

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 1, 2024

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining the "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Notes shall be designated as "qualified tax-exempt obligations".

New Issue

Rating Application Made: S&P Global Ratings

CITY OF PLATTEVILLE, WISCONSIN (Grant County)

\$5,975,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024B

BID OPENING: October 8, 2024, 10:00 A.M., C.T.

CONSIDERATION: October 8, 2024, 6:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$5,975,000* General Obligation Promissory Notes, Series 2024B (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Platteville, Wisconsin (the "City"), for public purposes, including paying the cost of street reconstruction, constructing a fire station and acquiring capital equipment, including a snow blower and dump truck. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: October 30, 2024

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$250,000	2033	\$335,000	2039	\$340,000
2028	285,000	2034	340,000	2040	350,000
2029	320,000	2035	340,000	2041	355,000
2030	320,000	2036	340,000	2042	355,000
2031	320,000	2037	340,000	2043	355,000
2032	335,000	2038	340,000	2044	355,000

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

TERM BONDS: See "Term Bond Option" herein.

INTEREST: March 1, 2025 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on March 1, 2033 and thereafter are subject to call for prior optional redemption on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$5,900,312.50.

MAXIMUM BID: \$6,393,250.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$119,500 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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CITY OF PLATTEVILLE COMMON COUNCIL

		<u>Term Expires</u>
Barbara Daus	Council President	April 2026
Bob Gates	Aldersperson	April 2027
Todd Kasper	Aldersperson	April 2025
Ken Kilian	Aldersperson	April 2027
Kathy Kopp	Aldersperson	April 2026
Tom Nall	Aldersperson	April 2027
Lynne Parrott	Aldersperson	April 2025

ADMINISTRATION

Clinton Langreck, City Manager
Jeffrey Even, Accounting & Finance Manager/Treasurer
Nicola Maurer, Administration Director
Colette Steffen, City Clerk

PROFESSIONAL SERVICES

William Cole, Axely Brynson, City Attorney, Madison, Wisconsin
Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin
Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Roseville, Minnesota)

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Platteville, Wisconsin (the "City") and the issuance of its \$5,975,000* General Obligation Promissory Notes, Series 2024B (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Authorizing Resolution") to be adopted by the Common Council on October 8, 2024.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of October 30, 2024. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

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

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of street reconstruction, constructing a fire station and acquiring capital equipment, including a snow blower and dump truck.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	\$5,975,000	
Estimated Interest Earnings	<u>44,060</u>	
Total Sources		\$6,019,060
Uses		
Estimated Underwriter's Discount	\$74,688	
Cost of Issuance	67,150	
Deposit to Borrowed Money Fund	5,874,627	
Rounding Amount	<u>2,595</u>	
Total Uses		\$6,019,060

*Preliminary, subject to change.

SECURITY

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

RATING

General obligation debt of the City is currently rated "AA-" by S&P Global Ratings ("S&P"). The City has requested a rating on the Notes from S&P, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P.

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

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

CONTINUING DISCLOSURE

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

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

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

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the City.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for the Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B).

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The City has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

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

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

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

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

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

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

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

RISK FACTORS

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

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

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

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

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

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

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

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

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

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

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

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The

opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

CURRENT PROPERTY VALUATIONS

2024 Equalized Value	\$1,026,514,400
2024 Equalized Value Reduced by Tax Increment Valuation	\$884,847,800
2023 Assessed Value ¹	\$805,106,968

2024 EQUALIZED VALUE BY CLASSIFICATION

	2024 Equalized Value ²	Percent of Total Equalized Value
Residential	\$538,580,900	52.467%
Commercial	455,756,400	44.398%
Manufacturing	31,373,000	3.056%
Agricultural	225,200	0.022%
Undeveloped	412,000	0.040%
Forest	95,000	0.009%
Other	71,900	0.007%
Personal Property ³	<u>0</u>	<u>0.000%</u>
Total	<u>\$1,026,514,400</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value ²	Percent Increase/Decrease in Equalized Value
2020	\$674,128,437	\$726,100,300	2.57%
2021	674,004,337	761,224,200	4.84%
2022	801,240,200	852,503,800	11.99%
2023	805,106,968	978,216,600	14.75%
2024	N/A ¹	1,026,514,400	4.94%

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

¹ 2024 Assessed Values are not yet available.

² Includes tax increment valuation.

³ Personal property has been exempt from taxation as of January 1, 2024 (see "TAX LEVIES AND COLLECTIONS" herein).

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2023 Equalized Value ¹	Percent of City's Total Equalized Value
Wal-Mart	Retail	\$16,602,086	1.70%
Emmi Roth USA Inc.	Manufacturing	15,537,125	1.59%
Senior Village of Platteville	Senior Apartments/Assisted Living	13,678,031	1.40%
Miners Development	Hotel and Library	12,369,095	1.26%
Southwest Health Center	Healthcare	12,088,062	1.24%
Menards	Retail	11,452,731	1.17%
Fox Ridge	Apartments	10,509,758	1.07%
Farm & Fleet	Retail	6,668,002	0.68%
Washington Place LLC	Apartments	6,589,877	0.67%
Oak Creek Investments	Apartments	<u>5,795,135</u>	<u>0.59%</u>
Total		\$111,289,901	11.38%
City's Total 2023 Equalized Value ²		\$978,216,600	

Source: The City.

¹ Calculated by dividing the 2023 Assessed Values by the 2023 Aggregate Ratio of assessment for the City. 2024 information is not yet available.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u>\$22,841,611</u>
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Revenue Debt (see schedules following)

Total revenue debt secured by sewer and water revenues	<u>\$18,692,753</u>
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Total revenue debt secured by loans made by the City to property owners to replace water service lines containing lead	<u>\$42,535</u>
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Non-General Obligation Debt Secured by Annual Appropriation (see schedule following)

Total non-general obligation debt paid by annual appropriation of tax increment ²	<u>\$383,233</u>
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DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The City anticipates to issue approximately \$4,300,000 Water and Sewer Revenue Bond and approximately \$2,300,000 General Obligation Promissory Notes within the next 12 months but exact timing is yet unknown. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	\$1,026,514,400
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit ³	\$51,325,720
Less: General Obligation Debt*	<u>(22,841,611)</u>
Unused Debt Limit*	<u>\$28,484,109</u>

*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Notes.

² Non-general obligation debt has not been included in the debt ratios.

³ The City has adopted a Debt Management Policy, which states that the City's general obligation debt will not exceed 3.50% of the City's equalized value.

City of Platteville, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 10/30/2024)

	Refunding Bonds Series 2013		Taxable Corporate Purpose Bonds Series 2015B		Corporate Purpose Bonds Series 2016A		Street Improvement Bonds Series 2017A		Refunding Bonds Series 2017B	
Dated	03/28/2013		12/29/2015		06/02/2016		06/01/2017		10/04/2017	
Amount	\$3,240,000		\$3,790,000		\$2,520,000		\$1,375,000		\$2,975,000	
Maturity	10/01		03/01		12/01		09/01		10/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	0	0	0	385,000	9,864	0	0	0	0
2025	500,000	60,500	325,000	68,588	385,000	13,760	75,000	36,300	360,000	43,650
2026	500,000	46,750	200,000	60,825	390,000	7,215	100,000	34,050	365,000	32,850
2027	600,000	33,000	210,000	54,415			100,000	31,050	365,000	25,550
2028	500,000	15,000	220,000	47,425			100,000	28,050	365,000	18,250
2029			230,000	39,885			100,000	25,050	365,000	9,125
2030			235,000	31,863			100,000	22,050		
2031			250,000	23,250			100,000	19,050		
2032			250,000	14,125			100,000	16,050		
2033			250,000	4,750			100,000	13,050		
2034							100,000	10,050		
2035							100,000	6,700		
2036							100,000	3,350		
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	2,100,000	155,250	2,170,000	345,125	1,160,000	30,839	1,175,000	244,800	1,820,000	129,425

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City of Platteville, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/30/2024)

	Corporate Purpose Bonds Series 2018A		Street Improvement Bonds Series 2019A		Taxable Refunding Bonds Series 2020A		Street Improvement Bonds Series 2020B		Corporate Purpose Bonds Series 2021A	
Dated	05/10/2018		05/30/2019		07/30/2020		09/10/2020		09/16/2021	
Amount	\$1,245,000		\$1,125,000		\$1,265,000		\$1,170,000		\$1,975,000	
Maturity	03/01		03/01		03/01		03/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	0	0	0	0	0	0	0	0	0
2025	100,000	29,400	50,000	31,250	65,000	17,740	75,000	17,000	110,000	23,460
2026	100,000	26,400	100,000	28,250	65,000	17,090	100,000	15,750	110,000	21,260
2027	100,000	23,400	105,000	24,675	65,000	16,343	100,000	14,750	110,000	19,060
2028	100,000	20,400	105,000	21,525	70,000	15,465	100,000	13,250	110,000	16,860
2029	100,000	17,375	110,000	18,300	70,000	14,450	100,000	11,250	110,000	14,660
2030	100,000	14,325	110,000	15,000	70,000	13,330	110,000	9,700	110,000	12,460
2031	100,000	11,275	110,000	11,700	70,000	12,140	115,000	8,575	110,000	10,810
2032	100,000	8,125	110,000	8,400	70,000	10,880	100,000	7,000	135,000	9,518
2033	100,000	4,875	110,000	5,100	75,000	9,500	100,000	5,000	135,000	7,965
2034	100,000	1,625	115,000	1,725	75,000	8,000	100,000	3,000	135,000	6,278
2035					75,000	6,425	100,000	1,000	135,000	4,050
2036					80,000	4,720			135,000	1,350
2037					80,000	2,880				
2038					80,000	960				
2039										
2040										
2041										
2042										
2043										
2044										
	1,000,000	157,200	1,025,000	165,925	1,010,000	149,923	1,100,000	106,275	1,445,000	147,730

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City of Platteville, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/30/2024)

	Street Improvement Bonds Series 2022A		Corporate Purpose Bonds Series 2023A		Promissory Note		Promissory Note		Promissory Note	
Dated	06/15/2022		07/19/2023		10/11/2023		12/15/2023		04/08/2024	
Amount	\$1,325,000		\$1,210,000		\$245,000		\$275,000		\$106,611	
Maturity	03/01		06/01		10/01		12/15		04/08	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	0	0	26,100	0	0	275,000	11,003	0	0
2025	100,000	33,388	60,000	50,700	28,750	7,797			0	0
2026	100,000	30,638	70,000	47,450	28,750	6,822			106,611	16,571
2027	100,000	27,788	70,000	43,950	28,750	5,848				
2028	100,000	24,838	70,000	40,450	28,750	4,886				
2029	100,000	21,813	70,000	36,950	28,750	3,899				
2030	125,000	18,319	95,000	32,825	28,750	2,924				
2031	100,000	14,775	95,000	28,075	28,750	1,949				
2032	100,000	11,575	95,000	23,325	28,750	977				
2033	100,000	8,325	95,000	18,575						
2034	100,000	5,025	100,000	14,200						
2035	100,000	1,675	100,000	10,200						
2036			100,000	6,200						
2037			105,000	2,100						
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	1,125,000	198,156	1,125,000	381,100	230,000	35,103	275,000	11,003	106,611	16,571

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City of Platteville, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/30/2024)

Promissory Notes Series 2024B								
Dated	10/30/2024							
Amount	\$5,975,000*							
Maturity	03/01							
Calendar Year Ending	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	0	660,000	46,966	706,966	22,181,611	2.89%	2024
2025	0	190,436	2,233,750	623,968	2,857,718	19,947,861	12.67%	2025
2026	0	227,765	2,335,361	619,685	2,955,046	17,612,500	22.89%	2026
2027	250,000	223,415	2,203,750	543,242	2,746,992	15,408,750	32.54%	2027
2028	285,000	214,148	2,153,750	480,547	2,634,297	13,255,000	41.97%	2028
2029	320,000	203,712	1,703,750	416,468	2,120,218	11,551,250	49.43%	2029
2030	320,000	192,672	1,403,750	365,467	1,769,217	10,147,500	55.57%	2030
2031	320,000	181,632	1,398,750	323,231	1,721,981	8,748,750	61.70%	2031
2032	335,000	170,333	1,423,750	280,308	1,704,058	7,325,000	67.93%	2032
2033	335,000	158,742	1,400,000	235,882	1,635,882	5,925,000	74.06%	2033
2034	340,000	146,980	1,165,000	196,883	1,361,883	4,760,000	79.16%	2034
2035	340,000	134,740	950,000	164,790	1,114,790	3,810,000	83.32%	2035
2036	340,000	122,160	755,000	137,780	892,780	3,055,000	86.63%	2036
2037	340,000	109,240	525,000	114,220	639,220	2,530,000	88.92%	2037
2038	340,000	95,980	420,000	96,940	516,940	2,110,000	90.76%	2038
2039	340,000	82,380	340,000	82,380	422,380	1,770,000	92.25%	2039
2040	350,000	68,235	350,000	68,235	418,235	1,420,000	93.78%	2040
2041	355,000	53,516	355,000	53,516	408,516	1,065,000	95.34%	2041
2042	355,000	38,429	355,000	38,429	393,429	710,000	96.89%	2042
2043	355,000	23,164	355,000	23,164	378,164	355,000	98.45%	2043
2044	355,000	7,721	355,000	7,721	362,721	0	100.00%	2044
	5,975,000	2,645,400	22,841,611	4,919,823	27,761,434			

* Preliminary, subject to change.

City of Platteville, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer and Water Revenues
(As of 10/30/2024)

	Water and Sewer System Revenue Bonds (CWFL) Series 2008		Water and Sewer System Revenue Bonds (CWFL) Series 2010		Water and Sewer System Revenue Bonds Series 2015		Water and Sewer System Revenue Bonds Series 2019B		Water and Sewer System Revenue Bonds Series 2020C	
Dated	12/10/2008		05/26/2010		06/24/2015		12/04/2019		12/17/2020	
Amount	\$2,473,498		\$3,964,010		\$5,425,000		\$1,625,000		\$1,420,000	
Maturity	05/01		05/01		05/01		05/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	6,953	0	16,929	0	64,394	0	14,471	0	10,096
2025	143,517	12,228	218,696	31,202	255,000	124,644	80,000	28,143	60,000	19,593
2026	146,874	8,831	224,006	25,828	270,000	115,775	80,000	26,543	60,000	18,393
2027	150,310	5,356	229,445	20,323	280,000	106,150	80,000	24,943	60,000	17,193
2028	153,825	1,799	235,016	14,684	290,000	96,175	80,000	23,343	60,000	15,993
2029			240,722	8,909	300,000	85,850	85,000	21,608	60,000	14,793
2030			246,567	2,993	310,000	74,400	90,000	19,683	60,000	13,593
2031					320,000	61,800	90,000	17,703	60,000	12,648
2032					330,000	48,800	90,000	15,655	60,000	11,958
2033					345,000	35,300	95,000	13,481	90,000	11,095
2034					355,000	21,300	95,000	11,249	95,000	9,889
2035					355,000	7,100	95,000	8,969	95,000	8,511
2036							100,000	6,580	105,000	7,061
2037							105,000	4,016	105,000	5,250
2038							105,000	1,339	105,000	3,150
2039									105,000	1,050
2040										
2041										
2042										
2043										
	594,526	35,167	1,394,452	120,869	3,410,000	841,688	1,270,000	237,723	1,180,000	180,263

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City of Platteville, Wisconsin
Schedule of Bonded Indebtedness continued
Revenue Debt Secured by Sewer and Water Revenues
(As of 10/30/2024)

	Water and Sewer System Revenue Bonds Series 2021B		Taxable Water and Sewer System Revenue Refunding Bonds Series 2021C		Water and Sewer System Revenue Bonds Series 2022B		Water and Sewer System Revenue Bonds (CWF) 1) Series 2023		Water and Sewer System Revenue Bonds Series 2023C							
Dated Amount	09/16/2021 \$1,890,000		09/16/2021 \$4,965,000		09/01/2022 \$2,665,000		05/24/2023 \$1,330,116		12/28/2023 \$1,610,000							
Maturity	05/01		05/01		05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	16,350	0	24,900	0	39,950	0	12,738	0	33,400	0	240,181	240,181	18,692,753	.00%	2024
2025	85,000	31,850	365,000	48,431	90,000	78,910	55,768	24,918	50,000	65,550	1,402,981	465,468	1,868,449	17,289,772	7.51%	2025
2026	85,000	30,150	365,000	45,420	90,000	76,930	56,883	23,791	50,000	63,050	1,427,763	434,711	1,862,474	15,862,008	15.14%	2026
2027	90,000	28,400	365,000	41,861	90,000	74,860	58,021	22,642	50,000	60,550	1,452,776	402,277	1,855,054	14,409,232	22.92%	2027
2028	90,000	26,600	370,000	37,725	90,000	72,700	59,182	21,470	60,000	57,800	1,488,023	368,289	1,856,311	12,921,210	30.88%	2028
2029	95,000	24,750	520,000	32,125	90,000	70,360	60,365	20,275	60,000	54,800	1,511,087	333,469	1,844,556	11,410,123	38.96%	2029
2030	100,000	22,800	520,000	25,105	90,000	67,840	61,573	19,055	85,000	51,175	1,563,140	296,644	1,859,783	9,846,983	47.32%	2030
2031	185,000	19,950	695,000	16,253	90,000	65,320	62,804	17,812	85,000	46,925	1,587,804	258,409	1,846,213	8,259,179	55.82%	2031
2032	190,000	16,200	690,000	5,520	90,000	62,710	64,060	16,543	95,000	42,900	1,609,060	220,285	1,829,346	6,650,119	64.42%	2032
2033	380,000	10,500			120,000	59,560	65,341	15,249	120,000	38,600	1,215,341	183,785	1,399,126	5,434,778	70.93%	2033
2034	335,000	3,350			135,000	55,668	66,648	13,929	130,000	33,600	1,211,648	148,984	1,360,632	4,223,130	77.41%	2034
2035					165,000	50,935	67,981	12,583	135,000	28,300	912,981	116,398	1,029,379	3,310,149	82.29%	2035
2036					195,000	45,078	69,341	11,210	150,000	22,600	619,341	92,528	711,869	2,690,808	85.61%	2036
2037					195,000	38,545	70,727	9,809	155,000	16,500	630,727	74,120	704,848	2,060,081	88.98%	2037
2038					195,000	31,818	72,142	8,380	165,000	10,100	642,142	54,786	696,928	1,417,939	92.41%	2038
2039					190,000	24,985	73,585	6,923	170,000	3,400	538,585	36,358	574,943	879,354	95.30%	2039
2040					190,000	18,050	75,057	5,437			265,057	23,487	288,543	614,297	96.71%	2040
2041					190,000	10,925	76,558	3,920			266,558	14,845	281,403	347,739	98.14%	2041
2042					190,000	3,658	78,089	2,374			268,089	6,031	274,120	79,651	99.57%	2042
2043							79,651	797			79,651	797	80,447	0	100.00%	2043
	1,635,000	230,900	3,890,000	277,340	2,485,000	948,800	1,273,775	269,854	1,560,000	629,250	18,692,753	3,771,852	22,464,605			

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 4419-11, the amount of disbursements of \$1,046,324.37 as of September 9, 2024.

