

# PRELIMINARY OFFICIAL STATEMENT DATED MARCH 28, 2025

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 "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 not be "qualified tax-exempt obligations".

**New Issue**

**Non-Rated**

## CITY OF MAYVILLE, WISCONSIN (Dodge County)

### \$3,295,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A

**BID OPENING:** April 9, 2025, 10:00 A.M., C.T.

**CONSIDERATION:** Not later than 11:59 P.M., C.T. on April 9, 2025 (PARAMETERS RESOLUTION)

**PURPOSE/AUTHORITY/SECURITY:** The \$3,295,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Mayville, Wisconsin (the "City"), for public purposes, including paying the costs of street improvement projects, parking lots, building maintenance, the purchase of vehicles and equipment and projects included in the project plan for TID No. 7. 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:** May 1, 2025

**MATURITY:** May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$90,000	2034	\$140,000	2041	\$210,000
2028	90,000	2035	150,000	2042	230,000
2029	135,000	2036	165,000	2043	250,000
2030	135,000	2037	170,000	2044	260,000
2031	135,000	2038	185,000	2045	270,000
2032	135,000	2039	195,000		
2033	140,000	2040	210,000		

**\*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, up to a maximum of \$80,000 per maturity. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BONDS:** See "Term Bond Option" herein.

**INTEREST:** May 1, 2026 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Notes maturing on May 1, 2035 and thereafter are subject to call for prior optional redemption on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

**MINIMUM BID:** \$3,253,812.50.

**MAXIMUM BID:** \$3,591,550.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$65,900 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).

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

## 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 MAYVILLE COMMON COUNCIL

		<u>Term Expires</u>
Robert Boelk	Mayor	April 2026
Anthony DeBaker	Aldersperson	April 2025 <sup>1</sup>
Jesse Liebenow	Aldersperson	April 2026
Kenneth Neumann	Aldersperson	April 2025 <sup>1</sup>
Kim Marie Olson	Aldersperson	April 2026
Michael Schmidt	Aldersperson	April 2025
Bob Smith	Aldersperson	April 2026

### ADMINISTRATION

Stephanie Justmann, City Administrator  
Nichole DeBaker, Treasurer/Comptroller  
Anastasia Gonstead, City Clerk

### PROFESSIONAL SERVICES

Patrick Madden, Madden Law Group S.C., City Attorney, Mayville, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

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

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<sup>1</sup> Seeking Re-election in April 2025.

## INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Mayville, Wisconsin (the "City") and the issuance of its \$3,295,000\* General Obligation Promissory Notes, Series 2025A (the "Notes"). **The Common Council adopted a resolution on March 10, 2025 (the "Parameters Resolution"), which authorized either the City Administrator or the Treasurer/Comptroller to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 9, 2025, neither the City Administrator nor the Treasurer/Comptroller will have the authority to accept a bid for Notes, and all bids for the Notes will be rejected.**

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](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE NOTES

### GENERAL

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

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Parameters 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 May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 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 costs of street improvement projects, parking lots, building maintenance, the purchase of vehicles and equipment and projects included in the project plan for TID No. 7.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$3,295,000	
Estimated Interest Earnings	<u>46,222</u>	
<b>Total Sources</b>		<b>\$3,341,222</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$41,187	
Costs of Issuance	66,450	
Deposit to Capitalized Interest (CIF) Fund	150,567	
Deposit to Project Construction Fund	3,081,483	
Rounding Amount	<u>1,535</u>	
<b>Total Uses</b>		<b>\$3,341,222</b>

\*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, irrevocable 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**

None of the outstanding indebtedness of the City is currently rated, and the City has not requested a rating on the Notes. A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the City.

## **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. 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.

## **NOT QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall not be "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 Baker Tilly US, LLP, Madison, 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.

**Interest Rates:** In the future, interest rates for this type of obligation may rise generally, possibly 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 Parameters 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.

# 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	\$562,581,400
2024 Equalized Value Reduced by Tax Increment Valuation	\$552,091,700
2024 Assessed Value	\$475,706,500

## 2024 EQUALIZED VALUE BY CLASSIFICATION

	<b>2024 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$404,694,000	71.935%
Commercial	97,254,700	17.287%
Manufacturing	60,468,900	10.748%
Agricultural	65,700	0.012%
Undeveloped	18,900	0.003%
Ag Forest	79,200	0.014%
Personal Property <sup>2</sup>	<u>0</u>	<u>0.000%</u>
 Total	 <u><u>\$562,581,400</u></u>	 <u><u>100.000%</u></u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>2</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2020	\$324,063,200	\$393,579,800	4.75%
2021	328,247,100	408,614,300	3.82%
2022	478,553,400	484,203,000	18.50%
2023	481,986,700	529,075,300	9.27%
2024	475,706,500	562,581,400	6.33%

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

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<sup>1</sup> Includes tax increment valuation.

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

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2024 Equalized Value <sup>1</sup>	Percent of City's Total Equalized Value
Metalcraft of Mayville, Inc.	Manufacturing	\$18,207,647	3.24%
Mayville Engineering Company, Inc.	Manufacturing	9,115,413	1.62%
Stag III Mayville LLC	Manufacturing	8,391,057	1.49%
Mayville Health Care Realty LLC	Nursing & Rehabilitation	6,323,006	1.12%
DCI Cheese Company, Inc.	Cheese Processing	5,570,740	0.99%
Mayville Center LTD Partnership	Shopping Center	4,540,085	0.81%
Seneca Foods Corporation	Food Processing	4,352,167	0.77%
River Knoll Holdings LLC	Manufacturing	4,226,572	0.75%
Ru-Mar Mfg Corp.	Manufacturing	4,166,022	0.74%
BPY LLC	Manufacturing	<u>3,497,604</u>	<u>0.62%</u>
Total		\$68,390,313	12.16%
City's Total 2024 Equalized Value <sup>2</sup>		\$562,581,400	

Source: The City.

## DEBT

### DIRECT DEBT<sup>3</sup>

#### General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u><u>\$9,213,615</u></u>
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#### Revenue Debt (see schedules following)

Total revenue debt secured by sewer revenues	<u><u>\$977,790</u></u>
Total revenue debt secured by water revenues	<u><u>\$3,965,332</u></u>

\*Preliminary, subject to change.

<sup>1</sup> Calculated by dividing the 2024 Assessed Values by the 2024 Aggregate Ratio of assessment for the City.

<sup>2</sup> Includes tax increment valuation.

<sup>3</sup> Outstanding debt is as of the dated date of the Notes.

## DEBT PAYMENT HISTORY

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

## FUTURE FINANCING

The City currently plans to secure additional financing for water and sewer projects through the Safe Drinking Water Fund Loan and Clean Water Fund Loan programs in 2026. The timing and amounts of said financing have not yet been determined. 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	\$562,581,400
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$28,129,070
Less: General Obligation Debt*	<u>(9,213,615)</u>
Unused Debt Limit*	<u><u>\$18,915,455</u></u>

\*Preliminary, subject to change.

City of Mayville, Wisconsin  
Schedule of Bonded Indebtedness  
General Obligation Debt Secured by Taxes  
(As of 05/01/2025)

	State Trust Fund Loan Series 2014		Promissory Notes Series 2016A		Corporate Purpose Bonds Series 2021A		Promissory Notes Series 2024A		Promissory Notes Series 2025A							
Dated Amount	07/10/2014 \$650,000		05/05/2016 \$1,015,000		05/13/2021 \$3,490,000		05/30/2024 \$2,360,000		05/01/2025 \$3,295,000*							
Maturity	03/15		05/01		05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	0	0	0	1,500	0	24,995	0	51,475	0	0	0	77,970	77,970	9,213,615	.00%	2025
2026	36,929	15,879	150,000	1,500	180,000	49,360	0	102,950	0	204,625	366,929	374,313	741,242	8,846,686	3.98%	2026
2027	38,498	14,309			160,000	48,050	100,000	100,450	90,000	134,864	388,498	297,673	686,172	8,458,188	8.20%	2027
2028	40,100	12,708			160,000	46,490	100,000	95,450	90,000	131,746	390,100	286,393	676,493	8,068,088	12.43%	2028
2029	41,839	10,969			160,000	44,650	100,000	90,450	135,000	127,810	436,839	273,879	710,718	7,631,249	17.17%	2029
2030	43,317	9,191			165,000	42,618	100,000	85,450	135,000	123,045	443,317	260,303	703,620	7,187,932	21.99%	2030
2031	45,458	7,350			170,000	40,355	110,000	80,200	135,000	118,225	460,458	246,130	706,588	6,727,474	26.98%	2031
2032	47,375	5,432			205,000	37,628	110,000	74,700	135,000	113,359	497,375	231,118	728,494	6,230,099	32.38%	2032
2033	49,403	3,404			205,000	34,450	115,000	69,075	140,000	108,325	509,403	215,254	724,658	5,720,695	37.91%	2033
2034	30,695	1,305			205,000	31,068	120,000	63,200	140,000	103,110	495,695	198,682	694,377	5,225,000	43.29%	2034
2035					205,000	27,480	125,000	57,700	150,000	97,628	480,000	182,808	662,808	4,745,000	48.50%	2035
2036					200,000	23,735	130,000	52,600	165,000	91,429	495,000	167,764	662,764	4,250,000	53.87%	2036
2037					200,000	19,835	140,000	47,200	170,000	84,475	510,000	151,510	661,510	3,740,000	59.41%	2037
2038					205,000	15,683	145,000	41,500	185,000	76,885	535,000	134,068	669,068	3,205,000	65.21%	2038
2039					205,000	11,326	150,000	35,600	195,000	68,666	550,000	115,593	665,593	2,655,000	71.18%	2039
2040					205,000	6,868	155,000	29,500	210,000	59,805	570,000	96,173	666,173	2,085,000	77.37%	2040
2041					205,000	2,306	165,000	23,100	210,000	50,513	580,000	75,919	655,919	1,505,000	83.67%	2041
2042							175,000	16,300	230,000	40,665	405,000	56,965	461,965	1,100,000	88.06%	2042
2043							175,000	9,300	250,000	29,803	425,000	39,103	464,103	675,000	92.67%	2043
2044							145,000	2,900	260,000	18,200	405,000	21,100	426,100	270,000	97.07%	2044
2045									270,000	6,143	270,000	6,143	276,143	0	100.00%	2045
	373,615	80,546	150,000	3,000	3,035,000	506,895	2,360,000	1,129,100	3,295,000	1,789,318	9,213,615	3,508,859	12,722,474			

\* Preliminary, subject to change.



City of Mayville, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Sewer Revenues  
(As of 05/01/2025)

	Sewerage System Revenue Bonds (CWFL) Series 2007		Sewerage System Revenue Bonds (CWFL) Series 2011		Sewerage System Revenue Bonds (CWFL) Series 2012		Sewerage System Revenue Bonds (CWFL) Series 2016		Sewerage System Revenue Bonds (CWFL) Series 2018	
Dated	01/24/2007		06/22/2011		02/22/2012		06/22/2016		06/13/2018	
Amount	\$474,840		\$316,136		\$229,191		\$296,301		\$509,264	
Maturity	05/01		05/01		05/01		05/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	0	367	0	1,414	0	1,006	0	1,872	0	3,310
2026	29,654	367	17,504	2,607	13,152	1,853	14,578	3,591	24,307	6,392
2027			17,947	2,159	13,467	1,534	14,884	3,282	24,761	5,934
2028			18,400	1,700	13,791	1,207	15,197	2,966	25,224	5,466
2029			18,866	1,229	14,122	872	15,516	2,644	25,696	4,990
2030			19,343	746	14,461	529	15,842	2,314	26,177	4,505
2031			19,832	251	14,808	178	16,175	1,978	26,666	4,011
2032							16,514	1,635	27,165	3,508
2033							16,861	1,285	27,673	2,995
2034							17,215	927	28,190	2,473
2035							17,577	561	28,717	1,941
2036							17,946	188	29,254	1,399
2037									29,801	846
2038									30,359	284
2039										
2040										
2041										
2042										
2043										
2044										
	29,654	734	111,891	10,106	83,800	7,178	178,306	23,244	353,990	48,053

1) The City issued its Sewerage System Revenue Bonds, Series 2018 on June 13, 2018 to secure its loan received pursuant to a Financial Assistance Agreement ("FAA") from the State of Wisconsin Clean Water Fund Loan Program (the "CWFL Program"). The City and the CWFL Program amended the FAA in order to provide additional financial assistance to the City for the same project, and the City issued its Sewerage System Revenue Bonds, Series 2019 on June 26, 2019 to secure an additional loan received from the CWFL Program. The schedule shown reflects the combined principal and interest payments for the two series of bonds.

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City of Mayville, Wisconsin  
Schedule of Bonded Indebtedness continued  
Revenue Debt Secured by Sewer Revenues  
(As of 05/01/2025)

	Sewerage System Revenue Bonds (CWFL) 1 Series 2019		Sewerage System Revenue Bonds (CWFL) Series 2024							
	Dated	Amount	Dated	Amount						
Maturity	05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	0	302	0	2,221	0	10,492	10,492	977,790	.00%	2025
2026	2,219	584	7,945	4,348	109,359	19,743	129,102	868,430	11.18%	2026
2027	2,261	542	8,133	4,158	81,454	17,609	99,062	786,977	19.51%	2027
2028	2,303	499	8,325	3,964	83,241	15,802	99,042	703,736	28.03%	2028
2029	2,346	456	8,522	3,764	85,068	13,954	99,022	618,669	36.73%	2029
2030	2,390	411	8,724	3,560	86,935	12,066	99,001	531,734	45.62%	2030
2031	2,434	366	8,930	3,352	88,844	10,135	98,980	442,889	54.71%	2031
2032	2,480	320	9,141	3,138	55,300	8,601	63,901	387,589	60.36%	2032
2033	2,526	273	9,357	2,919	56,418	7,472	63,890	331,171	66.13%	2033
2034	2,574	226	9,579	2,695	57,558	6,320	63,878	273,614	72.02%	2034
2035	2,622	177	9,805	2,466	58,721	5,145	63,866	214,892	78.02%	2035
2036	2,671	128	10,037	2,231	59,908	3,946	63,854	154,984	84.15%	2036
2037	2,721	77	10,275	1,991	42,797	2,915	45,711	112,188	88.53%	2037
2038	2,772	26	10,518	1,745	43,648	2,055	45,703	68,540	92.99%	2038
2039			10,766	1,494	10,766	1,494	12,260	57,774	94.09%	2039
2040			11,021	1,236	11,021	1,236	12,257	46,753	95.22%	2040
2041			11,282	972	11,282	972	12,254	35,471	96.37%	2041
2042			11,548	702	11,548	702	12,251	23,923	97.55%	2042
2043			11,822	426	11,822	426	12,248	12,101	98.76%	2043
2044			12,101	143	12,101	143	12,244	0	100.00%	2044
	32,317	4,387	187,832	47,527	977,790	141,229	1,119,018			

2) Pursuant to the Wisconsin Capital Finance Office, Project No.4012-13, the amount of disbursements as of March 1, 2025, is \$195,593.40.

