions	
Property taxes collected for other governments	\$ 33,078,200
Contributions	2,057,754
Miscellaneous	75,729
	<hr/>
Total additions	35,211,683
	<hr/>
Deductions	
Property taxes distributed to other governments	33,078,200
Public fire protection	1,980,778
	<hr/>
Total deductions	35,058,978
	<hr/>
Change in fiduciary net position	152,705
	<hr/>
Total Net Position, Beginning	23,949
	<hr/>
Total Net Position, Ending	<u>\$ 176,654</u>

See notes to financial statements

City of Middleton

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December 31, 2024

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1. Summary of Significant Accounting Policies

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

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and is able to impose its will on that organization; (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government; (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax-exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or had the ability to otherwise access, are significant to the primary government.

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

Discretely Presented Component Unit

Middleton Community Development Authority

The government-wide financial statements include the Middleton Community Development Authority (Authority) as a component unit. The Authority is a legally separate organization. The board of the Authority is appointed by the mayor of Middleton. Wisconsin Statutes provide for circumstances whereby the City can impose their will on the Authority and also create a potential financial benefit to or burden on the City. See Note 4. As a component unit, the Authority's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2024. Separate financial statements of the Middleton Community Development Authority are not issued.

Government-Wide and Fund Financial Statements

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

The City reports the following major governmental and enterprise funds:

General Fund

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

Debt Service Fund

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt, other than TIF or enterprise fund debt.

Capital Projects Funds

Capital Projects Fund accounts for proceeds from long-term borrowing and other resources to be used for the acquisition or construction of capital assets.

Tax Incremental Financing District (TIF) No. 3 Capital Projects Fund accounts for expenditures outlined in the TIF project plan and related revenues and proceeds from long-term borrowing.

Tax Incremental Financing District (TIF) No. 5 Capital Projects Fund accounts for expenditures outlined in the TIF project plan and related revenues and proceeds from long-term borrowing.

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system.

Sewer Utility accounts for operations of the sewer system.

Pleasant View Golf Course accounts for operations of the Pleasant View Golf Course.

Stormwater accounts for operations of the stormwater system.

City of Middleton

Notes to Financial Statements
December 31, 2024

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

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

Subdividers' Deposits	Economic Development Grant
Lost and Damaged Books	Tourism Commission
Library Gift	Police Activities
SCLS Foundation	EMS Activities
Library Endowment	Public Land Activities
Library Friends	Youth Center Activities
Library Fund	Senior Center Activities
Safety Impact Fee and Other	American Rescue Plan
Transit Services	

Middleton Utility District

Middleton Utility District is used to account for the operations of the utility district.

Airport

Airport is used to account for the operations of the municipal airport.

In addition, the City reports the following fund types:

Internal Service Fund

Internal Service Fund is used to record risk management expenditures for the purchase of liability, workers compensation, property and related insurance as well as to report claims activity. Costs will be charged to other City funds based on an allocation of insurance premiums and claims costs.

Custodial Funds

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

Tax Collection Fund is used to account for the amount of tax collections and disbursements by the City on behalf of the City's overlying districts.

Fire District Fund is used to account for comprehensive fire related services to the City of Middleton, the Town of Middleton, the Town of Westport and the Town of Springfield. Each entity contributes a pro rata population based contribution to the District.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water, sewer and stormwater utility funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

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

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

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

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

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

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

The water utility records an annual payment in lieu of taxes (PILOT) expense based on the value of its plant and the current assessment ratio and local and school portion of the mill rate. Municipal utilities are exempt from federal and state income taxes. Taxes include the employer's share of social security and Medicare, PSCW remainder assessment and tax equivalent.

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

All Financial Statements

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

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

Deposits and Investments

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

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

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

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

City of Middleton

Notes to Financial Statements
December 31, 2024

Investment of most trust funds including cemetery perpetual care funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures. Additional restrictions may arise from local charters, ordinances, resolutions and grant regulations.

The City believes it is in compliance with all restrictions.

As described in Note 4, the City is exposed to the following deposit and investment risks: custodial credit risk (deposits and investments), credit risk, interest rate risk and concentration of credit risk.

The City's investment policy addresses each of these risks in the following manner:

Custodial Credit Risk - The risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits that are in possession of an outside party. The City will seek to collateralize certificates of deposit or any other time deposit in an amount equal to 100% of the investment less the amount insured by the FDIC or guaranteed by the State of Wisconsin with appropriate collateral instruments. Marketable securities will be held in the City's name by a third-party custodian.

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations to the City. To minimize credit risk, investments are limited to government agencies, the highest rated commercial paper, AAA rated money market funds, state and local government obligations and certifications of deposit.

Interest Rate Risk - The risk that changes in interest rates will adversely affect the fair market value of an investment resulting in losses if the investment was liquidated prior to maturity. The investment portfolio may be laddered with staggered maturities to meet cash flow needs and to allow the opportunity for reinvestment. Staggered investment maturities maximize liquidity to meet ongoing operations and also allow the opportunity for reinvestment. Continual reinvestment allows City funds to ride the yield curve, minimizing interest rate risk for any given period. Investments should be held to maturity eliminating losses and risk from early liquidations.

Concentration of Credit Risk - The risk of loss attributable to the magnitude of the City's investment in a single issuer. City policy is to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss and balance sheet effect of interest rate changes affecting different types of securities. Investments will be diversified by limiting investments to avoid over-concentration in securities from a specific issuer or business sector.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 4. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

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

City of Middleton

Notes to Financial Statements
December 31, 2024

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. At December 31, 2024, the City's share of the WISC's assets was substantially equal to the amount reported in these statements.

The Madison Community and Southern Central Library System Foundations (the Foundations) are community endowment funds. The Foundations are not registered with the Securities and Exchange Commission. They constitute a contractual agreement between the City and the Foundations with respect to investment of City assets. The Foundations reports the fair value of its underlying assets annually. At December 31, 2024, the fair value of each Foundation's assets were substantially equal to the City's share as reported in Note 4.

See Note 4. for further information.

Receivables

Property Taxes

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

Property tax calendar - 2024 tax roll:

Lien date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	July 31, 2025
Tax sale - 2024 delinquent real estate taxes	October 2027

Uncollectible Accounts

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

Interfund Transactions

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

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

Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Proprietary fund inventories are generally used for construction and for operation and maintenance work, but also consist of merchandise held for resale at the Pleasant View Golf Course. They are valued at cost based on weighted average and charged to construction and/or operation and maintenance expense when used. Year-end inventory was not material.

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

Restricted Assets

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

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of one year. Capital assets are generally defined by the utilities as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are recorded at their estimated acquisition value at the date of donation.

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

City of Middleton

Notes to Financial Statements

December 31, 2024

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

	<u>Years</u>
Buildings	40
Land improvements	30
Machinery and equipment	3-15
Infrastructure	20-50
Water plant:	
Source of supply	34
Pumping	22-31
Water treatment	22-30
Transmission and distribution	18-77
General	4-17
Sewer plant:	
Collecting system	30-77
Collecting system pumping	20-40
General	7-40

Fund Financial Statements

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

Deferred Outflows of Resources

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

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

Basis for Existing Rates - Proprietary Funds

Water Utility

In January 2022, the Public Service Commission approved new water rates which became effective on March 15, 2022.

Sanitary Sewer

Current wastewater rates were approved by the Common Council on December 3, 2024 and became effective December 15, 2024.

Stormwater Utility

Current stormwater rates were approved by the Common Council and effective January 1, 2025.

Compensated Absences

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

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

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

Long-Term Obligations/Conduit Debt

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable, a landfill post-closure liability and accrued compensated absences. Other postemployment benefits were determined to not be material to the financial statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year-end is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved the issuance of industrial development revenue bonds (IDRB) for the benefit of private business enterprises. IDRBS are secured by mortgages or revenue agreements on the associated projects and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IDRBS outstanding at the end of the year is \$4,012,561, made up of two issuances.

Leases

The City is a lessor because it leases capital assets to other entities. As a lessor, the City reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The City continues to report and depreciate the capital assets being leased as capital assets of the primary government. The City does not have a policy for lease receivables. While the government is a lessor it is not the principal operation for any fund involved.

Claims and Judgements

Claims and judgements are recorded as liabilities if all of the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgements is only reported in governmental fund types if it has matured. Claims and judgements are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgements at year-end.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

City of Middleton

Notes to Financial Statements
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- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City has, by resolution, adopted a financial policy authorizing the Finance Director to assign amounts for a specific purpose. The assignment of General Fund balances shall be reviewed and confirmed annually by the Finance Committee and City Council. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

The City has established a fund balance policy for the General Fund to maintain an unassigned fund balance of between two and four months of operating expenditures, defined as 16.7% to 33.3% of subsequent year General Fund budgeted expenditures, excluding transfers for debt service and one-time transfers to other funds. At December 31, 2024, the General Fund maintained \$7,936,794 or 30.9% of the subsequent year's budgeted expenditures excluding transfers.

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

See Note 4 for further information.

Pension

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

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

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

City of Middleton

Notes to Financial Statements
December 31, 2024

2. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$40,080,950 difference in liabilities are as follows:

Bonds and notes payable	\$ 34,788,193
Landfill post-closure liability	339,844
Compensated absences	3,813,229
Accrued interest	366,424
Unamortized debt premiums	1,262,977
Unamortized loss on refunding	<u>(489,717)</u>
Net adjustment to reduce fund balance, total governmental funds to arrive at net position, governmental activities	<u>\$ 40,080,950</u>

3. Stewardship, Compliance and Accountability

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1. A budget has been adopted for all of the funds other than the Library Gift and Library Friends special revenue funds. Wisconsin Statute Section 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made. The City Administrator may authorize transfers of budgeted amounts between departments up to \$1,000. Transfers exceeding \$1,000 between departments and changes in the overall budget must be approved by a two-thirds vote of the City Council. Appropriations lapse at year-end unless specifically carried over.

Excess Expenditures and Other Financing Uses Over Appropriations

The following individual funds had an excess of expenditures and other financing uses over appropriations at the legal level of budgetary control for the year ended December 31, 2024.

	<u>Excess</u>
Debt service	\$ 149,034
Library	288,603
Economic development grant	847,308
Police activities	5,433

The legal level of budget control is at the department level in the General Fund and total expenditures in all other funds. The City controls expenditures at the department level for management purposes. The detail of those items can be found in the City's year-end budget to actual report.

City of Middleton

Notes to Financial Statements

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Limitations on the City's Tax Levy

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

4. Detailed Notes on All Funds

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

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

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risk</u>
Deposits and cash on hand	\$ 45,708,924	\$ 46,189,126	Custodial credit
Certificates of deposit (negotiable)	4,147,192	4,147,192	Custodial credit, credit, interest rate, concentration of credit
State and local bonds	496,950	496,950	Custodial credit, credit, interest rate, concentration of credit
U.S. agencies implicitly guaranteed	25,185,070	25,185,070	Custodial credit, credit, interest rate, concentration of credit
U.S. treasuries	8,578,736	8,578,736	Custodial credit, interest rate
External investment pools	548,721	548,721	Credit
LGIP	15,062,062	15,062,062	Credit, interest rate
Wisconsin Investment Services: Cooperative Investment Pool (WISC)	13,263	13,263	Credit
Total cash and investments	<u>\$ 99,740,918</u>	<u>\$ 100,221,120</u>	
Reconciliation to financial statements:			
Per statement of net position			
Unrestricted cash and investments	\$ 78,257,753		
Per statement of fiduciary net position, Fiduciary funds	<u>21,483,165</u>		
Total cash and investments	<u>\$ 99,740,918</u>		

City of Middleton

Notes to Financial Statements

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

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

The City's library had \$458,221 and \$90,500 in endowment funds at the Madison Community Foundation and South Central Library System Foundation, respectively, which are pooled with all other investments of the Foundations. The City, at its discretion, has the ability to transact with the Foundations for deposit and withdrawal of funds.

As of December 31, 2024, the City maintains letters of credit in the amount of \$6,000,000.

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

Investment Type	December 31, 2024			
	Level 1	Level 2	Level 3	Total
U.S. treasuries	\$ 8,578,736	\$ -	\$ -	\$ 8,578,736
State and local bonds	-	496,950	-	496,950
U.S. agencies implicitly guaranteed	-	25,185,070	-	25,185,070
Certificates of deposit (negotiable)	-	4,147,192	-	4,147,192
Total	\$ 8,578,736	\$ 29,829,212	\$ -	\$ 38,407,948

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

Investment Type	Valuation Method
U.S. treasuries	Value by a pricing service that uses matrix pricing or a yield of an identical investment type
State and local bonds	Value by a pricing service that uses matrix pricing or a yield of a similar investment type
U.S. agencies, implicitly guaranteed	Value by a pricing service that uses matrix pricing or a yield of a similar investment type
Certificates of deposit (negotiable)	Value by a pricing service that uses matrix pricing or a yield of a similar investment type

City of Middleton

Notes to Financial Statements
December 31, 2024

Custodial Credit Risk

Deposits

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

As of December 31, 2024, \$47,648 of the City's total bank balances were exposed to custodial credit risk.

Investments

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

As of December 31, 2024, the City does not have any investments exposed to custodial credit risk.

Credit Risk

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

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

<u>Investment Type</u>	<u>Standard & Poor's</u>	<u>Moody's Investor Service</u>
U.S. Agencies Implicitly Guaranteed	AA+	Aaa
State and Local Bonds	N/A	Aa3
Wisconsin Investment Series Cooperative Investment Pool (WISC)	AAAm	N/A

The City also had investments which are not rated:

LGIP
Madison Community Foundation
Certificates of Deposit (negotiable)

City of Middleton

Notes to Financial Statements
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Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 - 5 Years</u>
U.S. agencies implicitly guaranteed	\$ 25,185,070	\$ 4,931,720	\$ 20,253,350
U.S treasuries	8,578,736	1,997,902	6,580,834
Certificates of deposit (negotiable)	4,147,192	2,683,167	1,464,025
State and local bonds	496,950	496,950	-
Total	<u>\$ 38,407,948</u>	<u>\$ 10,109,739</u>	<u>\$ 28,298,209</u>

As of December 31, 2024, the LGIP investments have an average maturity of 9 days.

Concentration of Credit Risk

Concentration of credit risk is the risk that the City has a high percentage of its investments invested in one type of investment. At December 31, 2024, of the City's total portfolio 16.5% was invested in a Federal Farm Credit Banks government issue and 26.8% was invested in a Federal Home Loan Bank government issue.

Receivables

All receivable balances are expected to be collected within one year with the exception of, \$165,094 in special assessments, \$547,254 in lease receivables and \$36,135 of delinquent personal property taxes included in property tax receivables.

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

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ -	\$ 36,297,120
Special assessments/special charges not yet due	168,732	-
Miscellaneous receivables	235,120	-
Grant receivable	150,000	-
Lease receivable	-	698,035
American Rescue Plan Act grant	-	179,421
Total unavailable/unearned revenue for governmental funds	<u>\$ 553,852</u>	<u>\$ 37,174,576</u>
Unearned revenue included in liabilities		\$ 179,421
Unearned revenue included in deferred inflows		36,297,120
Unearned revenue related to leases		698,035
Total unearned revenue for governmental funds		<u>\$ 37,174,576</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 9,494,362	\$ -	\$ -	\$ 9,494,362
Right-of-ways	23,127,067	335,074	-	23,462,141
Construction in progress	13,435,093	3,411,559	56,563	16,790,089
	<u>46,056,522</u>	<u>3,746,633</u>	<u>56,563</u>	<u>49,746,592</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Land improvements	15,741,776	120,519	-	15,862,295
Buildings	30,685,032	339,560	-	31,024,592
Machinery and equipment	12,044,209	1,272,192	229,138	13,087,263
Streets, infrastructure	39,758,782	868,768	119,180	40,508,370
Storm sewers, infrastructure	9,831,261	-	-	9,831,261
Traffic signals, infrastructure	1,960,788	-	-	1,960,788
Sidewalks, infrastructure	6,621,348	-	-	6,621,348
Bridges, infrastructure	3,355,742	-	-	3,355,742
Fiber optic, infrastructure	96,013	-	-	96,013
Rail spur, infrastructure	505,918	-	-	505,918
	<u>120,600,869</u>	<u>2,601,039</u>	<u>348,318</u>	<u>122,853,590</u>
Total capital assets being depreciated				
Less accumulated depreciation for:				
Land improvements	(6,945,783)	(629,050)	-	(7,574,833)
Buildings	(10,685,436)	(810,079)	-	(11,495,515)
Machinery and equipment	(7,311,751)	(1,127,060)	225,191	(8,213,620)
Streets, infrastructure	(8,861,762)	(1,012,709)	119,180	(9,755,291)
Storm sewers, infrastructure	(4,316,795)	(196,625)	-	(4,513,420)
Traffic signals, infrastructure	(1,387,310)	(78,432)	-	(1,465,742)
Sidewalks, infrastructure	(2,339,902)	(132,427)	-	(2,472,329)
Bridges, infrastructure	(1,040,851)	(83,894)	-	(1,124,745)
Fiber optic, infrastructure	(29,017)	(1,920)	-	(30,937)
Rail spur, infrastructure	(412,970)	(16,864)	-	(429,834)
	<u>(43,331,577)</u>	<u>(4,089,060)</u>	<u>344,371</u>	<u>(47,076,266)</u>
Total accumulated depreciation				
Capital assets being depreciated, net of depreciation	<u>77,269,292</u>	<u>(1,488,021)</u>	<u>3,947</u>	<u>75,777,324</u>
Total capital assets, net of depreciation	<u>\$ 123,325,814</u>	<u>\$ 2,258,612</u>	<u>\$ 60,510</u>	<u>\$ 125,523,916</u>

City of Middleton

Notes to Financial Statements

December 31, 2024

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 163,318
Public safety	723,268
Public works	2,111,473
Conservation and economic development	225,627
Leisure activities	865,374