City of Platteville, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Loans Made by the City to Property
Owners to Replace Water Service Lines Containing Lead
(As of 10/30/2024)

Taxable Private LSL Replacement
Revenue Bonds (SDWF)
Series 2024

Dated	08/28/2024							
Amount	\$42,535							
Maturity	05/01							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	19	0	19	19	42,535	.00%	2024
2025	0	106	0	106	106	42,535	.00%	2025
2026	0	106	0	106	106	42,535	.00%	2026
2027	4,206	101	4,206	101	4,307	38,329	9.89%	2027
2028	4,216	91	4,216	91	4,307	34,113	19.80%	2028
2029	4,227	80	4,227	80	4,307	29,886	29.74%	2029
2030	4,237	69	4,237	69	4,307	25,648	39.70%	2030
2031	4,248	59	4,248	59	4,307	21,400	49.69%	2031
2032	4,259	48	4,259	48	4,307	17,142	59.70%	2032
2033	4,269	38	4,269	38	4,307	12,872	69.74%	2033
2034	4,280	27	4,280	27	4,307	8,592	79.80%	2034
2035	4,291	16	4,291	16	4,307	4,301	89.89%	2035
2036	4,301	5	4,301	5	4,307	0	100.00%	2036
	42,535	765	42,535	765	43,300			

City of Platteville, Wisconsin
Schedule of Bonded Indebtedness
Non-General Obligation Debt Secured by Annual Appropriation of Tax Increment
(As of 10/30/2024)

Tax Increment Revenue Bond (Bank Loan) Series 2013								
Dated	09/12/2013							
Amount	\$2,000,000							
Maturity	09/12							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	187,581	16,491	187,581	16,491	204,072	195,652	48.95%	2025
2026	195,652	8,419	195,652	8,419	204,071	0	100.00%	2026
	383,233	24,909	383,233	24,909	408,142			

OVERLAPPING DEBT¹

Taxing District	Equalized Value ²	% In City	Total G.O. Debt ³	City's Proportionate Share
Grant County	\$5,363,715,300	19.1381%	\$18,780,000	\$3,594,135
Platteville School District	1,396,666,455 ⁴	70.0394%	40,070,000	28,064,782
Southwest Wisconsin Technical College	13,117,644,361 ⁴	7.4573%	18,100,000	<u>1,349,764</u>
City's Share of Total Overlapping Debt				<u><u>\$33,008,681</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,026,514,400	Debt/ Per Capita 11,710 ⁵
Total General Obligation Debt*	\$22,841,611	2.23%	\$1,950.61
City's Share of Total Overlapping Debt	<u>33,008,681</u>	<u>3.22%</u>	<u>2,818.85</u>
Total*	\$55,850,292	5.44%	\$4,769.45

*Preliminary, subject to change.

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

² Includes tax increment valuation.

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

⁴ 2023 Equalized Values. 2024 Equalized Values for School Districts and Technical Colleges are not certified until October 15th.

⁵ Preliminary estimated 2024 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2019/20	\$4,620,796	100%	\$7.51
2020/21	4,733,566	100%	7.44
2021/22	4,862,980	100%	7.32
2022/23	5,159,644	100%	6.81
2023/24	5,048,258	100%	5.97

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

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

PROPERTY TAX RATES

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

Year Levied/ Year Collected	Schools ¹	County	Local	Total
2019/20	\$10.82	\$3.73	\$7.51	\$22.06
2020/21	10.25	3.44	7.44	21.13
2021/22	9.18	3.34	7.32	19.84
2022/23	8.64	3.35	6.81	18.80
2023/24	8.51	3.26	5.97	17.74

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

LEVY LIMITS

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

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

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent

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

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

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

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

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

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

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

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

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of state programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the City is expected to receive approximately \$3,190,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$2,614,000 received in 2023. The City is currently estimated to receive approximately \$3,287,400 in shared revenue under Chapter 79, Wis. Stats. in 2025. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1876 and is governed by a City Manager form of government with a Council President and six member Common Council. All Council Members are elected to overlapping three year terms. The appointed City Manager, Administration Director, City Clerk and Accounting & Finance Manager/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 72 full-time, 37 part-time, and five seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2021 ("Fiscal Year 2021"), the fiscal year ended December 31, 2022 ("Fiscal Year 2022") and the fiscal year ended December 31, 2023 ("Fiscal Year 2023"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$352,050, \$362,189, and \$411,211, respectively.

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

As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2023, the City reported an liability of \$1,644,148 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.03103512% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution

requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 10 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

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

The following bargaining unit represents employees of the City:

Bargaining Unit	Expiration Date of Current Contract
Wisconsin Professional Police Association	December 31, 2026

OTHER POST EMPLOYMENT BENEFITS

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the and have satisfied specified eligibility standards through a single-employer defined benefit plan. Membership of the plan consisted of four retirees receiving benefits and 68 active plan members as of December 31, 2021, the date of the latest actuarial valuation.

¹ On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV152*, denying the Wisconsin State Legislature’s intervening motion to dismiss the plaintiffs’ challenge to the different classifications the Act created regarding collective bargaining rights. The court’s order denying the motion to dismiss states that the Act violates the equal protection clause of the Wisconsin Constitution and declares those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructs the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court’s order or take some other action to bring the case to a final judgment. In the event that a final judgment is entered to the same effect, it is expected that the decision would be appealed. No guarantee can be made regarding the future outcome of the case or any subsequent appeals.

OPEB calculations are required to be updated every two years. Prior to fiscal years beginning after June 15, 2017, OPEB calculations were required to be prepared in accordance with Statement No. 45 of the Governmental Accounting Standards Board ("GASB 45") regarding retiree health and life insurance benefits, and related standards. For fiscal years beginning after June 15, 2017, OPEB calculations are required to be prepared in accordance with Statement No. 75 of the Governmental Accounting Standards Board ("GASB 75").

For Fiscal Year 2023, the City's contributions for the plan totaled \$24,937. The City's current funding practice is to pay the amount of benefits due in a given year on a "pay-as-you-go" basis.

Under GASB 75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

As of December 31, 2023, the plan's total OPEB liability was \$503,687 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$503,687.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information, see "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

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

For Fiscal Year 2023, the City's portion of contributions to the LRLIF totaled \$1,524. For Fiscal Year 2023, the City reported a liability of \$289,406 for its proportionate share of the net OPEB asset of the LRLIF. The net OPEB liability was measured as of December 31, 2022 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.07596300% of the aggregate LRLIF net OPEB liability as of December 31, 2022.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 8 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

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

MUNICIPAL BANKRUPTCY

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

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

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

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

FUNDS ON HAND (as of August 31, 2024)

Fund	Total Cash and Investments
City/Library/Cemetery	\$7,244,457
Airport	526,914
WHNCP	14,144
Community Development	232,611
Water and Sewer Utility	9,298,425
Debt Service	<u>955,132</u>
 Total Funds on Hand	 <u><u>\$18,271,683</u></u>

ENTERPRISE FUNDS

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

	2021 Audited	2022 Audited	2023 Audited
Water			
Total Operating Revenues	\$2,425,040	\$2,601,513	\$2,721,347
Less: Operating Expenses	<u>(1,539,596)</u>	<u>(1,565,167)</u>	<u>(1,713,808)</u>
Operating Income	\$885,444	\$1,036,346	\$1,007,539
Plus: Depreciation	<u>550,695</u>	<u>544,182</u>	<u>560,589</u>
Revenues Available for Debt Service	<u><u>\$1,436,139</u></u>	<u><u>\$1,580,528</u></u>	<u><u>\$1,568,128</u></u>
Sewer			
Total Operating Revenues	\$2,483,897	\$2,923,881	\$2,818,846
Less: Operating Expenses	<u>(1,743,795)</u>	<u>(1,866,451)</u>	<u>(2,114,110)</u>
Operating Income	\$740,102	\$1,057,430	\$704,736
Plus: Depreciation	<u>589,111</u>	<u>587,138</u>	<u>630,230</u>
Revenues Available for Debt Service	<u><u>\$1,329,213</u></u>	<u><u>\$1,644,568</u></u>	<u><u>\$1,334,966</u></u>

SUMMARY GENERAL FUND INFORMATION

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

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Adopted Budget 1)
Revenues					
Taxes & special assessments	\$2,961,652	\$3,155,114	\$3,359,031	\$3,760,675	\$3,888,211
Intergovernmental	4,141,091	3,805,833	3,941,475	3,840,810	4,715,717
Licenses and permits	126,676	113,506	116,498	132,744	113,825
Fines and forfeitures	90,063	119,675	109,736	153,477	117,500
Public charges for services	626,714	758,377	898,432	921,780	700,318
Interest income	70,420	13,663	82,614	346,553	365,000
Loan repayments	12,565	12,565	12,565	12,565	12,565
Miscellaneous	164,111	193,409	188,773	259,215	113,120
Total Revenues	\$8,193,292	\$8,172,142	\$8,709,124	\$9,427,819	\$10,026,256
Expenditures					
Current:					
General government	\$1,267,083	\$1,369,451	\$1,420,199	\$1,518,046	\$1,637,729
Public safety	3,201,298	3,120,230	3,341,761	3,567,823	3,765,514
Public works	1,405,483	1,469,668	1,464,168	1,620,686	1,873,293
Health & social services	119,159	108,224	112,887	121,809	148,050
Leisure activities	1,686,423	1,822,845	1,900,970	2,082,897	2,209,719
Conservation and development	291,898	318,962	345,218	342,942	391,951
Capital outlay	40,535	38,242	39,900	0	0
Total Expenditures	\$8,011,879	\$8,247,622	\$8,625,103	\$9,254,203	\$10,026,256
Excess of revenues over (under) expenditures	\$181,413	(\$75,480)	\$84,021	\$173,616	\$0
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	\$711	\$43,864	\$4,681	\$74,314	
Transfers to other funds	(424,595)	(326,602)	(558,738)	(572,496)	
Transfers from other funds	47,158	0	42,000	12,805	
Transfers from utility-tax equivalent	421,440	428,674	408,856	394,520	
Total Other Financing Sources (Uses)	44,714	145,936	(103,201)	(90,857)	
Net changes in Fund Balances	\$226,127	\$70,456	(\$19,180)	\$82,759	
General Fund Balance January 1	\$4,333,911	\$4,560,038	\$4,630,494	\$4,611,314	
General Fund Balance December 31	\$4,560,038	\$4,630,494	\$4,611,314	\$4,694,073	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$418,349	\$491,187	\$545,589	\$586,113	
Restricted	413,451	458,412	460,718	546,781	
Assigned	433,910	626,081	580,656	1,012,914	
Unassigned	3,294,328	3,054,814	3,024,351	2,548,265	
Total	\$4,560,038	\$4,630,494	\$4,611,314	\$4,694,073	

¹⁾ The 2024 budget was adopted on November 28, 2023.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 11,836 and a current preliminary estimated population of 11,710 comprises an area of 6.14 square miles in Grant County in southwest Wisconsin.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
University of Wisconsin-Platteville	Education	941
Southwest Health Center Inc.	General Medical/Surgical Hospital	510
Wal-Mart	Retail	330
Heartland Healthcare	Skilled nursing care	250-299
School District of Platteville	Education	217
AVISTA, a Belcan Company	Software services	200
Hypro Inc.	Precision machining and fabrication	155
Menards	Retail home center	150
The City	Municipal government	114
Woodward Printing Services	Commercial printing/newspaper publication	80

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

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

BUILDING PERMITS

	2020	2021	2022	2023	2024 ¹
<u>New Single Family Homes</u>					
No. of building permits	3	12	1	12	0
Valuation	\$600,000	\$2,494,000	\$744,000	\$2,605,000	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	2	1	0	7	1
Valuation	\$695,791	\$620,000	\$0	\$1,627,500	\$175,000
<u>New Commercial/Industrial</u>					
No. of building permits	2	0	5	5	2
Valuation	\$367,400	\$0	\$9,219,485	\$7,051,865	\$618,000
<u>All Building Permits</u> (including additions and remodelings)					
No. of building permits	264	256	237	240	110
Valuation	\$14,245,374	\$11,302,521	\$17,760,486	\$19,201,320	\$3,198,523

Source: The City.

¹ As of July 31, 2024.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census Population	11,224
2020 U.S. Census Population	11,836
Percent of Change 2010 - 2020	5.45%
2024 Preliminary Estimated Population	11,710

Income and Age Statistics

	The City	Grant County	State of Wisconsin	United States
2022 per capita income	\$24,992	\$32,097	\$40,130	\$41,261
2022 median household income	\$46,554	\$63,497	\$72,458	\$75,149
2022 median family income	\$90,119	\$83,145	\$92,974	\$92,646
2022 median gross rent	\$872	\$795	\$992	\$1,268
2022 median value owner occupied units	\$175,200	\$173,400	\$231,400	\$281,900
2022 median age	22.9 yrs.	36.8 yrs.	39.9 yrs.	38.5 yrs.

	State of Wisconsin	United States
City % of 2022 per capita income	62.28%	60.57%
City % of 2022 median family income	96.93%	97.27%

Housing Statistics

	<u>The City</u>		
	2020	2022	Percent of Change
All Housing Units	4,423	4,401	-0.50%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Grant County	Grant County	State of Wisconsin
2020	26,099	5.3%	6.4%
2021	26,445	3.1%	3.9%
2022	26,326	2.7%	2.9%
2023 ¹	25,962	2.9%	3.0%
2024, July ¹	25,524	3.5%	3.3%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

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

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



CITY OF PLATTEVILLE, WISCONSIN
FINANCIAL STATEMENTS
Including Independent Auditor's Report
As of and for the year ended December 31, 2023

Johnson Block and Company, Inc.
Certified Public Accountants
2500 Business Park Road
Mineral Point, Wisconsin 53565
(608) 987-2206

CITY OF PLATTEVILLE, WISCONSIN
DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Platteville, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the 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 Platteville, Wisconsin ("City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023, 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 of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 general accepted auditing standards 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, a prior period adjustment was recorded as of January 1, 2023 in the Fire Facility Fund. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the Local Retiree Life Insurance Fund schedules, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios, and Wisconsin Retirement System schedules, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Platteville, Wisconsin's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules of insurance and other utility information, but does not include the basic financial statements and our auditor's 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.

Report on Summarized Comparative Information

We have previously audited the City's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated June 19, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue a report 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.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
June 25, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

On behalf of Platteville's management team, I am pleased to offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that can be found in our annual audit report issued by Johnson Block and Company, Inc. Copies may be obtained at the Municipal Building at 75 North Bonson St. or the City Web Site at www.platteville.org.

Financial Highlights

- The assets of the City of Platteville exceeded its liabilities as of December 31, 2023. The total net position of the City is categorized by investment in capital assets (i.e. land, buildings, infrastructure, machinery and equipment), net of related debt used to acquire these assets still outstanding, restricted net position (resources subject to external restrictions on how they may be used) and unrestricted net position (may be used to meet the City's ongoing obligations to citizens and creditors). Over the last two years, the following changes have occurred:

<u>Year</u>	<u>Net Position*</u>	<u>\$ Change (+/-)</u>
2023	\$78,127,220	\$ 1,648,252
2022	\$76,478,968	\$ 5,621,422

**see net position-pg 16*

- As of December 31, 2023, the City of Platteville's governmental activities reported total current assets of \$16,330,416 (page 15, Exhibit A-1). This compares to the prior year as follows:

<u>Year</u>	<u>Current Assets</u>	<u>\$ Change (+/-)</u>
2023	\$16,330,416	\$ 710,394
2022	\$15,620,022	\$ 295,543

About 54.44 percent of this total, or \$8,889,843 represents cash and investments.

- The City's general fund balance increased by \$82,759 from 2022 to 2023. In the past 2 years, changes have been as follows:

<u>Year</u>	<u>General Fund Bal.</u>	<u>% Change (+/-)</u>
2023	\$4,694,073	1.79%
2022	\$4,611,314	(0.41%)

**Exhibit A-3, Page 18*

- In 2023, the City's long-term obligations decreased by \$904,931, as compared to a decrease of \$1,562,201 during 2022 (page 49). General obligation bonds of \$1,730,000 and utility revenue bonds of \$1,833,706 were issued in 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an overview of the City of Platteville's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, this report contains supplementary information.

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

The *statement of net position (Exhibit A-1)* presents information on all of the City of Platteville's assets and liabilities, with the difference between the two reported as *net position (page 16)*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Platteville is improving or deteriorating.

The *statement of activities (Exhibit A-2)* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City of Platteville that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Platteville include general government, public safety, public works, community enrichment services, and conservation and development. The business-type activities of the City of Platteville include the Water and Wastewater Utility.

The government-wide financial statements include not only the City of Platteville itself (known as the *primary government*), but also a legally separate Housing Authority for which the City of Platteville is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself. A separate audited financial statement report is also issued for the Housing Authority.

The government-wide financial statements can be found on pages 15-17 of this report. Supplementary information is included starting on page 86.

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 Platteville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Platteville can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Platteville maintains several 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. Major categories include the General Fund, the Capital Projects Fund, and Neighborhood Investment.

The basic governmental fund financial statements can be found on pages 18-22 of this report.

Proprietary funds. Proprietary funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Platteville Water and Sewer Utility, which is considered to be a major fund of the City of Platteville.

The basic proprietary fund financial statements can be found on pages 23-27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Platteville's programs. The fiduciary fund maintained by the City of Platteville is the Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of Platteville.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-77 of this report.

Other information. In addition to the basic financial statements and accompanying notes, *required supplementary information* presents a detailed budgetary comparison schedule for the General Fund, information on the Wisconsin Retirement System pension plan, and information on the City's OPEB plans for the Local Retiree Insurance Fund and retiree health insurance. The budgetary comparison schedules, Wisconsin Retirement System Schedules, and OPEB Schedules are on pages 78-85. The budgetary comparison schedules demonstrate compliance with the budget and complements the statement included in the basic governmental fund financial statements. The Wisconsin Retirement System, Local Retiree Life Insurance Fund, and retiree health insurance schedules present 10-year plan trend information.

The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds is presented immediately following the required supplementary information. Individual fund statements and schedules can be found on pages 86-89 of this report.

Government-wide Financial Analysis

Changes in net position can serve as a useful indicator of a government's financial position over time. In the case of the City of Platteville, assets and deferred outflows of resources exceeded liabilities and deferred inflow of resources by \$76,478,968 at the close of 2022, which increased to \$78,127,220 at the end of 2023.

TABLE 1: CITY OF PLATTEVILLE'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current/other assets	\$ 18,332,793	\$ 19,714,519	\$ 11,210,359	\$ 10,526,052	\$ 29,543,152	\$ 30,240,571
Capital Assets	58,295,938	58,550,123	40,275,846	39,281,428	98,571,784	97,831,551
Total Assets	\$ 76,628,731	\$ 78,264,642	\$ 51,486,205	\$ 49,807,480	\$128,114,936	\$128,072,122
Deferred outflows of resources	\$ 5,413,727	\$ 4,335,681	\$ 1,143,957	\$ 916,737	\$ 6,557,684	\$ 5,252,418
Current Liabilities	\$ 5,457,885	\$ 5,123,268	\$ 1,701,502	\$ 1,651,385	\$ 7,159,387	\$ 6,774,653
Other Liabilities	19,164,395	18,763,859	18,355,184	17,607,631	37,519,579	36,371,490
Total Liabilities	\$ 24,622,280	\$ 23,887,127	\$ 20,056,686	\$ 19,259,016	\$ 44,678,966	\$ 43,146,143
Deferred inflows of resources	\$ 11,047,046	\$ 12,534,513	\$ 819,388	\$ 1,164,916	\$ 11,866,434	\$ 13,699,429
Net Position:						
Net investment						
In capital assets	\$ 42,414,447	\$ 41,289,961	\$ 21,373,192	\$ 21,390,371	\$ 63,787,639	\$ 62,680,332
Restricted	3,369,031	4,553,237	6,072,330	5,619,482	9,441,361	10,172,719
Unrestricted	589,654	335,485	4,308,566	3,290,432	4,898,220	3,625,917
Total Net Position	\$ 46,373,132	\$ 46,178,683	\$ 31,754,088	\$ 30,300,285	\$ 78,127,220	\$ 76,478,968

Source: Rows 1-3 Exhibit A-1 page 15, Rows 4-6 page 16, Rows 7-10 page 16

The largest portion of the City of Platteville's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related outstanding debt against those assets (approximately 82 percent). The City uses these capital assets to provide services to citizens; subsequently these assets are not available for future spending. Although Platteville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must come from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Platteville's net position (approximately 12 percent) represents resources that are subject to external restrictions on how they may be used. Any remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

Governmental Activities. Governmental activities have the potential to increase or decrease the City's net position during the course of the year. The following chart establishes baseline numbers for comparison in future years.

