

# PRELIMINARY OFFICIAL STATEMENT DATED JUNE 11, 2026

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**

**Rating: Moody's Investors Service, Inc. "Aa2"**

## CITY OF PLYMOUTH, WISCONSIN (Sheboygan County)

### \$11,675,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

**BID OPENING:** June 17, 2026, 10:30 A.M., C.T.

**CONSIDERATION:** Not later than 11:59 P.M., C.T. on June 17, 2026 (PARAMETERS RESOLUTION)

**PURPOSE/AUTHORITY/SECURITY:** The \$11,675,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Plymouth, Wisconsin (the "City"), for public purposes, including paying the cost of projects included in the City's capital improvement plan. 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:** July 2, 2026

**MATURITY:** July 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$185,000	2034	\$520,000	2041	\$680,000
2028	320,000	2035	535,000	2042	720,000
2029	435,000	2036	610,000	2043	755,000
2030	485,000	2037	615,000	2044	785,000
2031	470,000	2038	605,000	2045	825,000
2032	480,000	2039	630,000	2046	875,000
2033	495,000	2040	650,000		

**\*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 an increase of \$490,000 per maturity or a decrease of up to \$180,000 per maturity for maturities in the years 2027 through 2046. 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:** July 1, 2027 and semiannually thereafter.

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

**MINIMUM BID:** \$11,529,062.50.

**MAXIMUM BID:** \$12,842,500.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$233,500 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** Bond Trust Services Corporation.

**BOND COUNSEL AND**

**DISCLOSURE 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. Quarles & Brady LLP will serve as Disclosure Counsel to the City with respect to the Notes. 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.

## TABLE OF CONTENTS

<p>INTRODUCTORY STATEMENT..... 1</p> <p>THE NOTES..... 1</p> <p style="padding-left: 20px;">GENERAL..... 1</p> <p style="padding-left: 20px;">OPTIONAL REDEMPTION..... 1</p> <p style="padding-left: 20px;">AUTHORITY; PURPOSE..... 2</p> <p style="padding-left: 20px;">ESTIMATED SOURCES AND USES..... 2</p> <p style="padding-left: 20px;">SECURITY..... 2</p> <p style="padding-left: 20px;">RATING..... 2</p> <p style="padding-left: 20px;">CONTINUING DISCLOSURE..... 3</p> <p style="padding-left: 20px;">LEGAL MATTERS..... 3</p> <p style="padding-left: 20px;">TAX EXEMPTION..... 4</p> <p style="padding-left: 20px;">ORIGINAL ISSUE DISCOUNT..... 4</p> <p style="padding-left: 20px;">BOND PREMIUM..... 5</p> <p style="padding-left: 20px;">NOT QUALIFIED TAX-EXEMPT OBLIGATIONS..... 6</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR..... 6</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR AFFILIATED COMPANIES..... 6</p> <p style="padding-left: 20px;">INDEPENDENT AUDITORS..... 6</p> <p style="padding-left: 20px;">RISK FACTORS..... 6</p> <p>VALUATIONS..... 9</p> <p style="padding-left: 20px;">WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES..... 9</p> <p style="padding-left: 20px;">CURRENT PROPERTY VALUATIONS..... 10</p> <p style="padding-left: 20px;">2025 EQUALIZED VALUE BY CLASSIFICATION... 10</p> <p style="padding-left: 20px;">TREND OF VALUATIONS..... 10</p> <p style="padding-left: 20px;">LARGER TAXPAYERS..... 11</p> <p>DEBT..... 11</p> <p style="padding-left: 20px;">DIRECT DEBT..... 11</p> <p style="padding-left: 20px;">DEBT PAYMENT HISTORY..... 12</p> <p style="padding-left: 20px;">FUTURE FINANCING..... 12</p> <p style="padding-left: 20px;">DEBT LIMIT..... 12</p> <p style="padding-left: 20px;">SCHEDULE OF GENERAL OBLIGATION DEBT... 13</p> <p style="padding-left: 20px;">SCHEDULE OF ELECTRIC REVENUE DEBT..... 14</p> <p style="padding-left: 20px;">OVERLAPPING DEBT..... 15</p> <p style="padding-left: 20px;">DEBT RATIOS..... 15</p>	<p>TAX LEVIES AND COLLECTIONS..... 16</p> <p style="padding-left: 20px;">TAX LEVIES AND COLLECTIONS..... 16</p> <p style="padding-left: 20px;">PROPERTY TAX RATES..... 17</p> <p style="padding-left: 20px;">LEVY LIMITS..... 17</p> <p style="padding-left: 20px;">REVENUE FROM THE STATE..... 18</p> <p>THE ISSUER..... 18</p> <p style="padding-left: 20px;">CITY GOVERNMENT..... 18</p> <p style="padding-left: 20px;">EMPLOYEES; PENSIONS..... 19</p> <p style="padding-left: 20px;">OTHER POST EMPLOYMENT BENEFITS..... 20</p> <p style="padding-left: 20px;">LITIGATION..... 21</p> <p style="padding-left: 20px;">MUNICIPAL BANKRUPTCY..... 21</p> <p style="padding-left: 20px;">FUNDS ON HAND..... 22</p> <p style="padding-left: 20px;">ENTERPRISE FUNDS..... 22</p> <p style="padding-left: 20px;">SUMMARY GENERAL FUND INFORMATION..... 23</p> <p style="padding-left: 20px;">GENERAL FUND BUDGET SUMMARY..... 24</p> <p>GENERAL INFORMATION..... 25</p> <p style="padding-left: 20px;">LOCATION..... 25</p> <p style="padding-left: 20px;">LARGER EMPLOYERS..... 25</p> <p style="padding-left: 20px;">BUILDING PERMITS..... 26</p> <p style="padding-left: 20px;">U.S. CENSUS DATA..... 27</p> <p style="padding-left: 20px;">EMPLOYMENT/UNEMPLOYMENT DATA..... 27</p> <p>FINANCIAL STATEMENTS..... A-1</p> <p>FORM OF LEGAL OPINION..... B-1</p> <p>BOOK-ENTRY-ONLY SYSTEM..... C-1</p> <p>FORM OF CONTINUING DISCLOSURE CERTIFICATE..... D-1</p> <p>NOTICE OF SALE..... E-1</p> <p>BID FORM</p>
--	--

## **CITY OF PLYMOUTH COMMON COUNCIL**

		<u>Term Expires</u>
Donald O. Pohlman	Mayor	April 2028
Diane Gilson	Aldersperson	April 2027
David Herrmann	Aldersperson	April 2027
Kevin Sande	Aldersperson	April 2027
Jeffrey Tauscheck	Aldersperson	April 2027
Dana Haucke	Aldersperson	April 2028
Mike Penkwitz	Aldersperson	April 2028
Angie Matzdorf	Aldersperson	April 2028
John P. Binder	Aldersperson	April 2028

## **ADMINISTRATION**

Tim Blakeslee, City Administrator/Utilities Manager

Paul Seymour, City Treasurer

Christopher Russo, Finance Director

Anna Voigt, City Clerk

## **PROFESSIONAL SERVICES**

Crystal H. Fieber, Hopp Neumann Humke LLP, City Attorney, Sheboygan, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

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

## INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Plymouth, Wisconsin (the "City") and the issuance of its \$11,675,000\* General Obligation Promissory Notes, Series 2026A (the "Notes"). **The Common Council adopted a resolution on May 26, 2026 (the "Parameters Resolution"), which authorizes the City Administrator/Utilities Manager or the Finance Director 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 June 17, 2026, neither the City Administrator/Utilities Manager nor the Finance Director will have the authority to accept a bid for the 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 July 2, 2026. The Notes will mature on July 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on July 1 and January 1 of each year, commencing July 1, 2027, 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, Minneapolis, 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 July 1, 2035 shall be subject to optional redemption prior to maturity on July 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 cost of projects included in the City’s capital improvement plan.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$11,675,000	
Estimated Interest Earnings	<u>86,250</u>	
<b>Total Sources</b>		<b>\$11,761,250</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$145,938	
Costs of Issuance	111,250	
Deposit to Project Construction Fund	11,500,000	
Rounding Amount	<u>4,062</u>	
<b>Total Uses</b>		<b>\$11,761,250</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, irrepealable tax on all taxable property in the City sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

**RATING**

The City received a rating of "Aa2" on the Notes from Moody's Investors Service, Inc. ("Moody’s"), and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

## **CONTINUING DISCLOSURE**

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

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

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

The City failed to timely file notice of the incurrence of a financial obligation incurred in April 2026. Except to the extent the preceding is deemed to be material, in the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the City.

## **LEGAL MATTERS**

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). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Notes. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or

sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

## **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.

## **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.

## **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, 2024 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. Potential investors should read this Official Statement, including the appendices, in its entirety.

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

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

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

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

**Tax Exemption:** If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the City with the covenants in the 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

2025 Equalized Value	\$1,261,529,300
2025 Equalized Value Reduced by Tax Increment Valuation	\$1,225,281,200
2025 Assessed Value	\$949,844,600

## 2025 EQUALIZED VALUE BY CLASSIFICATION

	<b>2025 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$809,221,200	64.146%
Commercial	316,243,400	25.068%
Manufacturing	135,871,300	10.770%
Agricultural	74,500	0.006%
Undeveloped	94,900	0.008%
Ag Forest	<u>24,000</u>	<u>0.002%</u>
 Total	 <u><u>\$1,261,529,300</u></u>	 <u><u>100.000%</u></u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>1</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2021	\$767,006,800	\$910,514,600	5.49%
2022	983,915,600 <sup>2</sup>	959,794,200	5.41%
2023	975,483,600	1,111,655,400	15.82%
2024	946,209,400	1,161,710,500	4.50%
2025	949,844,600	1,261,529,300	8.59%

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

---

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

<sup>2</sup> Reevaluation year.

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value <sup>1</sup>	Percent of City's Total Equalized Value
Sargento	Cheese Processing	\$40,340,872	3.20%
OCS Plymouth LLC	Cold Storage and Transit	37,800,268	3.00%
ARHC AHPLYW101, LLC	Health Care Facility	19,541,096	1.55%
Masters Gallery Foods Inc.	Cheese Processing	18,474,863	1.46%
Great Lakes Cheese of Wisconsin Inc.	Cheese Processing	15,879,141	1.26%
Wal-Mart Stores Inc.	Retail/Grocery	12,834,108	1.02%
GTS Solutions LLC	Cold Storage and Transit	10,785,714	0.86%
SFC Plymouth, LLC	Cheese Processing	9,404,977	0.75%
Plymouth Point LLC / Premier Plymouth Development LLC	Real Estate Management	8,911,173	0.71%
Lawn Boy Inc.	Manufacturing	<u>7,742,540</u>	<u>0.61%</u>
Total		\$181,714,752	14.40%
City's Total 2025 Equalized Value <sup>2</sup>		\$1,261,529,300	

Source: The City.

## DEBT

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

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

Total General Obligation Debt (includes the Notes)\* \$20,945,000

#### Revenue Debt (see schedules following)

Total revenue debt secured by electric revenues \$473,333

\*Preliminary, subject to change.

<sup>1</sup> Calculated by dividing the 2025 Assessed Values by the 2025 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.

## FUTURE FINANCING

The City has no current plans for additional financing in the next 12 months.

## DEBT LIMIT

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

Equalized Value	\$1,261,529,300
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit <sup>1</sup>	\$63,076,465
Less: General Obligation Debt*	<u>(20,945,000)</u>
Unused Debt Limit*	<u><u>\$42,131,465</u></u>

\*Preliminary, subject to change.

---

<sup>1</sup> The City's debt management policy states that, except for unique circumstances, general obligation debt shall not exceed 60% of the City's legal debt limits (5% of equalized property value). Under no circumstances except for the case of extreme emergency, shall the City exceed more than 80% of the City's debt limit (4% of equalized value).