City of Mayville, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Water Revenues  
(As of 05/01/2025)

	Water System Revenue Bonds (SDWFL) Series 2015		Water System Revenue Bonds (SDWFL) Series 2016		Water System Revenue Bonds (SDWFL) Series 2018		Water System Revenue Bonds (SDWFL) Series 2019		Water System Revenue Bonds (SDWFL) 1 Series 2023	
<b>Dated</b>	12/23/2015		06/22/2016		06/13/2018		06/26/2019		09/13/2023	
<b>Amount</b>	\$586,559		\$342,104		\$939,407		\$92,206		\$2,713,890	
<b>Maturity</b>	05/01		05/01		05/01		05/01		05/01	
<b>Calendar Year</b>										
<b>Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
<b>2025</b>	0	2,979	0	1,673	0	4,188	0	622	0	16,647
<b>2026</b>	30,727	5,683	16,961	3,205	46,313	8,078	4,567	1,201	111,546	32,466
<b>2027</b>	31,276	5,129	17,241	2,923	46,909	7,478	4,652	1,115	112,982	30,799
<b>2028</b>	31,835	4,564	17,525	2,636	47,513	6,871	4,739	1,027	114,436	29,112
<b>2029</b>	32,404	3,990	17,814	2,345	48,125	6,255	4,828	938	115,909	27,403
<b>2030</b>	32,984	3,406	18,108	2,049	48,744	5,632	4,918	846	117,400	25,671
<b>2031</b>	33,574	2,811	18,407	1,747	49,371	5,001	5,010	754	118,911	23,918
<b>2032</b>	34,174	2,205	18,711	1,441	50,007	4,361	5,104	659	120,442	22,142
<b>2033</b>	34,785	1,588	19,020	1,130	50,650	3,713	5,199	563	121,992	20,343
<b>2034</b>	35,407	961	19,333	813	51,302	3,057	5,297	465	123,562	18,520
<b>2035</b>	36,040	322	19,652	492	51,962	2,393	5,396	365	125,152	16,675
<b>2036</b>			19,977	165	52,631	1,720	5,497	263	126,763	14,805
<b>2037</b>					53,309	1,038	5,599	159	128,394	12,912
<b>2038</b>					53,995	347	5,704	53	130,047	10,994
<b>2039</b>									131,720	9,052
<b>2040</b>									133,416	7,084
<b>2041</b>									135,133	5,092
<b>2042</b>									136,872	3,073
<b>2043</b>									138,633	1,029
<b>2044</b>										
	333,205	33,638	202,751	20,619	650,831	60,131	66,512	9,029	2,243,311	327,736

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 5443-09, the amount of disbursements as of March 1, 2025 is \$2,353,439.51.

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City of Mayville, Wisconsin  
Schedule of Bonded Indebtedness continued  
Revenue Debt Secured by Water Revenues  
(As of 05/01/2025)

Water System Revenue Bonds  
(SDWFL) 2)  
Series 2024

<b>Dated</b>	08/14/2024							
<b>Amount</b>	\$539,214							
<b>Maturity</b>	05/01							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	0	5,543	0	31,651	31,651	3,965,332	.00%	2025
2026	19,827	10,851	229,941	61,484	291,425	3,735,391	5.80%	2026
2027	20,295	10,376	233,356	57,821	291,177	3,502,035	11.68%	2027
2028	20,775	9,891	236,824	54,101	290,926	3,265,211	17.66%	2028
2029	21,267	9,394	240,347	50,324	290,671	3,024,864	23.72%	2029
2030	21,770	8,885	243,925	46,489	290,413	2,780,940	29.87%	2030
2031	22,285	8,364	247,558	42,594	290,152	2,533,381	36.11%	2031
2032	22,812	7,831	251,249	38,638	289,887	2,282,133	42.45%	2032
2033	23,351	7,285	254,997	34,621	289,619	2,027,135	48.88%	2033
2034	23,903	6,726	258,804	30,542	289,347	1,768,331	55.41%	2034
2035	24,469	6,154	262,671	26,400	289,071	1,505,660	62.03%	2035
2036	25,047	5,568	229,915	22,521	252,436	1,275,745	67.83%	2036
2037	25,640	4,969	212,942	19,078	232,020	1,062,803	73.20%	2037
2038	26,246	4,355	215,992	15,750	231,741	846,812	78.64%	2038
2039	26,867	3,727	158,587	12,779	171,366	688,225	82.64%	2039
2040	27,502	3,084	160,918	10,169	171,087	527,307	86.70%	2040
2041	28,153	2,426	163,285	7,518	170,803	364,021	90.82%	2041
2042	28,818	1,753	165,690	4,826	170,516	198,331	95.00%	2042
2043	29,500	1,063	168,133	2,092	170,225	30,198	99.24%	2043
2044	30,198	357	30,198	357	30,555	0	100.00%	2044
	468,723	118,601	3,965,332	569,755	4,535,086			

2) Pursuant to the Wisconsin Capital Finance Office, Project No. 5443-12, the amount of disbursements as of March 1, 2025 is \$488,091.91.

**OVERLAPPING DEBT<sup>1</sup>**

<b>Taxing District</b>	<b>2024 Equalized Value<sup>2</sup></b>	<b>% In City</b>	<b>Total G.O. Debt<sup>3</sup></b>	<b>City's Proportionate Share</b>
Dodge County	\$10,772,734,800	5.2223%	\$17,825,000	\$930,875
Mayville School District	1,014,224,778	55.4691%	15,245,000	8,456,264
Moraine Park Technical College District	44,738,181,521	1.2575%	61,055,000	<u>767,767</u>
City's Share of Total Overlapping Debt				<u><u>\$10,154,906</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$562,581,400</b>	<b>Debt/ Per Capita 5,241<sup>4</sup></b>
Total General Obligation Debt*	\$9,213,615	1.64%	\$1,757.99
City's Share of Total Overlapping Debt	<u>10,154,906</u>	<u>1.81%</u>	<u>1,937.59</u>
Total*	\$19,368,521	3.44%	\$3,695.58

\*Preliminary, subject to change.

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<sup>1</sup> 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.

<sup>2</sup> Includes tax increment valuation.

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

<sup>4</sup> Estimated 2024 population.

## TAX LEVIES AND COLLECTIONS

### TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2020/21	\$2,655,301	100%	\$6.83
2021/22	2,598,097	100%	6.43
2022/23	2,408,035	100%	5.01
2023/24	2,736,327	100%	5.26
2024/25	2,739,960	In Progress	4.96

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

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

## PROPERTY TAX RATES

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

<b>Year Levied/ Year Collected</b>	<b>Schools<sup>1</sup></b>	<b>County</b>	<b>Local</b>	<b>Total</b>
2020/21	\$9.92	\$4.96	\$6.83	\$21.71
2021/22	9.85	4.60	6.43	20.88
2022/23	8.29	4.04	5.01	17.34
2023/24	7.85	3.64	5.26	16.75
2024/25	7.54	3.69	4.96	14.37

**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

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

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

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

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

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

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

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

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

## **REVENUE FROM THE STATE**

In addition to local property taxes described above, a number of state programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the City received approximately \$983,100 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$783,600 received in 2023. The City is currently estimated to receive approximately \$1,005,500 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 1845 and is governed by a Mayor and a six-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to two-year terms. The appointed City Administrator, Treasurer/Comptroller and City Clerk are responsible for administrative details and financial records.

## EMPLOYEES; PENSIONS

The City employs a staff of 34 full-time, 154 part-time, and eight seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2021, the fiscal year ended December 31, 2022 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 \$158,395, \$168,157, and \$199,621, respectively.

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

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

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2023, the City reported a liability of \$731,597 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 0.01380970% 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 5 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.<sup>1</sup>

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:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Mayville Police Department Employees Association Local 245	December 31, 2026

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

## **OTHER POST EMPLOYMENT BENEFITS**

The City does not provide any other post employment benefits.

## **LITIGATION**

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

## **MUNICIPAL BANKRUPTCY**

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

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

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

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

**FUNDS ON HAND** (as of January 31, 2024)

<b>Fund</b>	<b>Total Cash and Investments</b>
Water Utility	\$710,411
Water Depreciation	216,257
Water Impact Fees	1,276
Water Redemption	68,540
Sewer Utility	376,348
Sewer Redemption	70,864
Sewer Connections	185,281
Sewer Utility Reserve	1,229
Sewer Replacement	1,295,574
Capital Projects	1,202
Fire/EMS Trust	53,970
EMS Equipment Replacement	35,899
Mayville Center Board MM	49,066
MSB Savings	594,215
Money Market General Fund	5,798,547
EMT Ambulance	515,725
BMO Harris CD	265,648
LGIP	<u>1,307,976</u>
Total Funds on Hand	<u><u>\$11,548,028</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:

	<b>2021</b> <b>Audited</b>	<b>2022</b> <b>Audited</b>	<b>2023</b> <b>Audited</b>	<b>2024</b> <b>Unaudited</b>
<b>Water Utility</b>				
Total Operating Revenues	\$1,256,501	\$1,315,041	\$1,325,119	\$1,456,993
Less: Operating Expenses	<u>(952,514)</u>	<u>(1,046,317)</u>	<u>(1,062,794)</u>	<u>(1,087,257)</u>
Operating Income	\$303,987	\$268,724	\$262,325	\$369,736
Plus: Depreciation	284,033	289,902	291,702	350,402
Interest Income	<u>1,628</u>	<u>10,598</u>	<u>39,152</u>	<u>51,724</u>
Revenues Available for Debt Service	<u><u>\$589,648</u></u>	<u><u>\$569,224</u></u>	<u><u>\$593,179</u></u>	<u><u>\$771,862</u></u>
<b>Wastewater Utility</b>				
Total Operating Revenues	\$1,440,971	\$1,476,367	\$1,446,772	\$1,430,305
Less: Operating Expenses	<u>(1,359,999)</u>	<u>(1,505,799)</u>	<u>(1,578,278)</u>	<u>(1,015,644)</u>
Operating Income	\$80,972	(\$29,432)	(\$131,506)	\$414,661
Plus: Depreciation	444,153	455,521	457,024	460,250
Interest Income	<u>3,300</u>	<u>21,482</u>	<u>81,484</u>	<u>100,263</u>
Revenues Available for Debt Service	<u><u>\$528,425</u></u>	<u><u>\$447,571</u></u>	<u><u>\$407,002</u></u>	<u><u>\$975,174</u></u>
<b>TAG Center<sup>1</sup></b>				
Total Operating Revenues	\$429,367	\$454,313	\$528,707	\$715,731
Less: Operating Expenses	<u>(1,019,949)</u>	<u>(1,002,758)</u>	<u>(1,129,666)</u>	<u>(1,056,186)</u>
Operating Income	(\$590,582)	(\$548,445)	(\$600,959)	(\$340,455)
Plus: Depreciation	355,698	291,101	280,528	265,895
Interest Income	<u>1,736</u>	<u>1,925</u>	<u>3,781</u>	<u>20,632</u>
Revenues Available for Debt Service	<u><u>(\$233,148)</u></u>	<u><u>(\$255,419)</u></u>	<u><u>(\$316,650)</u></u>	<u><u>(\$53,928)</u></u>

<sup>1</sup> The Ted and Grace Bachhuber Aquatic and Fitness Center ("TAG Center") is an indoor recreation center built in 2002 as a gift to the City. The TAG Center is operated by the City's Department of Parks and Recreation. TAG Center revenues are generated through monthly paid membership and other programming.

## 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.

<b>FISCAL YEAR ENDING DECEMBER 31</b>					
<b>COMBINED STATEMENT</b>	<b>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Unaudited <sup>1)</sup></b>	<b>2025 Adopted Budget <sup>2)</sup></b>
<b>Revenues</b>					
Taxes & special assessments	\$1,674,947	\$1,827,588	\$1,918,732	\$2,217,779	\$2,394,786
Intergovernmental	1,149,275	1,220,499	1,195,581	1,398,787	1,530,315
Public charges for services	447,237	644,194	558,688	578,824	569,300
Fines, forfeitures and penalties	32,175	38,530	45,252	50,833	66,000
Licenses and permits	107,438	77,628	70,239	78,406	73,450
Intergovernmental charges for services	1,050	801	398	0	20,000
Investment income	9,393	87,241	170,670	262,906	149,936
Miscellaneous	169,548	133,715	71,177	61,759	43,000
<b>Total Revenues</b>	<u>\$3,591,063</u>	<u>\$4,030,196</u>	<u>\$4,030,737</u>	<u>\$4,649,295</u>	<u>\$4,846,787</u>
<b>Expenditures</b>					
Current:					
General government	\$541,782	\$725,942	\$913,094	\$909,804	\$893,036
Public safety	1,604,043	1,846,368	2,129,245	2,200,932	2,362,328
Public works	775,485	827,848	798,250	756,910	950,230
Health and human services	10,799	13,142	14,192	20,450	23,100
Culture, recreation and education	476,241	496,773	583,086	610,562	589,975
Conservation and development	42,749	49,029	83,634	51,096	0
Contingency	0	0	0	0	28,118
<b>Total Expenditures</b>	<u>\$3,451,099</u>	<u>\$3,959,102</u>	<u>\$4,521,501</u>	<u>\$4,549,755</u>	<u>\$4,846,787</u>
<b>Excess of revenues over (under) expenditures</b>	\$139,964	\$71,094	(\$490,764)	\$99,540	\$0
<b>Other Financing Sources (Uses)</b>					
Transfers in	\$207,651	\$146,254	\$206,675	\$182,954	\$165,000
Property sales	58,645	33,990	224	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>\$266,296</u>	<u>\$180,244</u>	<u>\$206,899</u>	<u>\$182,954</u>	<u>\$165,000</u>
<b>Net changes in Fund Balances</b>	406,260	251,338	(283,865)	282,494	165,000
General Fund Balance January 1	\$1,486,750	\$1,893,010	\$2,144,348	\$1,860,483	
General Fund Balance December 31	\$1,893,010	\$2,144,348	\$1,860,483	\$2,142,977	
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$296,542	\$577,423	\$1,117,510	\$900,000	
Assigned	94,984	94,984	94,984	94,984	
Unassigned	1,501,484	1,471,941	647,989	1,147,993	
<b>Total</b>	<u>\$1,893,010</u>	<u>\$2,144,348</u>	<u>\$1,860,483</u>	<u>\$2,142,977</u>	

<sup>1</sup> Unaudited data is as of February 24, 2025.