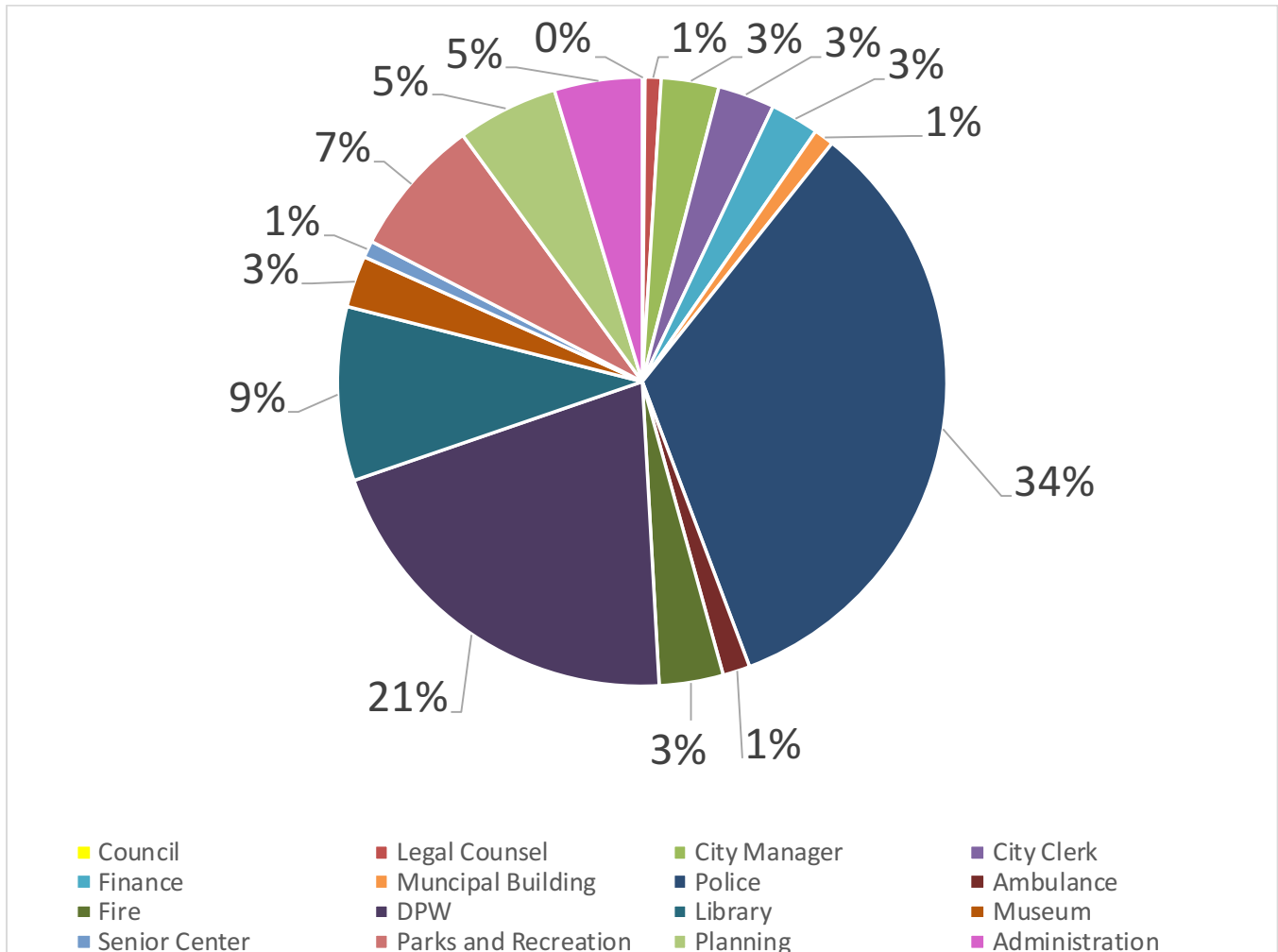
TABLE 2: CITY OF PLATTEVILLE'S PRIMARY GOVERNMENT STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Service	\$ 2,036,922	\$ 2,018,164	\$ 5,540,193	\$ 5,525,394	\$ 7,577,115	\$ 7,543,558
Operating grants and contributions	2,284,621	1,931,199			2,284,621	1,931,199
Capital grants and contributions	5,239,793	4,278,977	182,611		5,422,404	4,278,977
Property taxes	6,940,871	6,791,673			6,940,871	6,791,673
Other taxes	345,721	327,798			345,721	327,798
Intergovernmental rev's not restricted to specific programs	2,673,706	2,666,364			2,673,706	2,666,364
Investment income	409,661	120,722	361,993	102,570	771,654	223,292
Other	50,446	(105,516)	13,360	(13,318)	63,806	(92,198)
Total revenues	19,981,741	18,029,381	6,098,157	5,614,646	26,079,898	23,670,663
Expenses						
General Gov't	1,829,176	1,509,796			1,563,285	1,509,796
Public safety	4,103,594	3,294,399			4,183,844	3,294,399
Public works	6,259,969	5,413,000			6,593,396	5,413,000
Hlth & Hum Serv.	115,441	111,414			126,781	111,414
Leisure Activities	2,591,895	2,318,834			2,529,175	2,318,834
Conservation and Development	4,516,593	878,807			4,503,949	878,807
Interest and Fiscal Charges	582,168	586,340			582,168	586,340
Water and Sewer			4,366,805	3,936,651	4,291,338	3,936,651
Total expenses	19,998,836	14,112,590	4,366,805	3,936,651	24,373,936	18,049,241
Incr.(Decr.) in net position before Transfers	(17,095)	3,916,791	1,731,352	1,704,631	1,714,257	5,621,422
Transfers	277,549	394,520	(277,549)	(394,520)		
Incr.(Decr.) in net position	260,454	4,311,311	1,453,803	1,310,111	1,714,257	5,621,422
Net position – beginning of year	46,178,683	41,867,372	30,300,285	28,990,174	76,478,968	70,857,546
Adjustments to net position	(66,005)				(66,005)	
Adjusted net position	46,112,678		30,300,285		76,412,963	
Net position – end of year	\$ 46,373,132	\$ 46,178,683	\$ 31,754,088	\$ 30,300,285	\$ 78,127,220	\$ 76,478,968

Source: Exhibit A-2, Page 17

General Government expenses increased by \$319,380, or 21.2% from 2022. Public Safety expenses increased by \$809,195, or 24.6% from 2022. Public works expenditures increased by \$846,969, or 15.6% from 2022. Health and Human Services expenses increased by \$4,027, or 3.6% from 2022. Leisure expenses increased by \$273,061, or 11.8% from 2022. Conservation and development expenses increased by \$3,637,786, or 413.9% from 2022.

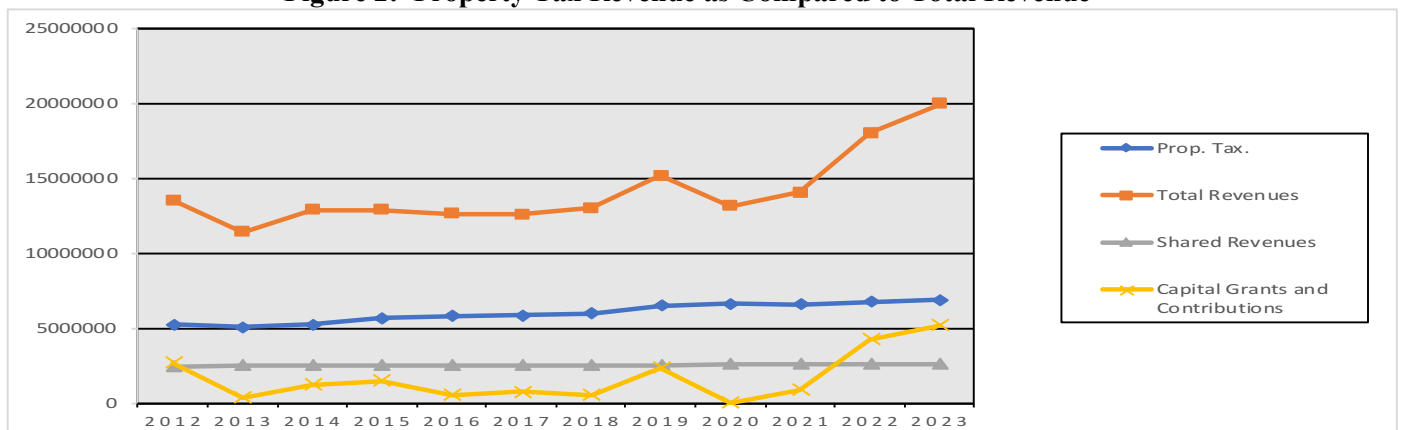
Figure 1: Municipal Expenditures by Major Department as a Percentage Share of Total 2023 Budget



Source: City of Platteville 2023 Budget

In recent years, property taxes have been the largest revenue source for governmental activities, with state shared revenue providing the second largest funding source. However in 2023, capital grants and contributions provided the second largest funding source mainly due to the City receiving a pass-through grant for approximately \$3,450,000 for construction of a domestic abuse shelter and about \$590,000 in ARPA funding, and other capital grants. Property taxes accounted for approximately 37.7% of total revenues in 2022, and 34.7% in 2023.

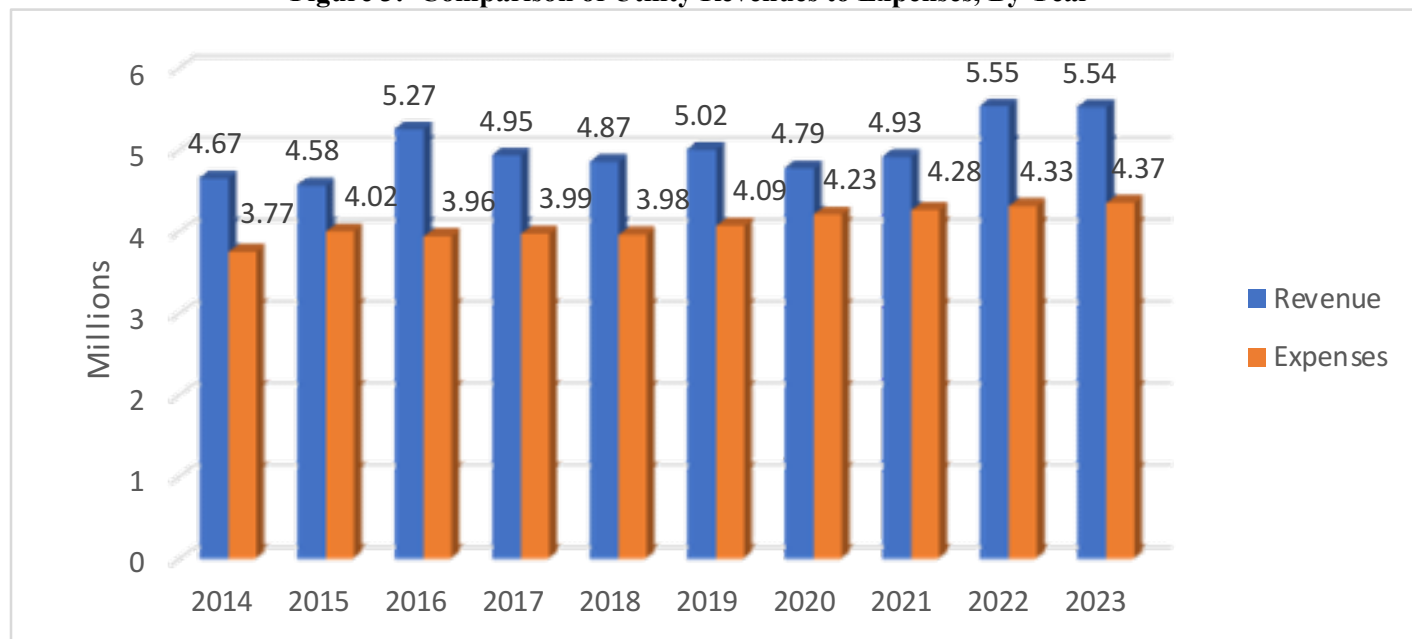
Figure 2: Property Tax Revenue as Compared to Total Revenue



Business-type activities (Proprietary Funds).

In 2023, net position in the proprietary funds increased by \$1,453,803. This compares to a \$1,310,111 increase in 2022. Major water and sewer line replacements and improvements and upgrades to the utility's facilities increased net position. The Platteville Water and Wastewater Utility is fairly unique in that it is a combined utility. While rates are established separately for water and sewer, revenues and expenses are combined into a single operating unit. Rates are monitored and set according to the policies of the Wisconsin Public Service Commission. In 2020, the PSC approved deregulation of the Wastewater Utility. A sewer rate increase took effect on September 1, 2021. The PSC approved a water rate that took effect on April 15, 2022.

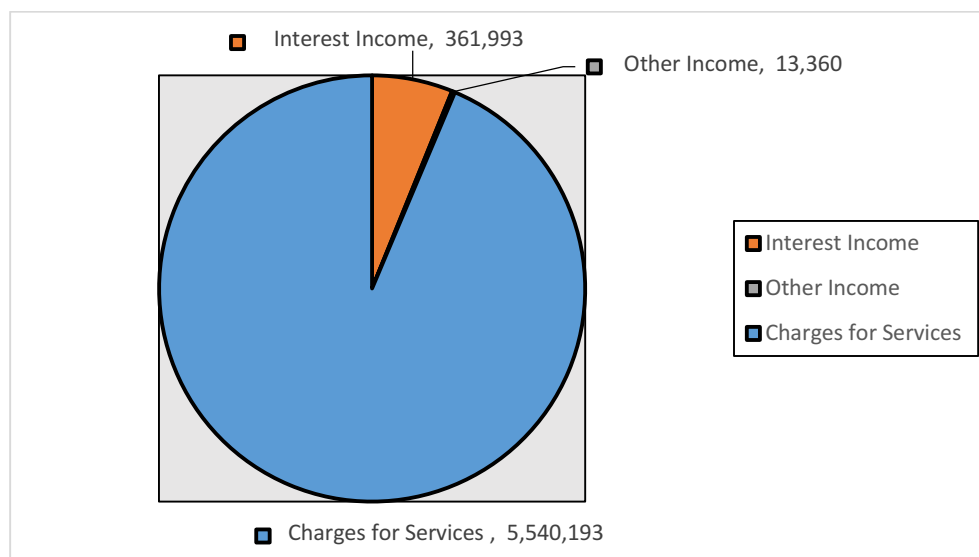
Figure 3: Comparison of Utility Revenues to Expenses, By Year



Source: Exhibit A-2, Page 17

As shown on the following chart, the revenues of the Platteville Water and Wastewater Utility consisted primarily of charges for services (operating revenues). Any investment income and miscellaneous revenues are not identified specifically to an individual program but to the fund as a whole.

Figure 4: Revenues by Source - Business-type Activities



Source: Exhibit A-2, Page 17

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Platteville's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Platteville's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Please note that major funds may change from year to year depending on whether the fund meets the definition of major fund for the year or established by governmental standards.

Over the last 2 years, the governmental funds have reported the following balances (*Exhibit A-5, page 20*):

<u>Year</u>	<u>Governmental Fund Balance as of year-end</u>	<u>\$ Change (+/-)</u>
2023	\$6,140,047	\$ (78,614)
2022	\$6,218,661	\$ (417,019)

The fund balance gives the overall total funds, and includes positive and negative balances in individual allocations. This is a useful tool for examining the fiscal changes in the City's major funds, which may otherwise be masked by being included in totals.

The *General Fund* is the main operating fund of the City of Platteville. In the past two years this fund has seen the following changes (*Exhibit A-5, page 20*):

<u>Year</u>	<u>General Fund Balance as of year-end</u>	<u>\$ Change (+/-)</u>
2023	\$4,694,073	\$ 82,759
2022	\$4,611,314	\$ (19,180)

The balance in the general fund accounts for 76% of the overall governmental funds balance.

The *Capital Projects Fund* provides funding for capital projects of the City of Platteville or other unique expenditures, which are not normal operating or maintenance type expenditures reportable within the general fund or other governmental funds (example-large equipment acquisition). The total fund balance as of December 31, 2023 was \$758,432. This is an increase of \$260,908 from 2022 (*Exhibit A-5, page 20*). In 2023, the City issued \$1,455,000 in bonds.

Proprietary fund. The City of Platteville's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the Water and Wastewater Utility at the end of 2023 amounted to \$31,754,088, up \$1,453,803 from the year before. The financial statements and a statement of cash flows for the enterprise funds can be found on pages 23-27 of this report.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor. Actual revenue exceeded budget by \$605,243. Actual expenditures were less than the budget by \$230,167.

Capital Asset and Debt Administration

Capital assets- The City of Platteville's investment in capital assets for its governmental and business type activities is considerable. Recent changes are as follows (*Notes to Financial Statements-Page 47-48*):

<u>Year</u>	<u>Capital Assets</u>	<u>\$ Change (+/-)</u>
2023	\$98,571,784	\$ 740,233
2022	\$97,831,551	\$ 4,316,017

Capital assets include land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress.

TABLE 3: CITY OF PLATTEVILLE'S GOVERNMENTAL CAPITAL ASSETS

	Governmental Activities		Business Activities		Total	
	2023	2022	2022	2022	2023	2022
Land**	\$ 3,558,698	\$ 3,558,698	\$	\$	\$ 3,558,698	\$ 3,558,698
Land improvements	4,486,503	3,646,500			4,486,503	3,646,500
Buildings and improvements	10,816,669	10,445,379			10,816,669	10,445,379
Machinery and Equipment	6,173,400	6,272,962			6,173,400	6,272,962
Vehicles	5,027,060	4,892,209			5,027,060	4,892,209
Infrastructure	70,528,551	69,492,901			70,528,551	69,492,901
Intangible Plant			8,978	8,978	8,978	8,978
Land & Land Rights			40,438	40,438	40,438	40,438
Const. in Progress	3,243,863	3,354,113	605,409	307,933	3,849,272	3,662,046
Water:						
Source of supply			1,349,323	1,349,323	1,349,323	1,349,323
Pumping			2,425,291	2,425,291	2,425,291	2,425,291
Water treatment			1,413,694	1,413,694	1,413,694	1,413,694
Transmis. & Distr.			22,559,854	22,252,821	22,559,854	22,252,821
General plant			874,588	816,612	874,588	816,612
Sewer:						
Collection system			19,182,955	18,668,164	19,182,955	18,668,164
Treatment and disp.			11,821,483	11,297,934	11,821,483	11,297,934
General plant			1,170,134	1,108,503	1,170,134	1,108,503
Total capital assets	103,834,744	101,662,762	61,452,147	59,689,691	165,286,891	161,352,453
Less accumulated depreciation	(45,538,806)	(43,112,639)	(21,176,301)	(20,408,263)	(66,715,107)	(63,520,902)
Capital assets net of depreciation	\$ 58,295,938	\$ 58,550,123	\$ 40,275,846	\$ 39,281,428	\$ 98,571,784	\$ 97,831,551

Source: Notes to the Basic Financial Statements-Note 4, pages 47-48

**Note that land is not depreciated.

The total decrease in the City of Platteville's governmental-type activities capital assets totals (\$254,185) net of depreciation, or a 0.43% decrease. Depreciation on these assets was \$3,468,508.