City of Plymouth, Wisconsin  
 Schedule of Bonded Indebtedness  
 General Obligation Debt Secured by Taxes  
 (As of 07/02/2026)

Dated Amount	Refunding Bonds Series 2016A		Promissory Notes Series 2019A		Refunding Bonds Series 2020A		Promissory Notes Series 2025A		Promissory Notes Series 2026A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	05/18/2016	\$5,845,000	04/01	12/05/2019	\$1,540,000	05/01	02/27/2020	\$3,785,000	05/01	08/13/2025						
Maturity																
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest			Principal Outstanding	% Paid	Calendar Year Ending	
2026	0	2,250	0	5,000	0	20,350	0	151,897	0	0	0	179,497	20,945,000	.00%	2026	
2027	225,000	2,250	165,000	8,350	360,000	35,300	275,000	296,919	185,000	487,505	1,210,000	830,323	19,735,000	5.78%	2027	
2028			165,000	5,050	375,000	26,150	475,000	278,169	320,000	482,665	1,335,000	792,034	18,400,000	12.15%	2028	
2029			170,000	1,700	385,000	18,550	465,000	254,669	435,000	472,105	1,455,000	747,024	16,945,000	19.10%	2029	
2030					375,000	10,950	395,000	233,169	485,000	457,533	1,255,000	701,651	15,690,000	25.09%	2030	
2031					360,000	3,600	410,000	213,044	470,000	441,043	1,240,000	657,686	14,450,000	31.01%	2031	
2032							415,000	192,419	480,000	424,828	895,000	617,246	13,555,000	35.28%	2032	
2033							425,000	171,419	495,000	407,788	920,000	579,206	12,635,000	39.68%	2033	
2034							430,000	150,044	520,000	389,968	950,000	540,011	11,685,000	44.21%	2034	
2035							400,000	131,294	535,000	370,988	935,000	502,281	10,750,000	48.68%	2035	
2036							255,000	118,194	610,000	350,925	865,000	469,119	9,885,000	52.80%	2036	
2037							260,000	107,894	615,000	327,135	875,000	435,029	9,010,000	56.98%	2037	
2038							270,000	97,294	605,000	302,843	875,000	400,136	8,135,000	61.16%	2038	
2039							285,000	86,194	630,000	278,340	915,000	364,534	7,220,000	65.53%	2039	
2040							295,000	74,594	650,000	250,305	945,000	324,899	6,275,000	70.04%	2040	
2041							310,000	62,494	680,000	220,730	990,000	283,224	5,285,000	74.77%	2041	
2042							325,000	49,591	720,000	189,110	1,045,000	238,701	4,240,000	79.76%	2042	
2043							335,000	35,769	755,000	155,630	1,090,000	191,399	3,150,000	84.96%	2043	
2044							355,000	21,106	785,000	120,523	1,140,000	141,629	2,010,000	90.40%	2044	
2045							310,000	6,781	825,000	82,450	1,135,000	89,231	875,000	95.82%	2045	
2046									875,000	42,438	875,000	42,438	0	100.00%	2046	
	225,000	4,500	500,000	20,100	1,855,000	114,900	6,690,000	2,732,950	11,675,000	6,254,847	20,945,000	9,127,297	30,072,297			

\* Preliminary, subject to change.

City of Plymouth, Wisconsin  
 Schedule of Bonded Indebtedness  
 Revenue Debt Secured by Electric Revenues  
 (As of 07/02/2026)

	Promissory Note		WPPI Loan							Calendar
Dated	02/07/2019		04/13/2026							
Amount	\$300,000		\$400,000							
Maturity	Monthly		Monthly							
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	15,000	0	20,000	0	35,000	0	35,000	438,333	7.39%	2026
2027	30,000	0	40,000	0	70,000	0	70,000	368,333	22.18%	2027
2028	30,000	0	40,000	0	70,000	0	70,000	298,333	36.97%	2028
2029	5,000	0	40,000	0	45,000	0	45,000	253,333	46.48%	2029
2030			40,000	0	40,000	0	40,000	213,334	54.93%	2030
2031			40,000	0	40,000	0	40,000	173,334	63.38%	2031
2032			40,000	0	40,000	0	40,000	133,334	71.83%	2032
2033			40,000	0	40,000	0	40,000	93,334	80.28%	2033
2034			40,000	0	40,000	0	40,000	53,334	88.73%	2034
2035			40,000	0	40,000	0	40,000	13,334	97.18%	2035
2036			13,334	0	13,334	0	13,334	0	100.00%	2036
	80,000	0	393,333	0	473,333	0	473,333			

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

<b>Taxing District</b>	<b>2025 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>
Sheboygan County	\$17,390,671,900	7.2541%	\$27,355,000	\$1,984,359
Plymouth School District	2,677,525,218	47.1155%	26,215,000	12,351,328
Lakeshore Technical College District	28,206,434,378	4.4725%	32,920,000	<u>1,472,347</u>
City's Share of Total Overlapping Debt				<u><u>\$15,808,034</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$1,261,529,300</b>	<b>Debt/ Per Capita 8,922<sup>4</sup></b>
Total General Obligation Debt*	\$20,945,000	1.66%	\$2,347.57
City's Share of Total Overlapping Debt	<u>15,808,034</u>	<u>1.25%</u>	<u>1,771.80</u>
Total*	\$36,753,034	2.91%	\$4,119.37

\*Preliminary, subject to change.

---

<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, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

<sup>4</sup> Estimated 2025 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
2021/22	\$4,508,042	100%	\$6.08
2022/23	4,672,305	100%	5.88
2023/24	4,772,305	100%	5.23
2024/25	4,741,934	100%	4.94
2025/26	5,645,556	In Process of Collection	4.61

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 had ceased operations or filed a petition for bankruptcy, or were due on personal property that had 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 was repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax was 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>
2021/22	\$8.56	\$4.61	\$6.08	\$19.25
2022/23	7.02	4.23	5.88	17.13
2023/24	6.76	3.76	5.23	15.75
2024/25	6.58	3.45	4.94	14.97
2025/26	6.06	3.13	4.61	13.80

**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%.

---

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

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

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. 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.

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 2025, the City received approximately \$946,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$926,000 received in 2024. The City is expected to receive approximately \$914,000 in shared revenue under Chapter 79, Wis. Stats. in 2026. 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 1877 and is governed by a Mayor and an eight-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to staggered two-year terms. The appointed City Administrator, City Clerk, City Treasurer and Finance Director are responsible for administrative details and financial records.

## **EMPLOYEES; PENSIONS**

The City employs a staff of 67 full-time, 10 part-time, and 15 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, 2022, the fiscal year ended December 31, 2023 and the fiscal year ended December 31, 2024 ("Fiscal Year 2024"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$372,489, \$429,532, and \$474,855, 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, 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. As of December 31, 2024, the total pension liability of the WRS was calculated as \$136.18 billion and the fiduciary net position of the WRS was calculated as \$134.54 billion, resulting in a net pension liability of \$1.64 billion. Accordingly, the City will continue to report a liability for its proportionate share of the net pension liability in its audited financial statements for the year ended December 31, 2025.

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 2024, the City reported a liability of \$475,704 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2023 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 0.03199507% of the aggregate WRS net pension liability as of December 31, 2023.

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>
Plymouth Police Department Association Local 215	December 31, 2028

## OTHER POST EMPLOYMENT BENEFITS

The City does not provide any other post-employment benefits.

---

<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.

## **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 March 31, 2026)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$756,423
Capital	2,453,531
Tax Increment Housing	2,616,851
TIF 5	138,309
TIF 6	35,107
RISK	174,803
HLTH	1,191,033
Debt Service	611,491
HOUSE	247,072
USDA RLF	412,278
Ehlers - City	7,340,916
Ehlers - 2025A	6,297,357
Ehlers - Utility	19,585,595
ADM	1,674,915
LGIP	122
Committed funds (multiple)	1,062,885
Utility	<u>1,169,579</u>
 Total Funds on Hand	 <u><u>\$45,768,267</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>2023 Audited</b>	<b>2024 Audited</b>	<b>2025 Unaudited</b>
<b>Plymouth Utilities</b>			
Total Operating Revenues	\$30,743,905	\$30,090,969	\$31,007,121
Less: Operating Expenses	<u>(28,345,949)</u>	<u>(27,000,145)</u>	<u>(25,941,918)</u>
Operating Income	\$2,397,956	\$3,090,824	\$5,065,203
Interest Income	<u>1,979,717</u>	<u>2,007,804</u>	<u>2,011,223</u>
Revenues Available for Debt Service	<u><u>\$4,377,673</u></u>	<u><u>\$5,098,628</u></u>	<u><u>\$7,076,426</u></u>

## SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2024 audited financial statements.

		<b>FISCAL YEAR ENDING DECEMBER 31</b>			
<b>COMBINED STATEMENT</b>					
		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
		<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>Revenues</b>					
Taxes		\$4,634,593	\$4,801,239	\$4,896,466	\$4,889,854
Intergovernmental		1,489,678	1,503,317	1,774,559	1,953,627
Licenses and permits		195,754	188,308	214,887	262,022
Fines, forfeitures and penalties		85,855	81,210	118,194	126,313
Public charges for services		284,204	313,979	315,852	294,805
Intergovernmental charges for services		136,250	173,203	160,820	163,613
Investment income		(22,183)	292,074	414,973	364,456
Miscellaneous revenues		20,914	6,224	8,065	15,533
<b>Total Revenues</b>		<u>\$6,825,065</u>	<u>\$7,359,554</u>	<u>\$7,903,816</u>	<u>\$8,070,223</u>
<b>Expenditures</b>					
Current:					
General government		\$966,603	\$901,104	\$917,629	\$1,088,660
Public safety		2,585,633	2,592,716	2,753,950	2,855,480
Public works		1,036,348	1,090,123	1,103,089	1,440,501
Health and human services		179,766	178,076	207,575	193,573
Culture, recreation and education		1,228,487	1,289,748	1,307,943	1,226,995
Conservation and development		130,531	115,562	107,707	75,469
<b>Total Expenditures</b>		<u>\$6,127,368</u>	<u>\$6,167,329</u>	<u>\$6,397,893</u>	<u>\$6,880,678</u>
<b>Excess of revenues over (under) expenditures</b>		\$697,697	\$1,192,225	\$1,505,923	\$1,189,545
<b>Other Financing Sources (Uses)</b>					
Transfers (out)		(\$1,402,567)	(\$1,610,529)	(\$1,576,717)	(\$1,998,012)
Sale of property		2,537	100	23,262	0
Transfers in		686,650	640,516	661,110	618,099
<b>Total Other Financing Sources (Uses)</b>		<u>(713,380)</u>	<u>(969,913)</u>	<u>(892,345)</u>	<u>(1,379,913)</u>
<b>Net changes in Fund Balances</b>		(\$15,683)	\$222,312	\$613,578	(\$190,368) <sup>1</sup>
General Fund Balance January 1		<u>\$3,231,391</u>	<u>\$3,215,708</u>	<u>\$3,438,020</u>	<u>\$4,051,598</u>
General Fund Balance December 31		\$3,215,708	\$3,438,020	\$4,051,598	\$3,861,230
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable		\$126,376	\$161,121	\$217,992	\$179,761
Assigned		686,650	640,516	651,560	618,099
Unassigned		2,402,682	2,636,383	3,182,046	3,063,370
<b>Total</b>		<u>\$3,215,708</u>	<u>\$3,438,020</u>	<u>\$4,051,598</u>	<u>\$3,861,230</u>

<sup>1</sup> The City used excess fund balance in the general fund to contribute to the capital improvement fund. The City's fund balance policy provides that the City shall strive to maintain at least an unassigned general fund balance equal or above the range of 20% to 25% of budgeted general fund appropriations, which fund balance policy continues to be met.

## GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

### COMBINED STATEMENT

	<b>2026 Adopted Budget<sup>1</sup></b>
Revenues	
General Property Taxes	\$5,645,556
Taxes	\$806,250
Intergovernmental	1,975,314
Licenses and permits	217,450
Fines, forfeitures and penalties	118,250
Public charges for services	54,900
Public charges for Leisure	210,800
Intergovernmental charges for services	151,500
Miscellaneous revenues	99,527
<b>Total Revenues</b>	<b>\$9,279,547</b>
Expenditures	
Current:	
General government	\$1,320,976
Public safety	2,920,479
Sanitation	62,310
Transportation	1,630,328
Leisure Activities	1,277,011
Conservation and development	15,200
Unclassified	4,059
<b>Total Expenditures</b>	<b>\$7,230,363</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$2,049,184</b>
<b>Other Financing Sources (Uses)</b>	
Transfers (out)	(\$2,049,184)
Sale of property	0
Transfers in	0
<b>Total Other Financing Sources (Uses)</b>	<b>(2,049,184)</b>
<b>Net changes in Fund Balances</b>	<b>\$0</b>

<sup>1</sup> The 2026 budget was adopted on November 11, 2025.

## GENERAL INFORMATION

### LOCATION

The City, with a 2020 U.S. Census population of 8,932 and a current estimated population of 8,922, comprises an area of five square miles and is located approximately 55 miles north of Milwaukee and 15 miles west of Sheboygan.