<sup>2</sup> The 2025 budget was adopted on November 11, 2024.

## GENERAL INFORMATION

### LOCATION

The City, with a 2020 U.S. Census population of 5,196 and a current estimated population of 5,241 comprises an area of three square miles and is located approximately 54 miles north of Milwaukee, Wisconsin just west of U.S. Highway 41 in east-central Wisconsin.

### LARGER EMPLOYERS<sup>1</sup>

Larger employers in the City include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Mayville Engineering Co Inc.	Manufacturing	400
Metalcraft	Manufacturing	390
The City	Municipal government and services	196
Old Fashioned Foods	Cheese producer	182
Mayville School District	Elementary and secondary education	180
Gleason Reel Corp.	Manufacturer of electric cable and hose reels	150
Piggly Wiggly (Fox Brothers)	Grocery supermarket	91
Crossroads Care Center	Skilled nursing home	90
Seneca Foods Corp.	Food processing	65
TAB Products	Manufacturer of document management systems	54

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

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<sup>1</sup> 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<sup>1</sup>**

	2021	2022	2023	2024	2025
<u>New Single Family Homes</u>					
No. of building permits	10	4	4	4	0
Valuation	\$2,760,000	\$1,070,000	\$1,229,000	\$1,225,000	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	1	0	0
Valuation	\$0	\$0	\$3,238,592	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	1	1	2	17	1
Valuation	\$2,800,000	\$8,500,000	\$650,000	\$4,891,931	\$20,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	406	218	203	198	12
Valuation	\$13,392,314	\$17,197,372	\$12,760,936	\$8,881,314	\$196,945

**Source:** The City.

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<sup>1</sup> As of February 7, 2025.



## U.S. CENSUS DATA

### Population Trend: The City

2010 U.S. Census Population	5,154
2020 U.S. Census Population	5,196
Percent of Change 2010 - 2020	0.81%
2024 Estimated Population	5,241

### Income and Age Statistics

	<b>The City</b>	<b>Dodge County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2023 per capita income	\$34,889	\$37,295	\$42,019	\$43,289
2023 median household income	\$66,453	\$73,992	\$75,670	\$78,538
2023 median family income	\$76,903	\$91,528	\$97,261	\$96,922
2023 median gross rent	\$853	\$963	\$1,045	\$1,348
2023 median value owner occupied units	\$184,800	\$218,400	\$247,400	\$303,400
2023 median age	40.8 yrs.	42.9 yrs.	40.1 yrs.	38.7 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
City % of 2023 per capita income	83.03%	80.60%
City % of 2023 median family income	79.07%	79.35%

### Housing Statistics

	<b><u>The City</u></b>		
	<b>2020</b>	<b>2023</b>	<b>Percent of Change</b>
All Housing Units	2,274	2,322	2.11%

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

## EMPLOYMENT/UNEMPLOYMENT DATA

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

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>	
	<b>Dodge County</b>	<b>Dodge County</b>	<b>Dodge County</b>	<b>State of Wisconsin</b>
2021	46,497	3.2%	3.8%	
2022	46,412	2.6%	2.8%	
2023	47,239 <sup>1</sup>	2.6% <sup>1</sup>	2.8%	
2024, December	48,475	2.4%	2.9%	
2025, January <sup>1</sup>	48,069	3.1%	3.6%	

**Source:** Wisconsin Department of Workforce Development.

<sup>1</sup> 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 Mayville**

Financial Statements and  
Supplementary Information

December 31, 2023

# City of Mayville

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# City of Mayville

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## **Independent Auditors' Report**

To the City Council of  
City of Mayville

### **Opinions**

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 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 for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

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

## **Required Supplementary Information**

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

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

### **Supplementary Information**

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

*Baker Tilly US, LLP*

Madison, Wisconsin  
June 18, 2024



# City of Mayville

Statement of Net Position  
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
<b>Assets and Deferred Outflows of Resources</b>				
<b>Assets</b>				
Cash and investments	\$ 3,652,158	\$ 5,389,967	\$ 9,042,125	\$ 70,051
Receivables (net):				
Taxes	2,768,455	165,000	2,933,455	-
Accounts	187,342	234,352	421,694	25,808
Special assessments	3,800	-	3,800	-
Loans	39,862	-	39,862	-
Other	-	105,133	105,133	-
Internal balances	399,820	(399,820)	-	-
Inventories	-	37,149	37,149	-
Prepaid items	22,698	11,005	33,703	-
Other assets	-	452,556	452,556	-
Restricted assets:				
Cash and investments	-	1,568,495	1,568,495	-
Capital assets:				
Land	1,704,920	275,909	1,980,829	-
Construction in progress	10,860,268	2,196,571	13,056,839	-
Land improvements	185,402	-	185,402	-
Buildings	3,068,081	8,581,599	11,649,680	-
Machinery and equipment	6,006,948	2,605,563	8,612,511	-
Plant in service	-	29,741,903	29,741,903	-
Infrastructure	40,365,669	-	40,365,669	-
Less accumulated depreciation	(27,559,442)	(22,735,760)	(50,295,202)	-
Total assets	<u>41,705,981</u>	<u>28,229,622</u>	<u>69,935,603</u>	<u>95,859</u>
<b>Deferred Outflows of Resources</b>				
Pension related amounts	<u>2,124,592</u>	<u>627,955</u>	<u>2,752,547</u>	<u>-</u>
Total deferred outflows of resources	<u>2,124,592</u>	<u>627,955</u>	<u>2,752,547</u>	<u>-</u>

See notes to financial statements

# City of Mayville

Statement of Net Position  
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
<b>Liabilities, Deferred inflows of Resources and Net Position</b>				
<b>Liabilities</b>				
Accounts payable	\$ 792,929	\$ 1,462,787	\$ 2,255,716	\$ -
Accrued liabilities	69,422	27,051	96,473	-
Deposits	-	1,880	1,880	-
Unearned revenue	503,828	-	503,828	25,808
Due to other governmental units	40,408	-	40,408	-
Noncurrent liabilities:				
Due within one year	429,538	253,443	682,981	-
Due in more than one year	3,078,836	4,119,835	7,198,671	-
Net pension liability	572,658	158,939	731,597	-
Total liabilities	5,487,619	6,023,935	11,511,554	25,808
<b>Deferred Inflows of Resources</b>				
Unearned revenues	2,710,691	247,082	2,957,773	-
Pension related amounts	1,180,632	355,992	1,536,624	-
Total deferred inflows of resources	3,891,323	603,074	4,494,397	-
<b>Net Position</b>				
Net investment in capital assets	31,378,879	16,329,903	47,708,782	-
Restricted for:				
Debt service	828,330	122,082	950,412	-
Depreciation	-	205,032	205,032	-
Fireworks	26,554	-	26,554	-
Parks and recreation	1,786	-	1,786	-
Equipment replacement	206,843	1,231,295	1,438,138	-
Landfill	622,306	-	622,306	-
Unrestricted	1,386,933	4,342,256	5,729,189	70,051
Total net position	\$ 34,451,631	\$ 22,230,568	\$ 56,682,199	\$ 70,051

See notes to financial statements

# City of Mayville

## Statement of Activities

Year Ended December 31, 2023

<b>Functions/Programs</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government</b>				
Governmental activities:				
General government	\$ 972,858	\$ 68,942	\$ 600	\$ -
Public safety	2,527,343	632,520	96,156	64,452
Public works	(17,821,215)	317,497	53,758	308,629
Health and human services	14,192	3,090	139	-
Culture, recreation and education	1,028,544	98,952	93,980	5,086,609
Conservation and development	130,555	34,861	-	-
Interest and fiscal charges	68,950	-	-	-
Total governmental activities	<u>(13,078,773)</u>	<u>1,155,862</u>	<u>244,633</u>	<u>5,459,690</u>
Business-type activities:				
Water utility	1,121,990	1,325,119	640	335,836
Wastewater utility	1,603,447	1,446,772	-	23,922
TAG Center	1,129,666	528,707	-	-
Total business-type activities	<u>3,855,103</u>	<u>3,300,598</u>	<u>640</u>	<u>359,758</u>
Total primary government	<u>\$ (9,223,670)</u>	<u>\$ 4,456,460</u>	<u>\$ 245,273</u>	<u>\$ 5,819,448</u>
<b>Component Unit</b>				
Community development authority	<u>\$ 14,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

### General Revenues

#### Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for TIF districts

Other taxes

Intergovernmental revenues not restricted to specific programs

Public gifts and grants

Investment income

Miscellaneous

Total general revenues

#### Transfers

Total general revenues and transfers

Change in net position

### Net Position, Beginning

### Net Position, Ending

See notes to financial statements

<b>Net (Expenses) Revenues and Changes in Net Position</b>			
<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>CDA</b>
\$ (903,316)	\$ -	\$ (903,316)	\$ -
(1,734,215)	-	(1,734,215)	-
18,501,099	-	18,501,099	-
(10,963)	-	(10,963)	-
4,250,997	-	4,250,997	-
(95,694)	-	(95,694)	-
(68,950)	-	(68,950)	-
<u>19,938,958</u>	<u>-</u>	<u>19,938,958</u>	<u>-</u>
-	539,605	539,605	-
-	(132,753)	(132,753)	-
-	(600,959)	(600,959)	-
-	(194,107)	(194,107)	-
<u>19,938,958</u>	<u>(194,107)</u>	<u>19,744,851</u>	<u>-</u>
-	-	-	(14,725)
1,937,635	110,000	2,047,635	25,808
334,592	-	334,592	-
61,588	-	61,588	-
4,509	-	4,509	-
812,342	-	812,342	-
1,036	-	1,036	-
187,495	124,417	311,912	-
51,168	-	51,168	100
<u>3,390,365</u>	<u>234,417</u>	<u>3,624,782</u>	<u>25,908</u>
<u>206,675</u>	<u>(206,675)</u>	<u>-</u>	<u>-</u>
<u>3,597,040</u>	<u>27,742</u>	<u>3,624,782</u>	<u>25,908</u>
23,535,998	(166,365)	23,369,633	11,183
<u>10,915,633</u>	<u>22,396,933</u>	<u>33,312,566</u>	<u>58,868</u>
<u>\$ 34,451,631</u>	<u>\$ 22,230,568</u>	<u>\$ 56,682,199</u>	<u>\$ 70,051</u>

See notes to financial statements

# City of Mayville

Balance Sheet -  
Governmental Funds  
December 31, 2023

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>
<b>Assets</b>			
Cash and investments	\$ 749,717	\$ 441,990	\$ 851,847
Receivables (net):			
Taxes	2,259,243	-	314,378
Delinquent personal property taxes	6,401	-	-
Accounts	180,037	-	-
Loans	-	-	-
Due from other funds	14,053	-	-
Prepaid items	17,866	-	-
Advances to other funds	1,093,243	-	-
	<u>\$ 4,320,560</u>	<u>\$ 441,990</u>	<u>\$ 1,166,225</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 115,827	\$ 652,316	\$ -
Accrued liabilities	84,855	-	-
Due to other funds	51,515	-	-
Unearned revenues	-	-	-
Advances from other funds	-	-	-
	<u>252,197</u>	<u>652,316</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Unearned revenues	2,207,880	-	314,378
Unavailable revenues	-	-	-
	<u>2,207,880</u>	<u>-</u>	<u>314,378</u>
<b>Fund Balances (Deficit)</b>			
Nonspendable	1,117,510	-	-
Restricted	-	-	851,847
Committed	-	-	-
Assigned	94,984	-	-
Unassigned (deficit)	647,989	(210,326)	-
	<u>1,860,483</u>	<u>(210,326)</u>	<u>851,847</u>
Total fund balances (deficit)			
	<u>1,860,483</u>	<u>(210,326)</u>	<u>851,847</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,320,560</u>	<u>\$ 441,990</u>	<u>\$ 1,166,225</u>

See notes to financial statements

<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 1,608,604	\$ 3,652,158
7,489	180,944	2,762,054
-	-	6,401
-	7,305	187,342
-	43,662	43,662
-	8,062	22,115
-	4,832	22,698
-	-	1,093,243
<u>\$ 7,489</u>	<u>\$ 1,853,409</u>	<u>\$ 7,789,673</u>

\$ 8,462	\$ 16,324	\$ 792,929
-	1,458	86,313
-	14,053	65,568
-	503,828	503,828
<u>242,608</u>	<u>407,362</u>	<u>649,970</u>
<u>251,070</u>	<u>943,025</u>	<u>2,098,608</u>

7,489	180,944	2,710,691
-	43,662	43,662
<u>7,489</u>	<u>224,606</u>	<u>2,754,353</u>

-	4,832	1,122,342
-	1,010,524	1,862,371
-	80,945	80,945
-	-	94,984
<u>(251,070)</u>	<u>(410,523)</u>	<u>(223,930)</u>
<u>(251,070)</u>	<u>685,778</u>	<u>2,936,712</u>

<u>\$ 7,489</u>	<u>\$ 1,853,409</u>	<u>\$ 7,789,673</u>
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## City of Mayville

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
December 31, 2023

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<b>Total Fund Balances, Governmental Funds</b>	<b>\$ 2,936,712</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	34,631,846
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	43,662
The net pension asset/(liability) does not relate to current financial resources and is not reported in the governmental funds.	(572,658)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	2,124,592
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,180,632)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note 2.	<u>(3,531,891)</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 34,451,631</u></b>

# City of Mayville

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds  
Year Ended December 31, 2023