In Business Type Activities, the biggest gains have been seen in the investment into the water distribution and sewer collection and treatment systems. The water transmission and distribution plant had additions of \$384,907. The sewer collection system and sewer treatment and disposal had additions of \$560,597 and \$869,403, respectively.

Long-term debt. At the end of 2023, the City of Platteville had total bonded debt outstanding of \$18,723,338 entirely backed by the full faith and credit of the government (general obligation bonds).

The City of Platteville issued general obligation debt in 2023, in the amount of \$1,730,000 to pay the cost of street and storm water improvement projects. The City issued \$1,833,706 of Utility Revenue Bonds for improvements to water and wastewater infrastructure.

TABLE 4: CITY OF PLATTEVILLE OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
G.O. debt	\$18,723,338	\$19,450,099	\$	\$	\$18,723,338	\$19,450,099
Revenue Bonds –						
Utility			18,966,435	18,388,213	18,966,435	18,388,213
Tax Increment	568,499	992,055			568,498	992,055
Other Long-term liabilities	569,202	452,835	107,967	116,588	677,169	569,423
Total	\$19,861,039	\$20,894,989	\$19,074,402	\$18,504,801	\$38,935,440	\$39,399,790

Source: Notes to the Basic Financial Statements, Note 5, pages 49-52

The City of Platteville maintains an "AA-" rating from Standards and Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The debt limitation as of 12/31/23 for the City of Platteville was \$48,910,830 which significantly exceeds the City of Platteville's current outstanding general obligation debt. As of December 31, 2023, the City of Platteville's outstanding general obligation debt equaled 38.3 percent of the state authorized debt limit.

The Platteville Water and Wastewater Utility generally have used borrowed funds for capital improvements. A replacement fund that was established as part of the 1982 bond issue will be continued voluntarily, and proceeds from it are used to pay for allowable costs of maintenance and improvement. This allows the utility to undertake larger projects while reducing debt load.

Additional information of the City of Platteville's long-term debt can be found in note 5 beginning on page 49.

Economic Factors and Next Year's Budgets and Rates

- In early 2020, a novel strain of coronavirus (COVID-19) spread throughout the world, including in the United States and Wisconsin. The City proactively monitored changes to revenues and expenditures in 2020 and took measures to restrain spending where possible. In 2021 and 2022 the City received funding support through various programs including the Coronavirus Aid, Relief and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA), which continued to be expended in 2023.
- The unemployment rate as of December 2023, for Grant County, which includes the City of Platteville, was 2.5 percent. This compares to a rate of 3.3 percent for the State of Wisconsin. (*Source: Dept of Workforce Development*)
- The rate of inflation for 2023 was 3.4 percent before seasonal adjustment. The equalized tax rate for taxes collected for 2024 operations (2023 tax bill) decreased from 6.81 to 5.97 per thousand of equalized valuation. The taxes to be collected decreased by 2.2 percent.

Requests for Information. This financial report is designed to provide a general overview of the City of Platteville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Administration Director or the Office of the City Manager, 75 N. Bonson Street, PO Box 780, Platteville, WI 53818. General information relating to the City of Platteville, Wisconsin, can be found at the City's website, <http://www.platteville.org>.

BASIC FINANCIAL STATEMENTS

Exhibit A-1
City of Platteville, Wisconsin
Statement of Net Position
December 31, 2023
(With summarized financial information as of December 31, 2022)

	Governmental Activities	Business-Type Activities	Total Governmental and Business-Type activities		Component Unit Housing Authority	
			2023	2022	2023	2022
ASSETS						
Current assets:						
Cash and investments	\$ 8,889,843	\$ 3,943,965	\$ 12,833,808	\$ 10,152,420	\$ 66,762	\$ 49,785
Receivables:						
Taxes	5,752,392		5,752,392	5,184,346		
Customer		820,565	820,565	821,825		
Leases		47,495	47,495	44,745		
Due from other governmental units	1,172,666		1,172,666	2,584,538		
Other	245,307	10,913	256,220	580,231	13,751	9,895
Special assessments	27,473		27,473	24,835		
Prepaid expenses	124,175	24,457	148,632	174,402	115	268
Internal balances	89,374	(89,374)				
Inventory	29,186	56,704	85,890	86,752		
Total current assets	16,330,416	4,814,725	21,145,141	19,654,094	80,628	59,948
Noncurrent assets:						
Restricted assets:						
Net pension asset				2,494,984		
Cash and investments	45,867	6,275,207	6,321,074	6,011,397	17,348	23,766
Lease receivable		120,427	120,427	167,922		
Other assets:						
Mortgages receivable	1,434,041		1,434,041	1,406,701		
Loans receivable	522,469		522,469	505,473		
Capital assets:	103,834,744	61,452,147	165,286,891	161,352,453		
Less: accumulated depreciation	45,538,806	21,176,301	66,715,107	63,520,902		
Net book value of capital assets	58,295,938	40,275,846	98,571,784	97,831,551		
Total noncurrent assets	60,298,315	46,671,480	106,969,795	108,418,028	17,348	23,766
Total assets	76,628,731	51,486,205	128,114,936	128,072,122	97,976	83,714
DEFERRED OUTFLOWS OF RESOURCES						
Deferred pension outflows	5,257,724	892,380	6,150,104	4,864,534		
OPEB - group life insurance plan outflows	92,225	35,776	128,001	135,561		
OPEB - City health insurance plan outflows	63,778	11,912	75,690	90,614		
Unamortized major repairs		117,319	117,319	64,527		
Unamortized deferral on advance refunding		86,570	86,570	97,182		
Total deferred outflows of resources	5,413,727	1,143,957	6,557,684	5,252,418		
Total assets and deferred outflows of resources	\$ 82,042,458	\$ 52,630,162	\$ 134,672,620	\$ 133,324,540	\$ 97,976	\$ 83,714

Exhibit A-1 (Continued)
City of Platteville, Wisconsin
Statement of Net Position
December 31, 2023

(With summarized financial information as of December 31, 2022)

	Governmental Activities	Business-Type Activities	Total Governmental and Business-Type activities		Component Unit Housing Authority	
			2023	2022	2023	2022
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 1,861,540	\$ 235,181	\$ 2,096,721	\$ 1,273,397	\$ 610	\$ 537
Accrued wages	130,951	27,422	158,373	112,296	2,933	2,282
Accrued interest	176,307		176,307	166,353		
Unearned revenue	279,583		279,583	803,529		
Current portion of:						
Long-term debt	2,803,181		2,803,181	2,811,017		
Compensated absences	205,398	46,363	251,761	265,454		
Deposits	925		925	925		
Total current liabilities	5,457,885	308,966	5,766,851	5,432,971	3,543	2,819
Current liabilities payable from restricted assets:						
Accrued interest		68,786	68,786	86,199		
Current portion of revenue bonds		1,323,750	1,323,750	1,255,483		
Total current liabilities payable from restricted assets		1,392,536	1,392,536	1,341,682		
Noncurrent liabilities:						
General obligation debt	18,723,338		18,723,338	19,450,099		
Tax increment revenue bonds	568,499		568,499	922,055		
Water and sewer revenue bonds		18,966,435	18,966,435	18,388,213		
Unamortized bond premium	299,923	225,666	525,589	400,784		
Net pension liability	1,405,582	238,566	1,644,148			
OPEB - group life insurance plan	208,517	80,889	289,406	424,229		
OPEB - City health insurance plan	397,913	105,774	503,687	548,641		
Compensated absences	569,202	107,967	677,169	569,423		
Less current portion of long-term debt	(3,008,579)	(1,370,113)	(4,378,692)	(4,331,954)		
Total noncurrent liabilities	19,164,395	18,355,184	37,519,579	36,371,490		
Total liabilities	24,622,280	20,056,686	44,678,966	43,146,143	3,543	2,819
DEFERRED INFLOWS OF RESOURCES						
Deferred pension inflows	2,948,124	500,377	3,448,501	5,877,989		
OPEB - group life insurance plan inflows	174,785	67,804	242,589	99,672		
OPEB - City health insurance plan inflows	339,454	90,235	429,689	390,713		
Deferred revenue	7,584,683		7,584,683	7,121,205		
Leases		160,972	160,972	209,850		
Total deferred inflows of resources	11,047,046	819,388	11,866,434	13,699,429		
NET POSITION						
Net investment in capital assets	42,414,447	21,373,192	63,787,639	62,680,332		
Restricted for:						
Redevelopment authority	286,279		286,279	283,682		
Housing conservation	85,677		85,677	85,268		
Donor specified	488,997		488,997	413,544		
Community development receivables	1,470,803		1,470,803	1,466,740		
Perpetual care	555,517		555,517	542,106		
Taxi/bus	248,437		248,437	231,981		
TIF expenditures	45,867		45,867	43,623		
Debt service	45,480		45,480			
Affordable housing	70,229		70,229	123,201		
Other	71,745		71,745	93,125		
Debt service - revenue bond funds		2,323,982	2,323,982	2,066,910		
Equipment replacement		3,748,348	3,748,348	3,341,010		
Net pension asset				1,481,529		
Housing assistance payments					17,348	23,766
Unrestricted	589,654	4,308,566	4,898,220	3,625,917	77,085	57,129
Total net position	46,373,132	31,754,088	78,127,220	76,478,968	94,433	80,895
Total liabilities, deferred inflows of resources, and net position	\$ 82,042,458	\$ 52,630,162	\$ 134,672,620	\$ 133,324,540	\$ 97,976	\$ 83,714

The notes to the basic financial statements are an integral part of this statement.

Exhibit A-2

City of Platteville, Wisconsin

Statement of Activities

For the Year Ended December 31, 2023

(With summarized financial information for the year ended December 31, 2022)

Functions/Programs	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Totals	
					2023	2022
Primary Government:						
Governmental activities:						
General government	\$ 1,829,176	\$ 38,311	\$ 4,760	\$	\$ (1,786,105)	\$ (1,467,762)
Public safety	4,103,594	666,886	225,237	2,500	(3,208,971)	(2,312,081)
Public works	6,259,969	986,862	1,342,568	1,293,160	(2,637,379)	(1,370,982)
Health and human services	115,441	46,065	4,741		(64,635)	(4,935)
Leisure activities	2,591,895	283,822	441,199	437,495	(1,429,379)	579,527
Conservation and development	4,516,593	14,976	266,116	3,506,638	(728,863)	(721,677)
Interest, issuance costs, and fiscal charges	582,168				(582,168)	(586,340)
Total governmental activities	19,998,836	2,036,922	2,284,621	5,239,793	(10,437,500)	(5,884,250)
Business-type activities:						
Water and sewer	4,366,805	5,540,193		182,611	1,355,999	1,588,743
Total business-type activities	4,366,805	5,540,193		182,611	1,355,999	1,588,743
Total primary government	\$ 24,365,641	\$ 7,577,115	\$ 2,284,621	\$ 5,422,404	(10,437,500)	(4,295,507)
Component Unit:						
Housing Authority	590,679		604,032			13,353
Total component unit	590,679		604,032			20,311
General revenues and transfers:						
Property taxes						
General purposes					3,509,078	3,263,926
Debt service					1,650,566	1,599,054
Tax increments					1,781,227	1,928,693
Other taxes					345,721	327,798
Federal and State aid not restricted for specific purposes						
General					2,673,706	2,666,364
Interest and investment earnings					409,661	223,292
(Loss) on sale/disposal of capital assets					(67,755)	(155,718)
Miscellaneous					118,201	63,520
Transfers					277,549	(277,549)
Total general revenues and transfers					10,697,954	9,916,929
Changes in net position					260,454	1,714,257
Net position - beginning, as previously stated					46,178,683	76,478,968
Prior period adjustments					(66,005)	(66,005)
Net position - beginning of year, restated					46,112,678	76,412,963
Net position - end of year					\$ 46,373,132	\$ 78,127,220
					\$ 76,478,968	\$ 80,895

The notes to the basic financial statements are an integral part of this statement.

Exhibit A-3
City of Platteville, Wisconsin
Balance Sheet
Governmental Funds
December 31, 2023
(With summarized financial information as of December 31, 2022)

	General	Capital Projects	Neighborhood Investment	Other Governmental Funds	Total Governmental Funds	
					2023	2022
ASSETS						
Cash and investments	\$ 5,570,098	\$ 920,473	\$	\$ 2,399,272	\$ 8,889,843	\$ 6,938,593
Restricted cash and investments				45,867	45,867	43,623
Receivables:						
Taxes	3,979,671			1,772,721	5,752,392	5,184,346
Other accounts	169,100	58,154		18,053	245,307	571,574
Other governments	107,681	116,879	748,340	199,766	1,172,666	2,584,538
Special assessments	27,473				27,473	24,835
Mortgages				1,434,041	1,434,041	1,406,701
Loans	210,031			312,438	522,469	505,473
Prepaid expenses	124,175				124,175	150,485
Inventory				29,186	29,186	49,276
Due from other funds	498,686			30,000	528,686	1,824,751
Advances to other funds	391,598				391,598	378,724
Total assets	\$ 11,078,513	\$ 1,095,506	\$ 748,340	\$ 6,241,344	\$ 19,163,703	\$ 19,662,919
LIABILITIES						
Accounts payable	\$ 420,090	\$ 307,074	\$ 748,340	\$ 386,036	\$ 1,861,540	\$ 1,027,988
Accrued payroll	130,851			100	130,951	96,817
Due to other funds	24,322	30,000		120,132	174,454	1,443,518
Advances from other funds				656,456	656,456	643,582
Unearned revenue	395			279,188	279,583	803,529
Deposits	925				925	925
Total liabilities	576,583	337,074	748,340	1,441,912	3,103,909	4,016,359
DEFERRED INFLOWS OF RESOURCES						
Deferred revenues	5,807,857			4,111,890	9,919,747	9,427,899
FUND BALANCES						
Nonspendable	586,113			29,186	615,299	632,365
Restricted	546,781	758,432		1,685,292	2,990,505	2,745,471
Assigned	1,012,914				1,012,914	580,656
Unassigned (deficit)	2,548,265			(1,026,936)	1,521,329	2,260,169
Total fund balance	4,694,073	758,432		687,542	6,140,047	6,218,661
Total liabilities, deferred inflow of resources and fund balance	\$ 11,078,513	\$ 1,095,506	\$ 748,340	\$ 6,241,344	\$ 19,163,703	\$ 19,662,919

Exhibit A-4
City of Platteville, Wisconsin
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2023
(With summarized financial information as of December 31, 2022)

	2023		2022
Total fund balances-governmental funds:	\$ 6,140,047		\$ 6,218,661
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 fund statements. Amounts reported for governmental activities in the statement of net position:			
Governmental capital asset	103,834,744		101,662,762
Governmental accumulated depreciation	<u>(45,538,806)</u>	58,295,938	<u>(43,112,639)</u> 58,550,123
The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements			2,138,700
Pension and OPEB deferred outflows and inflows of resources are actuarially determined by the plans. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.			
Deferred outflows of resources	5,413,727		4,335,681
Deferred inflows of resources	(3,462,363)		(5,413,308)
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred inflows for the fund statements.			
Long-term notes and loans	1,956,510		1,912,174
Subsequent year tax equivalent from utility	378,554		394,520
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:			
Bonds and notes payable	(18,723,338)		(19,450,099)
Tax increment revenue bonds	(568,499)		(922,055)
Bond premium	(299,923)		(240,904)
Accrued interest	(176,307)		(166,353)
Net pension liability	(1,405,582)		
OPEB - group life insurance plan	(208,517)		(297,682)
OPEB - City health insurance plan	(397,913)		(427,940)
Compensated absences	<u>(569,202)</u>		<u>(452,835)</u>
Net position of governmental activities	<u>\$ 46,373,132</u>		<u>\$ 46,178,683</u>

Exhibit A-5
City of Platteville, Wisconsin
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	General	Capital Projects	Neighborhood Investment	Other Governmental Funds	Total Governmental Funds	
					2023	2022
REVENUES						
Taxes	\$ 3,754,799	\$ 100,000	\$	\$ 3,431,792	\$ 7,286,591	\$ 7,119,472
Special assessments	5,876				5,876	8,942
Intergovernmental	3,840,810	368,095	3,452,917	1,491,478	9,153,300	7,033,943
Licenses and permits	132,744				132,744	116,498
Fines and forfeitures	153,477			1,402	154,879	109,736
Public charges for services	921,780	118,377		760,962	1,801,119	1,843,735
Interest income	346,553			63,108	409,661	120,846
Loan repayments	12,565			35,393	47,958	42,762
Miscellaneous	259,215	230,724		18,038	507,977	404,314
Total revenues	9,427,819	817,196	3,452,917	5,802,173	19,500,105	16,800,248
EXPENDITURES						
Current:						
General government	1,518,046				1,518,046	1,420,199
Public safety	3,567,823				3,567,823	3,341,761
Public works	1,620,686			1,165,244	2,785,930	2,625,637
Health and social services	121,809				121,809	112,887
Leisure activities	2,082,897			28,200	2,111,097	1,920,317
Conservation and development	342,942			642,505	985,447	794,065
Capital outlay		2,961,857	3,452,917	778,964	7,193,738	5,291,172
Debt service:						
Principal retirement				2,810,317	2,810,317	2,888,176
Interest and fiscal charges				536,043	536,043	561,564
Debt issuance costs		52,251		17,887	70,138	53,609
Total expenditures	9,254,203	3,014,108	3,452,917	5,979,160	21,700,388	19,009,387
Excess (deficiency) of revenues over expenditures	173,616	(2,196,912)		(176,987)	(2,200,283)	(2,209,139)
OTHER FINANCING SOURCES (USES)						
Long-term debt proceeds		1,455,000		275,000	1,730,000	1,325,000
Debt premium				89,295	89,295	
Proceeds from sale of capital assets	74,314			550	74,864	58,264
Transfer to other funds	(572,496)	(42,805)		(1,112,959)	(1,728,260)	(1,562,325)
Transfer from other funds	12,805	1,045,625		568,825	1,627,255	1,562,325
Transfer from utility-tax equivalent	394,520				394,520	408,856
Total other financing sources (uses)	(90,857)	2,457,820		(179,289)	2,187,674	1,792,120
Net change in fund balances	82,759	260,908		(356,276)	(12,609)	(417,019)
Fund balance - beginning, as previously stated	4,611,314	497,524		1,109,823	6,218,661	6,635,680
Prior period adjustments				(66,005)	(66,005)	
Fund balance - beginning of year, restated	4,611,314	497,524		1,043,818	6,152,656	6,635,680
Fund balance - end of year	\$ 4,694,073	\$ 758,432	\$	\$ 687,542	\$ 6,140,047	\$ 6,218,661