### 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>
Sargento Cheese Company	Cheese processing	1,300
Masters Gallery Foods	Cheese processing	678
Great Lakes Cheese of Wisconsin	Cheese processing	500
Sartori Cheese	Cheese processing	435
Aurora	Health Care	350
School District of Plymouth	Elementary and secondary education	337
Kettle Moraine Correctional	Correctional Institutions	328
Walmart Super Center	Grocery & retail	280
Altor Solutions (Plymouth Foam, Inc.)	Plastics-Foam Manufacturer	125
The City	Municipal government and services	92
Toro	Manufacturing	86

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

---

<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

	2022	2023	2024	2025	2026 <sup>1</sup>
<u>New Single Family Homes</u>					
No. of building permits	5	13	13	6	2
Valuation	\$1,816,000	\$7,220,021	\$4,760,527	\$2,465,000	\$745,000
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	1	0	0
Valuation	\$0	\$0	\$22,407,000	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	3	3	0	3	1
Valuation	\$1,866,792	\$7,003,482	\$0	\$4,175,000	\$950,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	440	393	446	401	108
Valuation	\$24,577,825	\$24,967,217	\$40,033,534	\$83,151,570	\$23,624,050

**Source:** The City.

---

<sup>1</sup> As of May 4, 2026.

## U.S. CENSUS DATA

### Population Trend: The City

2010 U.S. Census Population	8,445
2020 U.S. Census Population	8,932
Percent of Change 2010 - 2020	5.77%
2025 Estimated Population	8,922

### Income and Age Statistics

	The City	Sheboygan County	State of Wisconsin	United States
2024 per capita income	\$39,231	\$40,078	\$43,373	\$44,673
2024 median household income	\$68,038	\$73,094	\$77,485	\$80,734
2024 median family income	\$96,364	\$95,050	\$100,141	\$99,999
2024 median gross rent	\$914	\$934	\$1,087	\$1,413
2024 median value owner occupied units	\$213,300	\$232,700	\$266,500	\$332,700
2024 median age	45.5 yrs.	41.7 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
City % of 2024 per capita income	90.45%	87.82%
City % of 2024 median family income	96.23%	96.37%

### Housing Statistics

	<u>The City</u>		
	2020	2024	Percent of Change
All Housing Units	4,251	4,266	0.35%

**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 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

## EMPLOYMENT/UNEMPLOYMENT DATA

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

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Sheboygan County	Sheboygan County	State of Wisconsin	
2022	60,193	2.4%	2.8%	
2023	61,148	2.3%	2.8%	
2024	61,377	2.5%	3.0%	
2025 <sup>1</sup>	60,801	2.8%	3.2%	
2026, April <sup>1</sup>	60,642	2.9%	3.4%	

**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 change 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 Plymouth**

Financial Statements and  
Supplementary Information

December 31, 2024

# City of Plymouth

---

Table of Contents  
December 31, 2024

	<u>Page</u>
<b>Independent Auditors' Report</b>	i
<b>Required Supplementary Information</b>	
Management's Discussion and Analysis	iv
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	3
Fund Financial Statements	
Balance Sheet - Governmental Funds	4
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position - Proprietary Fund	10
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	12
Statement of Cash Flows - Proprietary Fund	13
Statement of Fiduciary Net Position - Custodial Fund	15
Statement of Changes in Fiduciary Net Position - Custodial Fund	16
Index to Notes to Financial Statements	17
Notes to Financial Statements	18
<b>Required Supplementary Information</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	52
Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System	53
Schedule of Employer Contributions - Wisconsin Retirement System	53
Notes to Required Supplementary Information	54

# City of Plymouth

---

Table of Contents  
December 31, 2024

	<u>Page</u>
<b>Supplementary Information</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	57
Combining Statement of Net Position - Internal Service Funds	59
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	60
Combining Statement of Cash Flows - Internal Service Funds	61

## **Independent Auditors' Report**

To the City Council of  
City of Plymouth

### **Opinions**

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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.

## 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  
July 29, 2025

## City of Plymouth

---

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

This discussion and analysis of the City of Plymouth's (the City) financial information provides an overall review of financial activities for the year. The analysis generally focuses on City financial performance as a whole. A comparison to prior year data is also presented for additional analysis. This discussion and analysis should be read in conjunction with the City's financial statements, which immediately follow this section.

### Financial Highlights

- The City's overall financial position, as reflected in total net position, increased \$8,548,605. Net position of governmental activities increased \$4,062,864 and net position of business-type activities increased \$4,485,741.
- In the governmental funds, total fund balances increased \$2,504,305, including an increase of \$613,578 in the general fund.
- The City retired \$4,135,000 of general obligation debt.
- The capital improvements fund has \$1,630,496 assigned for future capital improvements of the City. Expenditures of the capital improvements fund will continue to be funded with current tax levy.

### Overview of the Financial Statements

The City's basic financial statements are comprised of 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. In addition, other information supplementary to the basic financial statements is provided.

#### Government-Wide Financial Statements

- The government-wide financial statements are the statement of net position and statement of activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business. Both statements distinguish functions that are supported principally by property taxes and intergovernmental revenues, called governmental activities, from functions that are intended to recover all or a significant portion of costs through user fees and charges called business-type activities.
- The statement of net position presents information on all of the City's assets, deferred outflow of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The statement of activities presents information showing how the City's net position changed during the year. This statement reports the cost of government functions and how those functions were financed for the year.
- The government-wide financial statements are shown on pages 1 to 3 of this report.

#### Fund Financial Statements

- The City also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the government-wide statements and provide information that may be useful in evaluating the City's near-term financing requirements.

## City of Plymouth

---

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

- There are two fund financial statements, the balance sheet and the statement of revenues, expenditures and changes in fund balances. Generally, fund statements focus on near-term inflows and outflows of spendable resources and their impact on fund balances.
- Because the focus of fund financial statements is narrower than that of the government-wide financial statements it is useful to make comparisons between the information presented. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. A reconciliation to facilitate this comparison is provided on separate statements.
- The City has three kinds of funds: governmental, proprietary and fiduciary. Governmental funds include the City's nine permanent funds (general, debt service, committed, revolving loan, USDA revolving loan, garbage and recycling, housing grant, American Rescue Plan Act, and the water and sewer lateral. In the current year, the City has five capital project funds, including four TIF Districts. The City's proprietary funds consist of enterprise funds (the Plymouth Utilities) and internal service funds (health care and risk management). The City's only fiduciary fund is the custodial tax collection fund.
- Financial information is presented separately on both the balance sheet and the statement of revenues, expenditures and changes in fund balances for the general, debt service, TIF District #4 and capital improvements funds as these funds are considered to be major funds. Data for the remaining funds are combined into a single, aggregate column. Data for each of the individual nonmajor funds is provided separately as supplementary information. The governmental fund financial statements are shown on pages 4 to 9 of this report.
- The proprietary fund statements for the enterprise funds and internal service funds are prepared on the same basis of accounting and measurement focus as the government-wide financial statements. In addition, the City provides a statement of cash flows for the proprietary funds. The internal service funds have been allocated between the governmental activities and business-type activities in the government-wide financial statements. The proprietary fund financial statements are shown on pages 10 to 14 of this report.
- The City serves as the trustee, or fiduciary, for assets that belong to other governments including State, County, School District and Vocational School tax collections. The City is responsible for ensuring that the assets reported in this fund are used only for their intended purposes and by those to whom the assets belong. The City excludes the activities from the government-wide financial statements because it cannot use these assets to finance its operations. The fiduciary fund financial statements are presented on pages 15 and 16.
- The City adopts an annual appropriated budget for the general fund. A budgetary comparison schedule has been provided to demonstrate budget compliance. The budgetary comparison schedule is on page 52.

### Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 to 51 of this report.

# City of Plymouth

Management's Discussion and Analysis  
 Year ended December 31, 2024  
 (Unaudited)

## Major Features of the Government-Wide and Fund Financial Statements

The major features of the City's financial statements, including the portion of the activities reported and the type of information contained, is shown in the following table.

	Government-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary, such as public safety, public works and culture, recreation and education	Proprietary funds consist of enterprise funds (the Plymouth Utilities) and internal service funds (health care and risk management)	Instances in which the City administers resources on behalf of someone else, such as State, County and School tax collections
Required financial statements	Statement of net position  Statement of activities	Balance sheet  Statement of revenues, expenditures and changes in fund balances	Statement of net position  Statement of revenues, expenses and changes in net position  Statement of cash flows	Statement of fiduciary net position  Statement of changes in fiduciary net position
Basis of accounting and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital; short-term and long-term	All assets and liabilities, both financial and capital; short-term and long-term; the City's funds do not currently contain any capital assets, although they can
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions or deductions during the year, regardless of when cash is received or paid

# City of Plymouth

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

## Financial Analysis

### The City as a Whole

**Net Position.** Table 1, below, provides a summary of the City's net position for the year ended December 31, 2024 compared to 2023.

Table 1  
City of Plymouth Condensed Statement of Net Position  
December 31, 2024 and 2023

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
<b>Current and Other Assets</b>	\$ 22,237,612	\$ 20,087,695	\$ 40,765,477	\$ 41,674,665	\$ 63,003,089	\$ 61,762,360
<b>Capital Assets</b>	21,895,730	22,312,769	73,470,403	69,269,620	95,366,133	91,582,389
Total assets	44,133,342	42,400,464	114,235,880	110,944,285	158,369,222	153,344,749
Total deferred outflows of resources	2,641,716	3,979,748	1,634,433	2,389,104	4,276,149	6,368,852
<b>Long-Term Liabilities</b>	2,844,451	5,289,855	10,988,711	12,654,231	13,833,162	17,944,086
<b>Other Liabilities</b>	793,374	1,199,655	2,462,411	2,385,424	3,255,785	3,585,079
Total liabilities	3,637,825	6,489,510	13,451,122	15,039,655	17,088,947	21,529,165
Total deferred inflows of resources	9,787,406	10,603,739	987,680	1,347,964	10,775,086	11,951,703
<b>Net Position</b>						
Net investment in capital assets	19,518,947	18,256,989	70,848,975	64,147,415	90,367,922	82,404,404
Restricted	3,948,256	2,146,989	-	-	3,948,256	2,146,989
Unrestricted	9,882,624	8,882,985	30,582,536	32,798,355	40,465,160	41,681,340
Total net position	\$ 33,349,827	\$ 29,286,963	\$ 101,431,511	\$ 96,945,770	\$ 134,781,338	\$ 126,232,733

- Long-Term liabilities decreased as there was no new debt during 2024.

# City of Plymouth

Management's Discussion and Analysis  
 Year ended December 31, 2024  
 (Unaudited)

**Change in Net Position.** Table 2 shows the change in net position for the years ended December 31, 2024 and 2023.

**Table 2**  
**City of Plymouth Change in Net Position**  
**Years ended December 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 1,208,085	\$ 1,115,736	\$ 30,090,969	\$ 30,743,905	\$ 31,299,054	\$ 31,859,641
Operating grants and contributions	661,276	742,859	-	-	661,276	742,859
Capital grants and contributions	-	-	47,580	130,083	47,580	130,083
General revenues						
Property taxes	7,919,604	7,508,433	-	-	7,919,604	7,508,433
Other taxes	295,894	307,836	-	-	295,894	307,836
Intergovernmental	2,148,023	1,442,588	-	-	2,148,023	1,442,588
Investment income	797,041	668,935	2,007,804	1,979,717	2,804,845	2,648,652
Other	209,121	160,901	4,088	2,003	213,209	162,904
Total revenues	<u>13,239,044</u>	<u>11,947,288</u>	<u>32,150,441</u>	<u>32,855,708</u>	<u>45,389,485</u>	<u>44,802,996</u>
<b>Expenses</b>						
General government	1,078,455	1,372,718	-	-	1,078,455	1,372,718
Public safety	3,134,668	2,946,097	-	-	3,134,668	2,946,097
Public works	3,302,211	2,326,716	-	-	3,302,211	2,326,716
Health and human services	207,438	177,699	-	-	207,438	177,699
Culture, education and recreation	1,688,862	1,352,388	-	-	1,688,862	1,352,388
Conservation and development	345,161	895,916	-	-	345,161	895,916
Interest and fiscal charges	70,945	146,928	-	-	70,945	146,928
Plymouth Utilities	-	-	27,013,140	28,410,074	27,013,140	28,410,074
Total expenses	<u>9,827,740</u>	<u>9,218,462</u>	<u>27,013,140</u>	<u>28,410,074</u>	<u>36,840,880</u>	<u>37,628,536</u>
Change in net position before transfers	3,411,304	2,728,826	5,137,301	4,445,634	8,548,605	7,174,460
Transfers	651,560	248,233	(651,560)	(248,233)	-	-
Change in net position	4,062,864	2,977,059	4,485,741	4,197,401	8,548,605	7,174,460
Net position, January 1	<u>29,286,963</u>	<u>26,309,904</u>	<u>96,945,770</u>	<u>92,748,369</u>	<u>126,232,733</u>	<u>119,058,273</u>
Net position, December 31	<u>\$ 33,349,827</u>	<u>\$ 29,286,963</u>	<u>\$ 101,431,511</u>	<u>\$ 96,945,770</u>	<u>\$ 134,781,338</u>	<u>\$ 126,232,733</u>

- Program revenues totaled \$1,869,361 for governmental activities and \$30,138,549 for business-type activities. In total, program revenues decreased by \$724,673 compared to 2023, due to a decrease in the utility charges for services.
- General revenues totaled \$11,369,683 for governmental activities and \$2,011,892 for business-type activities. In total, general revenues increased \$1,311,162 compared to 2023, due mainly to an increase in investment income.