Total governmental activities depreciation expense \$ 4,089,060

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Water Utility				
Capital assets not being depreciated:				
Land and land rights	\$ 222,277	\$ -	\$ -	\$ 222,277
Total capital assets not being depreciated	<u>222,277</u>	<u>-</u>	<u>-</u>	<u>222,277</u>
Capital assets being depreciated:				
Source of supply	781,509	-	-	781,509
Pumping	2,788,464	-	-	2,788,464
Treatment	343,242	-	-	343,242
Transmission and distribution	29,616,245	1,929,402	430,825	31,114,822
Administrative and general assets	2,595,766	110,282	45,228	2,660,820
Total capital assets being depreciated	<u>36,125,226</u>	<u>2,039,684</u>	<u>476,053</u>	<u>37,688,857</u>
Less accumulated depreciation for:				
Source of supply	(617,213)	(22,664)	-	(639,877)
Pumping	(2,422,958)	(56,848)	-	(2,479,806)
Treatment	(343,242)	-	-	(343,242)
Transmission and distribution	(8,964,422)	(541,965)	430,825	(9,075,562)
Administrative and general assets	(1,416,754)	(141,831)	45,228	(1,513,357)
Total accumulated depreciation	<u>(13,764,589)</u>	<u>(763,308)</u>	<u>476,053</u>	<u>(14,051,844)</u>
Capital assets being depreciated, net of depreciation	<u>22,360,637</u>	<u>1,276,376</u>	<u>-</u>	<u>23,637,013</u>
Total capital assets, net of depreciation	<u>\$ 22,582,914</u>	<u>\$ 1,276,376</u>	<u>\$ -</u>	<u>\$ 23,859,290</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer Utility				
Capital assets not being depreciated:				
Land and land rights	\$ 66,830	\$ -	\$ -	\$ 66,830
Construction in progress	-	10,892	-	10,892
Total capital assets not being depreciated	66,830	10,892	-	77,722
Capital assets being depreciated:				
Collection system	15,065,966	1,036,947	23,752	16,079,161
Collection system pumping	1,835,973	-	-	1,835,973
Administrative and general assets	1,420,463	104,705	-	1,525,168
Total capital assets being depreciated	18,322,402	1,141,652	23,752	19,440,302
Less accumulated depreciation for:				
Collection system	(4,950,164)	(203,307)	23,752	(5,129,719)
Collection system pumping	(1,646,864)	(72,948)	-	(1,719,812)
Administrative and general assets	(975,762)	(122,943)	-	(1,098,705)
Total accumulated depreciation	(7,572,790)	(399,198)	23,752	(7,948,236)
Capital assets being depreciated, net of depreciation	10,749,612	742,454	-	11,492,066
Total capital assets, net of depreciation	\$ 10,816,442	\$ 753,346	\$ -	\$ 11,569,788
Pleasant View Golf Course				
Capital assets not being depreciated:				
Land and land rights	\$ 1,476,500	\$ -	\$ -	\$ 1,476,500
Construction in progress	-	66,777	-	66,777
Total capital assets not being depreciated	1,476,500	66,777	-	1,543,277
Capital assets being depreciated:				
Land improvements	9,340,573	21,340	-	9,361,913
Buildings	1,507,208	-	-	1,507,208
Equipment	1,218,041	-	-	1,218,041
Total capital assets being depreciated	12,065,822	21,340	-	12,087,162
Less accumulated depreciation for:				
Land improvements	(621,978)	(97,183)	-	(719,161)
Buildings	(721,237)	(49,951)	-	(771,188)
Equipment	(751,472)	(86,978)	-	(838,450)
Total accumulated depreciation	(2,094,687)	(234,112)	-	(2,328,799)
Capital assets being depreciated, net of depreciation	9,971,135	(212,772)	-	9,758,363
Total capital assets, net of depreciation	\$ 11,447,635	\$ (145,995)	\$ -	\$ 11,301,640

City of Middleton

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Stormwater				
Capital assets not being depreciated:				
Land and land rights	\$ 1,935,149	\$ -	\$ -	\$ 1,935,149
Construction in progress	44,147	21,082	-	65,229
	<u>1,979,296</u>	<u>21,082</u>	<u>-</u>	<u>2,000,378</u>
Capital assets being depreciated:				
Land improvements	5,675,547	-	-	5,675,547
	<u>5,675,547</u>	<u>-</u>	<u>-</u>	<u>5,675,547</u>
Less accumulated depreciation for:				
Land improvements	(1,529,851)	(283,778)	-	(1,813,629)
	<u>(1,529,851)</u>	<u>(283,778)</u>	<u>-</u>	<u>(1,813,629)</u>
Capital assets being depreciated, net of depreciation	4,145,696	(283,778)	-	3,861,918
	<u>4,145,696</u>	<u>(283,778)</u>	<u>-</u>	<u>3,861,918</u>
Total capital assets, net of depreciation	\$ 6,124,992	\$ (262,696)	\$ -	\$ 5,862,296
	<u>\$ 6,124,992</u>	<u>\$ (262,696)</u>	<u>\$ -</u>	<u>\$ 5,862,296</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Nonmajor Enterprise Funds				
Capital assets not being depreciated:				
Land and land rights	\$ 2,715,508	\$ -	\$ -	\$ 2,715,508
Total capital assets not being depreciated	<u>2,715,508</u>	<u>-</u>	<u>-</u>	<u>2,715,508</u>
Capital assets being depreciated:				
Land improvements	1,032,849	-	-	1,032,849
Buildings	745,292	-	-	745,292
Vehicles and equipment	469,603	-	-	469,603
Total capital assets being depreciated	<u>2,247,744</u>	<u>-</u>	<u>-</u>	<u>2,247,744</u>
Less accumulated depreciation for:				
Land improvements	(61,247)	(51,643)	-	(112,890)
Buildings	(186,320)	(18,632)	-	(204,952)
Vehicles and equipment	(242,370)	(26,256)	-	(268,626)
Total accumulated depreciation	<u>(489,937)</u>	<u>(96,531)</u>	<u>-</u>	<u>(586,468)</u>
Capital assets being depreciated, net of depreciation	<u>1,757,807</u>	<u>(96,531)</u>	<u>-</u>	<u>1,661,276</u>
Total capital assets, net of depreciation	<u>\$ 4,473,315</u>	<u>\$ (96,531)</u>	<u>\$ -</u>	<u>\$ 4,376,784</u>
Total business-type activities capital assets, net of depreciation	<u>\$ 55,445,298</u>	<u>\$ 1,524,500</u>	<u>\$ -</u>	<u>\$ 56,969,798</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 716,422
Sewer utility	440,187
Pleasant View Golf Course	234,112
Stormwater	283,778
Nonmajor enterprise funds	<u>96,531</u>

Total business-type activities depreciation expense \$ 1,771,030

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

City of Middleton

Notes to Financial Statements
December 31, 2024

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
Enterprise fund, water utility	General	\$ 64,968
Enterprise fund, sewer utility	General	18,442
Enterprise fund, stormwater	General	6,423
Subtotal, fund financial statements		89,833
Less interfund advances		(450,000)
Total, government-wide financial statements		\$ (360,167)
Governmental activities	Business-type activities	\$ (450,000)
Business-type activities	Governmental activities	89,833
Total, government-wide financial statements		\$ (360,167)

All of these amounts are due within one year.

The principal purpose of these interfunds is for delinquent utility bills placed on the tax roll.

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
TIF District No. 3	Pleasant View Golf Course	\$ 450,000	\$ -

TIF District No. 3 has provided internal financing to the Pleasant View Golf Course. The Pleasant View Golf Course began repaying the advances in 2017. The outstanding advance due to TIF District No. 3 is intended to be fully repaid by 2025. The principal purpose of these advances is to finance costs internally rather than borrowing externally. For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. A formal repayment schedule has not been established.

City of Middleton

Notes to Financial Statements

December 31, 2024

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Nonmajor governmental fund	General fund	\$ 1,693,278	Operating budget support
General fund	Nonmajor governmental funds	116,500	Transfer of ARPA Funds for election costs
Capital projects fund	Nonmajor governmental funds	293,850	Transfer of ARPA Funds for Lake Street Reconstruction Project
Capital projects fund	Nonmajor governmental funds	100,000	Transfer from Library Fund for Library restroom remodel project
Debt service fund	Nonmajor governmental fund	315,000	Transfer for debt service
Nonmajor governmental fund	Nonmajor governmental fund	33,000	Transfer of ARPA Funds for Youth Center position costs
Water utility	Sewer utility	17,980	Tax equivalent charged to sewer
Nonmajor governmental fund	General fund	698,393	Transfer excess transit funds to transit special revenue fund
Capital projects fund	General fund	11,500	Transfer for Conservancy Lands Master Plan
General fund	Pleasant view golf course	134,754	Tax equivalent
General fund	Water utility	434,740	Tax equivalent
	Total, fund financial statements	3,848,995	
	Less fund eliminations	<u>(3,279,501)</u>	
	Total transfers, government-wide statement of activities	<u>\$ 569,494</u>	

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

City of Middleton

Notes to Financial Statements
December 31, 2024

Long-Term Obligations

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 36,325,000	\$ 4,000,000	\$ 5,615,000	\$ 34,710,000	\$ 5,970,000
General obligation debt from direct borrowings and direct placements	310,122	-	231,929	78,193	78,193
Debt premium	1,381,345	195,661	314,029	1,262,977	-
Landfill post-closure liability	309,749	30,095	-	339,844	28,260
Subtotal	<u>38,326,216</u>	<u>4,225,756</u>	<u>6,160,958</u>	<u>36,391,014</u>	<u>6,076,453</u>
Other liabilities:					
Compensated absences*	<u>3,272,655</u>	<u>540,574</u>	<u>-</u>	<u>3,813,229</u>	<u>1,367,200</u>
Total governmental activities long-term liabilities	<u>\$ 41,598,871</u>	<u>\$ 4,766,330</u>	<u>\$ 6,160,958</u>	<u>\$ 40,204,243</u>	<u>\$ 7,443,653</u>
Business-Type Activities					
Other liabilities:					
Compensated absences*	<u>\$ 360,550</u>	<u>\$ 98,292</u>	<u>\$ -</u>	<u>\$ 458,842</u>	<u>\$ 164,764</u>
Total business-type activities long-term liabilities	<u>\$ 360,550</u>	<u>\$ 98,292</u>	<u>\$ -</u>	<u>\$ 458,842</u>	<u>\$ 164,764</u>

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

General Obligation Debt

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of \$5,635,179,100. The debt limit as of December 31, 2024, was \$281,758,955. Total general obligation debt outstanding at year-end was \$34,788,193.

City of Middleton

Notes to Financial Statements
December 31, 2024

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/24</u>
Governmental Activities					
General obligation debt:					
2015 General Obligation Promissory Notes	12/08/15	09/01/30	2.00-3.00%	\$ 6,500,000	\$ 4,860,000
2016 General Obligation Refunding Bonds	05/23/16	02/01/27	2.00	3,900,000	1,350,000
2017 General Obligation Promissory Notes	04/11/17	03/01/27	2.00-3.00	4,000,000	1,305,000
2018 General Obligation Promissory Notes	06/05/18	09/01/26	3.00	3,500,000	955,000
2019 General Obligation Promissory Notes	05/30/19	03/01/27	1.65-2.00	3,490,000	1,385,000
2019 General Obligation Refunding Bonds	11/15/19	09/01/29	3.00-4.00	5,560,000	3,285,000
2020 State Trust Fund Loan Direct borrowing/placement	12/15/20	03/15/25	2.50	300,000	78,193
2020 Taxable General Obligation Refunding Bonds	07/28/20	09/01/35	0.43-2.15	7,055,000	5,410,000
2020 General Obligation Promissory Note	07/28/20	03/01/28	2.00-3.00	4,270,000	2,275,000
2021 General Obligation Promissory Note	08/17/21	03/01/29	2.00-3.00	3,750,000	2,475,000
2022 General Obligation Promissory Note	03/17/22	03/01/30	3.00-4.00	4,000,000	3,200,000
2023 General Obligation Promissory Note	03/28/23	09/01/31	5.00	4,600,000	4,210,000
2024 General Obligation Promissory Note	04/23/24	03/01/32	2.800-3.45	4,000,000	<u>4,000,000</u>
Total governmental activities, general obligation debt					<u>\$ 34,788,193</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt From Direct Placement or Borrowing		Governmental Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2025	\$ 78,193	\$ 1,955	\$ 5,970,000	\$ 1,021,355
2026	-	-	6,255,000	826,843
2027	-	-	5,950,000	638,378
2028	-	-	4,610,000	475,215
2029	-	-	4,150,000	338,535
2030-2034	-	-	7,660,000	400,850
2035	-	-	115,000	2,473
Total	\$ 78,193	\$ 1,955	\$ 34,710,000	\$ 3,703,648

Other Debt Information

See Note 5 for information regarding the landfill liability.

The City's outstanding State Trust Fund Loan from direct borrowing related to governmental activities of \$78,193 contain clauses that any delinquent payments are subject to a penalty of 1% per month and shall be deducted from any state payments that are due to the City.

Prior-Year Defeasance of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of December 31, 2024, \$6,230,000 of the bonds outstanding are considered defeased.

Years Ending December 31:

2025	\$ 950,000
2026	985,000
2027	1,015,000
2028	1,050,000
2029	1,085,000
2030	370,000
2031	380,000
2032	395,000
Total	\$ 6,230,000

City of Middleton

Notes to Financial Statements
December 31, 2024

Lease Disclosures

Lessor - Lease Receivables

<u>General Fund</u>				<u>Receivable Balance 12/31/24</u>
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	
American Tower	01/11/10	04/10/34	1.54 %	<u>\$ 301,676</u>

The General Fund recognized \$25,779 of lease revenue during the fiscal year.

The General Fund recognized \$4,858 of interest revenue during the fiscal year.

<u>TIF District No. 5</u>				<u>Receivable Balance 12/31/24</u>
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	
Auto Color 2604	06/30/23	07/31/28	2.68 %	\$ 42,895
Auto Color 2606	06/30/23	07/31/28	2.68	42,895
Auto Color 2608	06/30/23	07/31/28	2.68	42,895
Auto Color 2610	06/30/23	07/31/28	2.68	158,825
Flynn Audit LLC	03/01/23	02/29/28	2.68	114,709
Fuel Cell LLC	02/01/24	01/31/26	2.68	24,221
Total				<u>\$ 426,440</u>

TIF District No. 5 recognized \$104,576 of lease revenue during the fiscal year.

TIF District No. 5 recognized \$12,319 of interest revenue during the fiscal year.

<u>Airport</u>				<u>Receivable Balance 12/31/24</u>
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	
Solar Agreement	07/08/19	12/31/45	1.68 %	\$ 295,541
Terminal Land	01/01/04	12/31/28	0.98	51,948
Total				<u>\$ 347,489</u>

The Airport recognized \$22,378 of lease revenue during the fiscal year.

The Airport recognized \$5,628 of interest revenue during the fiscal year.

<u>Water Utility</u>				<u>Receivable Balance 12/31/23</u>
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	
AT&T cell tower	03/13/01	03/12/26	0.55 %	\$ 52,278
Verizon cell tower	09/23/24	12/31/34	0.55	890,625
Total				<u>\$ 942,903</u>

The Water Utility recognized \$76,453 of lease revenue during the fiscal year.

City of Middleton

Notes to Financial Statements

December 31, 2024

The Water Utility recognized \$523 of interest revenue during the fiscal year.

Regulated Leases

The City maintains certain regulated leases that, in accordance with GASB No. 87, do not recognize a lease receivable or a deferred inflow of resources. Regulated leases are subject to external laws, regulations or legal rulings. The following summarizes these regulated leases:

Hangars

On various dates, the City entered into four 15-year and thirty-six 25-year lease agreements with tenants for the use of the airport's hangars. In 2024, \$109,924 in hangar revenue was recorded in the Airport fund.