Exhibit A-6
City of Platteville, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	2023	2022
Net change in fund balances-total governmental funds	\$ (12,609)	\$ (417,019)
Amounts reported for governmental activities in the statement of activities are different because:		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.		
Capital outlay reported in governmental fund statements	3,356,942	6,623,339
Depreciation expenses reported in the statement of activities	<u>(3,468,508)</u>	<u>(3,449,814)</u>
Amount by which capital outlays are greater (less) than depreciation in the current period	(111,566)	3,173,525
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, and disposals) is to increase/decrease net position:	(142,619)	(396,482)
Compensated absences and OPEB are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year.		
Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources	(18,578)	(22,150)
Change in OPEB - City health insurance plan liability and related deferred outflows and inflows of resources	(11,572)	(32,780)
Change in compensated absences	(116,367)	(29,578)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities		
The amount of long-term debt principal payments in the current year is:	2,810,317	2,888,175
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds but does not affect the statement of activities		
	(1,730,000)	(1,325,000)
Repayments of economic development loans receivable are reflected as revenue in governmental funds, but are reported as a reduction of notes receivable in the statement of net position and does not affect the statement of activities		
	(36,632)	(31,401)
Additional economic development loans are reflected as expenditures in governmental funds, but are reported as additions to loans receivable in the statement of net position and does not affect the statement of activities		
	80,968	

Exhibit A-6 (Continued)
City of Platteville, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Debt premiums are reported in the governmental funds as revenues when those amounts are received. However, the premium is shown in the statement of net position and allocated over the life of the debt issue as amortization expense in the statement of activities		
Amount of debt premium amortized in the current year	30,276	28,604
Amount of debt premium received in the current year	(89,295)	
In governmental funds, the current year utility tax equivalent is deferred and recognized as revenue in the subsequent year. In the statement of activities, this amount is recognized as a transfer in the year accrued.		
Prior year utility tax equivalent recognized as revenue in current year in the governmental funds	(394,520)	(408,856)
Current year utility tax equivalent recognized as a transfer in for the statement of activities	<u>378,554</u>	<u>394,520</u>
	(15,966)	(14,336)
In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.		
The amount of interest paid during the current period	534,344	559,839
The amount of interest accrued during the current period	<u>(544,298)</u>	<u>(563,263)</u>
Interest paid is greater (less) than interest expensed by	(9,954)	(3,424)
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan.		
Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.		
Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments	<u>(365,949)</u>	<u>493,177</u>
Change in net position-governmental activities	<u>\$ 260,454</u>	<u>\$ 4,311,311</u>

Exhibit A-7
City of Platteville, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023

(With summarized financial information as of December 31, 2022)

	Water and Sewer Utility	
	2023	2022
ASSETS		
Current assets:		
Cash	\$ 3,943,765	\$ 3,213,627
Petty cash	200	200
Customer accounts receivable	820,565	821,825
Other accounts receivable	10,913	8,657
Due from other funds	24,322	13,287
Prepaid expenses	24,457	23,917
Current portion of lease receivable	47,495	44,745
Inventories	56,704	37,476
Total current assets	4,928,421	4,163,734
Noncurrent assets:		
Restricted assets:		
Net pension asset		356,284
Cash and investments:		
Bond proceeds - unspent	202,877	559,854
Replacement fund	3,748,348	3,341,010
Depreciation fund	912,887	868,235
Debt reserve fund	1,411,095	1,198,675
Lease receivable	120,427	167,922
Total restricted assets	6,395,634	6,491,980
Capital assets:		
Property and plant	61,452,147	59,689,691
Less: accumulated provision for depreciation	21,176,301	20,408,263
Net property and plant	40,275,846	39,281,428
Other assets:		
Advances due from other funds	264,858	264,858
Total noncurrent assets	46,936,338	46,038,266
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension outflows	892,380	694,655
OPEB - Group life insurance plan outflows	35,776	40,438
OPEB - City health insurance plan outflows	11,912	19,935
Unamortized major repairs	117,319	64,527
Unamortized deferral on advance refunding	86,570	97,182
Total deferred outflows of resources	1,143,957	916,737
Total assets and deferred outflows of resources	\$ 53,008,716	\$ 51,118,737

The notes to the basic financial statements are an integral part of this statement.

Exhibit A-7 (Continued)
City of Platteville, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023

(With summarized financial information as of December 31, 2022)

	Water and Sewer Utility	
	2023	2022
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 235,181	\$ 245,409
Accrued payroll	27,422	15,479
Current portion of:		
Compensated absences	46,363	48,815
Due to other funds	378,554	394,520
Total current liabilities	687,520	704,223
Current liabilities payable from restricted assets:		
Accrued interest	68,786	86,199
Current portion of revenue bonds	1,323,750	1,255,483
Total current liabilities payable from restricted assets	1,392,536	1,341,682
Non-current liabilities		
Revenue bonds	18,966,435	18,388,213
Unamortized bond premium	225,666	159,880
Net pension liability	238,566	
OPEB - Group life insurance plan	80,889	126,547
OPEB - City health insurance plan	105,774	120,701
Compensated absences	107,967	116,588
Less current portion of long-term debt	(1,370,113)	(1,304,298)
Total non-current liabilities	18,355,184	17,607,631
DEFERRED INFLOWS OF RESOURCES		
Deferred pension inflows	500,377	839,377
OPEB - Group life insurance plan inflows	67,804	29,732
OPEB - City health insurance plan inflows	90,235	85,957
Leases	160,972	209,850
Total deferred inflows of resources	819,388	1,164,916
NET POSITION		
Net investment in capital assets	21,373,192	21,390,371
Restricted		
Debt service - revenue bond funds	2,323,982	2,066,910
Equipment replacement	3,748,348	3,341,010
Net pension asset		211,562
Unrestricted	4,308,566	3,290,432
Total net position	31,754,088	30,300,285
Total liabilities, deferred inflows of resources, and net position	\$ 53,008,716	\$ 51,118,737

Exhibit A-8
City of Platteville, Wisconsin
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	Water	Sewer	Total	
			2023	2022
OPERATING REVENUES				
Metered sales	\$ 1,497,000	\$	\$ 1,497,000	\$ 1,439,498
Private fire protection	88,665		88,665	89,013
Public fire protection	687,499		687,499	665,012
Public authorities	265,914		265,914	256,247
Measured sewer service		2,726,005	2,726,005	2,883,184
Forfeited discounts	8,580	7,868	16,448	18,237
Miscellaneous	173,689	84,973	258,662	174,203
Total operating revenues	2,721,347	2,818,846	5,540,193	5,525,394
OPERATING EXPENDITURES				
Pumping expenses	308,555		308,555	268,319
Treatment expenses	171,759	606,286	778,045	666,510
Transmission and distribution	254,767		254,767	226,798
Customer accounts expense	61,855	11,854	73,709	70,553
Administrative and general	320,006	494,123	814,129	710,350
Rent	1,080	9,416	10,496	9,057
Transportation expenses	18,443	47,429	65,872	77,643
Maintenance of sewage system		263,263	263,263	210,846
Depreciation	560,589	630,230	1,190,819	1,131,320
Taxes	16,754	51,509	68,263	60,222
Total operating expenses	1,713,808	2,114,110	3,827,918	3,431,618
Operating income	<u>\$ 1,007,539</u>	<u>\$ 704,736</u>	<u>1,712,275</u>	<u>2,093,776</u>
NONOPERATING REVENUES (EXPENSES)				
*Interest and dividends on investments			361,993	102,570
*Interest expense			(423,357)	(401,743)
*Contributed capital			182,611	
*Amortization of debt premium			13,360	13,318
*Amortization of debt expense			(10,612)	(10,613)
*Debt issuance costs			(104,918)	(92,677)
*Transfer from other funds			101,005	
*Transfer of tax equivalent			(378,554)	(394,520)
Total nonoperating revenues (expenses)			(258,472)	(783,665)
Change in net position			1,453,803	1,310,111
Net position - beginning of year			30,300,285	28,990,174
Net position - end of year			<u>\$ 31,754,088</u>	<u>\$ 30,300,285</u>

* Not allocated

Exhibit A-9
City of Platteville, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	2023	2022
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES		
Received from customers	\$ 5,539,197	\$ 5,469,973
Payments to employees	(712,838)	(613,535)
Payment for employee benefits	(376,676)	(357,304)
Payment to suppliers	(1,499,288)	(1,246,399)
Net cash flows from operating activities	2,950,395	3,252,735
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES		
Paid to municipality for tax equivalent	(378,554)	(394,520)
Net cash flows (used by) noncapital financing activities:	(378,554)	(394,520)
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(2,185,237)	(2,670,291)
Contributed capital received	182,611	
Transfer from other funds for capital asset acquisitions	101,005	
Debt retired	(1,255,484)	(1,137,410)
Debt issuance costs	(104,918)	(92,677)
Debt proceeds	1,833,706	2,665,000
Premium from debt issue	79,146	
Interest paid	(440,770)	(376,454)
Payment for major repair	(106,322)	
Net cash flows (used by) capital and related financing activities	(1,896,263)	(1,611,832)
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES		
Purchase of investments	(778,708)	
Receipt of investments maturing	762,506	10,082
Investment income	361,993	102,570
Net cash flows from investing activities	345,791	112,652
Net change in cash and cash equivalents	1,021,369	1,359,035
Cash and cash equivalents - beginning of year	8,195,796	6,836,761
Cash and cash equivalents - end of year	<u>\$ 9,217,165</u>	<u>\$ 8,195,796</u>
Reconciliation of cash and cash equivalents to statement of net position accounts		
Cash	\$ 3,943,765	\$ 3,213,627
Petty cash	200	200
Restricted cash and investments	6,275,207	5,967,774
Less: long-term investments	(1,002,007)	(985,805)
Total cash and cash equivalents	<u>\$ 9,217,165</u>	<u>\$ 8,195,796</u>

Exhibit A-9 (Continued)
City of Platteville, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	2023	2022
Reconciliation of operating income to net cash provided		
by operating activities:		
Operating income	\$ 1,712,275	\$ 2,093,776
Adjustments to reconcile operating income		
to net cash provided by operating activities:		
Depreciation expense	1,190,819	1,131,320
Pension expense	58,125	(83,002)
Life insurance OPEB expense	(2,924)	14,872
Health insurance OPEB expense	(2,626)	(3,244)
Amortization of major repairs	53,530	32,263
Changes in assets and liabilities:		
(Increase) decrease in customer accounts receivable	1,260	(58,513)
(Increase) decrease in other accounts receivable	(2,256)	3,092
(Increase) decrease in other prepaid expenses	(540)	(1,359)
(Increase) decrease in due from other funds	(11,035)	23,150
(Increase) decrease in inventories	(19,228)	1,516
(Increase) decrease in lease receivable and related deferred inflows of resources	(4,133)	(2,817)
Increase (decrease) in accounts payable	(10,228)	110,645
Increase (decrease) in accrued payroll	11,943	154
Increase (decrease) in due other funds	(15,966)	(14,336)
Increase (decrease) in compensated absences	(8,621)	5,218
Net cash provided by operating activities	<u>\$ 2,950,395</u>	<u>\$ 3,252,735</u>

Exhibit A-10
City of Platteville, Wisconsin
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

(With summarized financial information as of December 31, 2022)

	<u>Custodial Fund</u>		
	Tax Collection		Total
	Fund	2023	2022
ASSETS			
Cash and investments	\$ 2,491,620	\$ 2,491,620	\$ 2,534,275
Taxes receivable	7,452,388	7,452,388	6,556,714
Total assets	<u>\$ 9,944,008</u>	<u>\$ 9,944,008</u>	<u>\$ 9,090,989</u>
LIABILITIES			
Due to other taxing units	<u>\$ 9,944,008</u>	<u>\$ 9,944,008</u>	<u>\$ 9,090,989</u>
NET POSITION			
Restricted			
Total liabilities and net position	<u>\$ 9,944,008</u>	<u>\$ 9,944,008</u>	<u>\$ 9,090,989</u>

Exhibit A-11
City of Platteville, Wisconsin
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023
(With summarized financial information for the year ended December 31, 2022)

	<u>Custodial Fund</u>		
	Tax Collection	Total	
	Fund	2023	2022
ADDITIONS			
Property tax collections for other governments	\$ 6,396,035	\$ 6,396,035	\$ 5,462,669
DEDUCTIONS			
Property tax collections paid or owed to other governments	6,396,035	6,396,035	5,462,669
Net increase (decrease) in fiduciary net position			
Net position - beginning of year			
Net position - end of year	\$	\$	\$

NOTES TO THE BASIC FINANCIAL STATEMENTS

City of Platteville, Wisconsin
December 31, 2023
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City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City is a municipal corporation governed by an elected seven-member council. This report includes all of the funds of the City of Platteville. The reporting entity for the City consists of the (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The City has identified the following component unit that is required to be included in the financial statements in accordance with standards established in GASB standards.

Discretely Presented Component Unit

The Platteville Housing Authority was created by the City of Platteville under the provisions of Section 66.40 to 66.404 of the Wisconsin Statutes. The central purpose of the Platteville Housing Authority is to provide the opportunity for the City of Platteville residents to live in decent, affordable and standard housing. The programs at the Platteville Housing Authority are created to enable Platteville families to improve their housing conditions. Its governing board is appointed by the City Council.

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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

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

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

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

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

Major Governmental Funds:

The City reports the following major governmental funds:

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.

Capital Projects Fund – Accounts for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

Neighborhood Investment – Accounts for the construction of a domestic abuse shelter and related grant proceeds. This fund is accounted for as a capital projects fund.

Major Enterprise Funds:

The City reports the following major enterprise funds:

Water and Sewer Utility – Accounts for operations of the water and sewer system.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Non-Major Governmental Funds:

The City reports the following non-major governmental funds:

Special Revenue Funds – Accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Airport
- Community Development Block Grant
- Redevelopment Authority
- Housing Conservation Program
- Library (Littlefield)
- Zeigert Trust
- Boll Cemetery
- Taxi/Bus
- Affordable Housing
- Broske Center
- Local Fiscal Recovery Fund
- Fire Facility
- CDI Grant

General Debt Service Fund – Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs

TIF District No. 5 – Accounts for the activity of tax incremental district No. 5, including the payment of general long-term debt principal, interest and related costs.

TIF District No. 6 – Accounts for the activity of tax incremental district No. 6, including the payment of general long-term debt principal, interest and related costs.

TIF District No. 7 – Accounts for the activity of tax incremental district No. 7, including the payment of general long-term debt principal, interest and related costs.

TIF District No. 9 – Accounts for the activity of tax incremental district No. 9, including the payment of general long-term debt principal, interest and related costs.

Permanent Funds – Are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

-Cemetery perpetual care

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fiduciary Funds (Not included in Government-Wide Statements)

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) the government controls the assets that finance the activity, b) assets are not generated from the government's own-source revenues or from government-mandated or voluntary nonexchange transactions, c) assets are administered through a qualifying trust or the government does not have administrative involvement and the assets are not generated from the government's delivery of goods or services to the beneficiaries, or the assets are for the benefit of entities that are not part of the government's reporting entity.

The City reports the following fiduciary fund:

Custodial Fund - used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The City accounts for tax collections payable to overlying taxing jurisdictions in the Tax Collection Fund.

C. 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 of resources. 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 and sewer utility 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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. Certain government funded grant reimbursable costs are considered available if they are collected within 180 days of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. 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 the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred inflows of resources. Resources (typically cash) received before all eligibility requirements have been met are reported as assets and offset by unearned revenue (a liability) unless only a time requirement has not been met. In that case, deferred inflows of resources are reported rather than a liability.

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 deferred inflows of resources.

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.

The City reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the deferred inflows of resources are removed from the balance sheet and revenue is recognized.

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.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

Revenues and expenditures arising from non-exchange transactions, such as property and sales taxes, fines, and grants are recorded according to the standards in Governmental Accounting Standards.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

D. Cash and Cash Equivalent/Investments

All deposits of the City are made in board designated official depositories and are secured as required by State Statute. The City may designate, as an official depository, any bank or savings association. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost, which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices.

For purposes of the statement of cash flows, all cash deposits and highly liquid investments with an original maturity of three months or less (including restricted assets) are considered to be cash equivalents.

E. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as the local school 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 in the accompanying custodial fund statement of net position.

Property tax calendar - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale- 2023 delinquent real estate taxes	October 2027

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables (Continued)

No provision for uncollectible accounts receivable has been made for customer accounts receivable since the Water and Sewer Utility has the right by law to place delinquent bills on the tax roll.

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 nonspendable fund balance which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Lease Receivable

The City's lease receivables are measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Leases – in the governmental funds, when the year-end receivable balance exceeds the deferred inflow of resources, the difference is presented as nonspendable fund balance.

F. Inventories and Prepaid Items

Inventories of governmental fund types consist of airport fuel and expendable supplies held for consumption. Expendable supplies, which are not material, are considered expenditures when purchased and, accordingly, are not reflected on the Balance Sheet-Governmental Funds.

Inventories of proprietary fund types are valued at cost using the first-in, first-out method and are charged as expenses or are capitalized when used.

G. 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.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$10,000 and an estimated useful life in excess of three years. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated fixed assets are reported at acquisition value.

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

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

Buildings	20-50 Years
Machinery and Equipment	3-40 Years
Utility System	10-100 Years

Fund Financial Statements

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

I. Unearned Revenue

The City reports unearned revenue on its governmental funds balance sheet. Unearned revenue arises when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the City has legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

J. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested 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.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences (Continued)

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, 2023 are determined on the basis of current salary rates and include salary related payments.

K. Long-Term Obligations/Conduit Debt

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

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

In June, 2004, the City authorized the issuance of industrial revenue bonds for TCF Investments Management, Inc. in the amount of \$4,420,000. In July 2013, the City authorized the issuance of industrial revenue bonds for UW-Platteville Real Estate Foundation in the amount of \$24,030,000. TCF Investments and UW-Platteville Real Estate Foundation are responsible for all debt service on the bonds and therefore, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of conduit debt outstanding at the end of the year is approximately \$20,454,457.

L. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

M. Risk Management

The City is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. 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 of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does 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

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-Spendable – includes amounts that are not in a spendable form (such as inventory and advances) or are required to be maintained intact.
- Restricted – includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.
- Committed – includes amounts constrained to specific purposes by the City Council, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the City Council takes the same highest level action to remove or change the constraint.
- Assigned – includes amounts the City Council intends to use for a specific purpose; intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed may be assigned. Assignments may take place after the end of the reporting period.
- 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.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity Classifications (Continued)

The City's fund balance policy is to strive to maintain an unassigned fund balance equal to 20% of the General Fund budget.

The Council may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of a majority of the Council. Commitments of fund balance, once made, can be modified only by majority vote of the Council.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the City to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

O. Transfers

Transfers include the payment in lieu of taxes from the water and sewer utility to the general fund.

P. Housing Conservation and Community Development Block Grant

Long-term loans receivable under the Housing Conservation and Community Development Block Program are shown as loans receivable and deferred inflows of resources in the governmental fund statements.