# City of Plymouth

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

## Governmental Activities

**Net Cost of Governmental Activities.** Table 3 reports the cost of seven major City activities for the years ended December 31, 2024 and 2023. The table also shows each activity's net cost (total cost less fees generated by the activities and grants and contributions provided for specific programs). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

**Table 3**  
**Net Cost of Governmental Activities**  
**Years ended December 31, 2024 and 2023**

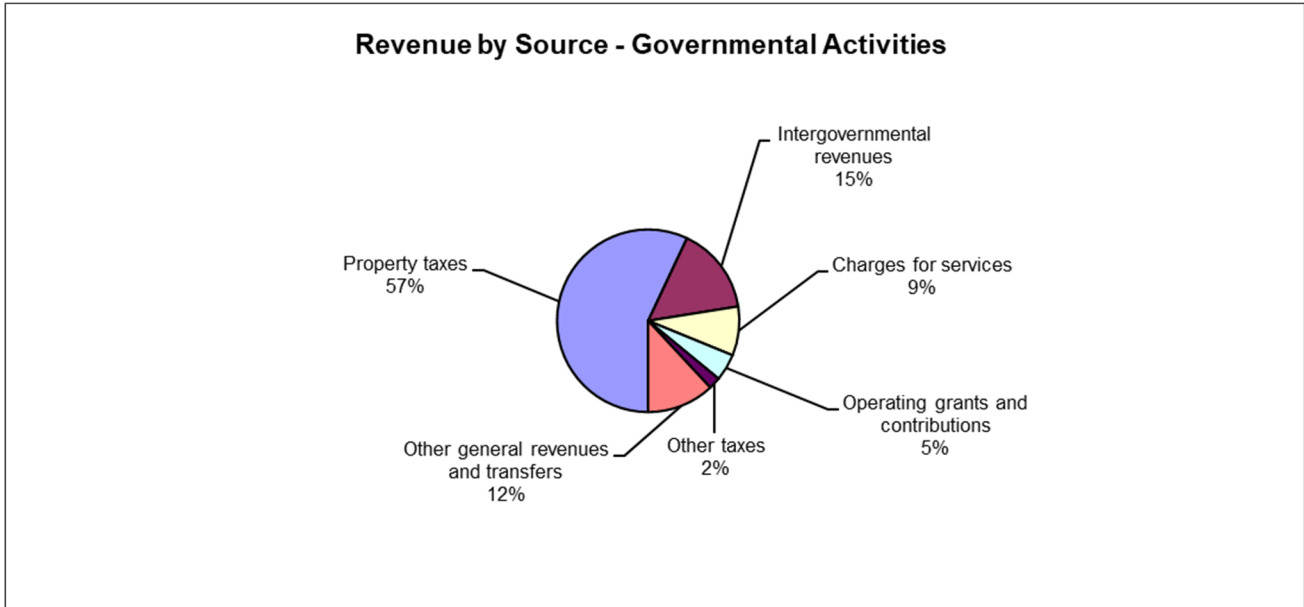
	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General government	\$ 1,078,455	\$ 1,372,718	\$ 720,905	\$ 339,341
Public safety	3,134,668	2,946,097	2,724,094	2,565,066
Public works	3,302,211	2,326,716	2,698,407	2,300,499
Health and human services	207,438	177,699	207,438	179,533
Culture, education and recreation	1,688,862	1,352,388	1,218,975	868,985
Conservation and development	345,161	895,916	317,615	380,449
Interest and fiscal charges	70,945	146,928	70,945	199,041
Total	<u>\$ 9,827,740</u>	<u>\$ 9,218,462</u>	<u>\$ 7,958,379</u>	<u>\$ 6,832,914</u>

- The total cost of all governmental activities for the year was \$9,827,740, an increase of \$609,278 compared to 2023.
- Individuals, other governments and others who directly participated in or benefited from a program paid \$1,208,085 of the costs.
- Governmental and other operating grants and contributions accounted for \$661,276 of the costs.
- The net cost of governmental activities were financed with general revenues and transfers, which consists of property taxes, other taxes, intergovernmental revenues, donations, investment income (loss), miscellaneous items and a transfer from the business-type activities.

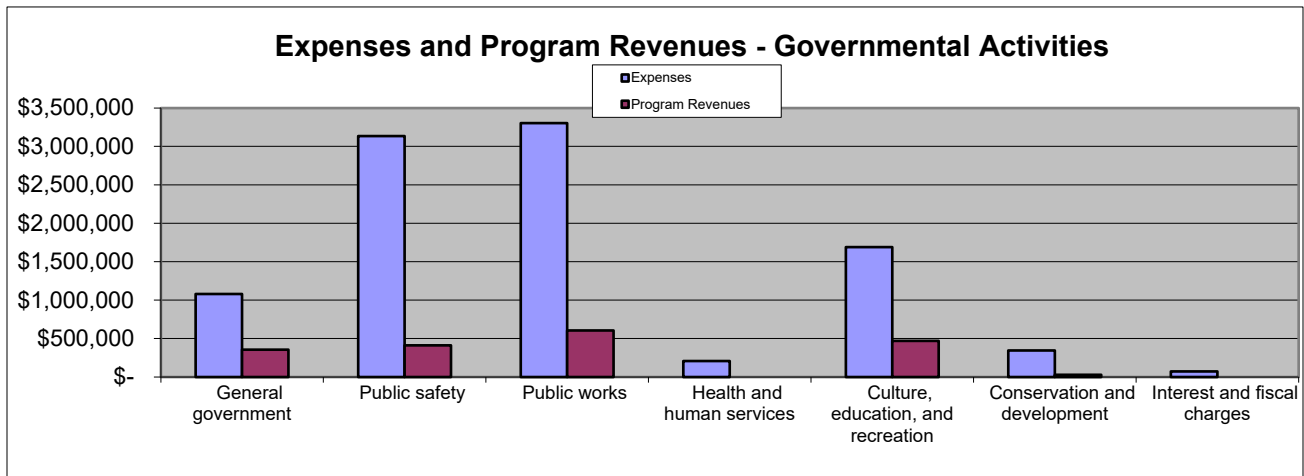
# City of Plymouth

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

- Property taxes and intergovernmental revenues and account for the greatest portion of revenues for the City as illustrated below.



- Expenses and program revenues by major function are illustrated below.



## City of Plymouth

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

### Business-Type Activities

Revenues for the City's business-type activities (Plymouth Utilities) are comprised of charges for services, capital grants and contributions and investment income. (See Table 2)

- The Utilities revenues exceeded expenses by \$4,485,741 an increase of \$288,340 compared to 2023.
- Charges for services, which are amounts paid by individuals and others for electric, water and sewage service, totaled \$30,090,969 for 2024, a decrease of \$652,936 compared to 2023. A portion of this decrease related to a decrease in usage and cost of power in the electric utility.
- Capital grants and contributions from customers and developers totaled \$47,580, a decrease of \$82,503, compared to 2023.

### Governmental Funds

The City completed the year with a total governmental fund balance of \$11,655,990, which was \$2,504,305 more than last year's ending fund balance of \$9,151,685.

- The general fund had an increase in fund balance of \$613,578.
- The debt service fund had a decrease in fund balance of \$511.
- The TIF District #4 fund had an increase in fund balance of \$1,777,093, due to limited expenditures.
- The capital improvements fund had a decrease in fund balance of \$183,009, due to capital outlay expenditures

### General Fund Budgetary Highlights

Consistent with current state statutes and regulations the Common Council adopts a general fund budget. Generally, the budget is not significantly modified during the year. The general fund had a favorable budget variance of \$613,578 for the year. The general fund budgetary comparison schedule is shown on page 52 of this report.

## Capital Asset and Debt Administration

### Capital Assets

As of December 31, 2024, the City had invested over \$198 million in a broad range of capital assets, including land, land improvements, buildings, infrastructure, utility transmission and distribution systems and machinery and equipment. (See Table 4) Additional information about capital assets can be found in Note 4. Accumulated depreciation on these assets totaled \$49,889,435 for governmental activities and \$53,724,210 for business-type activities.

- Major capital asset additions for the year include public works, equipment/vehicles, and utility system improvements.

# City of Plymouth

Management's Discussion and Analysis  
 Year ended December 31, 2024  
 (Unaudited)

**Table 4**  
**Capital Assets**  
**December 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 1,931,402	\$ 1,931,402	\$ 1,499,338	\$ 1,499,338	\$ 3,430,740	\$ 3,430,740
Land improvements	3,463,364	3,486,479	-	-	3,463,364	3,486,479
Buildings	8,192,303	8,122,618	-	-	8,192,303	8,122,618
Infrastructure	50,867,033	50,268,757	-	-	50,867,033	50,268,757
Utility plant	-	-	120,528,555	117,260,662	120,528,555	117,260,662
Machinery and equipment	7,105,697	6,787,757	-	-	7,105,697	6,787,757
Construction in progress	225,366	41,894	5,166,720	1,417,361	5,392,086	1,459,255
	71,785,165	70,638,907	127,194,613	120,177,361	198,979,778	190,816,268
Accumulated depreciation	(49,889,435)	(48,326,138)	(53,724,210)	(50,907,741)	(103,613,645)	(99,233,879)
Total	<u>\$ 21,895,730</u>	<u>\$ 22,312,769</u>	<u>\$ 73,470,403</u>	<u>\$ 69,269,620</u>	<u>\$ 95,366,133</u>	<u>\$ 91,582,389</u>

## Long-Term Obligations

At year end, the City had \$4,835,000 in general obligation debt and promissory notes outstanding - a decrease of \$4,135,000 from last year. Additional information about the City's long-term obligations is presented in Note 4 to the financial statements.

**Table 5**  
**City of Plymouth's Outstanding Debt**  
**General Obligation, Revenue Bonds, and Promissory Notes**

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
General obligation debt	\$ 2,295,000	\$ 3,945,000	\$ 2,415,000	\$ 4,870,000	\$ 4,710,000	\$ 8,815,000
Promissory notes	-	-	125,000	155,000	125,000	155,000
Total	<u>\$ 2,295,000</u>	<u>\$ 3,945,000</u>	<u>\$ 2,540,000</u>	<u>\$ 5,025,000</u>	<u>\$ 4,835,000</u>	<u>\$ 8,970,000</u>

## **City of Plymouth**

---

Management's Discussion and Analysis  
Year ended December 31, 2024  
(Unaudited)

### **Factors Bearing on the City's Future**

Currently known circumstances that will impact the City's financial status in the future are:

- The federal government passed the American Rescue Plan Act on March 11, 2022 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2022 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The City's estimated award is \$900,000, which will be used to combat the negative effects of the public health emergency in the local economy. The City received 50% of the funds in 2021, with the remaining received during 2022. The funds are to cover costs designated by December 31, 2024. As of December 31, 2024, all of these funds have been spent.

### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Administrator/Utilities Manager or Finance Director, City of Plymouth, P.O. Box 107, Plymouth, Wisconsin 53073.