Governmental Activities Net Position/Fund Balances

Governmental activities net position reported on the government wide statement of net position at December 31, 2024 includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 9,494,362
Right-of-way	23,462,141
Construction work in progress	16,790,089
Other capital assets, net of accumulated depreciation	75,777,324
Less long-term debt outstanding	(34,788,193)
Less unamortized debt premium	(1,262,977)
Add noncapital debt outstanding	9,081,866
Add unamortized loss on debt refunding	489,717
Add unspent debt proceeds (net of capital accounts payable and retainages)	<u>2,075,326</u>
Total net investment in capital assets	<u>\$ 101,119,655</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

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

	General Fund	Debt Service	TIF District No. 3	TIF District No. 5	Capital Projects	Nonmajor	Total
Governmental Funds							
Nonspendable:							
Prepaid items	\$ 134,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,643
Inventories	65,649	-	-	-	-	-	65,649
Noncurrent receivables	36,135	-	-	-	-	-	36,135
Subtotal	<u>236,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>236,427</u>
Restricted:							
EMS	-	-	-	-	-	46,299	46,299
Police activities	-	-	-	-	-	46,485	46,485
Subdividers' deposits	-	-	-	-	-	1,722,731	1,722,731
Debt service	-	370,900	-	-	-	-	370,900
Community development	-	-	29,912,233	605,622	-	3,827,478	34,345,333
Library	-	-	-	-	-	761,175	761,175
Capital improvements	-	-	-	-	3,328,353	-	3,328,353
Safety impact fees	-	-	-	-	-	912,340	912,340
Tourism	-	-	-	-	-	3,726,954	3,726,954
Youth activities	-	-	-	-	-	98,456	98,456
Transit services	-	-	-	-	-	311,865	311,865
Senior center	-	-	-	-	-	181,810	181,810
Subtotal	<u>-</u>	<u>370,900</u>	<u>29,912,233</u>	<u>605,622</u>	<u>3,328,353</u>	<u>11,635,593</u>	<u>45,852,701</u>
Assigned:							
Carryovers	247,678	-	-	-	-	-	247,678
Revaluation	225,000	-	-	-	-	-	225,000
Subsequent year transfers to other funds	693,162	-	-	-	-	-	693,162
Compensated absences	2,935,632	-	-	-	-	-	2,935,632
Public safety, Fire	1,422,746	-	-	-	-	-	1,422,746
Public safety, EMS	540,000	-	-	-	-	-	540,000
Subtotal	<u>6,064,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,064,218</u>
Unassigned	7,936,794	-	-	-	-	-	7,936,794
Total fund balances	<u>\$ 14,237,439</u>	<u>\$ 370,900</u>	<u>\$ 29,912,233</u>	<u>\$ 605,622</u>	<u>\$ 3,328,353</u>	<u>\$ 11,635,593</u>	<u>\$ 60,090,140</u>

City of Middleton

Notes to Financial Statements

December 31, 2024

Business-Type Activities/Net Position

The following calculation supports the enterprise fund net investment in capital assets:

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Pleasant View Golf Course</u>	<u>Stormwater</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Business-Type Activities</u>
Land	\$ 222,277	\$ 66,830	\$ 1,476,500	\$ 1,935,149	\$ 2,715,508	\$ 6,416,264
CWIP	-	10,892	66,777	65,229	-	142,898
Buildings	-	-	1,507,208	-	745,292	2,252,500
Improvements	-	-	9,361,913	5,675,547	1,032,849	16,070,309
Machinery and equipment	-	-	1,218,041	-	469,603	1,687,644
Plant in service	37,688,857	19,440,302	-	-	-	57,129,159
Accumulated depreciation	(14,051,844)	(7,948,236)	(2,328,799)	(1,813,629)	(586,468)	(26,728,976)
Total net investment in capital assets	<u>\$ 23,859,290</u>	<u>\$ 11,569,788</u>	<u>\$ 11,301,640</u>	<u>\$ 5,862,296</u>	<u>\$ 4,376,784</u>	<u>\$ 54,969,798</u>

Component Unit

Community Development Authority

This report contains the Community Development Authority (CDA), which is included as a component unit. Financial information is presented in the discrete column in the combining statement of net position and statement of changes in net position.

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

Basis of Accounting/Measurement Focus

The CDA prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual basis of accounting and the flow of economic resources measurement focus.

Deposits and Investments

As of December 31, 2024, the CDA's total cash balance is \$718,571. The CDA, as a fund of the City, maintains common cash and investment accounts at the same financial institutions utilized by the City. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the City of Middleton as an individual municipality and, accordingly, the amount of insured funds is not determinable for the CDA.

Loans Receivable

The CDA has outstanding loans receivable which were granted through a down payment assistant program. If the borrower remains in the home for fifteen years, they are able to repay the loan with no interest or appreciation. If the property is sold prior to maturity, the borrower is responsible for paying interest and an appreciation payment. As of December 31, 2024, the CDA has an outstanding loans receivable balance of \$27,490.

City of Middleton

Notes to Financial Statements

December 31, 2024

Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Useful Lives</u>
Land	\$ 154,000	\$ -	\$ -	\$ 154,000	-
Buildings	2,933,497	91,952	-	3,025,449	40 Years
Less accumulated depreciation	<u>(1,498,104)</u>	<u>(79,406)</u>	<u>-</u>	<u>(1,577,510)</u>	-
Total	<u>\$ 1,589,393</u>	<u>\$ 12,546</u>	<u>\$ -</u>	<u>\$ 1,601,939</u>	

5. Other Information

Employees' Retirement System

Plan Description

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

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

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

Vesting

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

Benefits Provided

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

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

City of Middleton

Notes to Financial Statements

December 31, 2024

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

<u>Years</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

Contributions

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

During the reporting period, the WRS recognized \$1,167,730 in contributions from the City.

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

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (executives & elected officials)	6.80 %	6.80 %
Protective with social security	6.80	13.20
Protective without social security	6.80	18.10

City of Middleton

Notes to Financial Statements

December 31, 2024

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

At December 31, 2024, the City reported a liability (asset) of \$1,307,580 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 0.08794558%, which was an increase of 0.00071028% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense of \$728,465.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 5,272,150	\$ 6,982,995
Changes in assumption	569,936	-
Net differences between projected and actual earnings on pension plan investments	4,556,704	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,189	31,035
Employer contributions subsequent to the measurement date	1,333,587	-
Total	<u>\$ 11,736,566</u>	<u>\$ 7,014,030</u>

\$1,333,587 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ 691,188
2026	724,331
2027	2,852,449
2028	(879,019)

City of Middleton

Notes to Financial Statements
December 31, 2024

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 (Asset):	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:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

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

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.

City of Middleton

Notes to Financial Statements
December 31, 2024

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2023			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage***	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
Variable Fund Asset			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%*

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

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's 20-year Municipal GO AA Index as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) 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)	\$ 12,638,393	\$ 1,307,580	\$ (6,621,069)

Pension Plan Fiduciary Net Position

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

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

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets; errors and omissions; worker's compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage to the prior year.

Commitments and Contingencies

Claims and judgements are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgements is only reported in governmental fund types if it has matured. Claims and judgements are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgements at year-end.

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

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

Expenditures of the City's Tax Incremental Districts (TIDs) are subject to review and audit in accordance with State Statute 66.1105 by an independent audit firm. The City has allocated certain expenditures for administration, public safety, public lands administration and transit services, which were reimbursed to the City's General Fund. For 2024, these costs amount to \$500,000. Review by the Wisconsin Department of Revenue or the overlapping taxation districts could result in a portion of these expenditures being disallowed.

Developer Agreements

The City has entered into various development agreements in connection with the Tax Incremental Districts. Under the terms of these agreements, the City has made commitments for development incentives or reimbursements. As of January 1, 2024, the City had outstanding commitments of \$59.2 million. During the year, the City committed to an additional \$0.9 million and satisfied \$4.4 million. As of December 31, 2024, the City has remaining commitments of \$55.7 million pending satisfaction of the underlying agreements.

Joint Ventures

Metropolitan Refuse District, Inc.

The Cities of Middleton and the Villages of Shorewood Hills and Waunakee are members of the Metropolitan Refuse District, Inc. (District), which owns and operates the closed local sanitary landfill. The landfill stopped accepting waste at the end of 1996. The three member communities share in the operational costs of the District based on estimated population, with the 2024 percentages as follows:

City of Middleton	56 %
Village of Shorewood Hills	5
Village of Waunakee	39

The District is made up of members from each community. For the City, the corporate member is the Mayor or the Mayor's appointed designee. For each of the villages, the corporate member is the village president or the village president's appointed designee. At the annual meeting, members appoint directors and officers as the governing body. The governing body has authority to adopt its own budget and control of financial affairs of the District. The District's fund balance at December 31, 2024 is a deficit of \$606,475. Reporting standards require the City to report its share of the net deficit. The City's proportionate share in the operations of the District is 56%, which amounts to \$339,844 of the District's net deficit. The City's share of the net deficit has been reported in the government-wide statement of net position as landfill post-closure cost. This cost is an estimate that is subject to changes resulting from inflation, deflation, technology or changes in applicable laws and regulations. The City made payments totaling \$90,235 to the District in 2024. The City will continue to support the District's post-closure costs in the future.

The District's closed landfill is being monitored for possible groundwater contamination as required by the Wisconsin Department of Natural Resources. The costs for groundwater monitoring are being budgeted for on an annual basis. At the current time, it is not possible to determine if extensive contamination has occurred and the effects, if any, on the District. Separately issued financial statements of the District are not prepared.

Multijurisdictional Public Safety Information System Commission (MJPISC)

The City of Fitchburg, City of Sun Prairie, City of Middleton, City of Verona and the City of Monona jointly operate the Multijurisdictional Public Safety Information System Commission. On March 20, 2003, the City of Middleton, City of Fitchburg and the City of Sun Prairie executed an intergovernmental agreement under authority of Section 66.0301 of the Wisconsin Statutes. The City of Verona and the City of Monona joined the Commission in 2009. The Commission adopts its own budget. Net operating costs including debt service are shared by the five communities equally. The department is governed by the Intermunicipal Commission. The Commission consists of one representative from each community. The transactions of the Commission are not reflected in these financial statements. Separately issued financial statements of the Commission can be obtained from the City of Sun Prairie at 300 East Main Street, Sun Prairie, Wisconsin 53590. The City does not have an equity interest in this joint venture.

Middleton Fire District

The City of Middleton and the Towns of Springfield, Westport and Middleton jointly operate the local fire district, which is called the Middleton Fire District, which provides fire protection. The communities share in the operations of the District based on the ratio of equalized values of each member. The governing body is made up of elected officials from each community. Local representatives are appointed by the municipalities. The governing body has authority to adopt its own budget and control the financial affairs of the District. The City has made payments totaling \$1,133,902 to the District in 2024 for operating expenses and \$176,432 for capital contributions. The transactions of the District are not reflected in these financial statements. The City does not have an equity interest in the joint venture. Separately issued financial statements of the District are not prepared.

Effect of New Accounting Standards on Current-Period Financial Statements

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

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

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

Tax Abatement

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

The City, through its Tax Incremental Financing Districts (TID) has entered into tax abatement agreements with developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plans. The developers pay property taxes as they become due and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid.

City of Middleton

Notes to Financial Statements

December 31, 2024

As of December 31, 2024, the City maintains and operates Tax Incremental District No. 3 and Tax Incremental District No. 5, which are presented in the financial statements as Capital Projects Funds.

Project	Agreement Date	District	Type	12/31/2023	Additions/ Adjustments	Payments	12/31/2024
Hung Springs (Mead & Hunt)	06/25/13	TID #3	Developer Financed	\$ 637,126	\$ 35,395	\$ (171,555)	\$ 500,966
Parmenter Circle	07/01/14	TID #3	Developer Financed	419,079	17,152	(170,556)	265,675
Esser Place (WTS Paradigm)	07/15/14	TID #3	Developer Financed	143,867	-	(47,689)	96,178
Discus Development, Inc. (Fiskars)	05/05/15	TID #3	Developer Financed	585,435	-	(339,271)	246,164
TCM Enterprises, LLC (Primrose)	12/21/15	TID #3	Developer Financed	26,736	733	(27,468)	1
Middleton Station	10/04/16	TID #3	Developer Financed	665,792	27,609	(92,983)	600,418
Market West Apartments	05/18/16	TID #3	Developer Financed	3,956,405	171,238	(609,488)	3,518,155
Cardinal Row	06/07/16	TID #5	Developer Financed	432,409	-	(41,599)	390,810
Middleton Center Phase 1	07/05/16	TID #3	Developer Financed	2,511,687	107,832	(287,344)	2,332,175
Middleton Center Phase 2	07/05/16	TID #3	Developer Financed	2,831,443	132,016	(343,165)	2,620,294
Middleton Center Phase 3	07/05/16	TID #3	Developer Financed	1,350,724	63,053	(179,329)	1,234,448
Faust Ventures, LLC (Laser Express)	09/20/16	TID #3	Developer Financed	1,244,391	55,377	(111,142)	1,188,626
Gammex	11/01/16	TID #3	Developer Financed	26,636	-	(25,734)	902
Electronic Theater Controls (ETC)	03/07/17	TID #3	Developer Financed	2,416,169	-	(86,872)	2,329,297
Deming Prairie Properties, LLC (SACO Foods)	09/07/17	TID #3	Developer Financed	105,853	-	(46,665)	59,188
Cascade Development (Holiday Inn Express)	10/16/17	TID #3	Developer Financed	489,049	11,004	(88,508)	411,545
Pheasant Creek, LLC (Stagecoach)	02/06/18	TID #5	Developer Financed	1,484,972	64,575	(99,953)	1,449,594
Middleton Market, LLC (Treysta/Aviary)	02/20/18	TID #5	Developer Financed	6,309,698	124,312	(502,639)	5,931,371
SBH-Madison, LLC (Miramont)	05/05/18	TID #3	Developer Financed	767,993	-	(140,621)	627,372
Pleasant Green Development, Inc. (Hy Cite)	06/05/18	TID #3	Developer Financed	1,783,523	-	-	1,783,523
Stardust Investments, LLC (Goodwill)	07/11/18	TID #5	Developer Financed	376,177	-	(39,668)	336,509
2882 Pleasant View Rd., LLC (Whispering Pines)	08/21/18	TID #3	Developer Financed	175,985	8,388	(154,919)	29,454
Deming Investors, LLC (Chartwell-Midwest, LLC)	04/29/19	TID #3	Developer Financed	597,406	-	(97,254)	500,152
Conservancy Bend Residences, LLC	09/30/19	TID #5	Developer Financed	3,851,223	-	(187,759)	3,663,464
Conservancy Bend Townhomes, LLC	09/30/19	TID #5		2,399,986	-	-	2,399,986
Deming Way Hotel Assoc., LLC (Towne Place Stes)	01/21/20	TID #3	Developer Financed	1,035,383	-	(124,020)	911,363
TRRE, LLC (Cardinal View Senior Housing)	05/05/20	TID #5	Developer Financed	738,604	33,390	(89,464)	682,530
Deming Prairie Properties, LLC (SACO Expansion)	07/21/20	TID #3	Developer Financed	241,108	8,669	(48,763)	201,014
Impact Parmenter, LLC (The Trotta)	12/14/20	TID #5	Developer Financed	2,696,634	52,240	(216,145)	2,532,729
38Ten Parmenter, LLC	11/16/21	TID #5	Developer Financed	995,000	17,413	(34,177)	978,236
T5 Properties LLC (6100 Lake Street)	04/15/22	TID #5	Developer Financed	1,265,260	31,547	(6,769)	1,290,038
Pleasant Acres, LLC (Belle Farm Phase 1)	08/15/23	TID #5	Developer Financed	12,368,775	-	-	12,368,775
38Ten Parmenter II, LLC	10/12/22	TID #5	Developer Financed	1,350,000	11,250	-	1,361,250
Greenway Project, LLC (Ponds Redevelopment)	05/04/23	TID #3	Developer Financed	2,881,030	-	-	2,881,030
				<u>\$ 59,161,558</u>	<u>\$ 973,193</u>	<u>\$ (4,411,519)</u>	<u>\$ 55,723,232</u>

City of Middleton

Notes to Financial Statements
December 31, 2024

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities.

Subsequent Event

On May 20, 2025 the city approved a resolution creating Tax Incremental District No. 6, authorizing the project plan and establishing its boundaries. The total estimated project costs are approximately \$15.9 million.

REQUIRED SUPPLEMENTARY INFORMATION

City of Middleton

General Fund

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

Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Taxes				
General property tax	\$ 15,247,292	\$ 15,247,292	\$ 15,247,292	\$ -
Fees in lieu of taxes	59,100	59,100	18,934	(40,166)
Ag conversion	-	-	8,545	8,545
Room tax	624,000	624,000	680,915	56,915
Interest and penalties on taxes	2,000	2,000	5,956	3,956
Total taxes	15,932,392	15,932,392	15,961,642	29,250
Intergovernmental Revenues				
State shared revenues	867,827	867,827	869,107	1,280
State aid, video service provider	52,821	52,821	52,821	-
State aid, road allotment	1,281,312	1,281,312	1,281,502	190
State aid, exempt computer aid	261,905	261,905	261,905	-
State aid, personal property	119,689	119,689	119,689	-
State aid, expenditure restraint	35,411	35,411	35,411	-
State aid, fire insurance dues	182,500	182,500	192,798	10,298
State aid, law enforcement	-	-	33,645	33,645
Police school liaison officer	89,929	89,929	89,968	39
Federal and state aid, other	63,512	63,512	63,819	307
County aid, signals	6,000	6,000	13,414	7,414
County aid, senior citizens	128,429	128,429	135,940	7,511
Total intergovernmental revenues	3,089,335	3,089,335	3,150,019	60,684
Licenses and Permits				
Liquor and malt beverage licenses	45,000	45,000	32,870	(12,130)
Operators' licenses	20,000	20,000	14,423	(5,577)
Alarm licenses	13,000	13,000	18,255	5,255
Cigarette licenses	2,100	2,100	1,750	(350)
Dog licenses	5,000	5,000	9,158	4,158
Cable TV franchise license	220,000	220,000	188,847	(31,153)
Other miscellaneous licenses	2,350	2,350	3,548	1,198
Building permits and plan review	358,000	358,000	523,870	165,870
Electrical permits and plan review	69,000	69,000	116,981	47,981
Plumbing permits and plan review	85,000	85,000	165,710	80,710
Erosion control permits	18,000	18,000	29,127	11,127
Other permits	44,000	44,000	54,758	10,758
Other miscellaneous fees	24,161	24,161	141,137	116,976
Zoning permits	21,000	21,000	42,313	21,313
Park reservation permits	38,000	38,000	44,176	6,176
Total licenses and permits	964,611	964,611	1,386,923	422,312
Fines, Forfeitures and Penalties				
Court penalties	150,000	150,000	108,585	(41,415)
Court costs	70,000	70,000	57,593	(12,407)
Parking violations	35,000	35,000	40,471	5,471
Total fines, forfeitures and penalties	255,000	255,000	206,649	(48,351)