Q. Summarized Comparative Information

The basic financial statements include certain prior year summarized comparative information in total, but not at the level of detail for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

R. Pensions

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

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

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 benefits terms. Investments are reported at fair value.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Other Postemployment Benefits

Group life insurance plan

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

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

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

City health insurance plan

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information of the City's Other Postemployment Benefit Plan (the Plan) has been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

T. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The deferred outflows of resources were derived from the OPEB plans, the WRS pension system, deferred amount on refunding revenue bond, and unamortized major repairs as approved by the Public Service Commission.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until then. Deferred inflows of resources related to the OPEB plans are discussed in Note 8 and Note 9, deferred inflows of resources related to the WRS pension system are discussed in Note 10, and the remaining deferred inflows of resources are discussed in Note 15.

U. Unamortized Major Repairs

The water utility incurred \$161,318 of water tower painting and repair costs in 2020. This amount is being amortized to expense over five years per authorization from the Public Service Commission. The balance at December 31, 2023 was \$32,262. The water utility also incurred \$106,322 of well rehabilitation costs in 2023, which is being amortized over 5 years. The balance at December 31, 2023 was \$85,057.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. Change in Accounting Principle

Effective January 1, 2023, the City adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements. GASB 96 was issued to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The City does not have any material SBITAs requiring disclosure in the financial statements.

W. Prior Period Adjustment

A prior period adjustment was recorded as of January 1, 2023 in the Fire Facility Fund. Grant revenue reported in a prior year was overstated.

Effective January 1, 2023, a prior period adjustment has been recorded in the fund financial statements as follows:

	<u>Governmental Funds</u>
	<u>Aggregate Nonmajor</u>
	<u>Governmental Funds</u>
Fund balance, as previously stated	\$ 1,109,823
Cumulative effect for adjusting revenue relating to the City's Fire Facility	(66,005)
Fund balance, as restated	<u><u>\$ 1,043,818</u></u>

The prior period adjustment in the aggregate nonmajor governmental funds occurred in the City's nonmajor Fire Facility special revenue fund.

Effective January 1, 2023, a prior period adjustment has been recorded in the statement of activities as follows:

	<u>Governmental</u>
	<u>Activities</u>
Net position, as previously stated	\$ 46,178,683
Cumulative effect for adjusting revenue relating to the City's Fire Facility	(66,005)
Net position, as restated	<u><u>\$ 46,112,678</u></u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS
AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At December 31, 2023, the cash and investments included the following:

Deposits with financial institutions	\$ 12,322,199
Wisconsin Local Government Investment Pool	9,322,872
Petty cash	1,430
Total	<u>\$ 21,646,501</u>

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

Exhibit A-1:	
Cash and investments	\$ 12,833,808
Restricted cash and investments	6,321,074
Exhibit A-10:	
Cash and investments	2,491,620
Total cash and investments	<u>\$ 21,646,501</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Wisconsin State Statutes

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

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.
- Bond issued by a local football stadium district.
- Bonds issued by a local arts district.
- Bonds issued by the Wisconsin Aerospace Authority.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The City's investment policy limits investments to securities with maturities of less than five years from the date of purchase.

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

Investment Type	Amount	12 months or less	13 to 24 months	25 to 36 months
Certificates of deposit	\$ 2,139,317	\$ 1,671,147	\$ 238,000	\$ 230,170
Local Government Investment Pool	9,322,872	9,322,872		
Totals	\$ 11,462,189	\$ 10,994,019	\$ 238,000	\$ 230,170

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy limits investments to those authorized by Wisconsin State Statutes. As of December 31, 2023, the City's investments were rated as follows:

	<u>Amount</u>	<u>Rating</u>
Wisconsin Local Government Investment Pool	\$ 9,322,872	Not Rated

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the City would not be able to recover the value of its investment of collateral securities that are in possession of another party.

Federal Deposit Insurance Corporation (FDIC) Insurance

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the event of the failure of an insured bank.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations. Additionally, deposits in each local and area credit union are insured by the NCUA in the amount of \$250,000 for interest bearing accounts and \$250,000 for non-interest bearing accounts.

The City's investment policy requires collateralization on certificate of deposits which exceed the FDIC and State Deposit Guarantee Fund insurance limits and on repurchase agreements. The collateral is limited to securities of the U.S. Treasury and its agencies.

As of December 31, 2023, \$11,183,126 of the City's deposits were insured by the FDIC or NCUA, \$1,071,497 were insured by a federal home loan bank letter of credit, and \$5,158 were in excess of federal depository insurance limits, national credit union insurance limits, and pledged collateral. The Wisconsin State Guarantee Fund would provide coverage for this amount, providing funds are available at the time of any potential loss.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year significantly exceeding uninsured amounts at the balance sheet date.

Wisconsin Local Government Investment Pool

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 (SWIB). 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. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments.

Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the City's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the City.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment guidelines.

Investment allocation in the local government investment pool as of December 31, 2023 was: 94.0% in U.S. Government Securities and 6.0% in commercial paper and corporate notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance 1/1/23	Additions	Deletions	Balance 12/31/23
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 3,558,698	\$	\$	\$ 3,558,698
Construction in progress	3,354,113	3,126,676	(3,236,926)	3,243,863
Total capital asset not being depreciated	6,912,811	3,126,676	(3,236,926)	6,802,561
Other capital assets				
Land improvements	3,646,500	840,003		4,486,503
Buildings and improvements	10,445,379	371,290		10,816,669
Machinery and equipment	6,272,962	333,216	(432,778)	6,173,400
Vehicles	4,892,209	326,061	(191,210)	5,027,060
Infrastructure	69,492,901	1,589,248	(553,598)	70,528,551
Total other capital assets at historical costs	94,749,951	3,459,818	(1,177,586)	97,032,183
Less accumulated depreciation for:				
Land improvements	(1,597,580)	(166,442)		(1,764,022)
Buildings and improvements	(5,202,654)	(237,104)		(5,439,758)
Machinery and equipment	(3,705,933)	(369,079)	426,879	(3,648,133)
Vehicles	(2,956,320)	(300,364)	191,210	(3,065,474)
Infrastructure	(29,650,152)	(2,395,519)	424,252	(31,621,419)
Total accumulated depreciation	(43,112,639)	(3,468,508)	1,042,341	(45,538,806)
Net other capital assets	51,637,312	(8,690)	(135,245)	51,493,377
Total net capital assets	\$ 58,550,123	\$ 3,117,986	\$ (3,372,171)	\$ 58,295,938

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 102,638
Public safety	249,971
Public works, which includes the depreciation of infrastructure	2,839,381
Leisure activities	268,661
Health and human services	3,938
Conservation and development	3,919
Total governmental activities depreciation expense	<u>\$ 3,468,508</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4

CAPITAL ASSETS (CONTINUED)

	1/1/23			12/31/23
	Balance	Additions	Deletions	Balance
<u>Business-type Activities:</u>				
Capital assets not being depreciated:				
Intangible plant	\$ 8,978	\$	\$	\$ 8,978
Land and land rights	40,438			40,438
Construction in progress	307,933	359,216	(61,740)	605,409
Total capital assets not being depreciated	357,349	359,216	(61,740)	654,825
Capital assets being depreciated:				
Water:				
Source of supply	1,349,323			1,349,323
Pumping	2,425,291			2,425,291
Water treatment	1,413,694			1,413,694
Transmission and distribution	22,252,821	384,907	(77,874)	22,559,854
General plant	816,612	57,976		874,588
Sewer:				
Collection system	18,668,164	560,597	(45,806)	19,182,955
Treatment and disposal	11,297,934	869,403	(345,854)	11,821,483
General plant	1,108,503	119,879	(58,248)	1,170,134
Total capital assets being depreciated	59,332,342	1,992,762	(527,782)	60,797,322
Less: accumulated depreciation for:				
Water:				
Source of supply	(297,765)	(34,048)		(331,813)
Pumping	(1,301,839)	(79,711)		(1,381,550)
Water treatment	(588,894)	(44,206)		(633,100)
Transmission and distribution	(5,444,179)	(420,962)	77,874	(5,787,267)
General plant	(776,334)	(22,997)		(799,331)
Sewer:				
Collection system	(2,358,081)	(223,317)	45,805	(2,535,593)
Treatment and disposal	(8,792,180)	(332,933)	345,854	(8,779,259)
General plant	(848,991)	(32,645)	(46,752)	(928,388)
Total accumulated depreciation	(20,408,263)	(1,190,819)	422,781	(21,176,301)
Net capital assets being depreciated	38,924,079	801,943	(105,001)	39,621,021
Total net capital assets	\$ 39,281,428	\$ 1,161,159	\$ (166,741)	\$ 40,275,846

Depreciation expense consisted of the following:

Business-Type Activities:

Water and sewer depreciation (Per Exhibit A-8) \$ (1,190,819)

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2023 was as follows:

	1/1/23 Balance	Increases	Decreases	12/31/23 Balance	Amounts Due within One Year
<u>Governmental Activities</u>					
General obligation debt-nondirect	\$ 19,335,000	\$ 1,210,000	\$ (2,450,000)	\$ 18,095,000	\$ 2,225,000
Bonds and Notes from direct borrowings and direct placements	115,099	520,000	(6,761)	628,338	398,339
Tax increment revenue bonds-direct borrowings and direct placements	922,055		(353,556)	568,499	179,842
Other liabilities:					
Unamortized debt premium	240,904	89,295	(30,276)	299,923	
Compensated absences	452,835	116,367		569,202	205,398
Total other liabilities	693,739	205,662	(30,276)	869,125	205,398
Total governmental activities long-term liabilities	\$ 21,065,893	\$ 1,935,662	\$ (2,840,593)	\$ 20,160,962	\$ 3,008,579
<u>Business-type Activities</u>					
Revenue bonds - nondirect	\$ 15,700,000	\$ 1,610,000	\$ (910,000)	\$ 16,400,000	\$ 970,000
Revenue bonds - direct borrowings and direct placements	2,688,213	223,706	(345,484)	2,566,435	353,750
Less: deferred amount on refunding	(97,182)		10,612	(86,570)	
Other liabilities:					
Unamortized debt premium	159,880	79,146	(13,360)	225,666	
Compensated absences	116,588		(8,621)	107,967	46,363
Total other liabilities	276,468	79,146	(21,981)	333,633	46,363
Total business-type activities long-term liabilities	\$ 18,567,499	\$ 1,912,852	\$ (1,266,853)	\$ 19,213,498	\$ 1,370,113

The compensated absences liability attributed to governmental activities are typically being liquidated in the general fund. In addition to the City's governmental debt service fund, debt service payments are also being made by the City's redevelopment authority fund and TIF District funds.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. In accordance with Wisconsin statutes, notes and bonds in the governmental funds will be retired by future property tax levies or tax increments. 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 taxable property within the City's jurisdiction. The debt limit per Wisconsin Statutes as of December 31, 2023 was \$48,910,830. Total general obligation debt outstanding at year-end was \$18,723,338. City policy limits general obligation indebtedness to 3.5% of the equalized value of taxable property within the city's jurisdiction, or \$34,237,581. As of December 31, 2023, outstanding general obligation debt was within the limits established by Wisconsin Statutes and City policy.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Debt (Continued)

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2023
<u>Governmental Activities</u>					
General obligation debt:					
General obligation bonds	3/28/2013	10/1/2028	2.5-3.0%	\$ 3,240,000	\$ 2,600,000
General obligation bonds	12/29/2015	3/1/2033	2.75-3.8	3,790,000	2,480,000
General obligation bonds	6/2/2016	12/1/2025	1.55-1.85	2,520,000	1,160,000
General obligation bonds	6/1/2017	9/1/2036	1.9-3.35	1,375,000	1,225,000
General obligation bonds	10/4/2017	10/1/2029	2.0-3.0	2,975,000	2,175,000
General obligation bonds	5/10/2018	3/1/2026	3.0-3.25	1,245,000	1,100,000
General obligation bonds	5/30/2019	9/1/2034	3.0-4.0	1,125,000	1,075,000
General obligation bonds	7/30/2020	3/1/2038	0.75-2.4	1,265,000	1,075,000
General obligation bonds	9/10/2020	3/1/2030	1.0-2.0	1,170,000	1,170,000
General obligation bonds	9/16/2021	3/1/2031	1.0-2.0	1,975,000	1,600,000
General obligation notes	4/6/2022	4/6/2024	3.25	119,476	108,338
General obligation bonds	6/15/2022	3/1/2031	2.6-3.35	1,325,000	1,225,000
General obligation bonds	7/19/2023	6/1/2037	4.0-5.0	1,210,000	1,210,000
General obligation notes	10/3/2023	10/1/2032	3.39	245,000	245,000
General obligation notes	12/15/2023	12/15/2024	3.99	275,000	275,000
Total governmental activities – general obligation debt					<u><u>\$ 18,723,338</u></u>

Debt service requirements to maturity are as follows:

Governmental Activities						
Years	Bonds and Notes - Nondirect			Bonds and Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 2,225,000	\$ 501,420	\$ 2,726,420	\$ 398,339	\$ 20,266	\$ 418,605
2025	2,205,000	425,735	2,630,735	28,750	7,797	36,547
2026	2,200,000	368,528	2,568,528	28,750	6,822	35,572
2027	1,925,000	313,980	2,238,980	28,750	5,848	34,598
2028	1,840,000	261,513	2,101,513	28,750	4,886	33,636
2029-2033	5,785,000	704,516	6,489,516	114,999	9,749	124,748
2034-2038	1,915,000	101,513	2,016,513			
Totals	<u>\$ 18,095,000</u>	<u>\$ 2,677,205</u>	<u>\$ 20,772,205</u>	<u>\$ 628,338</u>	<u>\$ 55,368</u>	<u>\$ 683,706</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Tax Increment Revenue Bonds

Tax increment revenue bonds are not a general obligation of the City and are payable solely from available tax increments. Available tax increments consist of the annual gross tax increment revenue which is generated by the increment value of the property (as noted in the development agreements underlying the bond issues) in the Tax Incremental Districts which said revenue is in excess value of the property plus any supplemental payment as defined in the development agreements.

Tax increment revenue bonds payable at December 31, 2023 consist of the following:

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2023
Tax increment revenue bonds	9/12/2013	9/12/2026	4.303%	\$ 2,000,000	\$ 568,499
Total governmental activities – tax increment revenue bonds					<u>\$ 568,499</u>

Debt service requirements to maturity are as follows:

Governmental Activities			
Tax Increment Revenue Debt - Direct			
Borrowing and Direct Placements			
Years	Principal	Interest	Total
2024	\$ 179,842	\$ 24,229	\$ 204,071
2025	187,581	16,491	204,072
2026	201,076	8,419	209,495
Totals	<u>\$ 568,499</u>	<u>\$ 49,139</u>	<u>\$ 617,638</u>

Water and Sewer Revenue Debt

Revenue bonds are payable only from revenues derived from the operation of the utility. Revenue debt payable at December 31, 2023 consists of the following:

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2023
Clean water revenue bonds	12/10/2008	5/1/2028	2.339%	\$ 2,473,498	\$ 734,764
Clean water revenue bonds	11/1/2010	5/1/2030	2.428	3,964,010	1,607,965
Revenue bonds	6/24/2015	5/1/2035	3.0-4.0	5,425,000	3,655,000
Revenue bonds	12/4/2019	5/1/2038	2.0-4.0	1,625,000	1,345,000
Revenue bonds	5/1/2020	5/1/2039	1.15-2.0	1,420,000	1,240,000
Revenue bonds	9/16/2021	5/1/2034	2.0	1,890,000	1,720,000
Taxable refunding revenue bonds	9/16/2021	5/1/2031	.55-1.60	4,965,000	4,255,000
Revenue bonds	9/1/2022	5/1/2042	2.0-3.85	2,665,000	2,575,000
Clean water revenue bonds	5/24/2023	5/1/2043	2.145	223,706	223,706
Revenue bonds	12/28/2023	5/1/2039	4.0-5.0	1,610,000	1,610,000
Total					<u>\$ 18,966,435</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows:

Business-type Activities						
Years	Revenue Bonds - Nondirect			Revenue Bonds from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 970,000	\$ 405,929	\$ 1,375,929	\$ 353,750	\$ 56,751	\$ 410,501
2025	985,000	397,120	1,382,120	371,875	48,125	420,000
2026	1,000,000	376,260	1,376,260	380,749	39,145	419,894
2027	1,015,000	353,956	1,368,956	389,835	29,950	419,785
2028	1,040,000	330,335	1,370,335	399,138	20,536	419,674
2029-2033	6,685,000	1,191,756	7,876,756	542,181	28,721	570,902
2034-2038	3,670,000	470,906	4,140,906	61,037	10,608	71,645
2039-2043	1,035,000	62,068	1,097,068	67,870	3,701	71,571
Totals	\$ 16,400,000	\$ 3,588,330	\$ 19,988,330	\$ 2,566,435	\$ 237,537	\$ 2,803,972

Water and Sewer System Mortgage Revenue Bonds

Under the terms of the bond resolutions, local officials must comply with certain requirements specified therein as discussed below:

Section 4 provides that income and revenues of the water and sewer utility shall be set aside into separate and special funds as follows:

Account	Amount	Purpose
Operation and Maintenance Fund		Paying current expenses in the operation and maintenance of system.
Special Redemption Fund	Amount sufficient to pay principal and interest on all revenue bonds and notes and to meet the reserve requirement.	Paying current interest and principal on bonds and maintaining minimum reserve requirement.
Depreciation Fund	Amount determined by the Governing Body to be sufficient to provide a proper and adequate depreciation account for the system.	New construction, repairs, replacements, extensions, or additions to the system

Section 6 requires that the "net revenues" of the system for each year be not less than 1.25 times the sum of the annual debt service requirement and the annual debt service on all other revenue bonds and notes. For the year ended December 31, 2023, the "net revenues" of the system were \$3,265,087 or 1.83 times the annual debt service requirement.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 6

LEASES

Lease Receivable

The City has entered into two lease arrangements where the City leases cell phone towers for commercial use. In the statement of activities, lease revenue for the year ended December 31, 2023 was as follows:

	Year Ending December 31, 2023
Lease-related revenue	
Lease revenue:	
Cell tower	\$ 48,878
Interest revenue	5,587
Total	<u>\$ 54,465</u>

Aggregate cash flows for the revenue generated by the lease receivable and interest at December 31, 2023 are as follows:

Years Ended December 31,	Principal	Interest	Total
2024	\$ 47,495	\$ 4,347	\$ 51,842
2025	50,374	3,022	53,396
2026	47,101	1,616	48,717
2027	22,952	375	23,327
Totals	<u>\$ 167,922</u>	<u>\$ 9,360</u>	<u>\$ 177,282</u>

NOTE 7

LONG-TERM ADVANCES

The following is a schedule of interfund advances at December 31, 2023:

Receivable Fund	Payable Fund	Amount
General	TIF #6	\$ 378,724
Water and sewer utility	TIF #6	65,552
Water and sewer utility	TIF #7	199,306
General	TIF #9	12,874
	Total	<u>\$ 656,456</u>

The City has also advanced funds to the TIF districts to pay for project costs incurred over and above amounts that had been originally borrowed to pay for these project costs. No repayment schedule has been established for these advances. The repayment of these advances is subject to the tax incremental financing districts generating sufficient increments to pay the debt service for funds borrowed and advanced.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN

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

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

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

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

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

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

Contribution rates as of December 31, 2023 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member Contribution

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Life Insurance Employee Contribution Rates* For the year ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$1,524 in contributions from the employer.