# City of Plymouth

Statement of Net Position  
December 31, 2024

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b>Assets and Deferred Outflows of Resources</b>			
<b>Assets</b>			
Cash and investments	\$ 13,264,546	\$ 24,469,379	\$ 37,733,925
Receivables:			
Taxes	8,234,044	-	8,234,044
Delinquent personal property taxes	31,528	-	31,528
Delinquent special assessments	3,998	-	3,998
Accounts	82,484	2,203,095	2,285,579
Accrued interest	37,550	225,602	263,152
Loans	1,375,130	-	1,375,130
Due from other governmental units	53,364	-	53,364
Internal balances	(1,921,350)	1,921,350	-
Prepayments	106,523	368	106,891
Inventory	-	2,687,769	2,687,769
Replacement account - restricted	-	1,199,951	1,199,951
Investment in American Transmission Company	-	8,057,963	8,057,963
Land held for resale	969,795	-	969,795
Capital assets:			
Land	1,931,402	1,499,338	3,430,740
Construction in progress	225,366	5,166,720	5,392,086
Capital assets, net of depreciation	19,738,962	66,804,345	86,543,307
Total assets	<u>44,133,342</u>	<u>114,235,880</u>	<u>158,369,222</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pension	2,641,716	1,625,269	4,266,985
Unamortized loss on advance refunding	-	9,164	9,164
Total deferred outflows of resources	<u>2,641,716</u>	<u>1,634,433</u>	<u>4,276,149</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
<b>Liabilities</b>			
Accounts payable	402,447	2,179,746	2,582,193
Accrued liabilities	317,505	80,216	397,721
Due to other governmental units	28,847	-	28,847
Deposits	42,781	115,164	157,945
Unearned revenues	1,794	-	1,794
Other current liabilities	-	87,285	87,285
Noncurrent liabilities:			
Due within one year	655,172	830,000	1,485,172
Due in more than one year	1,882,840	9,989,446	11,872,286
Net pension liability	306,439	169,265	475,704
Total liabilities	<u>3,637,825</u>	<u>13,451,122</u>	<u>17,088,947</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to pension	1,554,756	987,680	2,542,436
Property tax levied for next period	8,232,650	-	8,232,650
Total deferred inflows of resources	<u>9,787,406</u>	<u>987,680</u>	<u>10,775,086</u>

See notes to financial statements

# City of Plymouth

Statement of Net Position  
December 31, 2024

---

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Net Position</b>			
Net investment in capital assets	\$ 19,518,947	\$ 70,848,975	\$ 90,367,922
Restricted for:			
TIF activities	2,905,200	-	2,905,200
Loan programs	1,043,056	-	1,043,056
Unrestricted	<u>9,882,624</u>	<u>30,582,536</u>	<u>40,465,160</u>
Total net position	<u>\$ 33,349,827</u>	<u>\$101,431,511</u>	<u>\$134,781,338</u>

See notes to financial statements

# City of Plymouth

Statement of Activities -  
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,078,455	\$ 357,550	\$ -	\$ -	\$ (720,905)	\$ -	\$ (720,905)
Public safety	3,134,668	182,670	227,904	-	(2,724,094)	-	(2,724,094)
Public works	3,302,211	415,305	188,499	-	(2,698,407)	-	(2,698,407)
Health and human services	207,438	-	-	-	(207,438)	-	(207,438)
Culture, education and recreation	1,688,862	225,014	244,873	-	(1,218,975)	-	(1,218,975)
Conservation and development	345,161	27,546	-	-	(317,615)	-	(317,615)
Interest and fiscal charges	70,945	-	-	-	(70,945)	-	(70,945)
Total governmental activities	9,827,740	1,208,085	661,276	-	(7,958,379)	-	(7,958,379)
Business-type activities:							
Electric	23,291,514	24,539,961	-	47,580	-	1,296,027	1,296,027
Water	1,658,105	2,521,600	-	-	-	863,495	863,495
Sewage	2,063,521	3,029,408	-	-	-	965,887	965,887
Total business-type activities	27,013,140	30,090,969	-	47,580	-	3,125,409	3,125,409
Total	\$ 36,840,880	\$ 31,299,054	\$ 661,276	\$ 47,580	(7,958,379)	3,125,409	(4,832,970)
<b>General Revenues</b>							
Taxes:							
Property taxes, levied for general purposes					4,772,305	-	4,772,305
Property taxes, levied for TIF districts					3,147,299	-	3,147,299
Other taxes					295,894	-	295,894
Intergovernmental revenues not restricted to specific programs					2,148,023	-	2,148,023
Donations					70,477	-	70,477
Investment income					797,041	2,007,804	2,804,845
Miscellaneous					138,644	4,088	142,732
Total general revenues					11,369,683	2,011,892	13,381,575
<b>Transfers</b>					651,560	(651,560)	-
Change in net position					4,062,864	4,485,741	8,548,605
<b>Net Position, Beginning</b>					29,286,963	96,945,770	126,232,733
<b>Net Position, Ending</b>					\$ 33,349,827	\$ 101,431,511	\$ 134,781,338

See notes to financial statements

# City of Plymouth

Balance Sheet -  
Governmental Funds  
December 31, 2024

	<u>General</u>	<u>Debt Service</u>	<u>TIF District #4</u>	<u>Capital Improvements</u>
<b>Assets</b>				
Cash and investments	\$ 3,634,521	\$ 4,405	\$ 1,930,131	\$ 1,720,816
Receivables:				
Taxes	4,749,860	-	2,536,475	-
Delinquent personal property taxes	31,528	-	-	-
Delinquent special assessments	-	-	-	-
Accounts	55,969	-	-	-
Accrued interest	18,769	-	5,274	-
Loans	-	-	-	-
Due from other governments	48,808	-	-	-
Due from other funds	651,560	-	-	-
Prepayments	106,523	-	-	-
Advances to other funds	79,941	-	-	-
Land held for resale	-	-	969,795	-
	<u>9,377,479</u>	<u>4,405</u>	<u>5,441,675</u>	<u>1,720,816</u>
Total assets	<u>\$ 9,377,479</u>	<u>\$ 4,405</u>	<u>\$ 5,441,675</u>	<u>\$ 1,720,816</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 122,519	\$ -	\$ -	\$ 90,320
Accrued liabilities	307,531	-	-	-
Deposits	42,781	-	-	-
Due to other governments	28,847	-	-	-
Unearned revenues	1,794	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	73,943	-	-	-
	<u>577,415</u>	<u>-</u>	<u>-</u>	<u>90,320</u>
Total liabilities	<u>577,415</u>	<u>-</u>	<u>-</u>	<u>90,320</u>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	4,748,466	-	2,536,475	-
	<u>4,748,466</u>	<u>-</u>	<u>2,536,475</u>	<u>-</u>
Total deferred inflows of resources	<u>4,748,466</u>	<u>-</u>	<u>2,536,475</u>	<u>-</u>
<b>Fund Balances (Deficit)</b>				
Nonspendable	217,992	-	-	-
Restricted	-	4,405	2,905,200	-
Committed	-	-	-	-
Assigned	651,560	-	-	1,630,496
Unassigned (deficit)	3,182,046	-	-	-
	<u>4,051,598</u>	<u>4,405</u>	<u>2,905,200</u>	<u>1,630,496</u>
Total fund balances (deficit)	<u>4,051,598</u>	<u>4,405</u>	<u>2,905,200</u>	<u>1,630,496</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,377,479</u>	<u>\$ 4,405</u>	<u>\$ 5,441,675</u>	<u>\$ 1,720,816</u>

See notes to financial statements

<b>Nonmajor Governmental Funds</b>	<b>Total</b>
\$ 2,635,131	\$ 9,925,004
947,709	8,234,044
-	31,528
3,998	3,998
156	56,125
5,271	29,314
1,375,130	1,375,130
4,556	53,364
-	651,560
-	106,523
660,000	739,941
-	969,795
<u>\$ 5,631,951</u>	<u>\$ 22,176,326</u>

\$ 55,343	\$ 268,182
-	307,531
-	42,781
-	28,847
-	1,794
9,000	9,000
<u>1,555,608</u>	<u>1,629,551</u>

<u>1,619,951</u>	<u>2,287,686</u>
------------------	------------------

<u>947,709</u>	<u>8,232,650</u>
----------------	------------------

<u>947,709</u>	<u>8,232,650</u>
----------------	------------------

3,998	221,990
1,043,056	3,952,661
3,520,756	3,520,756
-	2,282,056
<u>(1,503,519)</u>	<u>1,678,527</u>

<u>3,064,291</u>	<u>11,655,990</u>
------------------	-------------------

<u>\$ 5,631,951</u>	<u>\$ 22,176,326</u>
---------------------	----------------------

## City of Plymouth

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
December 31, 2024

---

<b>Total Fund Balances, Governmental Funds</b>	\$ 11,655,990
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. See Note 2.	21,895,730
The net pension liability does not relate to current financial resources and is not reported in the governmental funds.	(306,439)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	2,641,716
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,554,756)
Internal service funds are reported in the statement of net position as governmental activities.	1,565,572
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(2,295,000)
Compensated absences	(161,229)
Accrued interest	(9,974)
Unamortized premium on debt	<u>(81,783)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 33,349,827</u></u>

# City of Plymouth

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

	<u>General</u>	<u>Debt Service</u>	<u>TIF District #4</u>	<u>Capital Improvements</u>
<b>Revenues</b>				
Taxes	\$ 4,896,466	\$ -	\$ 2,620,741	\$ -
Intergovernmental	1,774,559	-	69,271	142,267
Licenses and permits	214,887	-	-	-
Fines, forfeitures and penalties	118,194	-	-	-
Public charges for services	315,852	-	-	-
Intergovernmental charges for services	160,820	-	-	13,880
Investment income	414,973	-	127,271	-
Miscellaneous revenues	8,065	-	-	235
	<u>7,903,816</u>	<u>-</u>	<u>2,817,283</u>	<u>156,382</u>
<b>Expenditures</b>				
Current:				
General government	917,629	-	51,507	-
Public safety	2,753,950	-	-	-
Public works	1,103,089	-	-	-
Health and human services	207,575	-	-	-
Culture, recreation and education	1,307,943	-	-	-
Conservation and development	107,707	-	150	-
Capital outlay	-	-	-	1,380,980
Debt service:				
Principal	-	466,000	944,000	-
Interest and fiscal charges	-	21,471	44,533	-
	<u>6,397,893</u>	<u>487,471</u>	<u>1,040,190</u>	<u>1,380,980</u>
Excess (deficiency) of revenues over expenditures	<u>1,505,923</u>	<u>(487,471)</u>	<u>1,777,093</u>	<u>(1,224,598)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(1,576,717)	-	-	-
Sale of property	23,262	-	-	18,832
Transfers in	661,110	486,960	-	1,022,757
	<u>(892,345)</u>	<u>486,960</u>	<u>-</u>	<u>1,041,589</u>
Net change in fund balances	613,578	(511)	1,777,093	(183,009)
<b>Fund Balances, Beginning</b>	<u>3,438,020</u>	<u>4,916</u>	<u>1,128,107</u>	<u>1,813,505</u>
<b>Fund Balances, Ending</b>	<u>\$ 4,051,598</u>	<u>\$ 4,405</u>	<u>\$ 2,905,200</u>	<u>\$ 1,630,496</u>

See notes to financial statements

<b>Nonmajor Governmental Funds</b>	<b>Total</b>
\$ 698,291	\$ 8,215,498
662,382	2,648,479
-	214,887
-	118,194
414,528	730,380
-	174,700
123,659	665,903
86,706	95,006
<u>1,985,566</u>	<u>12,863,047</u>
81,979	1,051,115
35,484	2,789,434
497,595	1,600,684
-	207,575
50,331	1,358,274
203,875	311,732
594,410	1,975,390
240,000	1,650,000
42,188	108,192
<u>1,745,862</u>	<u>11,052,396</u>
<u>239,704</u>	<u>1,810,651</u>
(9,550)	(1,586,267)
-	42,094
<u>67,000</u>	<u>2,237,827</u>
<u>57,450</u>	<u>693,654</u>
297,154	2,504,305
<u>2,767,137</u>	<u>9,151,685</u>
<u>\$ 3,064,291</u>	<u>\$ 11,655,990</u>

See notes to financial statements

## City of Plymouth

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

**Net Change in Fund Balances, Total Governmental Funds** \$ 2,504,305

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	1,975,390
Some items are reported as capital outlay but not capitalized	(633,649)
Depreciation is reported in the government-wide financial statements	(1,680,677)
Net book value of assets retired	(78,103)

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	1,650,000
------------------	-----------

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the Statement of Net Position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.