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>
<b>Revenues</b>			
Taxes	\$ 1,918,732	\$ -	\$ 334,592
Intergovernmental	1,195,581	-	-
Public charges for services	558,688	36,394	-
Fines, forfeitures and penalties	45,252	-	-
Licenses and permits	70,239	-	-
Intergovernmental charges for services	398	-	-
Special assessments	-	-	-
Investment income	170,670	14,012	-
Miscellaneous	71,177	5,086,609	-
	<u>4,030,737</u>	<u>5,137,015</u>	<u>334,592</u>
<b>Total revenues</b>			
	<u>4,030,737</u>	<u>5,137,015</u>	<u>334,592</u>
<b>Expenditures</b>			
Current:			
General government	913,094	-	-
Public safety	2,129,245	-	-
Public works	798,250	-	-
Health and human services	14,192	-	-
Culture, recreation and education	583,086	24,144	-
Conservation and development	83,634	-	-
Capital outlay	-	8,360,177	-
Debt service:			
Principal	-	-	255,084
Interest and fiscal charges	-	-	49,540
	<u>4,521,501</u>	<u>8,384,321</u>	<u>304,624</u>
<b>Total expenditures</b>			
	<u>4,521,501</u>	<u>8,384,321</u>	<u>304,624</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(490,764)</u>	<u>(3,247,306)</u>	<u>29,968</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	206,675	-	-
Property sales	224	-	-
	<u>206,899</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>			
	<u>206,899</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	(283,865)	(3,247,306)	29,968
<b>Fund Balances (Deficit), Beginning</b>	<u>2,144,348</u>	<u>3,036,980</u>	<u>821,879</u>
<b>Fund Balances (Deficit), Ending</b>	<u>\$ 1,860,483</u>	<u>\$ (210,326)</u>	<u>\$ 851,847</u>

See notes to financial statements



<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 85,000	\$ 2,338,324
-	220,722	1,416,303
-	331,444	926,526
-	-	45,252
-	31,237	101,476
-	-	398
6,954	-	6,954
52	2,761	187,495
-	89,236	5,247,022
<u>7,006</u>	<u>760,400</u>	<u>10,269,750</u>
-	4,699	917,793
-	110,802	2,240,047
-	375,584	1,173,834
-	-	14,192
-	181,916	789,146
-	54,708	138,342
169,110	-	8,529,287
-	97,596	352,680
-	22,746	72,286
<u>169,110</u>	<u>848,051</u>	<u>14,227,607</u>
<u>(162,104)</u>	<u>(87,651)</u>	<u>(3,957,857)</u>
-	-	206,675
-	-	224
-	-	206,899
(162,104)	(87,651)	(3,750,958)
<u>(88,966)</u>	<u>773,429</u>	<u>6,687,670</u>
<u>\$ (251,070)</u>	<u>\$ 685,778</u>	<u>\$ 2,936,712</u>

See notes to financial statements

## City of Mayville

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2023

**Net Change in Fund Balances, Total Governmental Funds** \$ (3,750,958)

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

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	8,529,287
Some items reported as capital outlay were not capitalized	(139,786)
Depreciation is reported in the government-wide financial statements	(1,138,426)
Net book value of assets retired	(31,599)

To prospectively apply a change in estimate for the useful lives of roads	19,843,133
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Special assessments	(19,424)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	352,680
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	25,053
Accrued interest on debt	3,336
Net pension asset/(liability)	(1,427,811)
Deferred outflows of resources related to pensions	480,900
Deferred inflows of resources related to pensions	809,613

**Change in Net Position of Governmental Activities** \$ 23,535,998

# City of Mayville

Statement of Net Position -  
Proprietary Funds  
December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	
<b>Assets and Deferred Outflows of Resources</b>				
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 3,794,834	\$ 1,595,133	\$ -	\$ 5,389,967
Taxes receivable	-	-	165,000	165,000
Customer accounts receivable, net	109,756	123,349	1,247	234,352
Other accounts receivable	-	-	105,133	105,133
Due from other funds	21,043	22,410	-	43,453
Inventories	35,363	1,786	-	37,149
Prepaid items	2,618	2,493	5,894	11,005
Restricted assets:				
Redemption account	64,983	67,185	-	132,168
<b>Total current assets</b>	<b>4,028,597</b>	<b>1,812,356</b>	<b>277,274</b>	<b>6,118,227</b>
Noncurrent assets:				
Restricted assets:				
Depreciation account	205,032	-	-	205,032
Replacement account	-	1,231,295	-	1,231,295
Capital assets:				
Land	3,661	66,748	205,500	275,909
Plant in service	13,051,214	16,690,689	-	29,741,903
Buildings and improvements	-	-	8,581,599	8,581,599
Machinery, equipment and furnishings	-	-	2,605,563	2,605,563
Construction in progress	1,993,875	202,696	-	2,196,571
Less accumulated depreciation	(5,629,083)	(10,936,023)	(6,170,654)	(22,735,760)
Other assets:				
Preliminary survey and investigation	-	422,660	-	422,660
Property held for future use	29,896	-	-	29,896
<b>Total noncurrent assets</b>	<b>9,654,595</b>	<b>7,678,065</b>	<b>5,222,008</b>	<b>22,554,668</b>
<b>Total assets</b>	<b>13,683,192</b>	<b>9,490,421</b>	<b>5,499,282</b>	<b>28,672,895</b>
<b>Deferred Outflows of Resources</b>				
Deferred outflows of resources, pension	223,927	258,659	145,369	627,955
<b>Total deferred outflows of resources</b>	<b>223,927</b>	<b>258,659</b>	<b>145,369</b>	<b>627,955</b>

See notes to financial statements

# City of Mayville

Statement of Net Position -  
Proprietary Funds  
December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>				
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 1,004,692	\$ 435,021	\$ 23,074	\$ 1,462,787
Accrued liabilities	4,330	5,345	5,204	14,879
Accrued interest	802	1,284	-	2,086
Deposits	-	-	1,880	1,880
Advance from other funds	-	-	443,273	443,273
General obligation debt, noncapital	3,692	3,692	-	7,384
General obligation debt	30,000	25,000	-	55,000
Compensated absences	-	-	5,122	5,122
Current liabilities payable from restricted assets:				
Current portion of revenue bonds	91,095	94,842	-	185,937
Accrued interest	6,704	3,382	-	10,086
Total current liabilities	<u>1,141,315</u>	<u>568,566</u>	<u>478,553</u>	<u>2,188,434</u>
Noncurrent liabilities:				
Long-term debt:				
Compensated absences	-	-	24,890	24,890
Revenue bonds payable	2,240,263	854,631	-	3,094,894
General obligation debt payable	590,000	410,051	-	1,000,051
Net pension liability	53,701	64,951	40,287	158,939
Total noncurrent liabilities	<u>2,883,964</u>	<u>1,329,633</u>	<u>65,177</u>	<u>4,278,774</u>
Total liabilities	<u>4,025,279</u>	<u>1,898,199</u>	<u>543,730</u>	<u>6,467,208</u>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	-	-	247,082	247,082
Deferred inflows related to pension	117,870	148,591	89,531	355,992
Total deferred inflows of resources	<u>117,870</u>	<u>148,591</u>	<u>336,613</u>	<u>603,074</u>
<b>Net Position</b>				
Net investment in capital assets	6,468,309	4,639,586	5,222,008	16,329,903
Restricted for:				
Debt service	58,279	63,803	-	122,082
Depreciation	205,032	-	-	205,032
Equipment replacement	-	1,231,295	-	1,231,295
Unrestricted (deficit)	3,032,350	1,767,606	(457,700)	4,342,256
Total net position	<u>\$ 9,763,970</u>	<u>\$ 7,702,290</u>	<u>\$ 4,764,308</u>	<u>\$ 22,230,568</u>

See notes to financial statements

## City of Mayville

Statement of Revenues, Expenses and Changes in Net Position -  
 Proprietary Funds  
 Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	<b>Total</b>
<b>Operating Revenues</b>				
Charges for services	\$ 1,300,986	\$ 1,374,827	\$ 501,958	\$ 3,177,771
Miscellaneous revenues	24,133	71,945	26,749	122,827
Total operating revenues	<u>1,325,119</u>	<u>1,446,772</u>	<u>528,707</u>	<u>3,300,598</u>
<b>Operating Expenses</b>				
Operation and maintenance	771,092	1,121,254	849,138	2,741,484
Depreciation	291,702	457,024	280,528	1,029,254
Total operating expenses	<u>1,062,794</u>	<u>1,578,278</u>	<u>1,129,666</u>	<u>3,770,738</u>
Operating income (loss)	<u>262,325</u>	<u>(131,506)</u>	<u>(600,959)</u>	<u>(470,140)</u>
<b>Nonoperating Revenues (Expenses)</b>				
General property taxes	-	-	110,000	110,000
Investment income	39,152	81,484	3,781	124,417
Grant proceeds for lead lateral services	640	-	-	640
Interest and debt issuance costs	(50,480)	(25,169)	-	(75,649)
Miscellaneous nonoperating expenses	(8,076)	-	-	(8,076)
Lead service lateral expenses	(640)	-	-	(640)
Total nonoperating revenues (expenses)	<u>(19,404)</u>	<u>56,315</u>	<u>113,781</u>	<u>150,692</u>
Income (loss) before contributions and transfers	<u>242,921</u>	<u>(75,191)</u>	<u>(487,178)</u>	<u>(319,448)</u>
<b>Contributions and Transfers</b>				
Contributed capital	335,836	23,922	-	359,758
Transfer out, tax equivalent	(193,675)	-	-	(193,675)
Transfers out	(6,500)	(6,500)	-	(13,000)
Total contributions and transfers	<u>135,661</u>	<u>17,422</u>	<u>-</u>	<u>153,083</u>
Change in net position	378,582	(57,769)	(487,178)	(166,365)
<b>Net Position, Beginning</b>	<u>9,385,388</u>	<u>7,760,059</u>	<u>5,251,486</u>	<u>22,396,933</u>
<b>Net Position, Ending</b>	<u>\$ 9,763,970</u>	<u>\$ 7,702,290</u>	<u>\$ 4,764,308</u>	<u>\$ 22,230,568</u>

See notes to financial statements

## City of Mayville

Statement of Cash Flows -  
Proprietary Funds  
Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>				
Received from customers	\$ 1,356,784	\$ 1,512,482	\$ 480,317	\$ 3,349,583
Paid to suppliers for goods and services	(482,022)	(469,751)	(187,648)	(1,139,421)
Paid to employees for services	(200,658)	(243,806)	(402,799)	(847,263)
Net cash flows from operating activities	<u>674,104</u>	<u>798,925</u>	<u>(110,130)</u>	<u>1,362,899</u>
<b>Cash Flows From Investing Activities</b>				
Investment income	<u>39,152</u>	<u>81,484</u>	<u>3,781</u>	<u>124,417</u>
Net cash flows from investing activities	<u>39,152</u>	<u>81,484</u>	<u>3,781</u>	<u>124,417</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Paid to municipality for tax equivalent Property taxes received	(193,675)	-	-	(193,675)
Repayment of general obligation debt, noncapital	(3,833)	(3,833)	-	(7,666)
Grant proceeds for lead lateral services	640	-	-	640
Lead service lateral expenses	(640)	-	-	(640)
Transfers in (to) from other funds	(6,500)	(6,500)	-	(13,000)
Net cash flows from noncapital financing activities	<u>(204,008)</u>	<u>(10,333)</u>	<u>110,000</u>	<u>(104,341)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Proceeds from debt issued	962,724	-	-	962,724
Debt retired	(117,669)	(117,737)	-	(235,406)
Interest paid	(35,128)	(28,196)	-	(63,324)
Debt issuance costs	(15,000)	-	-	(15,000)
Grant proceeds	320,908	-	-	320,908
Acquisition and construction of capital assets	(1,047,749)	(599,146)	(3,651)	(1,650,546)
Capital contributions received	<u>14,928</u>	<u>23,922</u>	<u>-</u>	<u>38,850</u>
Net cash flows from capital and related financing activities	<u>83,014</u>	<u>(721,157)</u>	<u>(3,651)</u>	<u>(641,794)</u>
Net change in cash and cash equivalents	592,262	148,919	-	741,181
<b>Cash and Cash Equivalents, Beginning</b>	<u>3,472,587</u>	<u>2,744,694</u>	<u>-</u>	<u>6,217,281</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 4,064,849</u>	<u>\$ 2,893,613</u>	<u>\$ -</u>	<u>\$ 6,958,462</u>

See notes to financial statements

## City of Mayville

Statement of Cash Flows -  
 Proprietary Funds  
 Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water Utility</b>	<b>Wastewater Utility</b>	<b>TAG Center</b>	<b>Total</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities</b>				
Operating income (loss)	\$ 262,325	\$ (131,506)	\$ (600,959)	\$ (470,140)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	291,702	457,024	280,528	1,029,254
Depreciation charged to other funds	14,429	-	-	14,429
Changes in assets and liabilities:				
Accounts receivable	11,509	61,927	(48,390)	25,046
Due from municipality	5,727	3,783	(55,000)	(45,490)
Materials and supplies	(6,112)	-	-	(6,112)
Prepaid items	1,079	1,079	-	2,158
Accounts payable	92,117	392,604	18,540	503,261
Accrued liabilities	-	-	4,497	4,497
Due to other funds	-	-	216,459	216,459
Deferred inflows	-	-	55,000	55,000
Other current liabilities	1,000	128	(435)	693
Pension related items	328	13,886	19,630	33,844
Net cash flows from operating activities	<u>\$ 674,104</u>	<u>\$ 798,925</u>	<u>\$ (110,130)</u>	<u>\$ 1,362,899</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds</b>				
Cash and investments	\$ 3,794,834	\$ 1,595,133	\$ -	\$ 5,389,967
Redemption account	64,983	67,185	-	132,168
Replacement account	205,032	1,231,295	-	1,436,327
Cash and cash equivalents	<u>\$ 4,064,849</u>	<u>\$ 2,893,613</u>	<u>\$ -</u>	<u>\$ 6,958,462</u>

See notes to financial statements

# City of Mayville

Statement of Fiduciary Net Position -  
Custodial Fund  
December 31, 2023

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	<b>Custodial Fund Tax Collection Fund</b>
<b>Assets</b>	
Cash and investments	\$ 4,148,465
Taxes receivable	<u>1,832,728</u>
Total assets	<u>5,981,193</u>
<b>Liabilities</b>	
Due to other governments	<u>5,981,193</u>
Total liabilities	<u>5,981,193</u>
<b>Net Position</b>	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements



# City of Mayville

Statement of Changes in Fiduciary Net Position -  
Custodial Fund  
Year Ended December 31, 2023

	<u>Custodial Fund Tax Collection Fund</u>
<b>Additions</b>	
Property taxes collected for other governments	\$ 4,314,764
Total additions	<u>4,314,764</u>
<b>Deductions</b>	
Property taxes distributed to other governments	<u>4,314,764</u>
Total deductions	<u>4,314,764</u>
Change in fiduciary net position	-
<b>Net Position, Beginning</b>	<u>-</u>
<b>Net Position, Ending</b>	<u><u>\$ -</u></u>

# City of Mayville

Index to Notes to Financial Statements  
December 31, 2023

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# City of Mayville

Notes to Financial Statements  
December 31, 2023

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## 1. Summary of Significant Accounting Policies

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

### Reporting Entity

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

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

### Discretely Presented Component Unit

#### Community Development Authority

The government-wide financial statements include the Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 4. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2023. The CDA does not issue separate financial statements.