See notes to required supplementary information

City of Middleton

General Fund

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

Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Charges for Services				
Clerk fees	\$ 17,000	\$ 17,000	\$ 15,807	\$ (1,193)
Police special services	-	-	18	18
Police department fees	4,000	4,000	4,814	814
Ambulance services	1,484,836	1,484,836	1,197,478	(287,358)
Plan commission charges	20,000	20,000	29,605	9,605
Senior citizens	73,700	73,700	90,950	17,250
Swimming pool	232,000	232,000	219,656	(12,344)
Aquatic concession revenue	35,000	35,000	29,990	(5,010)
Seasonal recreation	215,015	215,015	300,576	85,561
Event / trip revenue	1,500	1,500	5,132	3,632
Public works charges	3,000	3,000	2,196	(804)
Administration reimbursements, recycling	12,000	12,000	19,430	7,430
Donations	1,200	1,200	1,000	(200)
Total charges for services	2,099,251	2,099,251	1,916,652	(182,599)
Interdepartment Charges for Services				
Administration reimbursements, utilities	203,000	303,000	303,000	-
Administration reimbursements, TIF	500,000	500,000	500,000	-
Administration reimbursements, landfill	5,000	5,000	5,000	-
Administration reimbursements, fire district	2,600	2,600	2,600	-
EMS fixed cost abatement	263,480	263,480	263,480	-
Total interdepartmental charges for services	974,080	1,074,080	1,074,080	-
Special Assessments				
Curb, gutter and sidewalks	100,000	100,000	78,089	(21,911)
Investment Income				
Investment income	500,800	500,800	1,356,381	855,581
Miscellaneous Revenues				
Credit card rebate	50,000	50,000	47,839	(2,161)
Rent	30,636	30,636	35,642	5,006
Sale of materials	100	100	982	882
Other miscellaneous	13,250	13,250	3,060	(10,190)
Total miscellaneous revenues	93,986	93,986	87,523	(6,463)
Total revenues	24,009,455	24,109,455	25,217,958	1,108,503

See notes to required supplementary information

City of Middleton

General Fund

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

Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Current Expenditures				
General Government				
Council	\$ 69,201	\$ 69,201	\$ 68,201	\$ 1,000
Boards and commissions	20,350	49,250	46,179	3,071
General administration	305,240	315,240	302,123	13,117
Municipal court	115,388	115,388	105,031	10,357
Finance	973,171	973,171	956,556	16,615
HRA account transfer	250,000	250,000	236,509	13,491
Information technology	878,429	878,429	853,018	25,411
Legal counsel	250,320	250,320	249,987	333
Buildings and grounds	62,800	62,800	75,714	(12,914)
Illegal taxes and tax refunds	11,461	11,461	5,161	6,300
Group insurance	25,000	25,000	25,484	(484)
Risk management and insurance	375,000	375,000	375,000	-
Elections	157,700	157,700	79,843	77,857
Miscellaneous	25,880	195,082	129,097	65,985
Total general government	3,519,940	3,728,042	3,507,903	220,139
Public Safety				
Police department	6,400,342	6,400,342	6,276,704	123,638
Communication center	626,285	626,285	621,252	5,033
Fire suppression	1,340,014	1,340,014	1,310,334	29,680
EMS	2,576,281	2,638,476	2,487,244	151,232
Building inspector	486,052	486,052	553,444	(67,392)
Community services	152,673	152,673	7,902	144,771
Emergency preparedness	84,042	84,042	88,906	(4,864)
Crossing guard	15,500	15,500	14,717	783
Total public safety	11,681,189	11,743,384	11,360,503	382,881
Public Works				
Engineering and administration	1,014,905	1,014,905	1,001,025	13,880
Street maintenance	977,155	977,155	980,287	(3,132)
Fleet maintenance	424,682	424,682	405,115	19,567
City garage	96,100	96,100	85,489	10,611
Sidewalk maintenance	130,000	130,000	123,822	6,178
Snow removal	96,700	96,700	59,445	37,255
Traffic signs and markings	82,500	82,500	60,501	21,999
Street lighting	172,500	172,500	165,414	7,086
Storm sewers	66,500	66,500	83,402	(16,902)
Mass transit	6,461	6,461	7,415	(954)
Garbage collection	570,000	570,000	584,077	(14,077)
Sanitary landfill	90,260	90,260	90,235	25
Recycling	349,354	349,354	322,758	26,596
Total public works	4,077,117	4,077,117	3,968,985	108,132

See notes to required supplementary information

City of Middleton

General Fund

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

Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Health and Human Services				
Senior center	\$ 635,885	\$ 635,885	\$ 614,331	\$ 21,554
Leisure Activities				
Recreation facilities	352,157	352,157	335,076	17,081
Recreation administration	552,774	552,774	626,320	(73,546)
Public lands	1,066,364	1,066,364	1,126,446	(60,082)
Total leisure activities	1,971,295	1,971,295	2,087,842	(116,547)
Conservation and Development				
Forestry	297,176	386,329	381,144	5,185
Water resources	14,796	14,796	18,597	(3,801)
Conservancy lands	291,006	291,006	213,324	77,682
Planning	523,422	523,422	491,127	32,295
Total conservation and development	1,126,400	1,215,553	1,104,192	111,361
Total expenditures	23,011,826	23,371,276	22,643,756	727,520
Excess of revenues over expenditures	997,629	738,179	2,574,202	1,836,023
Other Financing Sources (Uses)				
Transfers in	809,562	709,562	685,994	(23,568)
Transfers out	(2,222,373)	(2,403,171)	(2,403,171)	-
Total other financing sources (uses)	(1,412,811)	(1,693,609)	(1,717,177)	(23,568)
Net change in fund balance	(415,182)	(955,430)	857,025	1,812,455
Fund Balance, Beginning	13,380,414	13,380,414	13,380,414	-
Fund Balance, Ending	\$ 12,965,232	\$ 12,424,984	\$ 14,237,439	\$ 1,812,455

See notes to required supplementary information

City of Middleton

Schedule of Proportionate Share of the Net Pension (Asset) Liability -
Wisconsin Retirement System
Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension (Asset) Liability</u>	<u>Proportionate Share of the Net Pension (Asset) Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/24	0.08794558%	\$ 1,307,580	\$ 12,361,114	10.58%	98.85%
12/31/23	0.08723530%	4,621,466	11,800,421	39.16%	95.72%
12/31/22	0.08570652%	(6,908,103)	11,449,752	60.33%	106.02%
12/31/21	0.08533035%	(5,327,292)	11,116,056	47.92%	105.26%
12/31/20	0.08491774%	(2,738,135)	10,759,819	25.45%	102.96%
12/31/19	0.08355681%	2,972,689	10,666,587	27.87%	96.45%
12/31/18	0.08125430%	(2,412,536)	10,329,319	23.36%	102.93%
12/31/17	0.07845755%	646,678	9,768,789	6.62%	99.12%
12/31/16	0.07799302%	1,267,371	9,708,670	13.05%	98.20%
12/31/15	0.77378190%	(1,900,620)	9,162,017	19.43%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2024

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/24	\$ 1,333,587	\$ 1,333,587	\$ -	\$ 13,308,414	10.02%
12/31/23	1,168,773	1,168,773	-	12,391,114	9.43%
12/31/22	1,043,032	1,043,032	-	11,800,422	8.84%
12/31/21	1,010,506	1,010,506	-	11,449,752	8.83%
12/31/20	975,497	975,497	-	11,116,060	8.78%
12/31/19	886,340	886,340	-	10,759,820	8.24%
12/31/18	894,907	894,907	-	10,666,587	8.39%
12/31/17	866,859	866,859	-	10,328,500	8.39%
12/31/16	757,861	757,861	-	9,768,789	7.76%
12/31/15	764,194	764,194	-	9,708,670	7.87%

See notes to required supplementary information

City of Middleton

Notes to Required Supplementary Information
December 31, 2024

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in the notes to the financial statements.

The budgeted amounts presented include any amendments made. The City Administrator may authorize transfers of budgeted amounts between departments up to \$1,000. Transfers exceeding \$1,000 between departments and changes in the overall budget must be approved by a two-thirds vote of the City Council. Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$247,678.

Excess expenditures over appropriations are as follows:

	Amended Budget	Actual Expenditures	Excess
General Fund			
Current expenditures:			
Buildings and grounds	\$ 62,800	\$ 75,714	\$ 12,914
Group insurance	25,000	25,484	484
Building inspector	486,052	553,444	67,392
Emergency preparedness	84,042	88,906	4,864
Street maintenance	977,155	980,287	3,132
Storm sewers	66,500	83,402	16,902
Mass transit	6,461	7,415	954
Garbage collection	570,000	584,077	14,077
Recreation administration	552,774	626,320	73,546
Public lands	1,066,364	1,126,446	60,082
Water resources	14,796	18,597	3,801

The legal level of budget control is at the department level in the General Fund and total expenditures in all other funds. The City controls expenditures at the departmental level for management purposes. The detail of those items can be found in the City's year-end budget to actual report.

Wisconsin Retirement System

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

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

Changes in assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2023, including the following:

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

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

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

SUPPLEMENTARY INFORMATION

OTHER MAJOR FUNDS

City of Middleton

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Debt Service (Major Fund)
Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 5,725,000	\$ 5,725,000	\$ -
Investment income	-	68,216	68,216
Total revenues	<u>5,725,000</u>	<u>5,793,216</u>	<u>68,216</u>
Expenditures			
Debt service:			
Principal retirement	5,281,928	5,281,929	(1)
Interest and fiscal charges	967,670	1,116,703	(149,033)
Total expenditures	<u>6,249,598</u>	<u>6,398,632</u>	<u>(149,034)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(524,598)</u>	<u>(605,416)</u>	<u>(80,818)</u>
Other Financing Sources			
Premium on debt	-	195,661	195,661
Transfer in	315,000	315,000	-
Total other financing sources	<u>315,000</u>	<u>510,661</u>	<u>195,661</u>
Net change in fund balance	(209,598)	(94,755)	114,843
Fund Balance, Beginning	<u>465,655</u>	<u>465,655</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 256,057</u>	<u>\$ 370,900</u>	<u>\$ 114,843</u>

City of Middleton

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TIF District No. 3 - Capital Projects Fund (Major Fund)
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Taxes	\$ 11,300,336	\$ 11,300,336	\$ 10,864,736	\$ (435,600)
Intergovernmental	1,947,728	1,947,728	1,057,728	(890,000)
Special assessments	-	-	170,130	170,130
Investment income	200,000	200,000	1,189,697	989,697
Miscellaneous	-	-	12,871	12,871
	<u>13,448,064</u>	<u>13,448,064</u>	<u>13,295,162</u>	<u>(152,902)</u>
Expenditures				
Current:				
General government	750,000	750,000	561,846	188,154
Conservation and development	8,616,086	8,609,086	3,400,685	5,208,401
Capital outlay	<u>9,705,000</u>	<u>9,760,077</u>	<u>3,467,883</u>	<u>6,292,194</u>
	<u>19,071,086</u>	<u>19,119,163</u>	<u>7,430,414</u>	<u>11,688,749</u>
Net change in fund balance	(5,623,022)	(5,671,099)	5,864,748	11,535,847
Fund Balance, Beginning	<u>24,047,485</u>	<u>24,047,485</u>	<u>24,047,485</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 18,424,463</u>	<u>\$ 18,376,386</u>	<u>\$ 29,912,233</u>	<u>\$ 11,535,847</u>

City of Middleton

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
Budget and Actual - TIF District No. 5 - Capital Projects Fund (Major Fund)
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 4,041,790	\$ 3,902,724	\$ (139,066)
Intergovernmental	87,254	587,254	500,000
Investment income	10,000	188,598	178,598
Miscellaneous	-	167,385	167,385
	<u>4,139,044</u>	<u>4,845,961</u>	<u>706,917</u>
Total revenues			
Expenditures			
Current:			
Conservation and development	1,322,133	1,541,959	(219,826)
Capital outlay	856,304	54,731	801,573
Debt service:			
Principal	565,000	565,000	-
Interest and fiscal charges	87,450	87,450	-
	<u>2,830,887</u>	<u>2,249,140</u>	<u>581,747</u>
Total expenditures			
Net change in fund balances	1,308,157	2,596,821	1,288,664
Fund Balance (Deficit), Beginning	<u>(1,991,199)</u>	<u>(1,991,199)</u>	<u>-</u>
Fund Balance (Deficit), Ending	<u>\$ (683,042)</u>	<u>\$ 605,622</u>	<u>\$ 1,288,664</u>

City of Middleton

Combining Balance Sheet -
Capital Projects Fund (Major Fund)
December 31, 2024

	<u>General Capital Projects</u>	<u>Public Works Capital Construction</u>	<u>Public Lands Capital Construction</u>	<u>Total Capital Projects Fund</u>
Assets				
Cash and investments	\$ 1,265,695	\$ 1,713,903	\$ 482,371	\$ 3,461,969
Other receivables	64,164	46,652	25,000	135,816
Total assets	<u>\$ 1,329,859</u>	<u>\$ 1,760,555</u>	<u>\$ 507,371</u>	<u>\$ 3,597,785</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 31,513	\$ 177,004	\$ 60,915	\$ 269,432
Fund balance:				
Restricted	1,298,346	1,583,551	446,456	3,328,353
Total liabilities and fund balance	<u>\$ 1,329,859</u>	<u>\$ 1,760,555</u>	<u>\$ 507,371</u>	<u>\$ 3,597,785</u>

City of Middleton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Capital Projects Fund (Major Fund)
Year Ended December 31, 2024

	<u>General Capital Projects</u>	<u>Public Works Capital Construction</u>	<u>Public Lands Capital Construction</u>	<u>Total Capital Projects Fund</u>
Revenues				
Intergovernmental	\$ 65,329	\$ -	\$ 25,000	\$ 90,329
Miscellaneous	7,000	-	-	7,000
Total revenues	<u>72,329</u>	<u>-</u>	<u>25,000</u>	<u>97,329</u>
Expenditures				
Capital outlay	<u>853,783</u>	<u>2,282,864</u>	<u>603,838</u>	<u>3,740,485</u>
Total expenditures	<u>853,783</u>	<u>2,282,864</u>	<u>603,838</u>	<u>3,740,485</u>
Deficiency of revenues over expenditures	<u>(781,454)</u>	<u>(2,282,864)</u>	<u>(578,838)</u>	<u>(3,643,156)</u>
Other Financing Sources				
Long-term debt issued	815,000	2,734,500	450,500	4,000,000
Sale of capital assets	28,831	-	-	28,831
Transfer in	<u>100,000</u>	<u>293,850</u>	<u>11,500</u>	<u>405,350</u>
Total other financing sources	<u>943,831</u>	<u>3,028,350</u>	<u>462,000</u>	<u>4,434,181</u>
Net change in fund balance	162,377	745,486	(116,838)	791,025
Fund Balance, Beginning	<u>1,135,969</u>	<u>838,065</u>	<u>563,294</u>	<u>2,537,328</u>
Fund Balance, Ending	<u>\$ 1,298,346</u>	<u>\$ 1,583,551</u>	<u>\$ 446,456</u>	<u>\$ 3,328,353</u>

City of Middleton

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Capital Projects Fund (Major Fund)
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 138,000	\$ 163,000	\$ 90,329	\$ (72,671)
Miscellaneous	-	-	7,000	7,000
Total revenues	<u>138,000</u>	<u>163,000</u>	<u>97,329</u>	<u>(65,671)</u>
Expenditures				
Capital outlay	<u>4,301,700</u>	<u>6,688,135</u>	<u>3,740,485</u>	<u>2,947,650</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,163,700)</u>	<u>(6,525,135)</u>	<u>(3,643,156)</u>	<u>2,881,979</u>
Other Financing Sources				
Long-term debt issued	4,000,000	4,000,000	4,000,000	-
Sale of capital assets	-	-	28,831	28,831
Transfers in	-	305,350	405,350	100,000
Total other financing sources	<u>4,000,000</u>	<u>4,305,350</u>	<u>4,434,181</u>	<u>128,831</u>
Net change in fund balance	(163,700)	(2,219,785)	791,025	3,010,810
Fund Balance, Beginning	<u>2,537,328</u>	<u>2,537,328</u>	<u>2,537,328</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,373,628</u>	<u>\$ 317,543</u>	<u>\$ 3,328,353</u>	<u>\$ 3,010,810</u>

NONMAJOR GOVERNMENTAL FUNDS

City of Middleton

Combining Balance Sheet -
 Nonmajor Governmental Funds
 December 31, 2024

	<u>Subdividers' Deposits</u>	<u>Lost and Damaged Books</u>	<u>Library Gift</u>	<u>SCLS Foundation</u>	<u>Library Endowment</u>	<u>Library Friends</u>	<u>Library Fund</u>	<u>Safety Impact Fee and Other</u>	<u>Economic Development Grant</u>
Assets									
Cash and investments	\$ 2,975,812	\$ 29,943	\$ 8,973	\$ 90,500	\$ 380,586	\$ 80,572	\$ 226,092	\$ 912,340	\$ 19,339
Other receivables	1,954	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,977,766</u>	<u>\$ 29,943</u>	<u>\$ 8,973</u>	<u>\$ 90,500</u>	<u>\$ 380,586</u>	<u>\$ 80,572</u>	<u>\$ 226,092</u>	<u>\$ 912,340</u>	<u>\$ 19,339</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 62,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,105	\$ -	\$ -
Other accrued liabilities	-	-	-	-	-	-	54,386	-	-
Deposits	1,192,498	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,255,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,491</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources									
Unavailable revenue	-	-	-	-	-	-	-	-	-
Fund Balances									
Restricted	<u>1,722,731</u>	<u>29,943</u>	<u>8,973</u>	<u>90,500</u>	<u>380,586</u>	<u>80,572</u>	<u>170,601</u>	<u>912,340</u>	<u>19,339</u>
Total fund balances	<u>1,722,731</u>	<u>29,943</u>	<u>8,973</u>	<u>90,500</u>	<u>380,586</u>	<u>80,572</u>	<u>170,601</u>	<u>912,340</u>	<u>19,339</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,977,766</u>	<u>\$ 29,943</u>	<u>\$ 8,973</u>	<u>\$ 90,500</u>	<u>\$ 380,586</u>	<u>\$ 80,572</u>	<u>\$ 226,092</u>	<u>\$ 912,340</u>	<u>\$ 19,339</u>