Amortization of premium	28,997
-------------------------	--------

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	4,962
Accrued interest on debt	8,251
Net pension liability	761,445
Deferred outflows of resources related to pensions	652,226
Deferred inflows of resources related to pensions	(1,338,032)

Internal service funds are used by management to charge insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities

	<u>207,749</u>
--	----------------

**Change in Net Position of Governmental Activities** \$ 4,062,864

## City of Plymouth

Statement of Net Position -  
Proprietary Fund  
December 31, 2024

	<u>Plymouth Utilities</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Assets</b>		
Current assets:		
Cash and investments	\$ 24,469,379	\$ 3,339,542
Interest receivable	225,602	8,236
Customer accounts receivable	2,115,895	26,359
Other accounts receivable	87,200	-
Inventory	2,687,769	-
Prepayments	368	-
Due from municipality	9,000	-
	<u>29,595,213</u>	<u>3,374,137</u>
Total current assets		
Noncurrent assets:		
Capital assets:		
Electric plant	65,342,480	-
Water plant	27,070,098	-
Sewage plant	29,615,315	-
Construction work in progress	5,166,720	-
Less accumulated depreciation	(53,724,210)	-
Other assets:		
Replacement account - restricted	1,199,951	-
Advance to municipality	73,943	-
Advance to TIF's	815,667	-
Investment in American Transmission Company	8,057,963	-
	<u>83,617,927</u>	<u>-</u>
Total noncurrent assets		
Total assets	<u>113,213,140</u>	<u>3,374,137</u>
<b>Deferred Outflows of Resources</b>		
Unamortized loss on advanced refunding	9,164	-
Deferred outflows related to pension	1,625,269	-
	<u>1,634,433</u>	<u>-</u>
Total deferred outflows of resources		

See notes to financial statements

# City of Plymouth

Statement of Net Position -  
Proprietary Fund  
December 31, 2024

	<u>Plymouth Utilities</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 2,179,746	\$ 134,265
Due to municipality	651,560	-
Customer deposits	115,164	-
Accrued interest	9,802	-
Accrued vacation leave	70,414	-
Other current liabilities	55,502	-
Commitment to community	31,783	-
Current portion of general obligation bonds payable	800,000	-
Current portion of promissory notes	30,000	-
	<u>3,943,971</u>	<u>134,265</u>
Total current liabilities		
Noncurrent liabilities:		
Long-term debt:		
General obligation bonds payable	1,615,000	-
Accrued sick leave	143,312	-
Promissory notes	95,000	-
Unamortized premium on debt	90,592	-
Customer advances for construction	8,045,542	-
Net pension liability	169,265	-
	<u>10,158,711</u>	<u>-</u>
Total noncurrent liabilities		
Total liabilities		
	<u>14,102,682</u>	<u>134,265</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pension	987,680	-
	<u>987,680</u>	<u>-</u>
Total deferred inflows of resources		
<b>Net Position</b>		
Net investment in capital assets	70,848,975	-
Unrestricted	28,908,236	3,239,872
	<u>99,757,211</u>	<u>\$ 3,239,872</u>
Total net position		
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.		
	<u>1,674,300</u>	
Net position business-type activities		
	<u>\$ 101,431,511</u>	

See notes to financial statements

## City of Plymouth

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

	<u>Plymouth Utilities</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Operating Revenues</b>		
Electric	\$ 24,539,961	\$ -
Water	2,521,600	-
Sewage	3,029,408	-
City and Utility contributions	-	1,296,004
Other	-	202,765
	<u>30,090,969</u>	<u>1,498,769</u>
Total operating revenues		
<b>Operating Expenses</b>		
Electric	23,278,519	-
Water	1,658,105	-
Sewage	2,063,521	-
Health care costs, City employees	-	595,416
Health care costs, Utility employees	-	482,742
Risk management insurance and expense	-	288,868
	<u>27,000,145</u>	<u>1,367,026</u>
Total operating expenses		
Operating income	<u>3,090,824</u>	<u>131,743</u>
<b>Nonoperating Revenues (Expenses)</b>		
Interest on investments	2,007,804	131,138
Merchandising & jobbing	4,088	-
Legislative expenses	(5,304)	-
Interest expense and debt issuance costs	(78,600)	-
Amortization of premium	18,118	-
Amortization of loss on advance refunding	(2,341)	-
	<u>1,943,765</u>	<u>131,138</u>
Total nonoperating revenues (expenses)		
Income before contributions and transfers	<u>5,034,589</u>	<u>262,881</u>
<b>Contributions and Transfers</b>		
Capital contributions	47,580	-
Transfers out	(651,560)	-
	<u>(603,980)</u>	<u>-</u>
Total contributions and transfers		
Change in net position	4,430,609	262,881
<b>Net Position, Beginning</b>	<u>95,326,602</u>	<u>2,976,991</u>
<b>Net Position, Ending</b>	99,757,211	<u>\$ 3,239,872</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	<u>55,132</u>	
Change in net position of business-type activities	<u>\$ 4,485,741</u>	

See notes to financial statements

## City of Plymouth

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

	<u>Plymouth Utilities</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Cash Flows From Operating Activities</b>		
Received from customers	\$ 29,870,005	\$ 1,516,424
Received from municipality for services	151,709	-
Paid to suppliers for goods and services	(23,894,912)	(1,316,702)
Paid to employees for operating payroll	(1,656,127)	-
	<u>4,470,675</u>	<u>199,722</u>
Net cash flows from operating activities		
<b>Cash Flows From Investing Activities</b>		
Investments sold and matured	41,628,243	-
Investment income	1,653,202	128,157
Investments purchased	(40,123,372)	-
Investment in American Transmission Company	(230,280)	-
	<u>2,927,793</u>	<u>128,157</u>
Net cash flows from investing activities		
<b>Cash Flows From Noncapital Financing Activities</b>		
Paid to municipality for tax equivalent	(640,516)	-
	<u>(640,516)</u>	<u>-</u>
Net cash flows from noncapital financing activities		
<b>Cash Flows From Capital and Related Financing Activities</b>		
Debt retired	(2,485,000)	-
Interest paid	(91,961)	-
Capital contributions received	47,580	-
Received from TIF	1,750,000	-
Acquisition and construction of capital assets	(6,962,219)	-
Advance for construction	1,274,647	-
	<u>(6,466,953)</u>	<u>-</u>
Net cash flows from capital and related financing activities		
Net change in cash and cash equivalents	290,999	327,879
<b>Cash and Cash Equivalents, Beginning</b>	<u>4,503,907</u>	<u>1,462,028</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 4,794,906</u>	<u>\$ 1,789,907</u>

See notes to financial statements

## City of Plymouth

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

	<u>Plymouth Utilities</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>		
Operating income	\$ 3,090,824	\$ 131,743
Nonoperating revenue (expense)	(1,216)	-
Adjustments to reconcile operating income to net cash flows from operating activities:		
Depreciation	3,218,179	-
Depreciation charged to other funds	6,067	-
Changes in assets, liabilities, and deferred inflows and outflows:		
Customer accounts receivable	(117,368)	17,655
Other accounts receivable	60,595	-
Inventory	(1,359,965)	-
Prepayments	24	-
Accounts payable	(379,343)	50,324
Customer deposits	2,871	-
Accrued vacation and sick leave	26,270	-
Other current liabilities	6,094	-
Commitment to community	(5,137)	-
Pension related amounts	(68,220)	-
OPEB related amounts	(9,000)	-
Net cash flows from operating activities	<u>\$ 4,470,675</u>	<u>\$ 199,722</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds</b>		
Cash and investments	\$ 24,469,379	\$ 3,339,542
Restricted cash and investments:		
Replacement account	<u>1,199,951</u>	<u>-</u>
Total cash and investments	25,669,330	3,339,542
Less noncash equivalents	<u>(20,874,424)</u>	<u>(1,549,635)</u>
Cash and cash equivalents	<u>\$ 4,794,906</u>	<u>\$ 1,789,907</u>
<b>Noncash Capital and Related Financing Activities</b>		
Dividends reinvested in American Transmission Company	<u>\$ 202,273</u>	<u>\$ -</u>
Change in fair value of investments	<u>\$ 127,594</u>	<u>\$ -</u>

See notes to financial statements

# City of Plymouth

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

---

	<b>Tax Collection Fund</b>
<b>Assets</b>	
Cash and investments	\$ 6,777,129
Taxes receivable	<u>2,857,792</u>
Total assets	<u>9,634,921</u>
<b>Liabilities</b>	
Due to other governments	<u>9,634,921</u>
Total liabilities	<u>9,634,921</u>
<b>Net Position</b>	
Total net position	<u><u>\$ -</u></u>

# City of Plymouth

Statement of Changes in Fiduciary Net Position -  
Custodial Fund  
Year Ended December 31, 2024

	<b>Tax Collection Fund</b>
<b>Additions</b>	
Property taxes collected for other governments	\$ 7,166,441
Total additions	<u>7,166,441</u>
<b>Deductions</b>	
Property taxes distributed to other governments	<u>7,166,441</u>
Total deductions	<u>7,166,441</u>
Change in fiduciary net position	-
<b>Net Position, Beginning</b>	<u>-</u>
<b>Net Position, Ending</b>	<u><u>\$ -</u></u>

# City of Plymouth

Index to Notes to Financial Statements  
December 31, 2024

---

	<u>Page</u>
<b>1. Summary of Significant Accounting Policies</b>	18
Reporting Entity	18
Government-Wide and Fund Financial Statements	19
Measurement Focus, Basis of Accounting and Financial Statement Presentation	21
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	22
Deposits and Investments	22
Receivables	23
Inventories and Prepaid Items	24
Restricted Assets	24
Capital Assets	24
Other Assets	25
Deferred Outflows of Resources	25
Compensated Absences	25
Long-Term Obligations	25
Replacement Account	26
Customer Advances for Construction	26
Deferred Inflows of Resources	26
Equity Classifications	26
Pension	28
Basis for Existing Rates	28
<b>2. Reconciliation of Government-Wide and Fund Financial Statements</b>	28
Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position	28
<b>3. Stewardship, Compliance and Accountability</b>	29
Excess Expenditures and Other Financing Uses Over Budget	29
Deficit Balances	29
Limitations on the City's Tax Levy	29
<b>4. Detailed Notes on All Funds</b>	29
Deposits and Investments	29
Receivables	32
Capital Assets	33
Interfund Receivables/Payables, Advances and Transfers	37
Long-Term Obligations	39
Net Position/Fund Balances	41
<b>5. Other Information</b>	43
Employees' Retirement System	43
Risk Management	48
Commitments and Contingencies	50
Economic Dependency	51
Effect of New Accounting Standards on Current-Period Financial Statements	51

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

## 1. Summary of Significant Accounting Policies

The accounting policies of the City of Plymouth, 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 units. 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.

### Component Unit Not Presented

#### Plymouth Redevelopment Authority (RDA)

The RDA was created under the provisions of Wisconsin State Statute 66.1333 and is a legally separate organization. The board of the RDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the RDA, and also create a potential financial benefit to or burden on the City. The RDA's financial statements are not included in these financial statements as the activity of the RDA was deemed to be immaterial to the City.

## Government-Wide and Fund Financial Statements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024; however, the impact of implementation was not material to the 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. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 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 and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

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.

## 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 Funds

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.

Tax Incremental District (TID) No. 4 Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

## Enterprise Funds

The City reports the following major enterprise fund:

Plymouth Utilities Fund accounts for operations of the electric, water and sewage systems.

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).

Committed	Revolving Loan
USDA Revolving Loan	Garbage and Recycling
Housing Grant	Water and Sewer Lateral
American Rescue Plan Act	

## 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 #5  
TIF District #6  
TIF District #7

# City of Plymouth

---

Notes to Financial Statements  
December 31, 2024

In addition, the City reports the following fund types:

## **Internal Service Funds**

Internal Service Funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Health Care  
Risk Management

## **Custodial Fund**

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

Tax Collection Fund

## **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 Plymouth Utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

### **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.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

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.

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 utilities 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.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

- 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.
- 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.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

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, 2024, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

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.

Property tax calendar - 2024 tax roll:

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

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, electric and sewage 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.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

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.

The City has received federal grant funds for housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the City's policy to record revenue when the initial loan is made from the federal grant funds. The net amount of the loan receivable balance is included in restricted fund balance. 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 inventories, if material, are recorded at cost based on the average cost method using the purchases method of accounting. 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 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 \$5,000 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.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

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

Buildings	45-50	Years
Land improvements	20-50	Years
Machinery and equipment	5-20	Years
Infrastructure	10-100	Years
Electric plant	7-50	Years
Water plant	4-77	Years
Sewage plant	15-100	Years

## Fund Financial Statements

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

## Other Assets

### Investment in American Transmission Company (ATC)

The Electric Utility is a member of the ATC, which was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The Utility owns less than 1/2 of 1% of the ATC.

The investment in the ATC can only be redeemed by the ATC or another existing member. The investment earns dividends quarterly, some of which are paid in cash and some of which are required to be reinvested. From time to time, the Utility has the option to contribute additional funds to maintain their proportionate share of ownership. The investment is valued at net asset value per share which is equal to the original cost, plus additional contributions and reinvested dividends and approximates fair value.