## Government-Wide and Fund Financial Statements

### Government-Wide Financial Statements

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

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

### Fund Financial Statements

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

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

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

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

The City reports the following major governmental funds:

#### General Fund

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

# City of Mayville

Notes to Financial Statements  
December 31, 2023

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## Special Revenue Fund

Library special revenue fund is used to account for and report taxes, charges for services, and local revenues legally restricted or committed to supporting expenditures for the library fund.

## Debt Service Fund

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TID or enterprise debt.

## Capital Projects Fund

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

## Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Wastewater Utility accounts for operations of the wastewater system

TAG Center Fund accounts for operations of the TAG Center athletic facility

The City reports the following nonmajor governmental funds:

## Special Revenue Funds

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

Cable TV  
EMS State  
County Library  
Recreation  
Recycling  
Police Trust

Mayville Center Board  
EMS and Fire  
Solid Waste and Recycling Collection  
Landfill  
Customer Loan  
ARPA

## Capital Projects Funds

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

TIF District No. 4  
TIF District No. 5  
TIF District No. 6

EMS Equipment Replacement  
Parks

In addition, the City reports the following fund type:

## **Custodial Fund**

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

Tax Collection

## **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

### **Government-Wide Financial Statements**

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

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

### **Fund Financial Statements**

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2023, there were \$275,175 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

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

## **Proprietary and Fiduciary Funds**

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

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

## **All Financial Statements**

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

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

### **Deposits and Investments**

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

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

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

## City of Mayville

Notes to Financial Statements  
December 31, 2023

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- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments.

**Custodial Credit Risk** - all of the investment securities purchased by the City shall be held in third-party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information. Certificates of deposit shall be collateralized by U.S. Treasury obligations held in safekeeping by the primary agent.

**Interest Rate Risk** - the average maturity of the portfolio shall never exceed one year.

**Concentration of Credit Risk** - the City's investments shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer and/or a specific class of securities.

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 4 for further information.

### Receivables

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



# City of Mayville

Notes to Financial Statements  
December 31, 2023

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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 2026

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

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

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

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

## **Inventories and Prepaid Items**

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction and/or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

## **Restricted Assets**

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

**Capital Assets**

**Government-Wide Financial Statements**

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	25-40 Years
Land improvements	20-30 Years
Machinery and equipment	5-20 Years
Utility system	4-77 Years
Infrastructure	20-50 Years
Intangibles	10-50 Years

Lease assets are typically amortized over the lease term.

**Fund Financial Statements**

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

**Other Assets**

The water utility fund reports property held for future use which represents land acquired by the water utility to be used for future projects.

**Deferred Outflows of Resources**

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

**Compensated Absences**

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2023, are determined on the basis of current salary rates and include salary related payments.

## Long-Term Obligations

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

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

## Deferred Inflows of Resources

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

## Equity Classifications

### Government-Wide Statements

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

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

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

## Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Comptroller-Treasurer to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

The City has a formal minimum fund balance policy. That policy is to maintain reserves of 25% of subsequent years' expenditures. The balance at year-end was 13.64%, and is included in unassigned general fund balance. The City approved this minimum fund balance policy as part of Resolution 4341-2009, the City's 10-year financial recovery plan.

See Note 4 for further information.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## Pension

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

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

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

## Basis for Existing Rates

### Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin effective January 1, 2022.

### Wastewater Utility

Current wastewater rates were approved by the utility commission and placed into effect on February 1, 2022.

### TAG Center

Current TAG Center rates were put into place effective January 1, 2016.

## 2. Reconciliation of Government-Wide and Fund Financial Statements

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

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

Bonds and notes payable	\$ 3,279,731
Accrued interest	23,517
Compensated absences	<u>228,643</u>
Combined adjustment for long-term liabilities	<u><u>\$ 3,531,891</u></u>

## City of Mayville

Notes to Financial Statements  
December 31, 2023

### 3. Stewardship, Compliance and Accountability

#### Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Cable TV fund	\$ 41,150	\$ 59,186	\$ 18,036
Mayville center board	2,500	8,319	5,819
Recreation	38,873	50,268	11,395
TIF District No. 4	1,098	2,149	1,051
Solid waste and recycling fund	275,000	329,797	54,797
Recycling fund	45,638	45,787	149
EMS and fire fund	17,700	108,720	91,020

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

#### Deficit Balances

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

As of December 31, 2023, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Capital Improvements	\$ (251,070)	Project costs exceeding bond proceeds and other resources
TIF District No. 4	(99,970)	Insufficient tax increments to date
TIF District No. 5	(168,695)	Insufficient tax increments to date
TIF District No. 6	(36,468)	Insufficient tax increments to date
Recycling	(35,585)	Excess expenditures over revenues
Customer Loan Fund	(58,853)	Excess expenditures over revenues
Library	(210,326)	Excess expenditures over revenues
Recreation	(10,952)	Excess expenditures over revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. The Recycling and Customer Loan funds deficits are anticipated to be funded with future charges for services and loan repayments, respectively. The library deficit is anticipated to be funded by future donations.

#### Limitations on the City's Tax Levy

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

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## 4. Detailed Notes on All Funds

### Deposits and Investments

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

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

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 13,414,623	\$ 10,718,393	Custodial credit
Stock certificates	14,600	14,600	Custodial credit,
LGIP	1,329,397	1,329,397	Concentration of credit
Petty cash	465	-	Credit
			N/A
Total deposits and investments	<u>\$ 14,759,085</u>	<u>\$ 12,062,390</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 9,042,125		
Restricted cash and investments	1,568,495		
Per statement of fiduciary net position:			
Custodial Fund	<u>4,148,465</u>		
Total deposits and investments	<u>\$ 14,759,085</u>		

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of \$2,540,161 to secure the City's deposits.

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

# City of Mayville

Notes to Financial Statements  
December 31, 2023

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

- Market approach - quoted prices from market transactions of similar assets.

Investment Type	December 31, 2023			Total
	Level 1	Level 2	Level 3	
Stock certificates	\$ 14,600	\$ -	\$ -	\$ 14,600

## Custodial Credit Risk

### Deposits

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

As of December 31, 2023, \$6,348,775 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 6,348,775
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### Investments

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

As of December 31, 2021, \$14,600 of the City's stock certificate investments were exposed to custodial credit risk as being uninsured or not registered and held by a counterparty.

## Credit Risk

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

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

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

## Receivables

All of the receivables on the balance sheet are expected to be collected within one year with the exception of \$39,291 in loans receivable in the consumer loan fund.



## City of Mayville

Notes to Financial Statements  
December 31, 2023

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 2,710,540	\$ -
Loans	-	43,662
Deposits	151	-
Unspent American Rescue Plan funds	<u>503,828</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 3,214,519</u>	<u>\$ 43,662</u>
Unearned revenue included in liabilities	\$ 503,828	
Unearned revenue included in deferred inflows	<u>2,710,691</u>	
Total unearned revenue for governmental funds	<u>\$ 3,214,519</u>	

At the end of the current fiscal year, the various components of unearned revenue in the proprietary funds were as follows:

	<u>Unearned</u>
Membership fees received for the subsequent year	\$ 80,384
Gift certificates	1,698
Property taxes receivable for subsequent year	<u>165,000</u>
Total unearned revenue for proprietary funds	<u>\$ 247,082</u>

### Restricted Assets

The following represent the balances of the restricted assets:

#### Long-Term Debt Accounts

**Redemption** - Used to segregate resources accumulated for debt service payments over the next twelve months.

**Depreciation** - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

#### Equipment Replacement Account

The water and wastewater utilities established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

Following is a list of restricted assets at December 31, 2023:

Restricted assets:	
Redemption account	\$ 132,168
Depreciation account	205,032
Replacement account	<u>1,231,295</u>
Total restricted assets	1,568,495
Current liabilities payable from restricted assets	<u>(10,086)</u>
Total restricted net position, business-type activities	<u>\$ 1,558,409</u>

## Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated / amortized:				
Land	\$ 1,736,520	\$ -	\$ 31,600	\$ 1,704,920
Construction in progress	<u>2,730,947</u>	<u>8,129,321</u>	<u>-</u>	<u>10,860,268</u>
Total capital assets not being depreciated / amortized	<u>4,467,467</u>	<u>8,129,321</u>	<u>31,600</u>	<u>12,565,188</u>
Capital assets being depreciated / amortized:				
Land improvements	185,402	-	-	185,402
Buildings	3,228,333	-	160,252	3,068,081
Machinery and equipment	5,929,601	116,986	39,639	6,006,948
Intangibles	22,440	-	22,440	-
Streets	39,401,975	143,194	13,910	39,531,259
Dams	594,969	-	-	594,969
Sidewalks	212,641	-	-	212,641
Traffic signals	<u>26,800</u>	<u>-</u>	<u>-</u>	<u>26,800</u>
Total capital assets being depreciated / amortized	<u>49,602,161</u>	<u>260,180</u>	<u>236,241</u>	<u>49,626,100</u>
Total capital assets	<u>54,069,628</u>	<u>8,389,501</u>	<u>267,841</u>	<u>62,191,288</u>
Less accumulated depreciation / amortization for:				
Land improvements	(92,859)	(9,270)	-	(102,129)
Buildings	(2,042,522)	(76,699)	160,252	(1,958,969)
Machinery and equipment	(4,797,653)	(220,112)	39,639	(4,978,126)
Intangibles	(22,441)	-	22,441	-
Streets (1)	(39,174,224)	(790,625)	19,857,043	(20,107,806)
Dams	(336,935)	(29,748)	-	(366,683)
Sidewalks	(27,057)	(10,632)	-	(37,689)
Traffic signals	<u>(6,700)</u>	<u>(1,340)</u>	<u>-</u>	<u>(8,040)</u>
Total accumulated depreciation / amortization	<u>(46,500,391)</u>	<u>(1,138,426)</u>	<u>20,079,375</u>	<u>(27,559,442)</u>
Net capital assets being depreciated / amortized	<u>3,101,770</u>	<u>(878,246)</u>	<u>(19,843,134)</u>	<u>22,066,658</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 7,569,237</u>	<u>\$ 7,251,075</u>	<u>\$ (19,811,534)</u>	<u>\$ 34,631,846</u>

(1) - The deletion amount includes \$19,843,133 of negative depreciation to prospectively adjust for the estimated useful lives of streets.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

Depreciation / amortization expense was charged to functions as follows:

## Governmental Activities

General government	\$	42,441
Public safety		146,351
Public works, which includes the depreciation of infrastructure		914,118
Culture, recreation and education		<u>35,516</u>

Total governmental activities depreciation / amortization expense \$ 1,138,426

## Business-Type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Water</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 3,661	\$ -	\$ -	\$ 3,661
Construction in progress	<u>275</u>	<u>1,993,600</u>	<u>-</u>	<u>1,993,875</u>
Total capital assets not being depreciated	<u>3,936</u>	<u>1,993,600</u>	<u>-</u>	<u>1,997,536</u>
Capital assets being depreciated:				
Source of supply	149,730	-	-	149,730
Pumping	1,050,356	-	-	1,050,356
Water treatment	1,108,857	-	-	1,108,857
Transmission and distribution	10,378,873	29,255	23,457	10,384,671
General	<u>357,600</u>	<u>-</u>	<u>-</u>	<u>357,600</u>
Total capital assets being depreciated	<u>13,045,416</u>	<u>29,255</u>	<u>23,457</u>	<u>13,051,214</u>
Total capital assets	<u>13,049,352</u>	<u>2,022,855</u>	<u>23,457</u>	<u>15,048,750</u>
Less accumulated depreciation for:				
Water plant	<u>(5,346,409)</u>	<u>(306,131)</u>	<u>23,457</u>	<u>(5,629,083)</u>
Total accumulated depreciation	<u>(5,346,409)</u>	<u>(306,131)</u>	<u>23,457</u>	<u>(5,629,083)</u>
Net capital assets being depreciated	<u>7,699,007</u>	<u>(276,876)</u>	<u>-</u>	<u>7,422,131</u>
Net water capital assets	<u>\$ 7,702,943</u>	<u>\$ 1,716,724</u>	<u>\$ -</u>	<u>\$ 9,419,667</u>

# City of Mayville

Notes to Financial Statements  
December 31, 2023

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Wastewater</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 66,748	\$ -	\$ -	\$ 66,748
Construction in progress	275	202,421	-	202,696
Total capital assets not being depreciated	<u>67,023</u>	<u>202,421</u>	<u>-</u>	<u>269,444</u>
Capital assets being depreciated:				
Collection system	7,293,140	-	-	7,293,140
Pumping	1,118,466	-	-	1,118,466
Treatment and disposal	6,680,927	-	-	6,680,927
General	1,564,798	33,358	-	1,598,156
Total capital assets being depreciated	<u>16,657,331</u>	<u>33,358</u>	<u>-</u>	<u>16,690,689</u>
Total capital assets	<u>16,724,354</u>	<u>235,779</u>	<u>-</u>	<u>16,960,133</u>
Less accumulated depreciation for:				
Wastewater plant	<u>(10,478,999)</u>	<u>(457,024)</u>	<u>-</u>	<u>(10,936,023)</u>
Total accumulated depreciation	<u>(10,478,999)</u>	<u>(457,024)</u>	<u>-</u>	<u>(10,936,023)</u>
Net capital assets being depreciated	<u>6,178,332</u>	<u>(423,666)</u>	<u>-</u>	<u>5,754,666</u>
Net wastewater capital assets	<u>\$ 6,245,355</u>	<u>\$ (221,245)</u>	<u>\$ -</u>	<u>\$ 6,024,110</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>TAG Center</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 205,500	\$ -	\$ -	\$ 205,500
Total capital assets not being depreciated	<u>205,500</u>	<u>-</u>	<u>-</u>	<u>205,500</u>
Capital assets being depreciated:				
Buildings	8,581,599	-	-	8,581,599
Equipment	2,605,563	-	-	2,605,563
Total capital assets being depreciated	<u>11,187,162</u>	<u>-</u>	<u>-</u>	<u>11,187,162</u>
Total capital assets	<u>11,392,662</u>	<u>-</u>	<u>-</u>	<u>11,392,662</u>
Less accumulated depreciation for:				
Buildings	<u>(3,442,925)</u>	<u>(224,556)</u>	<u>-</u>	<u>(3,667,481)</u>
Equipment	<u>(2,447,201)</u>	<u>(55,972)</u>	<u>-</u>	<u>(2,503,173)</u>
Total accumulated depreciation	<u>(5,890,126)</u>	<u>(280,528)</u>	<u>-</u>	<u>(6,170,654)</u>
Net capital assets being depreciated	<u>5,297,036</u>	<u>(280,528)</u>	<u>-</u>	<u>5,016,508</u>
Net tag center capital assets	<u>\$ 5,502,536</u>	<u>\$ (280,528)</u>	<u>\$ -</u>	<u>\$ 5,222,008</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 19,450,834</u>	<u>\$ 1,214,951</u>	<u>\$ -</u>	<u>\$ 20,665,785</u>