City of Middleton

Combining Balance Sheet -
 Nonmajor Governmental Funds
 December 31, 2024

	<u>Tourism Commission</u>	<u>Police Activities</u>	<u>EMS Activities</u>	<u>Public Land Activities</u>	<u>Youth Center Activities</u>	<u>Senior Center Activities</u>	<u>American Rescue Plan</u>	<u>Transit Services</u>	<u>Total Nonmajor Governmental Funds</u>
Assets									
Cash and investments	\$ 3,443,230	\$ 60,050	\$ 46,299	\$ 3,815,457	\$ 82,030	\$ 182,008	\$ 269,925	\$ 1,164,081	\$ 13,787,237
Other receivables	375,825	-	-	150,000	18,500	-	-	-	546,279
Total assets	<u>\$ 3,819,055</u>	<u>\$ 60,050</u>	<u>\$ 46,299</u>	<u>\$ 3,965,457</u>	<u>\$ 100,530</u>	<u>\$ 182,008</u>	<u>\$ 269,925</u>	<u>\$ 1,164,081</u>	<u>\$ 14,333,516</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 84,089	\$ 2,716	\$ -	\$ 7,318	\$ -	\$ 198	\$ 90,504	\$ 852,216	\$ 1,100,683
Other accrued liabilities	8,012	10,849	-	-	2,074	-	-	-	75,321
Deposits	-	-	-	-	-	-	-	-	1,192,498
Unearned revenue	-	-	-	-	-	-	179,421	-	179,421
Total liabilities	<u>92,101</u>	<u>13,565</u>	<u>-</u>	<u>7,318</u>	<u>2,074</u>	<u>198</u>	<u>269,925</u>	<u>852,216</u>	<u>2,547,923</u>
Deferred Inflows of Resources									
Unavailable revenue	-	-	-	150,000	-	-	-	-	150,000
Fund Balances									
Restricted	<u>3,726,954</u>	<u>46,485</u>	<u>46,299</u>	<u>3,808,139</u>	<u>98,456</u>	<u>181,810</u>	<u>-</u>	<u>311,865</u>	<u>11,635,593</u>
Total fund balances	<u>3,726,954</u>	<u>46,485</u>	<u>46,299</u>	<u>3,808,139</u>	<u>98,456</u>	<u>181,810</u>	<u>-</u>	<u>311,865</u>	<u>11,635,593</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,819,055</u>	<u>\$ 60,050</u>	<u>\$ 46,299</u>	<u>\$ 3,965,457</u>	<u>\$ 100,530</u>	<u>\$ 182,008</u>	<u>\$ 269,925</u>	<u>\$ 1,164,081</u>	<u>\$ 14,333,516</u>

City of Middleton

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

Nonmajor Governmental Funds

Year Ended December 31, 2024

	<u>Subdividers' Deposits</u>	<u>Lost and Damaged Books</u>	<u>Library Gift</u>	<u>SCLS Foundation</u>	<u>Library Endowment</u>	<u>Library Friends</u>	<u>Library</u>	<u>Safety Impact Fee and Other</u>	<u>Economic Development Grant</u>
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	982,763	-	847,308
Public charges for services	271,452	4,335	-	-	-	-	15,903	-	-
Licenses and permits	25,330	-	-	-	-	-	-	-	-
Investment income	-	1,400	309	8,743	42,639	-	34,034	45,366	1,895
Contributions	-	-	5,444	4,702	-	80,572	-	-	-
Miscellaneous	-	-	-	-	-	-	6,015	-	100,000
Total revenues	<u>296,782</u>	<u>5,735</u>	<u>5,753</u>	<u>13,445</u>	<u>42,639</u>	<u>80,572</u>	<u>1,038,715</u>	<u>45,366</u>	<u>949,203</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	6,263	-	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-	-
Leisure activities	-	1,180	-	1,203	3,592	-	2,817,857	-	-
Conservation and development	-	-	-	-	-	-	-	-	847,308
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	<u>6,263</u>	<u>1,180</u>	<u>-</u>	<u>1,203</u>	<u>3,592</u>	<u>-</u>	<u>2,817,857</u>	<u>-</u>	<u>847,308</u>
Excess (deficiency) of revenues over (under) expenditures	<u>290,519</u>	<u>4,555</u>	<u>5,753</u>	<u>12,242</u>	<u>39,047</u>	<u>80,572</u>	<u>(1,779,142)</u>	<u>45,366</u>	<u>101,895</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	1,597,392	-	-
Transfers (out)	-	-	-	-	-	-	(100,000)	(215,000)	(100,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,497,392</u>	<u>(215,000)</u>	<u>(100,000)</u>
Net change in fund balance	<u>290,519</u>	<u>4,555</u>	<u>5,753</u>	<u>12,242</u>	<u>39,047</u>	<u>80,572</u>	<u>(281,750)</u>	<u>(169,634)</u>	<u>1,895</u>
Fund Balance, Beginning	<u>1,432,212</u>	<u>25,388</u>	<u>3,220</u>	<u>78,258</u>	<u>341,539</u>	<u>-</u>	<u>452,351</u>	<u>1,081,974</u>	<u>17,444</u>
Fund Balance, Ending	<u>\$ 1,722,731</u>	<u>\$ 29,943</u>	<u>\$ 8,973</u>	<u>\$ 90,500</u>	<u>\$ 380,586</u>	<u>\$ 80,572</u>	<u>\$ 170,601</u>	<u>\$ 912,340</u>	<u>\$ 19,339</u>

City of Middleton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended December 31, 2024

	<u>Tourism Commission</u>	<u>Police Activities</u>	<u>EMS Activities</u>	<u>Public Land Activities</u>	<u>Youth Center Activities</u>	<u>Senior Center Activities</u>	<u>American Rescue Plan</u>	<u>Transit Services</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues									
Taxes	\$ 1,588,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,588,917
Intergovernmental	-	-	8,339	-	47,688	34,985	1,165,513	1,199,091	4,285,687
Public charges for services	-	-	-	1,570,521	-	-	-	-	1,862,211
Licenses and permits	-	-	-	-	-	-	-	-	25,330
Investment income	-	-	-	122,982	-	11,974	-	-	269,342
Contributions	-	-	-	38,878	11,570	30,194	-	-	171,360
Miscellaneous	4,918	24,855	2,100	-	-	-	-	-	137,888
Total revenues	<u>1,593,835</u>	<u>24,855</u>	<u>10,439</u>	<u>1,732,381</u>	<u>59,258</u>	<u>77,153</u>	<u>1,165,513</u>	<u>1,199,091</u>	<u>8,340,735</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	87,135	-	87,135
Public safety	-	25,433	-	-	-	-	-	-	25,433
Public works	-	-	-	-	-	-	-	1,705,756	1,712,019
Health and human services	-	-	-	-	-	47,406	-	-	47,406
Leisure activities	-	-	-	60,531	131,604	-	-	-	3,015,967
Conservation and development	1,115,051	-	-	-	-	-	60,000	-	2,022,359
Capital outlay	-	-	-	171,072	-	-	575,028	-	746,100
Total expenditures	<u>1,115,051</u>	<u>25,433</u>	<u>-</u>	<u>231,603</u>	<u>131,604</u>	<u>47,406</u>	<u>722,163</u>	<u>1,705,756</u>	<u>7,656,419</u>
Excess (deficiency) of revenues over (under) expenditures	<u>478,784</u>	<u>(578)</u>	<u>10,439</u>	<u>1,500,778</u>	<u>(72,346)</u>	<u>29,747</u>	<u>443,350</u>	<u>(506,665)</u>	<u>684,316</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	128,886	-	-	698,393	2,424,671
Transfers (out)	-	-	-	-	-	-	(443,350)	-	(858,350)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,886</u>	<u>-</u>	<u>(443,350)</u>	<u>698,393</u>	<u>1,566,321</u>
Net change in fund balance	478,784	(578)	10,439	1,500,778	56,540	29,747	-	191,728	2,250,637
Fund Balance, Beginning	<u>3,248,170</u>	<u>47,063</u>	<u>35,860</u>	<u>2,307,361</u>	<u>41,916</u>	<u>152,063</u>	<u>-</u>	<u>120,137</u>	<u>9,384,956</u>
Fund Balance, Ending	<u>\$ 3,726,954</u>	<u>\$ 46,485</u>	<u>\$ 46,299</u>	<u>\$ 3,808,139</u>	<u>\$ 98,456</u>	<u>\$ 181,810</u>	<u>\$ -</u>	<u>\$ 311,865</u>	<u>\$ 11,635,593</u>

City of Middleton

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

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Public charges for services	\$ 50,000	\$ 271,452	\$ 221,452
Licenses and permits	-	25,330	25,330
Total revenues	<u>50,000</u>	<u>296,782</u>	<u>246,782</u>
Expenditures			
Current:			
Public works	<u>50,000</u>	<u>6,263</u>	<u>43,737</u>
Total expenditures	<u>50,000</u>	<u>6,263</u>	<u>43,737</u>
Net change in fund balance	-	290,519	290,519
Fund Balance, Beginning	<u>1,432,212</u>	<u>1,432,212</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,432,212</u>	<u>\$ 1,722,731</u>	<u>\$ 290,519</u>

City of Middleton

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

Lost and Damaged Books - Special Revenue Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 5,000	\$ 4,335	\$ (665)
Investment income	-	1,400	1,400
Total revenues	<u>5,000</u>	<u>5,735</u>	<u>735</u>
Expenditures			
Current:			
Leisure activities	<u>5,000</u>	<u>1,180</u>	<u>3,820</u>
Net change in fund balance	-	4,555	4,555
Fund Balance, Beginning	<u>25,388</u>	<u>25,388</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 25,388</u>	<u>\$ 29,943</u>	<u>\$ 4,555</u>

City of Middleton

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

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Investment income	\$ 5,000	\$ 8,743	\$ 3,743
Contributions	-	4,702	4,702
Total revenues	<u>5,000</u>	<u>13,445</u>	<u>8,445</u>
Expenditures			
Current:			
Leisure activities	<u>5,000</u>	<u>1,203</u>	<u>3,797</u>
Net change in fund balance	-	12,242	12,242
Fund Balance, Beginning	<u>78,258</u>	<u>78,258</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 78,258</u>	<u>\$ 90,500</u>	<u>\$ 12,242</u>

City of Middleton

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

Library Endowment - Special Revenue Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	<u>\$ 15,000</u>	<u>\$ 42,639</u>	<u>\$ 27,639</u>
Total revenues	<u>15,000</u>	<u>42,639</u>	<u>27,639</u>
Expenditures			
Current:			
Leisure activities	<u>15,000</u>	<u>3,592</u>	<u>11,408</u>
Net change in fund balance	-	39,047	39,047
Fund Balance, Beginning	<u>341,539</u>	<u>341,539</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 341,539</u>	<u>\$ 380,586</u>	<u>\$ 39,047</u>

City of Middleton

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

Library Fund - Special Revenue Fund

Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ 986,850	\$ 982,763	\$ (4,087)
Public charges for services	28,000	15,903	(12,097)
Investment income	11,000	34,034	23,034
Miscellaneous	6,012	6,015	3
	<u>1,031,862</u>	<u>1,038,715</u>	<u>6,853</u>
Total revenues	1,031,862	1,038,715	6,853
Expenditures			
Current:			
Leisure activities	2,629,254	2,817,857	(188,603)
	<u>2,629,254</u>	<u>2,817,857</u>	<u>(188,603)</u>
Total expenditures	2,629,254	2,817,857	(188,603)
Excess (deficiency) of revenues over (under) expenditures	(1,597,392)	(1,779,142)	(181,750)
Other Financing Sources (Uses)			
Transfers in	1,597,392	1,597,392	-
Transfers out	-	(100,000)	(100,000)
	<u>1,597,392</u>	<u>1,497,392</u>	<u>(100,000)</u>
Total other financing sources (uses)	1,597,392	1,497,392	(100,000)
Net change in fund balance	-	(281,750)	(281,750)
Fund Balance, Beginning	<u>452,351</u>	<u>452,351</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 452,351</u>	<u>\$ 170,601</u>	<u>\$ (281,750)</u>

City of Middleton

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	<u>\$ 5,000</u>	<u>\$ 45,366</u>	<u>\$ 40,366</u>
Total revenues	<u>5,000</u>	<u>45,366</u>	<u>40,366</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>5,000</u>	<u>45,366</u>	<u>40,366</u>
Other Financing Uses			
Transfers out	<u>(215,000)</u>	<u>(215,000)</u>	<u>-</u>
Net change in fund balance	<u>(210,000)</u>	<u>(169,634)</u>	<u>40,366</u>
Fund Balance, Beginning	<u>1,081,974</u>	<u>1,081,974</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 871,974</u>	<u>\$ 912,340</u>	<u>\$ 40,366</u>

City of Middleton

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

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 847,308	\$ 847,308
Investment income	-	1,895	1,895
Miscellaneous	100,000	100,000	-
	<u>100,000</u>	<u>949,203</u>	<u>849,203</u>
Total revenues	<u>100,000</u>	<u>949,203</u>	<u>849,203</u>
Expenditures			
Current:			
Conservation and development	-	847,308	(847,308)
	<u>-</u>	<u>847,308</u>	<u>(847,308)</u>
Total expenditures	<u>-</u>	<u>847,308</u>	<u>(847,308)</u>
Excess of revenues over expenditures	100,000	101,895	1,895
	<u>100,000</u>	<u>101,895</u>	<u>1,895</u>
Other Financing Uses			
Transfers out	(100,000)	(100,000)	-
	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balance	-	1,895	1,895
Fund Balance, Beginning	<u>17,444</u>	<u>17,444</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 17,444</u>	<u>\$ 19,339</u>	<u>\$ 1,895</u>

City of Middleton

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

Tourism Commission - Special Revenue Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 1,425,496	\$ 1,588,917	\$ 163,421
Miscellaneous	-	4,918	4,918
	<u>1,425,496</u>	<u>1,593,835</u>	<u>168,339</u>
Total revenues			
	1,425,496	1,593,835	168,339
Expenditures			
Current:			
General government	200	-	200
Conservation and development	1,425,296	1,115,051	310,245
	<u>1,425,496</u>	<u>1,115,051</u>	<u>310,445</u>
Total expenditures			
	1,425,496	1,115,051	310,445
Net change in fund balance	-	478,784	478,784
Fund Balance, Beginning	<u>3,248,170</u>	<u>3,248,170</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 3,248,170</u>	<u>\$ 3,726,954</u>	<u>\$ 478,784</u>

City of Middleton

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous	\$ 20,000	\$ 24,855	\$ 4,855
Total revenues	<u>20,000</u>	<u>24,855</u>	<u>4,855</u>
Expenditures			
Current:			
Public safety	15,000	25,433	(10,433)
Capital outlay	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>20,000</u>	<u>25,433</u>	<u>(5,433)</u>
Net change in fund balance	-	(578)	(578)
Fund Balance, Beginning	<u>47,063</u>	<u>47,063</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 47,063</u>	<u>\$ 46,485</u>	<u>\$ (578)</u>

City of Middleton

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

EMS Activities - Special Revenue Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	\$ 30,000	\$ 8,339	\$ (21,661)
Miscellaneous	-	2,100	2,100
Total revenues	<u>30,000</u>	<u>10,439</u>	<u>(19,561)</u>
Expenditures			
Current:			
Public safety	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total expenditures	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Net change in fund balance	-	10,439	10,439
Fund Balance, Beginning	<u>35,860</u>	<u>35,860</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 35,860</u>	<u>\$ 46,299</u>	<u>\$ 10,439</u>

City of Middleton

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

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Public charges for services	\$ 300,000	\$ 300,000	\$ 1,570,521	\$ 1,270,521
Investment income	-	-	122,982	122,982
Contributions	-	-	38,878	38,878
	<u>300,000</u>	<u>300,000</u>	<u>1,732,381</u>	<u>1,432,381</u>
Expenditures				
Current:				
Leisure activities	50,000	50,000	60,531	(10,531)
Capital outlay	1,180,000	1,392,800	171,072	1,221,728
	<u>1,230,000</u>	<u>1,442,800</u>	<u>231,603</u>	<u>1,211,197</u>
Net change in fund balance	(930,000)	(1,142,800)	1,500,778	2,643,578
Fund Balance, Beginning	<u>2,307,361</u>	<u>2,307,361</u>	<u>2,307,361</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 1,377,361</u></u>	<u><u>\$ 1,164,561</u></u>	<u><u>\$ 3,808,139</u></u>	<u><u>\$ 2,643,578</u></u>

City of Middleton

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	\$ 41,923	\$ 47,688	\$ 5,765
Contributions	11,747	11,570	(177)
	<u>53,670</u>	<u>59,258</u>	<u>5,588</u>
Expenditures			
Current:			
Leisure activities	182,556	131,604	50,952
	<u>(128,886)</u>	<u>(72,346)</u>	<u>56,540</u>
Other Financing Sources			
Transfers in	128,886	128,886	-
	<u>-</u>	<u>56,540</u>	<u>56,540</u>
Fund Balance, Beginning			
	41,916	41,916	-
Fund Balance, Ending			
	<u>\$ 41,916</u>	<u>\$ 98,456</u>	<u>\$ 56,540</u>

City of Middleton

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	\$ 40,000	\$ 34,985	\$ (5,015)
Investment income	10,000	11,974	1,974
Contributions	10,000	30,194	20,194
	<u>60,000</u>	<u>77,153</u>	<u>17,153</u>
Expenditures			
Current:			
Health and human services	<u>60,000</u>	<u>47,406</u>	<u>12,594</u>
Net change in fund balance	-	29,747	29,747
Fund Balance, Beginning	<u>152,063</u>	<u>152,063</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 152,063</u>	<u>\$ 181,810</u>	<u>\$ 29,747</u>