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

At December 31, 2023, the City reported a liability (asset) of \$289,406 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.07596300%, which was an increase of 0.004186% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense of \$17,303.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the City.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (28,323)
Net differences between projected and actual earnings on plan investments	5,430	
Changes in actuarial assumptions	103,976	(170,829)
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,599	(43,437)
Employer contributions subsequent to the measurement date	1,996	
Totals	<u>\$ 128,001</u>	<u>\$ (242,589)</u>

\$1,996 reported as deferred outflows related to OPEB resulting from the City employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (17,560)
2025	(19,467)
2026	(8,690)
2027	(19,597)
2028	(27,739)
Thereafter	(23,531)
Total	<u>\$ (116,584)</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO index.

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

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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2022			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interim Credit	50%	2.45%
US Mortgages	Bloomberg US MBS	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

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

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

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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

Sensitivity of the City's proportionate share of the net OPEB liability (asset) to changes in the discount rate.
The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.76 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76 percent) or 1-percentage-point higher (4.76 percent) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
City's proportionate share of the net OPEB liability (asset)	\$ 394,574	\$ 289,406	

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN

Plan Description – The City operates a single-employer retiree benefit plan that provides postemployment health insurance benefits to eligible employees. Benefits and eligibility are established and amended by the City Council. The plan does not issue stand-alone financial statements. Current approved benefits are as follows:

Employees Retiring from the City that are also eligible for the Wisconsin Retirement System: Retirees may choose to remain on the City's group medical plan until age 65 provided they self-pay the full (100%) amount of all required premiums. Eligible retirees also receive an HRA benefit for reimbursement of a portion of the high deductible health plan up to \$1,100 for single and \$2,200 for family coverage.

Funding Policy – The City will fund the OPEB with a pay-as-you go basis. There are no assets accumulated in a trust that meet the criteria in Governmental Accounting Standards to pay related benefits.

Employees Covered by Benefit Terms – At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	
Active employees	68
	<u>72</u>

Total OPEB Liability – The City's total OPEB liability of \$503,687 was measured at December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

Actuarial Assumptions and Other Inputs – The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Valuation date	December 31, 2021
Measurement date	December 31, 2022
Actuarial cost method	Entry age normal (level percent of salary)
Inflation	2.0 percent
Salary increases	3.0 percent, average, including inflation
Discount rate	4.25 percent
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter
Retirees' share of benefit-related costs	Retirees are responsible for the full (100%) amount of premiums.

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date. Implicit in this rate is a 2.50% assumed rate of inflation.

Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions were based on an experience study conducted in 2021 using the Wisconsin Retirement System (WRS) experience from 2018-2020.

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at 12/31/2021	<u>\$ 548,641</u>
Changes for the year:	
Service cost	62,171
Interest	12,763
Changes of benefit terms	
Differences between expected and actual experience	(2,401)
Changes in assumptions or other inputs	(92,550)
Benefit payments	<u>(24,937)</u>
Net Changes	<u>(44,954)</u>
Balance at 12/31/2022	<u><u>\$ 503,687</u></u>

There were no changes of benefit terms.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.25%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of December 31, 2021.

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current discount rate:

		1% Decrease 3.25%	Current Discount Rate 4.25%	1% Increase 5.25%
Total OPEB liability	12/31/2022	<u>\$ 548,122</u>	<u>\$ 503,687</u>	<u>\$ 462,982</u>

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates

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

		1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB liability	12/31/2022	<u>\$ 443,543</u>	<u>\$ 503,687</u>	<u>\$ 576,794</u>

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

For the year ended December 31, 2023, the City recognized OPEB expense of \$27,913.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the City.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$	\$ (309,406)
Changes of assumptions or other inputs	56,723	(120,283)
Contributions after the measurement date	18,967	
Total	<u>\$ 75,690</u>	<u>\$ (429,689)</u>

\$18,967 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2023, to be reported for the fiscal year end December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	
2024	\$ (47,021)
2025	(47,021)
2026	(47,021)
2027	(47,021)
2028	(47,017)
Thereafter	(137,865)
Total	<u>\$ (372,966)</u>

NOTE 10

DEFINED BENEFIT PENSION PLAN

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 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.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

During the reporting period, the WRS recognized \$361,456 in contributions from the employer.

Contribution rates as of December 31, 2023 are:

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

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

At December 31, 2023, the City reported a liability (asset) of \$1,644,148 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.03103512%, which was an increase of 0.00008069% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$834,931.

Pension amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary funds and business-type activities relative to the total contributions made by the City.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,618,619	\$ (3,440,278)
Net differences between projected and actual earnings on pension plan investments	2,793,028	
Changes in assumptions	323,307	
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,939	(8,223)
Employer contributions subsequent to the measurement date	411,211	
Total	<u>\$ 6,150,104</u>	<u>\$ (3,448,501)</u>

\$411,211 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ 94,208
2025	474,243
2026	485,292
2027	1,236,649
Total	<u>\$ 2,290,392</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair 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
Post-Retirement Adjustments*	1.7%*

* No post-retirement 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 post-retirement 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, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Allocation Targets and Expected Returns ¹ As of December 31, 2022			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	48	7.6	5.0
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund ³	115	7.4	4.8
Variable Fund Asset Class			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

¹ Asset Allocations are managed with established ranges; target percentages may differ from actual monthly allocations

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, as asset allocation target of 15% policy leverage is used, subject to an allowable range up to 20%.

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

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's proportionate share of the net pension liability (asset)	\$ 5,456,876	\$ 1,644,148	\$ (978,680)

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>.

NOTE 11

CONTINGENT LIABILITIES

The City has identified the following items as potential liabilities not recorded on the financial statements:

1. The City participates in a number of federal and state assistance programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
2. From time to time, the City is party to various claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

NOTE 12

COMPENSATED ABSENCES

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Upon termination or retirement, a City employee is paid any vested accrued vacation or sick leave benefits. As of December 31, 2023, the compensated absences consisted of:

Sick leave	\$ 425,408
Vacation	251,761
Total	<u>\$ 677,169</u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 13

TAX INCREMENTAL DISTRICTS

Transactions of the tax incremental district to December 31, 2023 are summarized below:

	TIF #5	TIF #6	TIF #7	TIF #9
Project expenditures to 12/31/23	\$ 14,408,785	\$ 10,131,792	\$ 13,818,499	\$ 12,874
Accumulated credits to project expenditures:				
Tax increments collected	14,228,464	5,720,303	3,073,703	
Developer agreement payments		112,247	691,096	
EDA grant		382,667	178,808	
Community development block grant			909,276	
WEDC grants			400,000	
Tax exempt computer aid	134,688	9,497	63,204	
Tax exempt personal property aid	21,435	11,580	32,114	
Interest income		215,010	95,332	
Miscellaneous income	24,198	16,196	107,506	
Transfer from other funds			3,935,389	
Total accumulated credits	14,408,785	6,467,500	9,486,428	
Excess of project expenditures over accumulated credits to 12/31/23	\$	\$ 3,664,292	\$ 4,332,071	\$ 12,874
Notes payable				
outstanding 12/31/23	\$	\$ 2,994,609	\$ 4,190,000	\$
Fund balance (positive) 12/31/23		669,683	142,071	12,874
Project expenditures to be recovered subsequent to 12/31/23	\$	\$ 3,664,292	\$ 4,332,071	\$ 12,874

Tax Incremental Financing Districts were created under the provisions of Wisconsin Statute Section 66.46. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

In 2017, TIF #5 began increment sharing with TIF #7. The increment sharing is recorded as a TIF #5 project expenditure in the table above and reflected as a transfer in the statement of revenues, expenditures, and changes in fund balances for the governmental funds.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 13

TAX INCREMENTAL DISTRICTS (CONTINUED)

Project costs may be incurred up to five years before the District's mandatory termination date. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or for a maximum of years. Project cost uncollected at the dissolution date are absorbed by the municipality.

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Final Dissolution Date</u>
District #5	6/28/05	6/28/20	6/28/25
District #6	3/28/06	3/28/21	3/28/32
District #7	3/28/06	3/28/28	3/28/33
District #9	7/25/23	7/25/38	7/25/43

NOTE 14

GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES

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

GOVERNMENTAL ACTIVITIES

Net investment in capital assets	
Land and construction work in progress	\$ 6,802,561
Other capital assets, net of accumulated depreciation	51,493,377
Less: long-term capital debt outstanding	(15,581,568)
Less: unamortized bond premium	(299,923)
Total net investment in capital assets	<u>42,414,447</u>
Restricted for:	
Redevelopment authority	286,279
Housing conservation	85,677
Donor specified	488,997
Impact fees	57,784
Community development grant restricted	1,470,803
Library endowment	5,135
Perpetual care	555,517
Taxi/Bus	248,437
Affordable housing	70,229
Broske Center	8,826
Debt service	45,480
TIF expenditures	45,867
Total restricted	<u>3,369,031</u>
Unrestricted	<u>589,654</u>
Total governmental activities net position	<u><u>\$ 46,373,132</u></u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 14 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

GOVERNMENTAL FUND BALANCES

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

Nonspendable:

Major Funds:

General Fund:

Advances to other funds	\$ 391,598
Prepays	124,175
Delinquent taxes	70,340
Total major funds	<u>586,113</u>

Nonmajor Funds:

Airport:

Fuel inventory	<u>29,186</u>
Total nonmajor funds	<u>29,186</u>
Total nonspendable	<u><u>\$ 615,299</u></u>

NOTE 14 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 14 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

GOVERNMENTAL FUND BALANCES (CONTINUED)

Restricted (Continued):

Nonmajor Funds:

Airport	324,875
Community development block grant	108,575
Redevelopment authority	82,180
Perpetual care	555,517
Housing conservation	13,864
Library	5,135
Taxi/Bus	248,437
Affordable housing	70,229
Broske Center	8,826
TIF District No. 7	45,867
Debt service	221,787
Total Nonmajor Funds	<u>1,685,292</u>
Total restricted	<u><u>\$ 2,990,505</u></u>

Assigned:

Major Funds:

General Fund:

Police funds	\$ 947
Museum funds	35,194
Fire department	17,027
Library building	17,186
Ambulance outlay	10,776
Ambulance services	34,120
City clerk conferences and training	2,000
IT operations and supplies	18,300
IT outlay	16,200
Cemetery supplies	4,400
Street maintenance	6,100
Building services	4,080
Building services outlay	9,100
Police outlay	12,027
Fire outlay	2,000
Capital outlay	823,457
Total assigned	<u><u>\$ 1,012,914</u></u>

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 14 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

The following funds had (deficit) unassigned fund balances at December 31, 2023:

Nonmajor Funds:

Fire Facility	\$ (156,441)
TIF District No. 6	(669,683)
TIF District No. 7	(187,938)
TIF District No. 9	(12,874)
Total (deficit)	<u><u>\$ (1,026,936)</u></u>

TIF District deficits are expected to be eliminated by increment revenues in future years. The Fire Facility deficit is expected to be eliminated by federal appropriations in future years.

NOTE 15 DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes receivable 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 December 31, 2023 the various components of deferred inflows of resources reported in the governmental funds were as follows:

Property tax receivable and tax roll special charges	\$ 5,219,272
Tax increment receivable	2,365,411
Tax equivalent	378,554
Loans receivable	522,469
Mortgages receivable	1,434,041
Total deferred inflows of resources for governmental funds	<u><u>\$ 9,919,747</u></u>

The mortgages receivable of \$1,434,041 represent loans to local businesses originally financed from economic development grants received by the City from the State of Wisconsin. Repayment of principal and interest on the mortgages is recorded as revenue in the community development block grant and housing conservation program special revenue funds and is used to finance additional development loans.

The loans receivable of \$522,469 represents various economic development loans that are being paid to the City, including interest, on an installment basis. Repayment of principal and interest on the loans is recorded as revenue when received in the funds statements.

NOTE 16 RESTRICTED ASSETS

DNR Replacement Account

The Wisconsin Department of Natural Resources required as a condition of the sewer grant that a replacement fund be established and funded on an annual basis. The balance in this account at December 31, 2023 was \$3,748,348.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 16

RESTRICTED ASSETS (CONTINUED)

Tax Incremental Financing Borrowed Funds

Restricted cash and investments in the governmental activities and governmental fund statements represents funds that were borrowed by Tax Incremental Financing District #7 which have yet to be expended.

NOTE 17

INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

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

Receivable Fund	Payable Fund	Amount	Purpose
Governmental Funds:			
General	Water and sewer	\$ 378,554	Tax equivalent
General	Fire facility	120,132	Cash flow
Airport	Capital projects	30,000	Cash flow
	Total	<u>\$ 528,686</u>	
Enterprise Funds:			
Water and sewer	General fund	<u>\$ 24,322</u>	Tax roll items

For the statement of net position, interfund balances which are owned within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

Fund Transfer To	Fund Transfer From	Amount	Purpose
Governmental Funds:			
Capital projects	General	\$ 572,496	Various outlays
Capital projects	Local fiscal recovery fund	473,129	ARPA funded outlays
General	Capital projects	12,805	Various outlays
TIF #7	TIF #5	538,825	Tax increment sharing
Sewer utility	Local fiscal recovery fund	101,005	ARPA funded outlays
Airport	Capital projects	30,000	Various outlays
	Total	<u>\$ 1,728,260</u>	
Proprietary Funds:			
General	Water utility	<u>\$ 378,554</u>	Tax equivalent

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) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move fund balances whose designated purpose has been removed.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 18

COMMITMENTS/SUBSEQUENT EVENTS

Prior to December 31, 2023, the City received a \$7,000,000 appropriation from the federal budget for a new fire facility. The estimated cost of the new fire facility is \$10,000,000. The City incurred approximately \$190,000 of expenses through 2023.

Subsequent to December 31, 2023, the City:

- Approved the purchase of self-contained breathing apparatuses and a breathing air compressor for the Fire Department for a total of \$420,000. Of this amount, 95% will be funded by a FEMA grant, with the remaining 5% paid for by the City.
- Approved thin overlay for approximately \$104,500.
- Approved West Adams Street reconstruction for \$327,600.
- Approved Sowden and Grace Street Reconstruction project for approximately \$915,000.
- Approved North Court Street water and sewer reconstruction for approximately \$346,000.
- Approved sand filter upgrades for approximately \$781,500.
- Approved Camp Street water and sewer replacement for approximately \$499,000.

NOTE 19

TAX ABATEMENTS

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

The City of Platteville, through its Tax Incremental Financing District No. 6, has entered into a tax abatement agreement with a developer in the form of tax incremental financing incentives to stimulate economic development. The abatements are authorized through the Tax Incremental Financing District No. 6 project plan. The agreement requires the City to make annual repayments of property taxes collected within the TID to the developer based upon the terms of the agreements.

For the year ended December 31, 2023, the City abated property taxes totaling \$55,213 related to a Tax Incremental Financing District No. 6 agreement.

City of Platteville, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 20

TAX LEVY LIMIT

Wisconsin Act 32 imposes a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. Under 2011 Wisconsin Act 32, in 2011 and all future years, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction or zero percent. All of the exceptions and modifications to levy limits that existed under previous law continue to apply.

In addition, as part of Wisconsin's Act 20 (2013), legislation was passed that further limits future tax levies. If the City adopts a new fee or a fee increase for covered services (which were partly or wholly funded by property tax levy), the City must reduce its levy limit in the current year by the amount of the new fee or fee increase, less any previous reductions. Covered services include garbage collection, snow plowing, and street sweeping.

The City has the ability to increase tax levies through the debt service adjustment that the City has historically underutilized.

NOTE 21

COMPONENT UNIT – HOUSING AUTHORITY

A. Cash and Investments

At year-end, the carrying amount of the housing authority's deposits was \$84,110 and the bank balance was \$87,067. All the bank balance was covered by federal depository insurance.

B. Line of Credit

The Housing Authority has a \$10,000 line of credit with a local bank. No draws on the line of credit were made during the year.

NOTE 22 EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective for periods beginning after June 15, 2023 and GASB Statement No. 101, *Compensated Absences*, effective for periods beginning after December 15, 2023. When these become effective, application of these standards may restate portions of these financial statements.

Required Supplementary Information

Exhibit B-1
Required Supplementary Information
City of Platteville, Wisconsin
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variances-	
				Original	Final
	Original	Final	Actual	to Actual	to Actual
REVENUES					
Taxes	\$ 3,751,217	\$ 3,751,217	\$ 3,754,799	\$ 3,582	\$ 3,582
Special assessments	13,225	13,225	5,876	(7,349)	(7,349)
Intergovernmental	3,803,407	3,810,107	3,840,810	37,403	30,703
Licenses and permits	106,250	106,250	132,744	26,494	26,494
Fines and forfeitures	117,500	117,500	153,477	35,977	35,977
Public charges for services	812,656	812,656	921,780	109,124	109,124
Interest income	102,856	102,856	346,553	243,697	243,697
Loan repayments	12,565	12,565	12,565		
Miscellaneous	96,200	96,200	259,215	163,015	163,015
Total revenues	8,815,876	8,822,576	9,427,819	611,943	605,243
EXPENDITURES					
General government	1,543,010	1,578,690	1,518,046	24,964	60,644
Public safety	3,531,657	3,587,772	3,567,823	(36,166)	19,949
Public works	1,699,044	1,700,744	1,620,686	78,358	80,058
Health and social services	148,747	156,847	121,809	26,938	35,038
Leisure activities	2,048,015	2,110,094	2,082,897	(34,882)	27,197
Conservation and development	347,223	350,223	342,942	4,281	7,281
Total expenditures	9,317,696	9,484,370	9,254,203	63,493	230,167
Excess (deficiency) of revenues over over expenditures	(501,820)	(661,794)	173,616	675,436	835,410
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	13,950	13,950	74,314	60,364	60,364
Transfer to other funds	(437,075)	(437,075)	(572,496)	(135,421)	(135,421)
Transfer from other funds	78,870	78,870	12,805	(66,065)	(66,065)
Transfer from utility-tax equivalent	409,000	409,000	394,520	(14,480)	(14,480)
Total other financing sources (uses)	64,745	64,745	(90,857)	(155,602)	(155,602)
Net change in fund balances	(437,075)	(597,049)	82,759	519,834	679,808
Fund balance - beginning of year	4,611,314	4,611,314	4,611,314		
Fund balance - end of year	\$ 4,174,239	\$ 4,014,265	\$ 4,694,073	\$ 519,834	\$ 679,808

Exhibit B-2
City of Platteville, Wisconsin
Local Retiree Life Insurance Fund Schedules
December 31, 2023

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2022	0.07596300%	\$ 289,406	\$ 4,152,000	6.97%	38.81%
2021	0.07177700%	424,229	4,213,000	10.07%	29.57%
2020	0.07605400%	418,352	4,065,000	10.29%	31.36%
2019	0.08110600%	345,365	3,820,000	9.04%	37.58%
2018	0.08647800%	223,142	3,904,000	5.72%	48.69%
2017	0.10432100%	313,858	4,386,996	7.15%	44.81%

*The proportionate share of the net OPEB liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 1,996	(1,996)		\$ 4,664,226	0.04%
2022	1,715	(1,715)		4,152,000	0.04%
2021	1,715	(1,715)		4,213,000	0.04%
2020	1,803	(1,803)		4,065,000	0.04%
2019	1,466	(1,466)		3,820,000	0.04%
2018	1,666	(1,666)		3,904,000	0.04%

**The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The tables will be built prospectively as the information becomes available.