# City of Mayville

Notes to Financial Statements  
December 31, 2023

Depreciation expense was charged to functions as follows:

### Business-Type Activities

Water	\$	291,702
Wastewater		457,024
TAG Center		<u>280,528</u>
Total business-type activities, net as reported in the statement of net position expense	\$	<u><u>1,029,254</u></u>

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

### Interfund Receivables/Payables, Advances and Transfers

#### Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water utility	General Fund	\$ 21,043
Wastewater utility	General Fund	22,410
General Fund	Solid waste and recycling collection	14,053
Solid waste and recycling collection	General Fund	<u>8,062</u>
Total, fund financial statements		65,568
Less fund eliminations		(22,115)
Less government-wide eliminations		(86,906)
Add interfund advances		<u>443,273</u>
Total internal balances, government-wide statement of net position		<u><u>\$ 399,820</u></u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 443,273
Business-type activities	Governmental activities	<u>(43,453)</u>
Total government-wide financial statements		<u><u>\$ 399,820</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is to record short-term deficit balances in individual fund cash accounts. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## Advances

The general fund is advancing funds to all of the below-noted funds. The amount advanced is determined by the deficit cash balances in the respective fund. No repayment schedules have been established. Interest is not being charged on the advances.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Customer Loan Fund	\$ 58,853	\$ 58,853
General Fund	Recycling	35,377	35,377
General Fund	TAG Center	443,273	443,273
General Fund	TIF District No. 4	99,970	99,970
General Fund	TIF District No. 5	168,695	168,695
General Fund	TIF District No. 6	33,655	33,655
General Fund	Recreation Fund	10,812	10,812
General Fund	Capital Projects Fund	<u>242,608</u>	<u>242,608</u>
Total, fund financial statements		1,093,243	
Less fund eliminations		<u>(649,970)</u>	
Total, interfund advances		<u>\$ 443,273</u>	

## Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Water Utility	\$ 193,675	Property tax equivalent
General Fund	Water Utility	6,500	Reimbursement for accounting
General Fund	Sewer Utility	<u>6,500</u>	Reimbursement for accounting
Total		<u>\$ 206,675</u>	

  

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 206,675
Business-type activities	Governmental activities	<u>-</u>
Total government-wide financial statements		<u>\$ 206,675</u>

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

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 3,105,000	\$ -	\$ 295,000	\$ 2,810,000	\$ 300,000
General obligation notes from direct borrowings and direct placements	<u>527,411</u>	<u>-</u>	<u>57,680</u>	<u>469,731</u>	<u>60,694</u>
Subtotal	<u>3,632,411</u>	<u>-</u>	<u>352,680</u>	<u>3,279,731</u>	<u>360,694</u>
Other liabilities:					
Vested compensated absences	<u>253,696</u>	<u>111,942</u>	<u>136,995</u>	<u>228,643</u>	<u>68,844</u>
Total other liabilities	<u>253,696</u>	<u>111,942</u>	<u>136,995</u>	<u>228,643</u>	<u>68,844</u>
Total governmental activities long-term liabilities	<u>\$ 3,886,107</u>	<u>\$ 111,942</u>	<u>\$ 489,675</u>	<u>\$ 3,508,374</u>	<u>\$ 429,538</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 1,110,000	\$ -	\$ 54,949	\$ 1,055,051	\$ 55,000
General obligation notes from direct borrowings and direct placements	14,351	-	6,967	7,384	7,384
Alternative revenue bonds	<u>2,498,514</u>	<u>962,724</u>	<u>180,407</u>	<u>3,280,831</u>	<u>185,937</u>
Total bonds and notes payable	<u>3,622,865</u>	<u>962,724</u>	<u>242,323</u>	<u>4,343,266</u>	<u>248,321</u>
Other liabilities:					
Vested compensated absences	<u>25,515</u>	<u>18,275</u>	<u>13,778</u>	<u>30,012</u>	<u>5,122</u>
Total other liabilities	<u>25,515</u>	<u>18,275</u>	<u>13,778</u>	<u>30,012</u>	<u>5,122</u>
Total business-type activities long-term liabilities	<u>\$ 3,648,380</u>	<u>\$ 980,999</u>	<u>\$ 256,101</u>	<u>\$ 4,373,278</u>	<u>\$ 253,443</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023, was \$26,453,765. Total general obligation debt outstanding at year-end was \$4,342,166.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## General Obligation Debt

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

<u>Governmental Activities</u>					
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
2005 State Trust Fund Loan**	01/25/05	03/15/24	5.25%	\$ 230,548	\$ 26,764
2014 General obligation notes	06/26/14	06/01/24	.90-2.60	415,000	65,000
2014 State Trust Fund Loan**	07/10/14	03/15/34	4.25	650,000	442,967
2016 GO Promissory Note	05/05/16	05/01/26	2.00	975,000	410,000
2021 GO Corporate Purpose Bonds	05/13/21	05/01/41	0.3-2.25	2,360,000	<u>2,335,000</u>
Total governmental activities, general obligation debt					<u>\$ 3,279,731</u>

\*\* The debt noted above is directly placed with a third party

<u>Business-Type Activities</u>					
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
2005 State Trust Fund Loan**	01/25/05	03/15/24	5.25%	\$ 63,600	\$ 7,384
2016 General obligation notes	05/05/16	05/01/26	2.00	40,000	20,000
2021 GO Corporate Purpose Bonds	05/13/21	05/01/41	0.3-2.25	1,130,000	<u>1,035,051</u>
Total business-type activities, general obligation debt					<u>\$ 1,062,435</u>

\*\* The debt noted above is directly placed with a third party



# City of Mayville

Notes to Financial Statements  
December 31, 2023

The outstanding State Trust Fund Loans from direct borrowings, contain clauses that any delinquent payments are subject to a penalty of 1% per month and shall be deducted from any state payments that are due to the City. The other outstanding direct placements (promissory notes) contain clauses that if payment is not made on the due date, a delinquency charge may be collected of 12% of the unpaid amount.

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 300,000	\$ 43,225	\$ 55,000	\$ 16,160
2025	270,000	39,113	55,000	15,823
2026	270,000	35,500	60,000	15,360
2027	110,000	33,178	50,000	14,873
2028	110,000	32,105	50,000	14,385
2029-2033	620,000	138,283	285,000	61,418
2034-2038	710,000	81,028	305,000	36,773
2039-2041	420,000	13,998	195,051	65,000
Total	<u>\$ 2,810,000</u>	<u>\$ 416,430</u>	<u>\$ 1,055,051</u>	<u>\$ 239,792</u>

<u>Years</u>	<u>Governmental Activities General Obligation Notes From Direct Borrowings And Direct Placements</u>		<u>Business-Type Activities General Obligation Notes From Direct Borrowings And Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 60,694	\$ 20,288	\$ 7,384	\$ 388
2025	35,423	17,384	-	-
2026	36,929	15,879	-	-
2027	38,498	14,309	-	-
2028	40,100	12,708	-	-
2029-2033	227,392	36,345	-	-
2034-2038	30,695	1,305	-	-
Total	<u>\$ 469,731</u>	<u>\$ 118,218</u>	<u>\$ 7,384</u>	<u>\$ 388</u>

## Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and wastewater systems.

The wastewater utility has pledged future net revenues, net of specified operating expenses, to repay revenue bonds issued in 2007 through 2018. Proceeds from the bonds provided financing for the capital improvements. The bonds are payable solely from wastewater revenues and are payable through 2038. Annual principal and interest payments on the bonds are expected to require 15.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,067,074. Principal and interest paid for the current year and total customer net revenues were \$114,080 and \$424,424, respectively.

The water utility has pledged future net revenues, net of specified operating expenses, to repay revenue bonds issued in 2015 through 2023. Proceeds from the bonds provided financing for the capital improvements. The bonds are payable solely from water revenues and are payable through 2043. Annual principal and interest payments on the bonds are expected to require 26.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$2,610,583. Principal and interest paid for the current year and total customer net revenues were \$113,211 and \$601,607, respectively.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

Revenue debt payable at December 31, 2023, consists of the following:

## Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
<b>Water Utility</b>					
Water Tower **	12/23/15	05/01/35	1.79%	\$ 586,559	\$ 393,048
Capital Improvements **	06/22/16	05/01/36	1.65	342,104	235,851
Capital Improvements **	06/13/18	05/01/38	1.87	939,407	739,735
Capital Improvements **	12/13/23	05/01/43	1.29	962,724	<u>962,724</u> (1)
				Total Water Utility	<u>2,331,358</u>

\*\* The debt noted is directly placed with a third party

(1) - During 2023, the utility was authorized to issue \$2,713,890 of water system Safe Drinking Water Loan revenue bonds. The original amount reported above has been issued as of December 31, 2023. The repayment schedule is for the amount issued.

## Wastewater Utility

Capital Improvements **	01/24/07	05/01/26	2.48	\$ 474,840	\$ 86,830
Capital improvements **	06/22/11	05/01/31	2.53	316,136	145,615
Capital Improvements **	02/22/12	05/01/31	2.40	229,191	109,186
Capital Improvements **	06/22/16	05/01/36	2.10	296,301	206,569
Capital improvements **	06/13/18	05/01/38	1.87	506,264	<u>401,273</u>
				Total Wastewater Utility	<u>949,473</u>

\*\* The debt noted is directly placed with a third party

Total business-type activities, revenue debt \$ 3,280,831

The outstanding debt noted above contain provisions that (1) any delinquent payments can be deducted from any state payments that are due to the City or a special charge may be added to the taxes apportioned to and levied upon the county in which the City is located and (2) in an event of default, outstanding amounts become immediately due and payable or the interest rate may be increased to the market interest rate and (3) any delinquent payments may be intercepted from the revenue of the wastewater system.

# City of Mayville

Notes to Financial Statements  
December 31, 2023

Debt service requirements to maturity are as follows:

<u>Years</u>	<b>Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements</b>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 185,937	\$ 52,226
2025	234,520	47,497
2026	238,703	43,273
2027	212,579	39,345
2028	216,173	35,720
2029-2033	1,065,193	123,658
2034-2038	851,284	46,122
2039-2043	<u>276,442</u>	<u>8,985</u>
Total	<u>\$ 3,280,831</u>	<u>\$ 396,826</u>

## Other Debt Information

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

See Note 5 for the net pension liability (asset) information

A statutory mortgage lien upon the water and wastewater's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The water and wastewater's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

## Net Position/Fund Balances

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	\$ 1,704,920
Construction in progress	10,860,268
Other capital assets, net of accumulated depreciation/amortization	22,066,658
Less long-term debt outstanding	(3,279,731)
Plus noncapital debt proceeds	<u>26,764</u>

Total net investment in capital assets \$ 31,378,879

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## Governmental Funds

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

	<u>General Fund</u>	<u>Library Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvement Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Fund Balances</b>						
<b>Nonspendable:</b>						
Prepaid items	\$ 17,866	\$ -	\$ -	\$ -	\$ 4,832	\$ 22,698
Advances	1,093,243	-	-	-	-	1,093,243
Delinquent items	6,401	-	-	-	-	6,401
Subtotal	<u>1,117,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,832</u>	<u>1,122,342</u>
<b>Restricted for:</b>						
Debt service	-	-	851,847	-	-	851,847
Library	-	-	-	-	179,589	179,589
EMS and fire	-	-	-	-	206,843	206,843
Landfill activities	-	-	-	-	622,306	622,306
Parks	-	-	-	-	1,786	1,786
Subtotal	<u>-</u>	<u>-</u>	<u>851,847</u>	<u>-</u>	<u>1,010,524</u>	<u>1,862,371</u>
<b>Committed to:</b>						
Cable TV-city technology services	-	-	-	-	38,741	38,741
EMS state funds	-	-	-	-	1,279	1,279
Solid waste and recycling collection	-	-	-	-	1,217	1,217
Police trust activities	-	-	-	-	10,326	10,326
Mayville Center Board senior center activities	-	-	-	-	29,382	29,382
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,945</u>	<u>80,945</u>
<b>Assigned to:</b>						
FEMA funds	20,000	-	-	-	-	20,000
Employee separation funds	70,000	-	-	-	-	70,000
Fire department state 2% dues	4,984	-	-	-	-	4,984
Subtotal	<u>94,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,984</u>
<b>Unassigned (Deficit)</b>	<u>647,989</u>	<u>(210,326)</u>	<u>-</u>	<u>(251,070)</u>	<u>(410,523)</u>	<u>(223,930)</u>
Total fund balances (deficit)	<u>\$ 1,860,483</u>	<u>\$ (210,326)</u>	<u>\$ 851,847</u>	<u>\$ (251,070)</u>	<u>\$ 685,778</u>	<u>\$ 2,936,712</u>

## Business-Type Activities

Net investment in capital assets:

Land	\$ 275,909
Construction in progress	2,196,571
Other capital assets, net of accumulated depreciation	18,193,305
Less long-term debt outstanding	(4,343,266)
Plus unspent capital related debt proceeds	<u>7,384</u>

Total net investment in capital assets \$ 16,329,903

**Component Unit**

**Community Development Authority**

This report contains the Community Development Authority (CDA), which is included as a component unit.

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

a. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of financial resources measurement focus.

b. Deposits and Investments

	<b>Carrying Value</b>	<b>Bank and Investment Balances</b>	<b>Associated Risks</b>
Deposits	\$ 70,051	\$ 70,051	Custodial credit

**Custodial Credit Risk**

**Deposits**

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

The CDA does not have any deposits exposed to custodial credit risk.