City of Middleton

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 1,000,000	\$ 1,344,595	\$ 1,165,513	\$ (179,082)
Total revenues	<u>1,000,000</u>	<u>1,344,595</u>	<u>1,165,513</u>	<u>(179,082)</u>
Expenditures				
Current:				
General government	308,000	173,000	87,135	85,865
Leisure activities	38,000	38,000	-	38,000
Conservation and development	30,000	60,000	60,000	-
Capital outlay	<u>507,500</u>	<u>663,245</u>	<u>575,028</u>	<u>88,217</u>
Total expenditures	<u>883,500</u>	<u>934,245</u>	<u>722,163</u>	<u>212,082</u>
Excess (deficiency) of revenues over (under) expenditures	<u>116,500</u>	<u>410,350</u>	<u>443,350</u>	<u>33,000</u>
Other Financing Uses				
Transfers out	<u>(116,500)</u>	<u>(410,350)</u>	<u>(443,350)</u>	<u>(33,000)</u>
Net change in fund balance	-	-	-	-
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Middleton

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	<u>\$ 1,143,290</u>	<u>\$ 1,199,091</u>	<u>\$ 55,801</u>
Total revenues	<u>1,143,290</u>	<u>1,199,091</u>	<u>55,801</u>
Expenditures			
Current:			
Public works	<u>1,712,845</u>	<u>1,705,756</u>	<u>7,089</u>
Total expenditures	<u>1,712,845</u>	<u>1,705,756</u>	<u>7,089</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(569,555)</u>	<u>(506,665)</u>	<u>62,890</u>
Other Financing Sources			
Transfers in	<u>529,095</u>	<u>698,393</u>	<u>169,298</u>
Net change in fund balance	<u>(40,460)</u>	<u>191,728</u>	<u>232,188</u>
Fund Balance, Beginning	<u>120,137</u>	<u>120,137</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 79,677</u>	<u>\$ 311,865</u>	<u>\$ 232,188</u>

NONMAJOR PROPRIETARY FUNDS

City of Middleton

Combining Statement of Net Position -
 Nonmajor Proprietary Funds
 December 31, 2024

	Enterprise Funds		Total Nonmajor Enterprise Funds
	Middleton Utility District	Airport	
Assets			
Current assets:			
Cash and investments	\$ 1,020,475	\$ 676,419	\$ 1,696,894
Accounts receivable	-	17,810	17,810
Lease receivable	-	16,985	16,985
Total current assets	1,020,475	711,214	1,731,689
Noncurrent assets:			
Capital assets:			
Land	-	2,715,508	2,715,508
Land improvements	-	1,032,849	1,032,849
Buildings and improvements	-	745,292	745,292
Machinery and equipment	-	469,603	469,603
Accumulated depreciation	-	(586,468)	(586,468)
Other assets:			
Lease receivable	-	330,504	330,504
Total noncurrent assets	-	4,707,288	4,707,288
Total assets	\$ 1,020,475	\$ 5,418,502	\$ 6,438,977
Liabilities, Deferred Inflows of Resources and Net Position			
Current liabilities:			
Accounts payable	\$ -	\$ 10,717	\$ 10,717
Total current liabilities	-	10,717	10,717
Deferred inflows of resources:			
Lease related amounts	-	335,698	335,698
Net position:			
Net investment in capital assets	-	4,376,784	4,376,784
Unrestricted	1,020,475	695,303	1,715,778
Total net position	1,020,475	5,072,087	6,092,562
Total liabilities, deferred inflows of resources and net position	\$ 1,020,475	\$ 5,418,502	\$ 6,438,977

City of Middleton

Combining Statement of Revenues, Expenses and Changes in Net Position -
Nonmajor Proprietary Funds
Year Ended December 31, 2024

	<u>Enterprise Funds</u>		<u>Total Nonmajor Enterprise Funds</u>
	<u>Middleton Utility District</u>	<u>Airport</u>	
Operating Revenues			
Charges for services	\$ -	\$ 145,149	\$ 145,149
Special assessments	534,955	-	534,955
Total operating revenues	<u>534,955</u>	<u>145,149</u>	<u>680,104</u>
Operating Expenses			
Operation and maintenance	-	237,274	237,274
Depreciation	-	96,531	96,531
Total operating expenses	<u>-</u>	<u>333,805</u>	<u>333,805</u>
Operating income (loss)	<u>534,955</u>	<u>(188,656)</u>	<u>346,299</u>
Nonoperating Revenues			
Investment income	36,003	40,949	76,952
Miscellaneous nonoperating income	-	22,045	22,045
Total nonoperating revenues	<u>36,003</u>	<u>62,994</u>	<u>98,997</u>
Change in net position	570,958	(125,662)	445,296
Total Net Position, Beginning	<u>449,517</u>	<u>5,197,749</u>	<u>5,647,266</u>
Total Net Position, Ending	<u>\$ 1,020,475</u>	<u>\$ 5,072,087</u>	<u>\$ 6,092,562</u>

City of Middleton

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

	Enterprise Funds		Total Nonmajor Enterprise Funds
	Middleton Utility District	Airport	
Cash Flows From Operating Activities			
Received from customers	\$ 534,955	\$ 154,507	\$ 689,462
Paid to suppliers for goods and services	-	(233,521)	(233,521)
Net cash flows from operating activities	<u>534,955</u>	<u>(79,014)</u>	<u>455,941</u>
Cash Flows From Investing Activities			
Investment income	<u>36,003</u>	<u>35,920</u>	<u>71,923</u>
Net cash flows from investing activities	<u>36,003</u>	<u>35,920</u>	<u>71,923</u>
Net increase (decrease) in cash and cash equivalents	570,958	(43,094)	527,864
Cash and Cash Equivalents, Beginning	<u>449,517</u>	<u>719,513</u>	<u>1,169,030</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,020,475</u>	<u>\$ 676,419</u>	<u>\$ 1,696,894</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities			
Operating income (loss)	\$ 534,955	\$ (188,656)	\$ 346,299
Nonoperating income	-	22,045	22,045
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	-	96,531	96,531
Change in assets and liabilities:			
Accounts receivable	-	(1,694)	(1,694)
Lease receivable	-	22,379	22,379
Accounts payable	-	3,753	3,753
Unearned revenue	-	(5,636)	(5,636)
Lease related deferred inflow of resources	-	(27,736)	(27,736)
Net cash flows from operating activities	<u>\$ 534,955</u>	<u>\$ (79,014)</u>	<u>\$ 455,941</u>

FIDUCIARY FUNDS

City of Middleton

Combining Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2024

	<u>Tax Collection</u>	<u>Fire District</u>	<u>Total</u>
Assets			
Cash and investments	\$ 21,241,058	\$ 242,107	\$ 21,483,165
Taxes receivable	<u>33,167,216</u>	<u>-</u>	<u>33,167,216</u>
Total assets	<u>54,408,274</u>	<u>242,107</u>	<u>54,650,381</u>
Liabilities			
Accounts payable	-	21,057	21,057
Accrued liabilities	-	44,396	44,396
Due to other governmental units	<u>54,408,274</u>	<u>-</u>	<u>54,408,274</u>
Total liabilities	<u>54,408,274</u>	<u>65,453</u>	<u>54,473,727</u>
Net Position			
Restricted	<u>\$ -</u>	<u>\$ 176,654</u>	<u>\$ 176,654</u>

City of Middleton

Combining Statement of Changes in Fiduciary Net Position -

Custodial Funds

Year Ended December 31, 2024

	<u>Tax Collection</u>	<u>Fire District</u>	<u>Total</u>
Additions			
Property taxes collected for other governments	\$ 33,078,200	\$ -	\$ 33,078,200
Contributions	-	2,057,754	2,057,754
Miscellaneous	-	75,729	75,729
	<u>33,078,200</u>	<u>2,133,483</u>	<u>35,211,683</u>
Deductions			
Property taxes distributed to other governments	33,078,200	-	33,078,200
Public fire protection	-	1,980,778	1,980,778
	<u>33,078,200</u>	<u>1,980,778</u>	<u>35,058,978</u>
Change in fiduciary net position	-	152,705	152,705
Total Net Position, Beginning	<u>-</u>	<u>23,949</u>	<u>23,949</u>
Total Net Position, Ending	<u>\$ -</u>	<u>\$ 176,654</u>	<u>\$ 176,654</u>

Community Development Authority of the City of Middleton

Statement of Cash Flows -

Component Unit

Year Ended December 31, 2024

Cash Flows From Operating Activities

Received from customers	\$ 146,863
Paid to suppliers for goods and services	(158,071)
	<hr/>

Net cash flows from operating activities	(11,208)
	<hr/>

Cash Flows From Capital and Related Financing Activities

Acquisition of and construction of capital assets	(91,952)
Capital contributions	91,952
	<hr/>

Net cash flows from capital and related financing activities	-
	<hr/>

Cash Flows From Investing Activities

Investment income	29,389
	<hr/>

Net cash flows from investing activities	29,389
	<hr/>

Net increase in cash and cash equivalents	18,181
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Cash and Cash Equivalents, Beginning	700,390
	<hr/>

Cash and Cash Equivalents, Ending	\$ 718,571
	<hr/> <hr/>

STATISTICAL SECTION

**CITY OF MIDDLETON, WISCONSIN
STATISTICAL SECTION
TABLE OF CONTENTS
For the Year Ended December 31, 2024**

This section of the City of Middleton's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to financial statements, and required supplementary information indicate about the City's overall financial condition through multi-year comparative data.

<u>Contents</u>	<u>Pages</u>
Financial Trends - Tables 1 - 4	94 - 99
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity - Tables 5 - 8	100 - 103
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity - Tables 9 - 12	104 - 107
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.	
Demographic and Economic Information - Tables 13 - 14	108 - 109
These schedules provide demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information - Tables 15 - 17	110 - 112
These schedules contain service and infrastructure data to help the reader understand how the City's financial report related to the services the City provides and the activities it performs.	

City of Middleton

Net Position by Component

For the fiscal years ended December 31, 2015 through 2024

(accrual basis of accounting)

Table 1

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	\$ 101,119,655	\$ 96,738,621	\$ 82,234,041	\$ 74,457,610	\$ 74,471,485	\$ 72,622,109	\$ 67,484,502	\$ 59,300,227	\$ 44,205,346	\$ 42,289,738
Restricted	42,246,090	33,673,753	43,471,080	40,826,314	29,195,331	20,698,282	20,070,132	18,006,381	16,207,298	12,928,495
Unrestricted	6,419,103	2,892,224	(5,222,420)	(5,745,419)	(5,633,583)	(6,300,271)	(6,912,812)	(3,343,866)	9,130,412	7,595,832
Total governmental activities net position	<u>\$ 149,784,848</u>	<u>\$ 133,304,598</u>	<u>\$ 120,482,701</u>	<u>\$ 109,538,505</u>	<u>\$ 98,033,233</u>	<u>\$ 87,020,120</u>	<u>\$ 80,641,822</u>	<u>\$ 73,962,742</u>	<u>\$ 69,543,056</u>	<u>\$ 62,814,065</u>
Business-type activities										
Net investment in capital assets	56,969,798	55,445,298	54,309,770	50,972,982	50,127,025	50,229,949	48,055,298	47,430,785	47,875,591	41,296,083
Restricted	-	-	528,259	411,505	218,815	-	193,794	-	60,820	243,140
Unrestricted	18,208,042	14,636,147	10,448,114	9,232,799	6,654,294	4,872,821	5,167,512	5,671,824	3,084,004	5,232,480
Total business-type activities net position	<u>\$ 75,177,840</u>	<u>\$ 70,081,445</u>	<u>\$ 65,286,143</u>	<u>\$ 60,617,286</u>	<u>\$ 57,000,134</u>	<u>\$ 55,102,770</u>	<u>\$ 53,416,604</u>	<u>\$ 53,102,609</u>	<u>\$ 51,020,415</u>	<u>\$ 46,771,703</u>
Primary government										
Net investment in capital assets	158,089,453	152,183,919	136,543,811	125,430,592	124,598,510	122,852,058	115,539,800	106,731,012	92,080,937	83,585,821
Restricted	42,246,090	33,673,753	43,999,339	41,237,819	29,414,146	20,698,282	20,263,926	18,006,381	16,268,118	13,171,635
Unrestricted	24,627,145	17,528,371	5,225,694	3,487,380	1,020,711	(1,427,450)	(1,745,300)	2,327,958	12,214,416	12,828,312
Total primary government net position	<u>\$ 224,962,688</u>	<u>\$ 203,386,043</u>	<u>\$ 185,768,844</u>	<u>\$ 170,155,791</u>	<u>\$ 155,033,367</u>	<u>\$ 142,122,890</u>	<u>\$ 134,058,426</u>	<u>\$ 127,065,351</u>	<u>\$ 120,563,471</u>	<u>\$ 109,585,768</u>

City of Middleton

Changes in Net Position

For the fiscal years ended December 31, 2015 through 2024

(accrual basis of accounting)

Table 2

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities:										
General Government	\$ 3,686,484	\$ 3,380,012	\$ 2,967,980	\$ 3,051,347	\$ 2,960,095	\$ 3,234,108	\$ 2,780,653	\$ 3,440,019	\$ 3,373,515	\$ 3,576,763
Public Safety	11,946,767	11,375,749	9,186,711	9,370,653	9,505,883	9,966,272	9,305,380	10,045,808	9,708,266	8,768,029
Public Works	9,303,145	9,609,165	9,777,726	7,091,814	6,001,492	4,956,324	5,100,582	5,338,976	5,661,834	4,413,417
Health and Human Services	678,630	657,654	539,545	501,467	526,658	663,526	531,435	604,866	523,561	458,109
Leisure Activities	5,653,255	4,785,937	4,237,379	4,094,496	4,601,984	4,874,284	3,494,719	4,918,071	4,279,623	5,712,480
Conservation and Economic Development	9,369,270	11,009,354	7,126,867	7,175,794	8,479,884	8,453,985	9,652,513	4,333,647	5,713,888	4,889,708
Interest and Fiscal Charges	935,689	940,289	1,083,922	864,331	1,145,503	1,420,639	1,080,954	1,294,086	1,430,035	1,487,334
Total Governmental Activities	41,573,240	41,758,160	34,920,130	32,149,902	33,221,499	33,569,138	31,946,236	29,975,473	30,690,722	29,305,840
Business-type Activities:										
Water	2,378,079	2,394,536	2,050,010	2,194,553	1,988,932	2,127,031	1,923,367	1,894,175	1,707,466	1,665,644
Sewer	3,785,050	3,410,266	3,380,873	3,337,064	3,083,549	3,039,452	2,834,608	2,794,819	2,798,438	2,248,664
Pleasant View Golf Course	3,088,689	2,848,621	2,525,298	2,545,980	2,170,893	2,075,750	2,083,603	2,025,692	1,845,233	1,561,830
Stormwater Utility	470,177	465,686	347,823	172,487	473,452	219,437	252,133	116,415	66,952	36,983
Nonmajor Enterprise Funds	333,805	216,398	155,944	200,661	174,727	190,473	160,581	119,946	337,128	222,972
Total Business-type Activities	10,055,800	9,335,507	8,459,948	8,450,745	7,891,553	7,652,143	7,254,292	6,951,047	6,755,217	5,736,093
Total Expenses	\$ 51,629,040	\$ 51,093,667	\$ 43,380,078	\$ 40,600,647	\$ 41,113,052	\$ 41,221,281	\$ 39,200,528	\$ 36,926,520	\$ 37,445,939	\$ 35,041,933
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	680,025	705,658	593,110	575,086	553,753	700,377	674,106	252,282	262,789	241,765
Public Safety	2,364,919	2,359,021	2,508,628	1,984,869	2,670,698	1,732,918	2,014,061	2,166,381	2,474,315	2,177,110
Public Works	535,295	413,870	361,821	313,537	474,765	333,205	214,838	120,485	232,199	111,507
Health and Human Services	90,950	83,469	43,246	16,829	15,209	46,316	46,444	36,296	32,442	28,453
Leisure Activities	754,708	657,815	522,190	484,645	249,588	581,273	558,158	441,749	409,688	379,749
Conservation and Economic Development	582,151	320,940	209,088	90,417	91,716	133,395	151,652	199,475	631,904	363,097
Operating Grants and Contributions	2,872,904	1,542,138	1,854,858	1,438,287	1,304,052	1,370,468	1,200,663	2,710,128	1,785,109	2,432,652
Capital Grants and Contributions	4,568,428	6,834,447	3,269,725	2,444,675	3,084,114	2,359,582	2,003,839	945,985	1,694,137	620,068
Total Governmental Activities	\$ 12,449,380	\$ 12,917,358	\$ 9,362,666	\$ 7,348,345	\$ 8,443,895	\$ 7,257,534	\$ 6,863,761	\$ 6,872,781	\$ 7,522,583	\$ 6,354,401
Business-type Activities:										
Charges for Services										
Water	3,110,597	3,146,486	2,937,241 #	2,822,058	2,585,309	2,567,361	2,579,779	2,668,978	2,684,956	2,317,608
Sewer	3,917,792	3,653,062	3,362,816	3,444,351	2,913,326	2,600,054	2,646,621	2,486,160	2,343,986	2,162,934
Pleasant View Golf Course	4,217,801	3,687,777	3,858,472	3,849,011	3,190,653	2,874,278	2,602,147	2,591,046	2,430,426	2,105,814
Stormwater Utility	879,446	900,217	875,684	870,900	861,325	713,297	282,125	279,914	273,046	136,580
Nonmajor Enterprise Funds	680,104	144,776	509,575	148,013	134,833	118,054	121,936	611,012	142,228	-
Capital Grants and Contributions	2,200,984	2,649,103	1,804,432	10,733	260,382	509,911	135,440	216,924	1,213,827	1,371,232
Total Business-type Activities	15,006,724	14,181,421	13,348,220	11,145,066	9,945,828	9,382,955	8,368,048	8,854,034	9,088,469	8,094,168
Total Program Revenues	\$ 27,456,104	\$ 27,098,779	\$ 22,710,886	\$ 18,493,411	\$ 18,389,723	\$ 16,640,489	\$ 15,231,809	\$ 15,726,815	\$ 16,611,052	\$ 14,448,569
Net (Expense) Revenue										
Governmental Activities	\$ (29,123,860)	\$ (28,840,802)	\$ (25,557,464)	\$ (24,801,557)	\$ (24,777,604)	\$ (26,311,604)	\$ (25,082,475)	\$ (23,102,692)	\$ (23,168,139)	\$ (22,951,439)
Business-type Activities	4,950,924	4,845,914	4,888,272	2,694,321	2,054,275	1,730,812	1,113,756	1,902,987	2,333,252	2,358,075
Total Net (Expense) Revenue	\$ (24,172,936)	\$ (23,994,888)	\$ (20,669,192)	\$ (22,107,236)	\$ (22,723,329)	\$ (24,580,792)	\$ (23,968,719)	\$ (21,199,705)	\$ (20,834,887)	\$ (20,593,364)