Exhibit B-3
City of Platteville, Wisconsin
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
December 31, 2023

	2022	2021	2020
Total OPEB Liability			
Service cost	\$ 62,171	\$ 72,780	\$ 65,445
Interest	12,763	19,219	21,320
Changes in benefit terms			
Differences between expected and actual experience	(2,401)	(308,050)	
Changes of assumptions or other inputs	(92,550)	(30,971)	30,009
Benefit payments	(24,937)	(44,282)	(38,791)
Net change in total OPEB	\$ (44,954)	\$ (291,304)	\$ 77,983
Total OPEB liability- beginning	548,641	839,945	761,962
Total OPEB liability- ending	\$ 503,687	\$ 548,641	\$ 839,945
Covered Employee Payroll	\$ 4,140,135	\$ 4,140,135	\$ 4,040,655
Total OPEB liability as a percentage of covered-employee payroll	12.17%	13.25%	20.79%
	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 53,091	\$ 57,334	\$ 57,334
Interest	30,779	26,537	24,773
Changes in benefit terms			
Differences between expected and actual experience	(101,345)		
Changes of assumptions or other inputs	59,529	(24,426)	
Benefit payments	(46,061)	(46,008)	(17,427)
Net change in total OPEB	\$ (4,007)	\$ 13,437	\$ 64,680
Total OPEB liability- beginning	765,969	752,532	687,852
Total OPEB liability- ending	\$ 761,962	\$ 765,969	\$ 752,532
Covered Employee Payroll	\$ 4,040,655	\$ 3,718,609	\$ 3,718,609
Total OPEB liability as a percentage of covered-employee payroll	18.86%	20.60%	20.24%

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is only presented for the years for which the required supplementary information is available.

Exhibit B-4
City of Platteville, Wisconsin
Wisconsin Retirement System Schedules
December 31, 2023

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2022	0.03103512%	\$ 1,644,148	\$ 4,392,159	37.43%	95.72%
2021	(0.03095443%)	(2,494,484)	4,269,084	(58.43%)	106.02%
2020	(0.03113892%)	(1,944,045)	4,396,225	(44.22%)	105.26%
2019	(0.03111714%)	(1,003,358)	4,122,588	(24.34%)	102.96%
2018	0.03150589%	1,120,880	4,040,929	27.74%	96.45%
2017	(0.03203475%)	(951,149)	4,148,866	(22.93%)	102.93%
2016	0.03215436%	265,028	4,094,108	6.47%	99.12%
2015	0.03277933%	532,658	4,139,057	12.87%	98.20%
2014	(0.03337575%)	(819,574)	4,080,595	(20.08%)	102.74%

*The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 411,211	\$ (411,211)		\$ 4,664,226	8.82%
2022	362,189	(362,189)		4,392,159	8.25%
2021	352,050	(352,050)		4,269,084	8.25%
2020	363,395	(363,395)		4,396,225	8.27%
2019	318,551	(318,551)		4,122,588	7.73%
2018	318,909	(318,909)		4,040,929	7.89%
2017	328,551	(328,551)		4,148,866	7.92%
2016	301,725	(301,725)		4,094,108	7.37%
2015	313,084	(313,084)		4,139,057	7.56%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

City of Platteville, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 1

BUDGET SCHEDULE

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(C).

The City budget is adopted in accordance with state law. Budget amounts in the financial statements include appropriations authorized in the original budget resolution, assigned carryovers from prior years, and subsequent revisions authorized by the City Council. Such revisions are required by a statutory provision which states that no expenditure can be made from an expired appropriation. The statutes also require publication of these budget revisions. Changes to the overall budget must be approved by a two-thirds vote of the Common Council.

Control for the TIF district funds (capital projects funds) are maintained by comparison to the project plan. Budgetary comparisons are not required for proprietary funds.

Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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

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

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

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

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

City of Platteville, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

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

	2022	2021	2020	2019	2018
Valuation Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.0%	7.0%	7.0%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.9%	1.9%	1.9%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

City of Platteville, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

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

	2017	2016	2015	2014	2013
Valuation Date:	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-	Level Percent of Payroll-	Level Percent of Payroll-	Level Percent of Payroll-	Level Percent of Payroll-
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2006 - 2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.

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

City of Platteville, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 3

LOCAL RETIREE LIFE INSURANCE SCHEDULES

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets)

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

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

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

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

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

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

NOTE 4

OTHER POSTEMPLOYMENT BENEFITS PLAN – CITY HEALTH INSURANCE PLAN

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively; therefore, the illustrations do not present similar information for the 4 preceding years.

Changes of benefit terms. There were no changes of benefit terms during the year.

Changes of assumptions. The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.25%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of December 31, 2021.

Assets. There are no assets accumulated in a trust that meet the criteria in governmental accounting standards to pay related benefits.

Supplementary Information

Exhibit C-1
City of Platteville, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds								
	Airport	Community Development Block Grant	Redevelopment Authority	Housing Conservation Program	Library (Littlefield)	Zeigert Trust	Boll Cemetery	Taxi/Bus	Affordable Housing
ASSETS									
Cash and investments	\$ 494,300	\$ 108,575	\$ 80,778	\$ 13,864	\$ 5,135	\$ 166,880	\$ 147,000	\$ 105,293	\$ 70,229
Restricted cash and investments									
Receivables:									
Taxes									
Other accounts	16,651		1,402						
Other governments								199,766	
Mortgages		1,362,228		71,813					
Loans			312,438						
Inventory	29,186								
Due from other funds	30,000								
Total assets	\$ 570,137	\$ 1,470,803	\$ 394,618	\$ 85,677	\$ 5,135	\$ 166,880	\$ 147,000	\$ 305,059	\$ 70,229
LIABILITIES									
Accounts payable	\$ 214,032	\$	\$	\$	\$	\$	\$	\$ 56,522	\$
Accrued payroll								100	
Due to other funds									
Advances from other funds									
Unearned revenue	2,044								
Total liabilities	216,076							56,622	
DEFERRED INFLOWS OF RESOURCES									
Deferred revenue		1,362,228	312,438	71,813					
FUND BALANCES									
Nonspendable	29,186								
Restricted	324,875	108,575	82,180	13,864	5,135	166,880	147,000	248,437	70,229
Unassigned (deficit)									
Total fund balances	354,061	108,575	82,180	13,864	5,135	166,880	147,000	248,437	70,229
Total liabilities, deferred inflows of resources, and fund balances	\$ 570,137	\$ 1,470,803	\$ 394,618	\$ 85,677	\$ 5,135	\$ 166,880	\$ 147,000	\$ 305,059	\$ 70,229

Exhibit C-1 (Continued)
City of Platteville, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds		Capital Projects Funds					Permanent Fund		Total Nonmajor Governmental Funds
	Broske Center	Local Fiscal Recovery Fund	Fire Facility	TIF No. 5	TIF No. 6	TIF No. 7	TIF No. 9	Debt Service	Cemetery Perpetual Care	
ASSETS										
Cash and investments	\$ 26,494	\$ 260,949	\$	\$ 264,873	\$ 17,594	\$ 173,884	\$	\$ 221,787	\$ 241,637	\$ 2,399,272
Restricted cash and investments						45,867				45,867
Receivables:										
Taxes				792,117	494,452	486,152				1,772,721
Other accounts										18,053
Other governments										199,766
Mortgages										1,434,041
Loans										312,438
Inventory										29,186
Due from other funds										30,000
Total assets	\$ 26,494	\$ 260,949	\$	\$ 1,056,990	\$ 512,046	\$ 705,903	\$	\$ 221,787	\$ 241,637	\$ 6,241,344
LIABILITIES										
Accounts payable	\$ 1,473	\$	\$ 36,309	\$	\$ 77,700	\$	\$	\$	\$	\$ 386,036
Accrued payroll										100
Due to other funds			120,132							120,132
Advances from other funds					444,276	199,306	12,874			656,456
Unearned revenue	16,195	260,949								279,188
Total liabilities	17,668	260,949	156,441		521,976	199,306	12,874			1,441,912
DEFERRED INFLOWS OF RESOURCES										
Deferred revenue				1,056,990	659,753	648,668				4,111,890
FUND BALANCES										
Nonspendable										29,186
Restricted	8,826		(156,441)		(669,683)	45,867	(12,874)	221,787	241,637	1,685,292
Unassigned (deficit)						(187,938)				(1,026,936)
Total fund balances	8,826		(156,441)		(669,683)	(142,071)	(12,874)	221,787	241,637	687,542
Total liabilities, deferred inflows of resources, and fund balances	\$ 26,494	\$ 260,949	\$	\$ 1,056,990	\$ 512,046	\$ 705,903	\$	\$ 221,787	\$ 241,637	\$ 6,241,344

Exhibit C-2
City of Platteville, Wisconsin
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Funds								
	Airport	Community Development Block Grant	Redevelopment Authority	Housing Conservation Program	Library (Littlefield)	Zeigert Trust	Boll Cemetery	Taxi/Bus	Affordable Housing
REVENUES									
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$
Intergovernmental								624,488	
Fines and forfeitures			1,402						
Public charges for services	446,607							224,237	
Interest income	10,693	3,887		409	1,105	2,572	7,026		
Loan repayments		2,129	33,264						
Miscellaneous	1,822								16,216
Total revenues	459,122	6,016	34,666	409	1,105	2,572	7,026	848,725	16,216
EXPENDITURES									
Current:									
Public works	332,425							832,819	
Leisure activities					1,552				
Conservation and development		29,293							69,188
Capital outlay	241,294		52,590						
Debt service:									
Principal retirement									
Interest and fiscal charges			6,760						
Debt issuance costs			3,691						
Total expenditures	573,719	29,293	63,041		1,552			832,819	69,188
Excess (deficiency) of revenues over expenditures	(114,597)	(23,277)	(28,375)	409	(447)	2,572	7,026	15,906	(52,972)
OTHER FINANCING SOURCES (USES)									
Long-term debt proceeds									
Debt premium								550	
Proceeds from sale of capital assets									
Transfer to other funds									
Transfer from other funds	30,000								
Total other financing sources (uses)	30,000							550	
Net change in fund balances	(84,597)	(23,277)	(28,375)	409	(447)	2,572	7,026	16,456	(52,972)
Fund balance - beginning, as previously stated	438,658	131,852	110,555	13,455	5,582	164,308	139,974	231,981	123,201
Prior period adjustment									
Fund balance - beginning of year, restated	438,658	131,852	110,555	13,455	5,582	164,308	139,974	231,981	123,201
Fund balance - end of year	\$ 354,061	\$ 108,575	\$ 82,180	\$ 13,864	\$ 5,135	\$ 166,880	\$ 147,000	\$ 248,437	\$ 70,229

Exhibit C-2 (Continued)
City of Platteville, Wisconsin
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Funds			Capital Projects Funds					Debit Service	Permanent Fund Cemetery Perpetual Care	Total Nonmajor Governmental Funds
	Broske Center	Local Fiscal Recovery Fund	Fire Facility	CDI Grant	TIF No. 5	TIF No. 6	TIF No. 7	TIF No. 9			
REVENUES											
Taxes	\$	\$	\$	\$	\$ 791,547	\$ 570,047	\$ 419,632	\$	\$ 1,650,566	\$	\$ 3,431,792
Intergovernmental		591,859		250,000	11,468	3,329	10,334				1,491,478
Fines and forfeitures											1,402
Public charges for services	32,585						53,720			3,813	760,962
Interest Income							2,243		35,173		63,108
Loan repayments											35,393
Miscellaneous											18,038
Total revenues	32,585	591,859		250,000	803,015	573,376	485,929		1,685,739	3,813	5,802,173
EXPENDITURES											
Current:											
Public works											
Leisure activities	26,648				19,112	231,624	280,414	12,874			1,165,244
Conservation and development					61,039	28,370					28,200
Capital outlay	4,624	17,725	123,322	250,000							642,505
Debt service:											778,964
Principal retirement					181,782	581,775	655,000		1,385,000		2,810,317
Interest and fiscal charges					2,257	102,971	121,671		305,453		536,043
Debt issuance costs									17,887		17,887
Total expenditures	31,272	17,725	123,322	250,000	264,190	944,740	1,057,085	12,874	1,708,340		5,979,160
Excess (deficiency) of revenues over expenditures	1,313	574,134	(123,322)		538,825	(371,364)	(571,156)	(12,874)	(22,601)	3,813	(176,987)
OTHER FINANCING SOURCES (USES)											
Long-term debt proceeds						275,000					275,000
Debt premiums									89,295		89,295
Proceeds from sale of capital assets											550
Transfer to other funds		(574,134)			(538,825)						(1,112,959)
Transfer from other funds							538,825				568,825
Total other financing sources (uses)		(574,134)			(538,825)	275,000	538,825		89,295		(179,289)
Net change in fund balances	1,313		(123,322)			(96,364)	(32,331)	(12,874)	66,694	3,813	(356,276)
Fund balance - beginning, as previously stated	7,513		32,886			(573,319)	(109,740)		155,093	237,824	1,109,823
Prior period adjustment			(66,005)								(66,005)
Fund balance - beginning of year, restated	7,513		(33,119)			(573,319)	(109,740)		155,093	237,824	1,043,818
Fund balance - end of year	\$ 8,826	\$	\$ (156,441)	\$	\$	\$ (669,683)	\$ (142,071)	\$ (12,874)	\$ 221,787	\$ 241,637	\$ 687,542

Schedule 1
City of Platteville, Wisconsin
Schedule of Insurance
December 31, 2023

Company	Type	Coverage	Term
Employers	Workers Compensation	\$500,000/Accident 500,000/Disease/Employee 500,000/Disease/Policy Limit	1/1/23-12/31/23
Employers	Inland Marine	\$2,437,060 Contractor's Equipment 893,994 Fine Arts 75,000 Miscellaneous Property	1/1/23-12/31/23
Employers	Linebacker	\$1,000,000/Loss/Aggregate 7,500 Deductible	1/1/23-12/31/23
Employers	Umbrella Liability	\$6,000,000/Occurrence 12,000,000/Aggregate	1/1/23-12/31/23
Employers	General Liability	\$2,000,000 - Aggregate Property Damage and Bodily Injury 1,000,000/Occurrence/Personal/Advertising Injury 300,000/Damage to rented premises	1/1/23-12/31/23
Employers	Automobile	\$1,000,000 - Liability 10,000 - Medical 500,000 - Uninsured Motorists 500,000 - Underinsured Motorists \$1,000 - Comprehensive, Collision- ACV Hired Autos; Non-Ownership Liability	1/1/23-12/31/23
Employers	Multi-Peril	\$50,442,889 Building 17,219,416 Personal Property 55,000 Blanket Personal Property	1/1/23-12/31/23
Employers	Commercial Crime	\$25,000/Theft of money inside 25,000/Outside 250,000 Computer Fraud 250,000 Employee Theft	1/1/23-12/31/23
Liberty Mutual	Fidelity Bond	\$10,000/Chief of Police 10,000/City Clerk 250,000/Comptroller/Treasurer	6/1/23-6/1/25
Employers	Employee Benefits Liability	\$1,000,000/Claim 2,000,000/Aggregate	1/1/23-12/31/23
Employers	Law Enforcement Liability	\$1,000,000/Occurrence 1,000,000/Aggregate	1/1/23-12/31/23
Employers	Cybersolutions	\$250,000/Response Expense 250,000/Defense and Liability 25,000/Identity Recovery 250,000/Computer Attack 250,000/Network Security Defense & Liability 250,000/Electronic Media Liability	1/1/23-12/31/23

Schedule 2
Platteville Water and Sewer Utility
Other Information
December 31, 2023

1. The number of customers at the end of the year was as follows:

	2023	2022
Residential	3,129	3,120
Commercial	316	319
Multifamily residential	69	69
Public authority	73	71
Industrial	8	8
Interdepartmental	3	3
Total	<u>3,598</u>	<u>3,590</u>

2. Volume of water used as a basis for computing the sewer service charge was as follows:

Gallons	
2023	2022
<u>298,166,000</u>	<u>299,292,000</u>

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202
October 30, 2024

Re: City of Platteville, Wisconsin ("Issuer")
\$5,975,000 General Obligation Promissory Notes, Series 2024B,
dated October 30, 2024 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$250,000	____%
2028	285,000	____
2029	320,000	____
2030	320,000	____
2031	320,000	____
2032	335,000	____
2033	335,000	____
2034	340,000	____
2035	340,000	____
2036	340,000	____
2037	340,000	____
2038	340,000	____
2039	340,000	____
2040	350,000	____
2041	355,000	____
2042	355,000	____
2043	355,000	____
2044	355,000	____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2025.

The Notes maturing on March 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2032 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.
3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

QB\92353683.1

BOOK-ENTRY-ONLY SYSTEM

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

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

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Platteville, Grant County, Wisconsin (the "Issuer") in connection with the issuance of \$5,975,000 General Obligation Promissory Notes, Series 2024B, dated October 30, 2024 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on October 8, 2024 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

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

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

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

"Final Official Statement" means the Final Official Statement dated October 8, 2024 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of Platteville, Grant County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Administration Director of the Issuer who can be contacted at City Hall, 75 North Bonson Street, Platteville, Wisconsin 53818, phone (608) 348-1824, fax (608) 348-7812.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2024, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

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

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

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

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

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

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

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 30th day of October, 2024.

(SEAL)

Clinton Langreck
City Manager

Colette Steffen
City Clerk

NOTICE OF SALE

**\$5,975,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024B
CITY OF PLATTEVILLE, WISCONSIN**

Bids for the purchase of \$5,975,000* General Obligation Promissory Notes, Series 2024B (the "Notes") of the City of Platteville, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via bondsale@ehlers-inc.com or **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on October 8, 2024, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of street reconstruction, constructing a fire station and acquiring capital equipment, including a snow blower and dump truck. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated October 30, 2024, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$250,000	2033	\$335,000	2039	\$340,000
2028	285,000	2034	340,000	2040	350,000
2029	320,000	2035	340,000	2041	355,000
2030	320,000	2036	340,000	2042	355,000
2031	320,000	2037	340,000	2043	355,000
2032	335,000	2038	340,000	2044	355,000

ADJUSTMENT OPTION

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

TERM BOND OPTION

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

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

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

PAYING AGENT

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

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about October 30, 2024, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for the Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

SUBMISSION OF BIDS

Bids must not be for less than \$5,900,312.50, nor more than \$6,393,250, plus accrued interest on the principal sum of \$5,975,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

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

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

A good faith deposit ("Deposit") in the amount of \$119,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

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

BOND INSURANCE

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

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

CUSIP NUMBERS

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

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

NEW ISSUE PRICING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PRELIMINARY OFFICIAL STATEMENT

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

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

By Order of the Common Council

Colette Steffen, City Clerk
City of Platteville, Wisconsin

BID FORM

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

October 8, 2024

RE: \$5,975,000* General Obligation Promissory Notes, Series 2024B (the "Notes")
DATED: October 30, 2024

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$5,900,312.50 nor more than \$6,393,250) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due 2027	_____ % due 2033	_____ % due 2039
_____ % due 2028	_____ % due 2034	_____ % due 2040
_____ % due 2029	_____ % due 2035	_____ % due 2041
_____ % due 2030	_____ % due 2036	_____ % due 2042
_____ % due 2031	_____ % due 2037	_____ % due 2043
_____ % due 2032	_____ % due 2038	_____ % due 2044

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

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

A good faith deposit ("Deposit") in the amount of \$119,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about October 30, 2024.

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

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

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

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

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

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from October 30, 2024 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of Common Council of the City of Platteville, Wisconsin, on October 8, 2024.

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