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

**5. Other Information**

**Employees' Retirement System**

**Plan Description**

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

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

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

# City of Mayville

Notes to Financial Statements  
December 31, 2023

## Vesting

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

## Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

## 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:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
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 Mayville

Notes to Financial Statements  
December 31, 2023

## Contributions

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

During the reporting period, the WRS recognized \$167,926 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.50 %	6.50 %
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

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

At December 31, 2023, the City reported a liability of \$731,597 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.01380970%, which was an increase of 0.00035424% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$339,299.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 1,165,207	\$ 1,530,820
Changes in assumptions	143,862	-
Net differences between projected and actual earnings on pension plan investments	1,242,814	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,043	5,804
Employer contributions subsequent to the measurement date	<u>199,621</u>	<u>-</u>
Total	<u>\$ 2,752,547</u>	<u>\$ 1,536,624</u>

## City of Mayville

Notes to Financial Statements  
December 31, 2023

\$199,621 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year 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:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2024	\$ 40,899
2025	210,198
2026	215,443
2027	549,762

### 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:

<b>Asset Allocation Targets and Expected Returns* as of December 31, 2022</b>			
<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %**</b>
Public Equity	48	7.6	5
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***	115	7.4	4.8
<b>Variable Fund Asset</b>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

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

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

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

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (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 investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
City's proportionate share of the net pension liability (asset)	\$ 2,428,146	\$ 731,597	\$ (435,483)

**Pension Plan Fiduciary Net Position**

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

At December 31, 2023, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

**Risk Management**

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

## Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

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

The City has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

## Subsequent Event

The Water Utility has applied for an increase of 47.84% pending approval by the Public Service Commission of Wisconsin in May of 2024.

## Economic Dependency

### Water Utility

The Water Utility has one significant customer who was responsible for 12% of operating revenues in 2023.

## Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## City of Mayville

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -  
 General Fund  
 Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 1,988,250	\$ 1,918,732	\$ (69,518)
Intergovernmental	1,155,798	1,195,581	39,783
Public charges for services	502,850	558,688	55,838
Fines, forfeitures and penalties	42,500	45,252	2,752
Licenses and permits	68,665	70,239	1,574
Intergovernmental charges for services	2,800	398	(2,402)
Investment income	54,680	170,670	115,990
Miscellaneous	24,200	71,177	46,977
	<u>3,839,743</u>	<u>4,030,737</u>	<u>190,994</u>
Total revenues			
<b>Expenditures</b>			
Current:			
General government	782,976	913,094	(130,118)
Public safety	1,910,050	2,129,245	(219,195)
Public works	897,382	798,250	99,132
Health and human services	15,086	14,192	894
Culture, recreation and education	556,378	583,086	(26,708)
Conservation and development	38,776	83,634	(44,858)
	<u>4,200,648</u>	<u>4,521,501</u>	<u>(320,853)</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(360,905)</u>	<u>(490,764)</u>	<u>(129,859)</u>
<b>Other Financing Sources</b>			
Property sales	-	224	224
Transfers in	214,000	206,675	(7,325)
	<u>214,000</u>	<u>206,899</u>	<u>(7,101)</u>
Total other financing sources			
Net change in fund balance	(146,905)	(283,865)	(136,960)
<b>Fund Balance, Beginning</b>	<u>2,144,348</u>	<u>2,144,348</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 1,997,443</u>	<u>\$ 1,860,483</u>	<u>\$ (136,960)</u>

See notes to required supplementary information

## City of Mayville

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

Library Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Charges for services	\$ 6,000	\$ 36,394	\$ 30,394
Investment income	20,000	14,012	(5,988)
Donations and contributions	<u>31,500</u>	<u>5,086,609</u>	<u>5,055,109</u>
Total revenues	<u>57,500</u>	<u>5,137,015</u>	<u>5,079,515</u>
<b>Expenditures</b>			
Culture, recreation, and education	28,000	24,144	3,856
Capital outlay	<u>1,500</u>	<u>8,360,177</u>	<u>(8,358,677)</u>
Total expenditures	<u>29,500</u>	<u>8,384,321</u>	<u>(8,354,821)</u>
Net change in fund balance	28,000	(3,247,306)	(3,275,306)
<b>Fund Balance, Beginning</b>	<u>3,036,980</u>	<u>3,036,980</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 3,064,980</u>	<u>\$ (210,326)</u>	<u>\$ (3,275,306)</u>

See notes to required supplementary information

**City of Mayville**

Schedule of Proportionate Share of the Net Pension Asset / (Liability)

Wisconsin Retirement System

Year Ended December 31, 2023

<b>Fiscal Year Ending</b>	<b>Proportion of the Net Pension Liability (Asset)</b>	<b>Proportionate Share of the Net Pension Liability (Asset)</b>	<b>Covered Payroll</b>	<b>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
12/31/23	0.01380970 %	\$ 731,597	\$ 2,033,044	35.99 %	95.72 %
12/31/22	0.01345546 %	(1,084,534)	1,895,680	57.21 %	106.02 %
12/31/21	0.01338788 %	(835,823)	1,841,931	45.38 %	105.26 %
12/31/20	0.01344166 %	(433,420)	1,776,613	24.40 %	102.96 %
12/31/19	0.01372738 %	488,377	1,773,616	27.54 %	96.45 %
12/31/18	0.01395074 %	(414,214)	1,775,274	23.33 %	102.93 %
12/31/17	0.01390193 %	114,585	1,804,077	6.35 %	99.12 %
12/31/16	0.01370825 %	222,756	1,720,298	12.95 %	98.20 %
12/31/15	0.01355681 %	(332,992)	1,652,994	20.14 %	102.74 %

Schedule of Employer Contributions

Wisconsin Retirement System

Year Ended December 31, 2023

<b>Fiscal Year Ending</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/23	\$ 199,621	\$ 199,621	\$ -	\$ 2,217,688	9.00 %
12/31/22	168,157	168,157	-	2,081,355	8.08 %
12/31/21	158,395	158,395	-	1,954,928	8.10 %
12/31/20	152,731	152,731	-	1,841,734	8.29 %
12/31/19	139,129	139,129	-	1,776,614	7.83 %
12/31/18	139,805	139,805	-	1,773,617	7.88 %
12/31/17	139,133	139,133	-	1,775,275	7.84 %
12/31/16	134,521	134,521	-	1,804,077	7.46 %
12/31/15	132,599	132,599	-	1,652,994	8.02 %

See notes to the required supplementary information

## City of Mayville

Notes to Required Supplementary Information  
Year Ended December 31, 2023

### Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

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

Appropriations lapse at year-end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

### Excess Expenditures Over Appropriations

Excess expenditures over appropriations are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
<b>General Fund</b>			
Elections	\$ 7,375	\$ 7,717	\$ 342
Building and plant	27,332	58,528	31,196
Data processing	5,550	14,847	9,297
Financial administration	182,088	333,980	151,892
Assessment of property	13,500	15,420	1,920
Property and liability insurance	123,523	134,763	11,240
Police department	1,166,813	1,292,322	125,509
Fire department	207,765	222,047	14,282
Inspection	11,259	12,336	1,077
Ambulance	502,487	581,056	78,569
Emergency government	11,883	13,027	1,144
Street lighting	69,986	69,990	4
Celebration and entertainment	2,805	2,878	73
Library, data processing	11,488	13,184	1,696
Zoning	33,950	82,263	48,313
Parks	250,603	292,683	42,080
Sidewalks	3,926	4,174	248
Animal control	3,400	3,600	200

### Wisconsin Retirement System

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

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

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



## City of Mayville

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Notes to Required Supplementary Information  
Year Ended December 31, 2023

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

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

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

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

## **SUPPLEMENTARY INFORMATION**

## City of Mayville

### Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Taxes</b>			
General property taxes	\$ 1,969,550	\$ 1,914,223	\$ (55,327)
Payments in lieu of taxes	18,700	4,509	(14,191)
Total taxes	<u>1,988,250</u>	<u>1,918,732</u>	<u>(69,518)</u>
<b>Intergovernmental Revenues</b>			
State aid, shared revenues	799,373	786,703	(12,670)
State aid, elections	-	600	600
State aid, fire insurance tax	17,000	20,356	3,356
State aid, road allotment	292,677	328,053	35,376
State aid, connecting streets	22,078	22,106	28
State aid, ambulance	-	13,092	13,092
State aid, exempt computer	23,390	23,391	1
State aid, law enforcement training	1,280	1,280	-
Total intergovernmental revenues	<u>1,155,798</u>	<u>1,195,581</u>	<u>39,783</u>
<b>Public Charges for Services</b>			
City Clerk & Treasurer	8,700	15,422	6,722
Law enforcement fees	1,650	692	(958)
Ambulance fees	482,500	539,131	56,631
Fire protection fees	10,000	2,493	(7,507)
Animal control	-	125	125
Weed cutting	-	825	825
Total public charges for services	<u>502,850</u>	<u>558,688</u>	<u>55,838</u>
<b>Fines, Forfeitures and Penalties</b>			
Court penalties and costs	30,000	36,954	6,954
Parking violations	12,500	8,298	(4,202)
Total fines, forfeitures and penalties	<u>42,500</u>	<u>45,252</u>	<u>2,752</u>
<b>Licenses and Permits</b>			
Liquor and malt beverage licenses	11,700	13,790	2,090
Operators' license	4,100	4,783	683
Cigarette licenses	500	700	200
Dog licenses	3,900	2,849	(1,051)
Cat licenses	350	250	(100)
Building permits	39,215	42,122	2,907
Other regulatory permits and fees	8,900	5,745	(3,155)
Total licenses and permits	<u>68,665</u>	<u>70,239</u>	<u>1,574</u>
<b>Intergovernmental Charges for Services</b>			
Charges to public agencies	<u>2,800</u>	<u>398</u>	<u>(2,402)</u>
<b>Investment Income</b>			
Investment income	<u>54,680</u>	<u>170,670</u>	<u>115,990</u>

## City of Mayville

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Miscellaneous Revenues</b>			
Rent	\$ 14,400	\$ 17,098	\$ 2,698
Insurance recoveries	7,500	51,035	43,535
Other miscellaneous	2,000	2,794	794
Donations and contributions	<u>300</u>	<u>250</u>	<u>(50)</u>
Total miscellaneous revenues	<u>24,200</u>	<u>71,177</u>	<u>46,977</u>
<b>Other Financing Sources</b>			
Property sales	-	224	224
Transfers in-PILOT	201,000	193,675	(7,325)
Transfers in	<u>13,000</u>	<u>13,000</u>	<u>-</u>
Total other financing sources	<u>214,000</u>	<u>206,899</u>	<u>(7,101)</u>
Total revenues and other financing sources	<u>\$ 4,053,743</u>	<u>\$ 4,237,636</u>	<u>\$ 183,893</u>

## City of Mayville

### Detailed Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>General Government</b>			
Council	\$ 23,107	\$ 20,430	\$ 2,677
Mayor	10,633	9,998	635
General administration	212,401	202,372	10,029
Elections	7,375	7,717	(342)
Legal	50,000	42,379	7,621
Building and plant	27,332	58,528	(31,196)
Data processing	5,550	14,847	(9,297)
Financial administration	182,088	333,980	(151,892)
Assessment of property	13,500	15,420	(1,920)
Property and liability insurance	123,523	134,763	(11,240)
Contingency	127,467	72,660	54,807
Total general government	<u>782,976</u>	<u>913,094</u>	<u>(130,118)</u>
<b>Public Safety</b>			
Police and fire commission	1,325	768	557
Police department	1,166,813	1,292,322	(125,509)
Crossing guards	8,518	7,689	829
Fire department	207,765	222,047	(14,282)
Inspection	11,259	12,336	(1,077)
Ambulance	502,487	581,056	(78,569)
Emergency government	11,883	13,027	(1,144)
Total public safety	<u>1,910,050</u>	<u>2,129,245</u>	<u>(219,195)</u>
<b>Public Works</b>			
Dams	2,900	2,406	494
Director of public works	60,150	18,959	41,191
Streets and roads	573,966	561,859	12,107
Bridges	3,147	698	2,449
Street lighting	69,986	69,990	(4)
Sidewalks	3,926	4,174	(248)
Storm sewers	14,771	8,614	6,157
Tree and brush removal	13,900	10,303	3,597
Snow and ice	154,636	121,247	33,389
Total public works	<u>897,382</u>	<u>798,250</u>	<u>99,132</u>
<b>Health and Social Services</b>			
Animal control	3,400	3,600	(200)
Senior citizen center	11,686	10,592	1,094
Total health and social services	<u>15,086</u>	<u>14,192</u>	<u>894</u>

## City of Mayville

### Detailed Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Culture, Recreation and Education</b>			
Celebration and entertainment	\$ 2,805	\$ 2,878	\$ (73)
Recreation director	45,674	36,841	8,833
Parks	250,603	292,683	(42,080)
Historical society	1,000	1,000	-
Library	244,808	236,500	8,308
Library, data processing	11,488	13,184	(1,696)
Total culture, recreation and education	<u>556,378</u>	<u>583,086</u>	<u>(26,708)</u>
<b>Conservation and Development</b>			
Weed control	2,522	349	2,173
Zoning	33,950	82,263	(48,313)
Flood control	2,304	1,022	1,282
Total conservation and development	<u>38,776</u>	<u>83,634</u>	<u>(44,858)</u>
Total expenditures	<u>\$ 4,200,648</u>	<u>\$ 4,521,501</u>	<u>\$ (320,853)</u>

# City of Mayville

Combining Balance Sheet -  
 Nonmajor Governmental Funds  
 December 31, 2023

	<b>Special Revenue Funds</b>			
	<b>Cable TV</b>	<b>EMS State Funds</b>	<b>County Library</b>	<b>Recreation</b>
<b>Assets</b>				
Cash and investments	\$ 42,495	\$ 1,279	\$ 188,982	\$ -
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	4,832	-	-	-
	<u>4,832</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 47,327</u>	<u>\$ 1,279</u>	<u>\$ 188,982</u>	<u>\$ -</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,754	\$ -	\$ 8,244	\$ 39
Accrued liabilities	-	-	1,149	101
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	10,812
	<u>3,754</u>	<u>-</u>	<u>9,393</u>	<u>10,952</u>
Total liabilities	<u>3,754</u>	<u>-</u>	<u>9,393</u>	<u>10,952</u>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	-	-	-	-
Unavailable revenues	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficit)</b>				
Nonspendable	4,832	-	-	-
Restricted	-	-	179,589	-
Committed	38,741	1,279	-	-
Unassigned (deficit)	-	-	-	(10,952)
	<u>43,573</u>	<u>1,279</u>	<u>179,589</u>	<u>(10,952)</u>
Total fund balances (deficit)	<u>43,573</u>	<u>1,279</u>	<u>179,589</u>	<u>(10,952)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,327</u>	<u>\$ 1,279</u>	<u>\$ 188,982</u>	<u>\$ -</u>