City of Middleton

Table 2

Changes in Net Position (continued)
For the fiscal years ended December 31, 2015 through 2024
(accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues										
Governmental Activities:										
Property Taxes	\$ 35,739,752	\$ 33,616,222	\$ 32,068,179	\$ 32,583,733	\$ 30,690,560	\$ 27,269,231	\$ 27,083,632	\$ 23,713,395	\$ 25,556,528	\$ 24,784,036
Other Taxes	2,269,832	2,177,315	1,965,800	1,175,151	580,241	1,992,361	2,182,423	1,966,016	1,957,750	1,972,947
Intergovernmental - Unrestricted	3,649,428	2,432,056	2,381,855	2,543,539	2,713,897	1,647,101	1,134,969	1,471,975	1,160,158	1,602,903
Investment Income (Loss)	3,035,551	2,799,317	(205,906)	433,867	824,525	1,050,142	656,575	314,935	170,210	106,838
Gain (Loss) on Sale of Capital Assets	24,884	500	7,374	67,608	71,538	43,340	168,676	28,358	2,659,850	-
Miscellaneous	315,169	77,067	39,939	189,266	414,881	222,060	74,796	160,547	596,707	433,314
Transfers In (Out)	569,494	560,222	244,419	(686,335)	495,075	465,667	460,484	(132,848)	(1,904,073)	(2,274,762)
Total General Revenues and Transfers	45,604,110	41,662,699	36,501,660	36,306,829	35,790,717	32,689,902	31,761,555	27,522,378	30,197,130	26,625,276
Business-type Activities:										
Investment Income	664,461	482,840	(23,923)	59,354	101,508	135,581	96,675	46,359	11,387	12,521
Gain (Loss) on Sale of Capital Assets	-	-	18,950	-	-	-	-	-	-	-
Miscellaneous	50,504	26,770	29,977	177,142	236,656	285,440	133,419	-	-	-
Transfers In (Out)	(569,494)	(560,222)	(244,419)	686,335	(495,075)	(465,667)	(460,484)	132,848	1,904,073	2,274,762
Total Business-type Activities	145,471	(50,612)	(219,415)	922,831	(156,911)	(44,646)	(230,390)	179,207	1,915,460	2,287,283
Total Primary Government	\$ 45,749,581	\$ 41,612,087	\$ 36,282,245	\$ 37,229,660	\$ 35,633,806	\$ 32,645,256	\$ 31,531,165	\$ 27,701,585	\$ 32,112,590	\$ 28,912,559
Change in Net Position										
Governmental Activities	\$ 16,480,250	\$ 12,821,897	\$ 10,944,196	\$ 11,505,272	\$ 11,013,113	\$ 6,378,298	\$ 6,679,080	\$ 4,419,686	\$ 7,028,991	\$ 3,673,837
Business Activities	5,096,395	4,795,302	4,668,857	3,617,152	1,897,364	1,686,166	883,366	2,082,194	4,248,712	4,645,358
Total Change in Net Position	\$ 21,576,645	\$ 17,617,199	\$ 15,613,053	\$ 15,122,424	\$ 12,910,477	\$ 8,064,464	\$ 7,562,446	\$ 6,501,880	\$ 11,277,703	\$ 8,319,195

City of Middleton

Table 3

**Fund Balances of Governmental Funds
For the fiscal years ended December 31, 2015 through 2024
(modified accrual basis of accounting)**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 236,427	\$ 198,400	\$ 259,828	\$ 435,886	\$ 2,042,784	\$ 2,341,589	\$ 2,927,799	\$ 2,656,519	\$ 2,857,944	\$ 2,775,698
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	6,064,218	5,623,280	4,022,584	4,070,511	2,810,516	2,155,511	2,780,632	2,814,251	4,083,717	3,179,261
Unassigned	7,936,794	7,558,734	6,947,598	6,665,188	6,220,424	6,084,396	4,834,398	5,310,690	5,134,962	4,853,363
Total General Fund	<u>\$ 14,237,439</u>	<u>\$ 13,380,414</u>	<u>\$ 11,230,010</u>	<u>\$ 11,171,585</u>	<u>\$ 11,073,724</u>	<u>\$ 10,581,496</u>	<u>\$ 10,542,829</u>	<u>\$ 10,781,460</u>	<u>\$ 12,076,623</u>	<u>\$ 10,808,322</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	45,852,701	36,435,424	39,058,098	37,718,881	28,741,066	22,304,594	20,496,724	18,374,458	15,751,251	11,080,164
Committed	-	-	-	-	-	-	-	66,714	45,395	169,109
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(1,991,199)	(1,077,313)	(1,059,259)	(1,032,614)	(3,875,796)	(3,880,400)	(798,818)	(8,002)	-
Total All Other Governmental Funds	<u>\$ 45,852,701</u>	<u>\$ 34,444,225</u>	<u>\$ 37,980,785</u>	<u>\$ 36,659,622</u>	<u>\$ 27,708,452</u>	<u>\$ 18,428,798</u>	<u>\$ 16,616,324</u>	<u>\$ 17,642,354</u>	<u>\$ 15,788,644</u>	<u>\$ 11,249,273</u>

Notes:

Source: Prior year's audited financial statements and current year Balance Sheet.

(1) See the notes to the financial statements "Net Position/Fund Balances" for complete details of the fund balance classification.

City of Middleton
Changes in Fund Balances of Governmental Funds
For the fiscal years ended December 31, 2015 through 2024
(modified accrual basis of accounting)

Table 4

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
REVENUES										
Taxes	\$ 38,043,019	\$ 35,895,145	\$ 34,096,420	\$ 33,823,017	\$ 31,320,808	\$ 29,305,692	\$ 29,313,320	\$ 26,469,976	\$ 27,996,294	\$ 26,659,527
Intergovernmental	9,171,017	9,676,904	5,881,726	5,582,225	5,352,006	4,582,579	3,916,691	3,311,485	3,586,827	4,241,419
Licenses and Permits	1,412,253	1,095,893	1,289,518	955,161	1,138,221	970,041	993,150	1,092,585	2,052,304	1,362,251
Fines, Forfeitures, and Penalties	206,649	219,919	223,739	210,098	164,174	255,006	261,232	209,115	262,164	287,498
Public Charges for Services	3,778,863	3,159,171	3,188,683	2,018,819	3,239,708	1,657,924	1,990,814	2,225,733	2,845,384	1,951,717
Intergovernmental Charges for Services	1,074,080	1,113,832	1,150,984	1,444,746	1,537,525	1,679,936	1,742,989	1,860,547	1,946,971	1,825,802
Special Assessments	248,219	86,890	136,209	168,259	753,736	364,319	607,188	276,755	467,638	287,987
Contributions	3,072,234	2,827,804	82,237	70,021	68,351	268,323	101,499	97,104	92,877	72,150
Investment and Income (Loss)	171,360	91,620	(234,280)	493,305	818,618	1,087,018	659,164	322,838	241,516	188,670
Miscellaneous	412,667	336,717	581,881	498,413	217,818	173,419	265,661	118,786	262,799	197,807
Total Revenues	57,590,361	54,503,895	46,397,117	45,264,064	44,610,965	40,344,257	39,851,708	35,984,924	39,754,774	37,074,828
EXPENDITURES										
Current:										
General Government	4,156,884	3,894,490	4,470,268	4,395,274	4,922,286	5,858,283	4,777,052	4,773,175	4,891,814	4,687,066
Public Safety	11,385,936	10,351,317	9,924,071	9,781,908	9,370,731	9,355,673	9,332,638	9,142,015	8,462,228	8,235,296
Public Works	5,681,004	5,141,288	4,202,684	4,135,292	4,160,818	4,103,709	3,902,917	3,812,371	3,614,497	3,418,670
Health and Human Services	661,737	645,358	562,639	520,086	534,898	549,374	550,196	582,219	503,577	457,636
Leisure Activities	5,103,809	4,728,313	4,285,526	3,961,631	3,945,285	4,320,674	4,045,937	4,542,994	3,613,783	4,985,647
Conservation and Economic Development	8,069,195	11,515,862	8,099,134	6,409,176	6,098,380	5,475,907	6,078,455	3,548,191	5,141,006	4,766,299
Debt Service:										
Principal	5,846,929	5,645,192	5,507,128	5,102,558	9,539,202	6,315,224	6,061,963	5,953,611	5,680,000	13,850,000
Debt Issuance Costs	-	-	-	-	-	-	-	-	-	170,241
Interest and Fiscal Charges	1,204,153	1,180,678	1,142,484	1,094,153	1,382,713	1,614,962	1,497,817	1,429,245	1,378,669	1,457,238
Capital Outlay	8,009,199	18,360,356	11,439,009	5,396,145	6,242,950	5,798,753	10,546,355	5,667,693	5,819,222	7,358,067
Total Expenditures	50,118,846	61,462,854	49,632,943	40,796,223	46,197,263	43,392,559	46,793,330	39,451,514	39,104,796	49,386,160
Excess (Deficiency) of Revenues over Expenditures	7,471,515	(6,958,959)	(3,235,826)	4,467,841	(1,586,298)	(3,048,302)	(6,941,622)	(3,466,590)	649,978	(12,311,332)

City of Middleton

Table 4

Changes in Fund Balances of Governmental Funds (continued)
For the fiscal years ended December 31, 2015 through 2024
(modified accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
OTHER FINANCING SOURCES (USES)										
Transfers In	\$ 3,831,015	\$ 2,589,701	\$ 2,283,714	\$ 2,303,155	\$ 2,424,258	\$ 2,267,937	\$ 3,582,401	\$ 2,654,951	\$ 10,853,679	\$ 8,303,965
Transfer Out	(3,261,521)	(2,029,479)	(2,039,295)	(1,820,131)	(1,929,183)	(1,802,270)	(3,117,731)	(2,830,143)	(10,503,575)	(7,840,895)
Long-Term Debt Issued	4,000,000	4,600,000	4,000,000	3,750,000	11,625,000	9,640,000	5,000,000	4,000,000	6,000,000	11,375,000
Discount on Debt Issued	-	-	-	-	-	-	-	-	-	-
Premium on Debt Issued	195,661	359,565	334,970	280,558	247,686	751,978	142,164	137,896	133,867	391,581
Proceeds from Sale of Capital Assets	28,831	53,016	36,025	67,608	2,685,218	43,340	70,127	62,433	2,683,656	-
Refunding Payment to Escrow Agent	-	-	-	-	(3,694,799)	(6,001,542)	-	-	(4,009,933)	-
Total Other Financing Sources (Uses)	<u>4,793,986</u>	<u>5,572,803</u>	<u>4,615,414</u>	<u>4,581,190</u>	<u>11,358,180</u>	<u>4,899,443</u>	<u>5,676,961</u>	<u>4,025,137</u>	<u>5,157,694</u>	<u>12,229,651</u>
 Net Change in Fund Balances	 <u>\$ 12,265,501</u>	 <u>\$ (1,386,156)</u>	 <u>\$ 1,379,588</u>	 <u>\$ 9,049,031</u>	 <u>\$ 9,771,882</u>	 <u>\$ 1,851,141</u>	 <u>\$ (1,264,661)</u>	 <u>\$ 558,547</u>	 <u>\$ 5,807,672</u>	 <u>\$ (81,681)</u>
 Debt Services as a Percentage of Noncapital Expenditures	 16.74%	 15.84%	 17.41%	 17.50%	 27.34%	 21.09%	 20.86%	 21.85%	 21.21%	 36.42%

Notes:

Source: Prior year's audited financial statements and current year Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.

City of Middleton

Table 5

**Assessed Value and Estimated Actual Value of Taxable Property
For the fiscal years ended December 31, 2015 through 2024**

Fiscal Year Ended December 31,	Residential Property	Commercial Property	Manufacturing Property	Other Real Estate Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Taxable Equalized Value	Ratio of Assessed to Equalized Value
2024	\$ 2,557,297,200	\$ 1,814,682,900	\$ 126,543,300	\$ 761,500	\$ -	\$ 4,499,284,900	\$ 5.65	\$ 5,635,179,100	79.86%
2023	2,542,257,100	1,748,796,900	137,814,300	1,024,900	147,993,300	4,577,886,500	5.53	5,136,907,300	89.12%
2022	2,530,243,200	1,722,022,500	130,126,300	483,500	154,514,100	4,537,389,600	5.37	4,775,023,600	95.02%
2021	2,006,370,100	1,422,586,800	102,402,400	1,122,300	130,181,900	3,662,663,500	6.25	4,263,315,100	85.91%
2020	2,001,874,500	1,396,240,200	100,063,900	875,800	123,474,600	3,622,529,000	6.17	4,077,208,800	88.85%
2019	1,982,330,800	1,341,793,500	99,669,700	863,100	125,108,500	3,549,765,600	6.10	3,829,510,100	92.70%
2018	1,962,851,400	1,327,324,100	94,018,800	779,000	116,177,205	3,501,150,505	5.83	3,545,571,200	98.75%
2017	1,682,991,300	1,131,175,500	81,289,700	684,900	161,624,408	3,057,765,808	6.52	3,360,068,100	91.00%
2016	1,650,435,700	1,093,251,200	84,168,500	1,152,000	147,639,823	2,976,647,223	6.35	3,143,766,900	94.68%
2015	1,621,443,200	1,050,934,000	96,489,100	1,680,500	144,111,587	2,914,658,387	6.59	2,907,335,100	100.25%

Notes:

(1) Source - Assessed Values for Non-Manufacturing Property: City Assessor.

(2) Source - Manufacturing Assessed Values and Taxable Equalized Value: Wisconsin Department of Revenue.

(3) Tax rates are expressed in rate per \$1,000 in assessed value.

City of Middleton
Direct and Overlapping Property Tax Rates
For the fiscal years ended December 31, 2015 through 2024
(Per \$1,000 of Assessed Valuation)

Table 6

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Direct Rates:										
General Fund	\$ 4.05	\$ 4.02	\$ 3.94	\$ 4.55	\$ 4.49	\$ 4.44	\$ 4.27	\$ 4.80	\$ 4.62	\$ 6.59
Debt Service Fund	<u>1.60</u>	<u>1.51</u>	<u>1.43</u>	<u>1.70</u>	<u>1.68</u>	<u>1.66</u>	<u>1.56</u>	<u>1.72</u>	<u>1.73</u>	<u>-</u>
Total City Rate	5.65	5.53	5.37	6.25	6.17	6.10	5.83	6.52	6.35	6.59
Overlapping Rates										
State of Wisconsin	-	-	-	-	-	-	-	-	0.18	0.17
Dane County	3.25	3.09	2.86	3.37	3.23	3.13	3.00	3.45	3.30	3.14
Madison College	0.79	0.74	0.76	0.94	0.97	0.95	0.92	1.03	1.02	0.93
School Districts										
Middleton-Cross Plains	10.42	9.44	9.35	11.58	11.80	10.88	9.74	11.34	11.22	11.66
Waunakee Community	11.14	10.06	10.19	12.68	12.26	11.71	9.55	12.49	12.25	5.14
Less: State School Tax Credit	(1.83)	(1.72)	(1.34)	(1.59)	(1.56)	(1.58)	(1.61)	(1.83)	(1.67)	(1.65)
Totals by School District										
Middleton-Cross Plains	18.28	17.08	17.00	20.55	20.61	19.48	17.89	20.52	20.40	20.83
Waunakee Area	19.01	17.70	17.84	21.65	21.07	20.31	17.70	21.67	21.43	14.31

Notes:

- (1) Information presented in the year in which taxes were levied.
- (2) Overlapping rates are those of local, county, and state governments that apply to property owners within the City.
- (3) Not all overlapping rates apply to all property owners. The rates for school districts apply only to the portion of the City's property owners whose property is located within the geographic boundaries of the school district.
- (4) In 2015 and prior years the City levied funds for debt service in the general fund and made a transfer to the debt service fund.