## 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 vacation in varying amounts.

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

## Long-Term Obligations

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.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

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.

## Replacement Account

This account represents internally restricted funds for capital replacements of the wastewater treatment plant.

## Customer Advances for Construction

The balance represents fees collected for future capital improvements. The fees may be refundable based in rules file with the PSCW or statutory requirements.

## 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 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.

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

- 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 Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

In the General Fund, it is the policy of the City to maintain a minimum unassigned fund balance that will maintain working capital to meet the cash flow needs of the City and thus reducing the need for short-term borrowing, serve as a safeguard for unanticipated expenditures and show fiscal responsibility. Per the City's fund balance policy, the unassigned fund balance in the General Fund shall be maintained at a level of 20% to 25% of the budgeted general fund appropriations and any excess shall be allocated according to Council policy. The balance at year-end was \$3,182,046, or 39%, and is included in unassigned General fund balance.

See Note 4 for further information.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## 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

Current electric rates were approved by the Public Service Commission of Wisconsin on May 26, 2015.

Current water rates were approved by the Public Service Commission of Wisconsin on February 15, 2023 and placed into effect on April 1, 2023.

Current sewage rates were approved by the common council effective April 1, 2023.

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

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

The governmental fund balance sheet includes a reconciliation between fund balance, total governmental funds and net position, governmental activities as reported in the government-wide statement of net position. The details of this reconciliation include the following items.

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Land	\$ 1,931,402
Buildings	8,192,303
Machinery and equipment	7,105,697
Infrastructure	50,867,033
Land improvements	3,463,364
Construction in progress	225,366
Less accumulated depreciation	<u>(49,889,435)</u>
Combined adjustment for capital assets	<u>\$ 21,895,730</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

### 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>
Capital improvements	\$ 1,325,725	\$ 1,380,980	\$ 55,255
Water and Sewer Lateral	2,862	2,863	1
American Rescue Plan Act Committed	600,000	618,033	18,033
TIF District #6	176,100	234,955	58,855
TIF District #5	108,197	108,246	49
TIF District #5	235,189	238,227	3,038
TIF District #7	-	51,200	51,200

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, 2024, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
TIF District #5	\$ 691,332	Excess expenditures over revenues
TIF District #6	760,987	Excess expenditures over revenues
TIF District #7	51,200	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.

#### 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.

### 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.

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Checking and money market LGIP	\$ 23,136,295 116	\$ 22,053,589 116	Custodial credit Credit
U.S. treasuries	6,409,010	6,409,010	Custodial credit and interest rate
U.S. agency securities, implicitly guaranteed	7,506,403	7,506,403	Credit, custodial credit, concentration of credit and interest rate
State and local bonds	<u>8,659,181</u>	<u>8,659,181</u>	Credit, custodial credit, concentration of credit and interest rate
Total deposits and investments	<u>\$ 45,711,005</u>	<u>\$ 44,628,299</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 37,733,925		
Replacement account	1,199,951		
Per statement of net position, fiduciary funds:			
Tax Collection Fund	<u>6,777,129</u>		
Total deposits and investments	<u>\$ 45,711,005</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 non-interest-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 \$1,000,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2024, the banks had pledged various government securities in the amount of \$13,921,293 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 Plymouth

Notes to Financial Statements  
December 31, 2024

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

- **U.S. Agency Securities** - uses a market based approach which considers yield, price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices.
- **U.S. Treasuries** - uses a market based approach which considers yield, price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices.
- **State and Local Bonds** - uses a market based approach which considers yield, price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices.

Investment Type	December 31, 2024			
	Level 1	Level 2	Level 3	Total
U.S. agency securities, implicitly guaranteed	\$ -	\$ 7,506,403	\$ -	\$ 7,506,403
State and local bonds	-	8,659,181	-	8,659,181
U.S. treasuries	-	6,409,010	-	6,409,010
Total	<u>\$ -</u>	<u>\$ 22,574,594</u>	<u>\$ -</u>	<u>\$ 22,574,594</u>

The investment in ATC is measured at the net asset value (NAV) per share of ownership. As of December 31, 2024, the fair value of the investment was \$8,057,963. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The Utility elected to receive an investment in ATC at its inception rather than directly sell its transmission facilities. The Utility owns less than 1/2 of 1% of ATC. The Utility has no unfunded commitment at year-end. The investment in ATC can only be redeemed by ATC or another existing member.

## 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.

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

### Investments

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

The City does not have any investments exposed to custodial credit risk.

## Credit Risk

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

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

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

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>
U.S. agency securities, implicitly guaranteed	AA+	Aaa
State and local bonds	A- to AAA	Aa1

The City also held investments in the following external pool which is not rated:

LGIP - external pool

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2024, the City's investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Federal Home Loan Bank	U.S. agency securities, implicitly guaranteed	27.32 %

### Interest Rate Risk

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

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>Greater Than 5</u>
U.S. agency securities, implicitly guaranteed	\$ 7,506,403	\$ 2,268,284	\$ 4,290,170	\$ 947,949
State and local bonds	8,659,181	768,005	7,384,341	506,835
U.S. treasuries	<u>6,409,010</u>	<u>5,434,360</u>	<u>485,355</u>	<u>489,295</u>
Total	<u>\$ 22,574,594</u>	<u>\$ 8,470,649</u>	<u>\$ 12,159,866</u>	<u>\$ 1,944,079</u>

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

### Receivables

All receivables, except \$685,252 in nonmajor funds are expected to be collected within one year.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

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>
Property taxes receivable for subsequent year	\$ 8,232,650
Gift certificates	<u>1,794</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 8,234,444</u>
Unearned revenue included in liabilities	\$ 1,794
Unearned revenue included in deferred inflows	<u>8,232,650</u>
Total unearned revenue for governmental funds	<u>\$ 8,234,444</u>

## Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,931,402	\$ -	\$ -	\$ 1,931,402
Construction in progress	<u>41,894</u>	<u>183,472</u>	<u>-</u>	<u>225,366</u>
Total capital assets not being depreciated	<u>1,973,296</u>	<u>183,472</u>	<u>-</u>	<u>2,156,768</u>
Capital assets being depreciated:				
Land improvements	3,486,479	11,885	35,000	3,463,364
Buildings	8,122,618	69,685	-	8,192,303
Infrastructure	50,268,757	600,201	1,925	50,867,033
Machinery and equipment	<u>6,787,757</u>	<u>476,498</u>	<u>158,558</u>	<u>7,105,697</u>
Total capital assets being depreciated	<u>68,665,611</u>	<u>1,158,269</u>	<u>195,483</u>	<u>69,628,397</u>
Total capital assets	<u>70,638,907</u>	<u>1,341,741</u>	<u>195,483</u>	<u>71,785,165</u>
Less accumulated depreciation for:				
Land improvements	(2,055,929)	(104,481)	1,750	(2,158,660)
Buildings	(4,178,075)	(185,920)	-	(4,363,995)
Infrastructure	(37,664,246)	(998,428)	39	(38,662,635)
Machinery and equipment	<u>(4,427,888)</u>	<u>(391,848)</u>	<u>115,591</u>	<u>(4,704,145)</u>
Total accumulated depreciation	<u>(48,326,138)</u>	<u>(1,680,677)</u>	<u>117,380</u>	<u>(49,889,435)</u>
Net capital assets being depreciated	<u>20,339,473</u>	<u>(522,408)</u>	<u>78,103</u>	<u>19,738,962</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 22,312,769</u>	<u>\$ (338,936)</u>	<u>\$ 78,103</u>	<u>\$ 21,895,730</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

Depreciation expense was charged to functions as follows:

## Governmental Activities

General government	\$ 126,078
Public safety	227,449
Public works	1,268,915
Culture, education and recreation	<u>58,235</u>
Total governmental activities depreciation expense	<u>\$ 1,680,677</u>

## Business-Type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Sewer</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 192,453	\$ -	\$ -	\$ 192,453
Construction in progress	<u>105,118</u>	<u>751,484</u>	<u>105,118</u>	<u>751,484</u>
Total capital assets not being depreciated	<u>297,571</u>	<u>751,484</u>	<u>105,118</u>	<u>943,937</u>
Capital assets being depreciated:				
Collection system	13,825,296	350,901	59,411	14,116,786
Collection system pumping	3,257,438	-	-	3,257,438
Treatment and disposal	10,782,539	104,027	-	10,886,566
General	<u>1,103,562</u>	<u>58,510</u>	<u>-</u>	<u>1,162,072</u>
Total capital assets being depreciated	<u>28,968,835</u>	<u>513,438</u>	<u>59,411</u>	<u>29,422,862</u>
Total capital assets	<u>29,266,406</u>	<u>1,264,922</u>	<u>164,529</u>	<u>30,366,799</u>
Less accumulated depreciation for:				
Collection system	(2,618,325)	(139,709)	74,406	(2,683,628)
Collection system pumping	(1,753,430)	(112,228)	-	(1,865,658)
Treatment and disposal	(9,671,285)	(271,462)	-	(9,942,747)
General	<u>(621,606)</u>	<u>(60,378)</u>	<u>-</u>	<u>(681,984)</u>
Total accumulated depreciation	<u>(14,664,646)</u>	<u>(583,777)</u>	<u>74,406</u>	<u>(15,174,017)</u>
Net capital assets being depreciated	<u>14,304,189</u>	<u>(70,339)</u>	<u>(14,995)</u>	<u>14,248,845</u>
Net sewer capital assets	<u>\$ 14,601,760</u>	<u>\$ 681,145</u>	<u>\$ 90,123</u>	<u>\$ 15,192,782</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

	<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	\$ 221,228	\$ -	\$ -	\$ 221,228
Total capital assets not being depreciated	<u>221,228</u>	<u>-</u>	<u>-</u>	<u>221,228</u>
Capital assets being depreciated:				
Source of supply	567,881	-	-	567,881
Pumping	1,672,194	-	-	1,672,194
Water treatment	749,265	-	-	749,265
Transmission and distribution	21,876,315	330,219	55,308	22,151,226
General	1,664,241	44,063	-	1,708,304
Total capital assets being depreciated	<u>26,529,896</u>	<u>374,282</u>	<u>55,308</u>	<u>26,848,870</u>
Total capital assets	<u>26,751,124</u>	<u>374,282</u>	<u>55,308</u>	<u>27,070,098</u>
Less accumulated depreciation for:				
Source of supply	(306,251)	(16,469)	-	(322,720)
Pumping	(613,838)	(62,736)	-	(676,574)
Water treatment	(391,882)	(44,956)	-	(436,838)
Transmission and distribution	(4,661,084)	(397,475)	71,384	(4,987,175)
General	(994,631)	(42,729)	-	(1,037,360)
Total accumulated depreciation	<u>(6,967,686)</u>	<u>(564,365)</u>	<u>71,384</u>	<u>(7,460,667)</u>
Net capital assets being depreciated	<u>19,562,210</u>	<u>(190,083)</u>	<u>(16,076)</u>	<u>19,388,203</u>
Net water capital assets	<u>\$ 19,783,438</u>	<u>\$ (190,083)</u>	<u>\$ (16,076)</u>	<u>\$ 19,609,431</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Electric</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 1,085,657	\$ -	\$ -	\$ 1,085,657
Construction in progress	<u>1,312,243</u>	<u>3,461,901</u>	<u>358,908</u>	<u>4,415,236</u>
Total capital assets not being depreciated	<u>2,397,900</u>	<u>3,461,901</u>	<u>358,908</u>	<u>5,500,893</u>
Capital assets being depreciated:				
Distribution	53,483,364	2,506,959	124,278	55,866,045
General	<u>8,278,567</u>	<u>151,419</u>	<u>39,208</u>	<u>8,390,778</u>
Total capital assets being depreciated	<u>61,761,931</u>	<u>2,658,378</u>	<u>163,486</u>	<u>64,256,823</u>
Total capital assets	<u>64,159,831</u>	<u>6,120,279</u>	<u>522,394</u>	<u>69,757,716</u>
Less accumulated for:				
Distribution	(24,454,625)	(1,810,201)	228,219	(26,036,607)
General	<u>(4,820,784)</u>	<u>(265,903)</u>	<u>33,768</u>	<u>(5,052,919)</u>
Total accumulated depreciation	<u>(29,275,409)</u>	<u>(2,076,104)</u>	<u>261,987</u>	<u>(31,089,526)</u>
Net capital assets being depreciated	<u>32,486,522</u>	<u>582,274</u>	<u>(98,501)</u>	<u>33,167,297</u>
Net electric capital assets	<u>\$ 34,884,422</u>	<u>\$ 4,044,175</u>	<u>\$ 260,407</u>	<u>\$ 38,668,190</u>

Depreciation expense was charged to functions as follows:

### Business-Type Activities

Sewer	\$ 628,419
Water	526,732
Electric	<u>2,063,028</u>

Total business-type activities, net as reported in the  
statement of net position expense

\$ 3,218,179

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

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## Interfund Receivables/Payables, Advances and Transfers

### Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Plymouth Utilities	\$ 651,560
Plymouth Utilities	Water and Sewer Lateral	<u>9,000</u>
Total, fund financial statements		660,560
Add interfund receivables created with internal service fund eliminations		1,674,300
Less government-wide eliminations		(1,251,920)
Add interfund advances		<u>838,410</u>
Total internal balances, government-wide statement of net position		<u><u>\$ 1,921,350</u></u>

All amounts are due within one year.