**Special Revenue Funds**

<u>Recycling</u>	<u>Police Trust Fund</u>	<u>Mayville Center Board</u>	<u>EMS and Fire</u>	<u>Solid Waste and Recycling Collection</u>	<u>Landfill</u>	<u>Customer Loan Fund</u>
\$ -	\$ 10,326	\$ 30,604	\$ 97,327	\$ -	\$ 622,306	\$ -
10,412	-	-	-	-	13,000	10,381
-	-	-	-	7,305	-	-
-	-	-	-	-	-	43,662
-	-	-	-	8,062	-	-
-	-	-	-	-	-	-
<u>\$ 10,412</u>	<u>\$ 10,326</u>	<u>\$ 30,604</u>	<u>\$ 97,327</u>	<u>\$ 15,367</u>	<u>\$ 635,306</u>	<u>\$ 54,043</u>
\$ -	\$ -	\$ 1,222	\$ 155	\$ 97	\$ -	\$ -
208	-	-	-	-	-	-
-	-	-	-	14,053	-	-
-	-	-	-	-	-	-
<u>35,377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,853</u>
<u>35,585</u>	<u>-</u>	<u>1,222</u>	<u>155</u>	<u>14,150</u>	<u>-</u>	<u>58,853</u>
10,412	-	-	-	-	13,000	10,381
-	-	-	-	-	-	43,662
<u>10,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,000</u>	<u>54,043</u>
-	-	-	-	-	-	-
-	-	-	97,172	-	622,306	-
-	10,326	29,382	-	1,217	-	-
<u>(35,585)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,853)</u>
<u>(35,585)</u>	<u>10,326</u>	<u>29,382</u>	<u>97,172</u>	<u>1,217</u>	<u>622,306</u>	<u>(58,853)</u>
<u>\$ 10,412</u>	<u>\$ 10,326</u>	<u>\$ 30,604</u>	<u>\$ 97,327</u>	<u>\$ 15,367</u>	<u>\$ 635,306</u>	<u>\$ 54,043</u>



**City of Mayville**

Combining Balance Sheet -  
 Nonmajor Governmental Funds  
 December 31, 2023

	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>		
	<b>ARPA</b>	<b>TIF District No. 4</b>	<b>TIF District No. 5</b>	<b>TIF District No. 6</b>
<b>Assets</b>				
Cash and investments	\$ 503,828	\$ -	\$ -	\$ -
Receivables:				
Taxes	-	19,233	38,493	89,425
Accounts	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
<b>Total assets</b>	<b><u>\$ 503,828</u></b>	<b><u>\$ 19,233</u></b>	<b><u>\$ 38,493</u></b>	<b><u>\$ 89,425</u></b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,813
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	503,828	-	-	-
Advances from other funds	-	99,970	168,695	33,655
<b>Total liabilities</b>	<b><u>503,828</u></b>	<b><u>99,970</u></b>	<b><u>168,695</u></b>	<b><u>36,468</u></b>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	-	19,233	38,493	89,425
Unavailable revenues	-	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>19,233</u></b>	<b><u>38,493</u></b>	<b><u>89,425</u></b>
<b>Fund Balances (Deficit)</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned (deficit)	-	(99,970)	(168,695)	(36,468)
<b>Total fund balances (deficit)</b>	<b><u>-</u></b>	<b><u>(99,970)</u></b>	<b><u>(168,695)</u></b>	<b><u>(36,468)</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 503,828</u></b>	<b><u>\$ 19,233</u></b>	<b><u>\$ 38,493</u></b>	<b><u>\$ 89,425</u></b>

<u>Capital Project Funds</u>		
<u>EMS Equipment Replacement Fund</u>	<u>Parks</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 109,671	\$ 1,786	\$ 1,608,604
-	-	180,944
-	-	7,305
-	-	43,662
-	-	8,062
-	-	4,832
<u>\$ 109,671</u>	<u>\$ 1,786</u>	<u>\$ 1,853,409</u>
\$ -	\$ -	\$ 16,324
-	-	1,458
-	-	14,053
-	-	503,828
-	-	407,362
<u>-</u>	<u>-</u>	<u>943,025</u>
-	-	180,944
-	-	43,662
<u>-</u>	<u>-</u>	<u>224,606</u>
-	-	4,832
109,671	1,786	1,010,524
-	-	80,945
-	-	(410,523)
<u>109,671</u>	<u>1,786</u>	<u>685,778</u>
<u>\$ 109,671</u>	<u>\$ 1,786</u>	<u>\$ 1,853,409</u>

# City of Mayville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 Year Ended December 31, 2023

	<b>Special Revenue Funds</b>			
	<b>Cable TV</b>	<b>EMS State Funds</b>	<b>County Library</b>	<b>Recreation</b>
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,273	-	72,666	-
Public charges for services	-	-	-	15,950
Licenses and permits	31,237	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	21,314
<b>Total revenues</b>	<b>46,510</b>	<b>-</b>	<b>72,666</b>	<b>37,264</b>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	2,082	-	-
Public works	-	-	-	-
Culture, recreation and education	59,186	-	64,143	50,268
Conservation and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>59,186</b>	<b>2,082</b>	<b>64,143</b>	<b>50,268</b>
Excess (deficiency) of revenues over expenditures	(12,676)	(2,082)	8,523	(13,004)
Net change in fund balances	(12,676)	(2,082)	8,523	(13,004)
<b>Fund Balances (Deficit), Beginning</b>	<b>56,249</b>	<b>3,361</b>	<b>171,066</b>	<b>2,052</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ 43,573</b>	<b>\$ 1,279</b>	<b>\$ 179,589</b>	<b>\$ (10,952)</b>

**Special Revenue Funds**

<u>Recycling</u>	<u>Police Trust Fund</u>	<u>Mayville Center Board</u>	<u>EMS and Fire</u>	<u>Solid Waste and Recycling Collection</u>	<u>Landfill</u>	<u>Customer Loan Fund</u>
\$ 10,412	\$ -	\$ -	\$ -	\$ -	\$ 13,000	\$ -
31,158	-	-	61,428	-	-	-
-	-	-	-	269,229	34,861	11,404
-	-	-	-	-	-	-
-	-	2,022	2,377	-	-	1,210
494	789	139	25,714	-	40,000	-
<u>42,064</u>	<u>789</u>	<u>2,161</u>	<u>89,519</u>	<u>269,229</u>	<u>87,861</u>	<u>12,614</u>
-	-	-	-	-	-	-
-	-	-	108,720	-	-	-
45,787	-	-	-	329,797	-	-
-	-	8,319	-	-	-	-
-	-	-	-	-	50,981	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>45,787</u>	<u>-</u>	<u>8,319</u>	<u>108,720</u>	<u>329,797</u>	<u>50,981</u>	<u>-</u>
<u>(3,723)</u>	<u>789</u>	<u>(6,158)</u>	<u>(19,201)</u>	<u>(60,568)</u>	<u>36,880</u>	<u>12,614</u>
(3,723)	789	(6,158)	(19,201)	(60,568)	36,880	12,614
<u>(31,862)</u>	<u>9,537</u>	<u>35,540</u>	<u>116,373</u>	<u>61,785</u>	<u>585,426</u>	<u>(71,467)</u>
<u>\$ (35,585)</u>	<u>\$ 10,326</u>	<u>\$ 29,382</u>	<u>\$ 97,172</u>	<u>\$ 1,217</u>	<u>\$ 622,306</u>	<u>\$ (58,853)</u>

# City of Mayville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 Year Ended December 31, 2023

	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>		
	<b>ARPA</b>	<b>TIF District No. 4</b>	<b>TIF District No. 5</b>	<b>TIF District No. 6</b>
<b>Revenues</b>				
Taxes	\$ -	\$ 14,488	\$ 47,100	\$ -
Intergovernmental	-	201	2,047	-
Public charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>14,689</b>	<b>49,147</b>	<b>-</b>
<b>Expenditures</b>				
Current:				
General government	-	2,149	2,550	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	-	-	-	3,727
Debt service:				
Principal	-	-	97,596	-
Interest and fiscal charges	-	-	22,746	-
<b>Total expenditures</b>	<b>-</b>	<b>2,149</b>	<b>122,892</b>	<b>3,727</b>
Excess (deficiency) of revenues over expenditures	-	12,540	(73,745)	(3,727)
Net change in fund balances	-	12,540	(73,745)	(3,727)
<b>Fund Balances (Deficit), Beginning</b>	<b>-</b>	<b>(112,510)</b>	<b>(94,950)</b>	<b>(32,741)</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ -</b>	<b>\$ (99,970)</b>	<b>\$ (168,695)</b>	<b>\$ (36,468)</b>

<u>Capital Project Funds</u>		
<u>EMS Equipment Replacement Fund</u>	<u>Parks</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 85,000
37,949	-	220,722
-	-	331,444
-	-	31,237
(2,848)	-	2,761
-	786	89,236
<u>35,101</u>	<u>786</u>	<u>760,400</u>
-	-	4,699
-	-	110,802
-	-	375,584
-	-	181,916
-	-	54,708
-	-	97,596
-	-	22,746
<u>-</u>	<u>-</u>	<u>848,051</u>
<u>35,101</u>	<u>786</u>	<u>(87,651)</u>
35,101	786	(87,651)
<u>74,570</u>	<u>1,000</u>	<u>773,429</u>
<u>\$ 109,671</u>	<u>\$ 1,786</u>	<u>\$ 685,778</u>

**FORM OF LEGAL OPINION**

(See following pages)

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

May 1, 2025

Re: City of Mayville, Wisconsin ("Issuer")  
\$3,295,000 General Obligation Promissory Notes, Series 2025A,  
dated May 1, 2025 ("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 May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 90,000	___%
2028	90,000	___
2029	135,000	___
2030	135,000	___
2031	135,000	___
2032	135,000	___
2033	140,000	___
2034	140,000	___
2035	150,000	___
2036	165,000	___
2037	170,000	___
2038	185,000	___
2039	195,000	___
2040	210,000	___
2041	210,000	___
2042	230,000	___
2043	250,000	___
2044	260,000	___
2045	270,000	___

Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2026.

The Notes maturing on May 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on May 1, 2034 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

### 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](http://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 Mayville, Dodge County, Wisconsin (the "Issuer") in connection with the issuance of \$3,295,000 General Obligation Promissory Notes, Series 2025A, dated May 1, 2025 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 10, 2025, as supplemented by an Approving Certificate, dated \_\_\_\_\_, 2025 (collectively, 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 annually 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). The Issuer is an obligated person with respect to not more than \$10,000,000 in aggregate amount of outstanding municipal securities (including the Securities but excluding obligations exempt from the Rule). 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](http://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 \_\_\_\_\_, 2025 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 Mayville, Dodge County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the City Clerk of the Issuer who can be contacted at 15 South School Street, P.O. Box 273, Mayville, Wisconsin 53050, phone (920) 387-7900, fax (920) 387-7919.

"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.

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.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference financial information and operating data that is customarily prepared and publicly available, to wit:

1. Audited Financial Statements; and
2. The Issuer's adopted annual budget.

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 1st day of May, 2025.

(SEAL)

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Robert Boelk  
Mayor

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Anastasia Gonstead  
City Clerk

**NOTICE OF SALE**

**\$3,295,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A  
CITY OF MAYVILLE, WISCONSIN**

Bids for the purchase of \$3,295,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") of the City of Mayville, 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](mailto:bondsale@ehlers-inc.com) or **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on April 9, 2025, at which time they will be opened, read and tabulated. **The Common Council adopted a resolution on March 10, 2025 (the "Parameters Resolution"), which authorized either the City Administrator or the Treasurer/Comptroller to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 9, 2025, neither the City Administrator nor the Treasurer/Comptroller will have the authority to accept a bid for Notes, and all bids for the Notes will be 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 costs of street improvement projects, parking lots, building maintenance, the purchase of vehicles and equipment and projects included in the project plan for TID No. 7. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

**DATES AND MATURITIES**

The Notes will be dated May 1, 2025, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$90,000	2034	\$140,000	2041	\$210,000
2028	90,000	2035	150,000	2042	230,000
2029	135,000	2036	165,000	2043	250,000
2030	135,000	2037	170,000	2044	260,000
2031	135,000	2038	185,000	2045	270,000
2032	135,000	2039	195,000		
2033	140,000	2040	210,000		

**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, up to a maximum of \$80,000 per maturity. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

### **TERM BOND OPTION**

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

### **INTEREST PAYMENT DATES AND RATES**

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

### **BOOK-ENTRY-ONLY FORMAT**

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

### **PAYING AGENT**

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

### **OPTIONAL REDEMPTION**

At the option of the City, the Notes maturing on or after May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 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 May 1, 2025, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then

pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

## LEGAL 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 of the Official Statement).

## SUBMISSION OF BIDS

Bids must not be for less than \$3,253,812.50, nor more than \$3,591,550, plus accrued interest on the principal sum of \$3,295,000 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](mailto:bondsale@ehlers-inc.com); or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until , 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 \$65,900 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. **The Notes will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 5.40% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

### **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.

### **NOT QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall not be "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 (5<sup>th</sup>) 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 (5<sup>th</sup>) 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](http://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

Anastasia Gonstead, City Clerk  
City of Mayville, Wisconsin

# BID FORM

City of Mayville, Wisconsin (the "City")

April 9, 2025

**RE: \$3,295,000\* General Obligation Promissory Notes, Series 2025A (the "Notes")**

**DATED: May 1, 2025**

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$\_\_\_\_\_ (not less than \$3,253,812.50, nor more than \$3,591,550) 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	2034	_____ % due	2041
_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038	_____ % due	2045
_____ % due	2032	_____ % due	2039		
_____ % due	2033	_____ % due	2040		

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, up to a maximum of \$80,000 per maturity. 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.

A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the City.

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 \$65,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 1, 2025.

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

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

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

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

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

Account Manager: \_\_\_\_\_ By: \_\_\_\_\_  
Account Members: \_\_\_\_\_

**Award will be on a true interest cost basis.** According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 1, 2025 of the above bid is \$\_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_ %.

The foregoing offer is hereby accepted by and on behalf of the City of Mayville, Wisconsin, on April 9, 2025.

By: \_\_\_\_\_  
Title: \_\_\_\_\_