City of Middleton
Principal Property Tax Payers
Current Year and Nine Years Ago

Table 7

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
AX Madison Greenway	\$ 115,635,600	1	2.55%	121,487,800	1	4.52%
TGA 8500-8551 Research Way LLC	53,570,300	2	1.18%			
PPD Development LP	52,262,300	3	1.15%	28,152,700	3	1.05%
Middleton Market LLC	44,765,000	4	0.99%			0.00%
Wolfsnare 3001 Deming LLC	41,964,900	5	0.92%			
Greenway Station SPE LLC	38,196,100	6	0.84%	36,504,000	2	1.36%
MW Land Inc	37,753,000	7	0.83%			
Fred-Ashbury Woods LP	29,460,000	8	0.65%	25,597,700	5	
Electronic Theater Controls	28,394,800	9	0.63%	27,342,700	4	1.02%
Eagle Drive Property Group LLC	27,416,400	10	0.60%			0.00%
Atrium Finance II LLC (Marriott)				25,531,200	6	0.95%
Infraed II LLC				24,609,000	7	0.92%
American Girl Brands LLC				21,826,100	8	0.81%
Deer Creek of Middleton LLC				18,658,000	9	0.69%
Pheasant West				17,568,000	10	0.65%
TOTAL	\$ 469,418,400		10.25%	347,277,200		12.93%

Notes: Source: City Assessor

City of Middleton

Property Tax Levies and Collections

For the fiscal years ended December 31, 2015 through 2024

Table 8

Levy Year	Budget Year	City Operating Tax Levy	Tax Increment Levy	Total City Tax Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2024	2025	\$ 21,181,184	\$ 15,044,882	\$ 36,226,066	n/a	n/a	n/a	n/a	n/a
2023	2024	20,972,292	14,726,688	35,698,979	35,410,427	99.2%	270,739	35,681,166	100.0%
2022	2023	20,551,225	13,012,897	33,564,121	33,350,571	99.4%	200,545	33,551,116	100.0%
2021	2022	19,292,426	12,749,966	32,042,392	31,928,594	99.6%	103,774	32,032,367	100.0%
2020	2021	18,412,712	14,118,546	32,531,258	32,453,490	99.8%	67,818	32,521,308	100.0%
2019	2020	17,985,016	12,664,160	30,649,176	30,565,972	99.7%	64,330	30,630,303	99.9%
2018	2019	17,490,293	9,730,078	27,220,371	27,203,623	99.9%	9,389	27,213,012	100.0%
2017	2018	17,017,467	10,038,872	27,056,339	26,970,283	99.7%	61,417	27,031,700	99.9%
2016	2017	16,592,200	7,933,858	24,526,058	24,416,183	99.6%	81,983	24,498,166	99.9%
2015	2016	16,386,140	9,574,449	25,960,589	25,858,416	99.6%	46,626	25,905,042	99.8%
2014	2015	16,002,815	9,032,662	25,035,476	24,984,854	99.8%	28,952	25,013,807	99.9%

Notes: In addition to property taxes for the municipality, the City collects and remits taxes for the state and county governments, as well as local school and technical college districts. Taxes are levied in December of each year based upon the assessed value as of January 1st for that year. Real estate taxes can be paid in two installments due January 31st and July 31st. Personal property taxes are due by January 31st. Tax settlements to other taxing authorities are made in January, for taxes collected as of December 31st, and in February, for taxes collected as of January 31st. All unpaid real estate taxes as of January 31st are turned over to the County Treasurer for collection. All personal property taxes are retained for collection by the City. The final settlement for real estate taxes is made by the county to each of the other taxing authorities for the balance of their tax levies.

City of Middleton

Ratios of Outstanding Debt by Type

For the fiscal years ended December 31, 2015 through 2024

Table 9

Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Adjusted Gross Income	Per Capita
	General Obligation Bonds	General Obligation Notes	Other General Obligation Debt	Water Utility Bond/Notes	Sewer Utility Bond/Notes	Golf Course Bonds/Notes			
2024	\$ 11,620,000	\$ 24,352,977	\$ 78,193	\$ -	\$ -	\$ -	\$ 36,051,170	n/a	\$ 1,510
2023	13,445,000	24,261,334	310,132	-	-	-	38,016,466	2.37%	1,619
2022	14,750,000	23,732,317	535,514	-	-	-	39,017,831	2.45%	1,694
2021	14,720,000	24,993,332	752,442	-	-	-	40,465,774	2.81%	1,842
2020	16,975,000	23,908,284	890,000	-	-	-	41,773,284	3.07%	1,984
2019	21,815,000	17,327,991	3,929,202	-	-	-	43,072,193	3.04%	2,079
2018	24,640,000	16,865,886	3,429,426	-	-	-	44,935,312	3.61%	2,195
2017	27,190,000	16,898,275	2,016,389	-	-	1,400,000	47,504,664	3.96%	2,357
2016	23,350,000	22,577,768	2,100,000	-	-	1,700,000	49,727,768	3.91%	2,574
2015	25,480,387	25,920,500	-	-	-	2,649,613	54,050,500	4.75%	2,873

Notes:

- (1) Details of the City's outstanding debt can be found in the notes to the financial statements.
- (2) See Table 13 for adjusted gross income and population data.
- (3) n/a - data not available.
- (4) Presented net of premiums on long term debt.

City of Middleton
Ratios Of Net General Bonded Debt Outstanding
For the fiscal years ended December 31, 2015 through 2024

Table 10

<u>Year</u>	<u>General Obligation Bonds (2)</u>	<u>Other General Obligation Debt (2)</u>	<u>Total General Obligation Debt (2)</u>	<u>Resources Restricted to Repayment of Debt</u>	<u>Net General Obligation Debt</u>	<u>Percentage of Estimated Actual Taxable Value of Property (3)</u>	<u>Net General Obligation Debt Per Capital (4)</u>
2024	\$ 11,620,000	\$ 24,431,170	\$ 36,051,170	\$ 4,476	\$ 36,046,694	0.80%	\$ 1,510
2023	13,445,000	24,571,466	38,016,466	88,299	37,928,167	0.83%	1,616
2022	14,750,000	24,267,831	39,017,831	72,165	38,945,666	0.86%	1,691
2021	14,720,000	25,745,774	40,465,774	150,680	40,315,094	1.10%	1,836
2020	16,975,000	24,798,284	41,773,284	36,520	41,736,764	1.15%	1,983
2019	21,815,000	21,257,193	43,072,193	-	43,072,193	1.21%	2,079
2018	24,640,000	20,295,312	44,935,312	-	44,935,312	1.28%	2,195
2017	28,590,000	18,914,664	47,504,664	-	47,504,664	1.55%	2,357
2016	25,050,000	24,677,768	49,727,768	-	49,727,768	1.67%	2,574
2015	28,130,000	25,920,500	54,050,500	-	54,050,500	1.85%	2,873

- Notes:**
- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 - (2) Presented net of premiums on long-term debt.
 - (3) See Table 5 - Assessed and Estimated Actual Value of Taxable Property for property value details.
 - (4) See Table 13 - Demographic and Economic Statistics for population.

City of Middleton
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024

Table 11

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable To City</u>	<u>Estimated Share of Overlapping Debt</u>
City of Middleton	\$ 36,051,170	100.00%	\$ 36,051,170
Dane County	763,690,000	5.24%	40,017,356
School Districts:			
Middleton Area	172,655,000	45.06%	77,798,343
Waunakee Community	148,981,589	4.18%	6,227,430
Madison Area			
Technical College	<u>192,490,000</u>	3.84%	<u>7,391,616</u>
Madison Metro			
Sewerage District	<u>125,724,101</u>	7.15%	<u>8,989,273</u>
Subtotal Overlapping	<u>1,403,540,690</u>		<u>140,424,019</u>
Total Direct and Overlapping Debt	<u>\$ 1,439,591,860</u>		<u>\$ 176,475,189</u>

- Notes:**
- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.
 - (2) Details regarding the City's outstanding debt can be found in the note to the financial statements.
 - (3) Applicable percentages are estimated by determining the portion of another government units equalized value that is within the City's geographic boundaries and dividing it by each government's total equalized value.

City of Middleton
Legal Debt Margin Information
For the fiscal years ended December 31, 2015 through 2024

Table 12

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation	\$ 5,635,179,100
Legal debt limit (5% of equalized valua	281,758,955
Less: Long-term debt	<u>34,788,193</u>
Legal debt margin	<u>\$ 246,970,762</u>

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 281,758,955	\$ 256,845,365	\$ 238,751,180	\$ 213,165,755	\$ 203,860,440	\$ 191,475,505	\$ 177,278,560	\$ 168,003,405	\$ 157,188,345	\$ 145,366,755
Total net debt applicable to limit	34,788,193	36,635,121	37,680,314	39,187,442	40,540,000	41,879,202	44,314,426	46,776,389	49,030,000	53,375,000
Legal Debt Margin	246,970,762	220,210,244	201,070,866	173,978,313	163,320,440	149,596,303	132,964,134	121,227,016	108,158,345	91,991,755
Total net debt applicable to limit as a percentage of debt limit	12.3%	14.26%	15.78%	18.38%	19.89%	21.87%	25.00%	27.84%	31.19%	36.72%

Notes: In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the total equalized value of the taxable property within the City's jurisdiction.

City of Middleton
Demographic and Economic Statistics
For the fiscal years ended December 31, 2015 through 2024

Table 13

Year	Population (1)	Adjusted Gross Income (2)	Per Capita Adjusted Gross Income			Unemployment Rates (3)	
			City of Middleton	Dane County	State of Wisconsin	Dane County	State of Wisconsin
2024	23,868	n/a	n/a	n/a	n/a	2.1%	3.0%
2023	23,476	\$ 1,602,877,878	\$ 68,277	47,487	39,152	2.0%	3.0%
2022	23,031	1,590,286,686	69,050	46,443	38,062	1.6%	2.3%
2021	21,964	1,437,558,699	65,451	45,615	35,727	1.4%	2.8%
2020	21,050	1,360,322,531	64,623	43,482	33,967	3.0%	4.0%
2019	20,713	1,416,747,050	68,399	42,952	33,258	2.3%	3.3%
2018	20,472	1,246,346,523	60,881	40,153	31,962	0.0	0.0
2017	20,151	1,200,526,751	59,577	38,542	30,182	2.4	3.3
2016	19,317	1,272,689,634	65,884	37,523	29,711	2.9	4
2015	18,810	1,138,112,299	60,506	36,614	29,145	3.2	4.6

Notes: (1) Source: Wisconsin Department of Administration, Demographic Services Center
(2) Source: Wisconsin Department of Revenue, Division of Research and Policy
(3) Source: Wisconsin Department of Workforce Development
n/a Data not available

**City of Middleton
Principal Employers
Current Year and Nine Years Ago**

Table 14

Employer	2024			2015		
	Number of Employees (1)	Rank	Percentage of Total City Employment (2)	Number of Employees (3)	Rank	Percentage of Total City Employment (2)
Thermo Fisher Scientific	2,200	1	8.7%	685	1	3.8%
Middleton Cross Plains Area School District	1,163	2	4.6%			
Electronic Theatre Controls	902	3	3.5%	584	4	3.2%
Springs Window Fashions	738	4	2.9%	605	3	3.4%
UW Medical Foundation	650	5	2.6%	650	2	3.6%
NGC Hospitality	403	6	1.6%			
Spectrum Brands	400	7	1.6%	560	5	3.1%
Raven Software	350	8	1.4%			
Bruce Co. of Wisconsin	350	9	1.4%			
Hy Cite Enterprises	300	10	1.2%			
American Girl				546	6	3.0%
Veterans Health Administration				350	7	1.9%
West Corporation				340	8	1.9%
Humana				306	9	1.7%
Capitol Indemnity Corp				250	10	1.4%

Notes:

(1) Source - In Business Greater Madison-December 2024

(2) Source - U.S. Census

(3) Source - Official Statement 2015

City of Middleton

Table 15

City Government Employees by Function/Program For the fiscal years ended December 31, 2015 through 2024 (full-time equivalents)

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government:										
Municipal Court	1.25	1.25	1.25	1.50	1.50	1.50	1.38	1.50	1.50	1.50
Information Technology	2.50	2.50	2.50	2.50	3.50	3.50	3.50	3.50	3.00	3.00
Administration	2.00	2.00	1.00	1.00	1.50	1.50	1.50	1.50	1.50	1.50
Finance/City Clerk/HR	5.60	5.60	5.60	5.60	5.20	5.20	6.25	5.50	5.50	5.50
Public Safety:										
Police	52.25	52.25	50.25	50.25	50.25	50.25	49.25	48.25	48.00	45.50
Emergency Medical Services	17.00	17.00	17.00	16.00	16.00	16.00	16.00	16.00	16.00	14.00
Building Inspection	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.50	4.00	3.75
Community Services	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00	1.00
Public Works:										
Public Works & Stormwater	21.38	21.13	21.13	21.13	21.13	21.13	21.13	20.13	18.75	26.75
Health and Human Services:										
Senior Center	5.93	5.80	5.79	5.79	5.79	5.79	5.75	5.60	5.40	5.38
Leisure Activities:										
Recreation	18.13	18.13	18.13	18.13	18.13	18.13	17.75	17.75	17.50	17.55
Youth Center	2.06	2.06	2.06	1.43	1.43	1.38	1.38	1.30	1.30	1.00
Library	25.34	25.34	25.30	25.30	25.30	25.30	24.30	24.30	24.30	15.80
Conservation/Development:										
Planning	4.00	4.00	4.00	4.00	4.00	4.00	3.89	3.39	3.25	3.00
CDA	0.50	0.50	0.50	-	-	-	-	-	-	-
Forestry	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Public Lands/Conservancy	11.10	11.10	10.10	10.10	10.10	10.10	9.95	9.95	9.35	9.35
Tourism	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50
Water and Sewer Utilities	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00
Golf Course	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Total Employment	204.54	204.16	200.11	198.23	199.33	199.28	196.53	193.17	190.35	183.08

Notes: (1) Source - City's annual budget report

City of Middleton

Table 16

Operating Indicators by Function/Program

For the fiscal years ended December 31, 2015 through 2024

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Real estate parcels	6,852	6,803	6,788	6,780	6,742	6,709	6,686	6,641	6,633	6,596
Personal property accounts	-	867	865	845	803	800	756	761	881	851
Dog licenses issued	680	777	755	1,226	670	688	700	592	601	608
Operator licenses Issued	290	225	255	275	221	350	345	341	286	262
Public Safety										
Calls for police service	18,520	17,880	18,489	18,109	15,743	21,163	21,617	21,335	22,184	20,998
Police reports processed	7,509	10,032	9,392	-	12,386	11,326	11,013	11,700	12,206	11,638
Criminal arrests processed	500	456	366	410	427	297	298	436	366	422
Citations processed	2,230	2,007	2,184	2,401	1,697	2,404	2,786	2,871	3,592	4,008
Warnings processed	2,271	2,488	3,257	3,381	1,617	3,518	3,387	4,190	4,468	3,821
911 calls received	3,285	2,765	2,356	3,510	3,171	3,300	3,338	3,342	3,085	3,296
EMS responses	2,769	2,715	2,543	2,254	1,898	1,975	1,893	1,814	1,775	1,682
Public Works										
City roadway miles maintained		76	77	73	73	73.3	73.2	73.2	72.3	72.1
Homes receiving refuse collection	n/a	n/a	n/a	5,082	5,067	5,047	5,032	5,020	4,985	4,935
Number of refuse carts in service	5,499	5,448	5,442	n/a						
Health and Human Services										
Senior center daily participants	170	160	134	98	70	230	200	188	191	192
Case management contacts	5,590	5,585	5,578	5,523	5,127	5,376	4,853	4,847	6,426	4,965
Meals on Wheels delivered	11,133	13,217	12,928	13,550	11,858	6,952	4,428	4,691	4,906	5,061
Dining center meals served	3,203	2,206	2,404	1,059	1,197	5,562	5,038	4,534	4,910	5,465
Public Lands/Recreation										
Aquatic center attendance (Open Swim only)	23,171	n/a	31,436	16,935	21,544	26,540	27,775	30,000	34,169	34,247
Aquatic center attendance (All Programs)	41,127	60,361	n/a							
Recreation program attendance	6,894	6,861	4,744	2,581	1,844	2,504	2,103	1,908	1,806	1,210
Hubbard Activity Center attendance	n/a	1,678	1,176	1,167	872	1,195	1,178	1,051	1,008	982
Park facility rentals	2,272	483	1,279	309	21	381	363	357	399	326
Library										
Library items circulated: physical items	489,518	499,346	515,679	457,490	300,380	704,692	730,404	726,945	675,565	710,108
Library items circulated: E-materials	144,988	131,163	109,999	106,680	110,291	80,984	68,831	53,739	50,789	44,430
Library user visits	267,350	237,119	212,045	116,161	92,357	359,482	371,703	367,266	334,192	351,363
Registered borrowers	21,448	19,333	18,602	18,689	18,778	19,936	19,834	18,676	19,414	18,880
Library event participants	39,285	32,035	36,149	32,590	32,062	47,777	40,884	41,449	32,174	30,247
Water Utility										
Number of customers	6,805	6,272	6,363	6,334	6,291	6,205	6,184	6,150	6,093	6,060
Gallons sold (millions)	204,606	711,647	660,996	700,837	652,005	664,488	702,375	714,834	720,392	699,598
Sewer										
Number of customers	5,996	6,022	5,887	5,861	5,810	5,780	5,801	5,771	5,722	5,650

Notes: (1) Source - City department records

City of Middleton

Table 17

Capital Asset Statistics by Function/Program

For the fiscal years ended December 31, 2015 through 2024

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	23	22	22	21	21	21	21	21	21	21
EMS stations	1	1	1	1	1	1	1	1	1	1
Ambulances	3	3	3	3	3	3	3	3	3	3
Public Works										
Streets (miles)	75.4	76.0	76.9	73.0	72.7	73.3	73.2	73.2	72.3	72.1
Traffic signals	17	17	17	17	17	17	17	17	16	16
Public Lands										
Park acreage	558	558	558	558	558	558	558	516	516	499
Conservancy acreage	870.3	870.3	870.3	865.8	865.8	865.8	865.8	828	828	850
Miles of maintained trails	31.5	31.5	27.5	27.5	27.5	27.5	27.5	30.0	30.0	30.0
Water Utility										
Miles of water main	96.3	92.1	93.8	93.4	93.4	93.4	93.1	93.0	90.0	89.2
Number of pumping stations	8	8	8	8	8	8	8	8	8	8
Number of fire hydrants	1,035	1,019	1,008	1,003	1,001	994	991	990	990	985
Number of water meters	6,843	6,640	6,687	6,582	6,571	6,552	6,465	6,419	6,350	6,246
Sewer Utility										
Miles of sanitary sewer	85.4	85.4	81.5	81.5	81.5	81.5	81.5	81.5	81.5	80.9
Number of pumping stations	9	9	9	9	9	9	9	9	9	9

Notes: (1) Source - City's capital asset records