This interfund relates to the payment in lieu of taxes (PILOT) due from the Utilities to the General Fund on an annual basis.

### Advances

The General Fund and Utilities are advancing funds to TIF District #6. On December 7, 2010, the common council adopted a resolution to create TIF District #6 and established boundaries. Financing for the initial capital improvements has been secured by the municipality through issuance of \$6.9 million combined utility revenue bonds, dated July 6, 2011, and these amounts are currently being shown as an advance. The 2011 revenue bonds have been refunded with the 2020 general obligation bonds. A repayment schedule has been established for these advances and no interest is being charged. The final payment to the General Fund for the balance of the advance is in 2025. The Utilities portion of this advance is in the amount of \$745,666, however a repayment schedule as only been created for \$317,426 of this balance as follows: \$5,000 in 2025, \$30,000 for each year of 2026-2028, \$25,000 in 2029, \$30,000 in 2030 and \$167,426 in 2031. If the cash flow of TIF District #6 improves, the repayment schedule will be adjusted to return as much as possible to the Utilities. Currently, \$428,240 is not covered by the repayment schedule.

On September 24, 2024, the common council adopted the resolution to create TIF District #7 and establish boundaries. The deficit cash in TIF District #7 are currently shown as an advance from the General Fund. No repayment schedule has been established and no interest being charged.

On January 29, 2008, the common council adopted a resolution to create TIF District #5 and established boundaries. Financing for the initial capital improvements for water mains has been secured by the municipality through issuance of \$3.9 million taxable combined utility revenue bonds, dated July 14, 2010. The 2010 revenue bonds have been refunded with the 2013 general obligation bonds issued by the Utilities. During 2008-2012, the utility financed construction of water utility facilities which are eligible TIF plan projects, and these amounts are currently being shown as an advance. The remaining portion of the advance is scheduled to be repaid in 2025.

The Utilities are advancing funds to the General Fund. The amount advanced relates to the initial costs of setting up the Stormwater fund. In 2025, the Stormwater fund will be separated from the General Fund and this advance will be subsequently paid by the public user fee charges collected. No repayment schedule has been established and no interest is being charged.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

On January 19, 2023, the common council adopted a resolution for the Revolving Loan fund to advance \$750,000 to TIF District #5 to finance the construction of E Clifford Street. This is a zero-interest loan payable through 2028 and the repayment schedule is as follows:

<u>Years</u>	<u>TIF 5</u> <u>Principal</u>
2025	\$ 45,000
2026	155,000
2027	155,000
2028	<u>305,000</u>
	<u>\$ 660,000</u>

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	TIF District #6	\$ 28,741	\$ -
General Fund	TIF District #7	51,200	51,200
Plymouth Utilities	General Fund	73,943	73,943
Plymouth Utilities	TIF District #6	745,667	740,667
Plymouth Utilities	TIF District #5	70,000	-
Revolving Loan	TIF District #5	<u>660,000</u>	615,000
Total, fund financial statements		1,629,551	
Less fund eliminations		<u>(791,141)</u>	
Total, interfund advances, government-wide statement of net position		<u>\$ 838,410</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	Plymouth Utilities	\$ 651,560	PILOT
Debt Service	General Fund	486,960	Tax levy distribution
Capital Improvements	General Fund	1,022,757	Tax levy distribution
Garbage and Recycling	General Fund	67,000	Tax levy distribution
General Fund	ARPA Fund	<u>9,550</u>	Reimbursement of expenditures
Total, fund financial statements		2,237,827	
Less fund eliminations		<u>(1,586,267)</u>	
Total transfers, government-wide statement of activities		<u>\$ 651,560</u>	

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

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.

## Long-Term Obligations

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 3,945,000	\$ -	\$ 1,650,000	\$ 2,295,000	\$ 610,000
Premium on long-term debt	110,780	-	28,997	81,783	-
Total bonds and notes payable	<u>4,055,780</u>	<u>-</u>	<u>1,678,997</u>	<u>2,376,783</u>	<u>610,000</u>
Other liabilities:					
Compensated absences	166,191	32,131	37,093	161,229	45,172
Total other liabilities	<u>166,191</u>	<u>32,131</u>	<u>37,093</u>	<u>161,229</u>	<u>45,172</u>
Total governmental activities long-term liabilities	<u>\$ 4,221,971</u>	<u>\$ 32,131</u>	<u>\$ 1,716,090</u>	<u>\$ 2,538,012</u>	<u>\$ 655,172</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 4,870,000	\$ -	\$ 2,455,000	\$ 2,415,000	\$ 800,000
Promissory notes	155,000	-	30,000	125,000	30,000
Premium on long-term debt	108,710	-	18,118	90,592	-
Total bonds and notes payable	<u>5,133,710</u>	<u>-</u>	<u>2,503,118</u>	<u>2,630,592</u>	<u>830,000</u>
Other liabilities:					
Customer advances for construction	6,770,895	1,367,341	92,694	8,045,542	-
Compensated absences	120,095	32,994	9,777	143,312	-
Total other liabilities	<u>6,890,990</u>	<u>1,400,335</u>	<u>102,471</u>	<u>8,188,854</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 12,024,700</u>	<u>\$ 1,400,335</u>	<u>\$ 2,605,589</u>	<u>\$ 10,819,446</u>	<u>\$ 830,000</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, 2024, was \$58,085,525. Total general obligation debt outstanding at year end was \$4,710,000.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## 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>					<b>Balance</b>
<b>General Obligation Debt</b>	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>December 31, 2024</b>
2016 G.O. Refunding Bonds	05/18/16	04/01/27	2.00%	\$ 5,485,000	\$ 815,000
2019 G.O. Promissory Note	12/05/19	05/01/29	2.00-3.00	1,540,000	815,000
2020 G.O. Refunding Bond	02/27/20	05/01/31	2.00-3.00	1,000,000	<u>665,000</u>
Total governmental activities, general obligation debt					<u>\$ 2,295,000</u>

<u>Business-Type Activities</u>					<b>Balance</b>
<b>General Obligation Debt</b>	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>December 31, 2024</b>
Utility construction projects	09/19/13	05/01/25	2.00-3.00%	\$ 3,200,000	\$ 120,000
Utility construction projects	06/03/15	05/01/25	0.50-2.38	7,615,000	430,000
General obligation refunding bonds	02/27/20	05/01/31	2.00-3.00	2,785,000	<u>1,865,000</u>
Total business-type activities, general obligation debt					<u>\$ 2,415,000</u>

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>
2025	\$ 610,000	\$ 44,400	\$ 800,000	\$ 48,156
2026	465,000	31,225	255,000	33,675
2027	485,000	20,025	265,000	25,875
2028	265,000	12,050	275,000	19,150
2029	275,000	10,500	280,000	13,600
2030-2031	<u>195,000</u>	<u>3,850</u>	<u>540,000</u>	<u>10,700</u>
Total	<u>\$ 2,295,000</u>	<u>\$ 122,050</u>	<u>\$ 2,415,000</u>	<u>\$ 151,156</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## Other Long-Term Debt

Other Long-Term Debt at December 31, 2024 consists of the following:

<u>Business-Type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2024</u>
<b>Other Long-Term Debt</b>					
Renewable energy project, direct	02/07/19	03/28/29	0.00%	\$ 300,000	\$ 125,000
					<u>\$ 125,000</u>

Total business-type activities other long-term debt  
During July 2012 and February 2019, WPPI agreed to make a loan to the utility to support eligible renewable energy products and eligible energy efficiency projects. The loans do not accrue interest unless there are delinquent monthly payments or in the event of a default and are payable through March 2029.

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Other Long-Term Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 30,000	\$ -
2026	30,000	-
2027	30,000	-
2028	30,000	-
2029	5,000	-
Total	<u>\$ 125,000</u>	<u>\$ -</u>

## Net Position/Fund Balances

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

### Governmental Activities

Net investment in capital assets:

Land	\$ 1,931,402
Construction in progress	225,366
Other capital assets, net of accumulated depreciation	19,738,962
Less long-term debt outstanding	(2,295,000)
Less unamortized debt premium	<u>(81,783)</u>

Total net investment in capital assets 19,518,947

Restricted:

TIF activities	2,905,200
Loan programs	<u>1,043,056</u>

Total restricted 3,948,256

Unrestricted 9,882,624

Total governmental activities net position \$ 33,349,827

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## Governmental Funds

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

	<u>General Fund</u>	<u>Debt Service</u>	<u>TIF District #4</u>	<u>Capital Improvements</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Fund Balances</b>						
<b>Nonspendable:</b>						
Inventories and prepaid items	\$ 106,523	\$ -	\$ -	\$ -	\$ -	\$ 106,523
Delinquent specials/personal property taxes	31,528	-	-	-	3,998	35,526
Advances	79,941	-	-	-	-	79,941
Subtotal	<u>217,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,998</u>	<u>221,990</u>
<b>Restricted for:</b>						
Debt service	-	4,405	-	-	-	4,405
TIF activities	-	-	2,905,200	-	-	2,905,200
Loans	-	-	-	-	1,043,056	1,043,056
Subtotal	<u>-</u>	<u>4,405</u>	<u>2,905,200</u>	<u>-</u>	<u>1,043,056</u>	<u>3,952,661</u>
<b>Committed to:</b>						
Garbage and recycling	-	-	-	-	76,204	76,204
Loans	-	-	-	-	3,037,869	3,037,869
Room tax	-	-	-	-	193,818	193,818
Sick leave	-	-	-	-	55,000	55,000
Mural maintenance	-	-	-	-	19,945	19,945
Parks and playgrounds	-	-	-	-	19,914	19,914
Streets	-	-	-	-	20,000	20,000
Veterans memorial	-	-	-	-	2,770	2,770
Fire	-	-	-	-	49,999	49,999
Police	-	-	-	-	37,245	37,245
Library	-	-	-	-	7,079	7,079
Grant purposes	-	-	-	-	913	913
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,520,756</u>	<u>3,520,756</u>
<b>Assigned to:</b>						
PILOT	651,560	-	-	-	-	651,560
Capital projects	-	-	-	1,630,496	-	1,630,496
Subtotal	<u>651,560</u>	<u>-</u>	<u>-</u>	<u>1,630,496</u>	<u>-</u>	<u>2,282,056</u>
<b>Unassigned (Deficit)</b>	<u>3,182,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,503,519)</u>	<u>1,678,527</u>
Total fund balances	<u>\$ 4,051,598</u>	<u>\$ 4,405</u>	<u>\$ 2,905,200</u>	<u>\$ 1,630,496</u>	<u>\$ 3,064,291</u>	<u>\$ 11,655,990</u>

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

## Business-Type Activities

Net investment in capital assets:	
Construction in progress	\$ 5,166,720
Other capital assets, net of accumulated depreciation	68,303,683
Less long-term debt outstanding	(2,540,000)
Less unamortized debt premium	(90,592)
Plus unamortized loss on refunding	<u>9,164</u>
Total net investment in capital assets	70,848,975
Unrestricted	<u>30,582,536</u>
Total business-type activities net position	<u>\$ 101,431,511</u>

## 5. Other Information

### Employees' Retirement System

#### Plan Description

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

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

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

#### Vesting

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

#### Benefits Provided

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

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

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

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

The WRS also provides death and disability benefits for employees.

## Postretirement Adjustments

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

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

## Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, 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 \$429,532 in contributions from the City.

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

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.80 %	6.80 %
Protective with Social Security	6.80	13.20
Protective without Social Security	6.80	18.10

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

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

At December 31, 2024, the City reported a liability of \$475,704 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.03199507%, which was a decrease of 0.00004561% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense (revenue) of \$285,679.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experience	\$ 1,918,036	\$ 2,540,450
Changes in assumptions	207,345	-
Net differences between projected and actual earnings on pension plan investments	1,657,753	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,996	1,986
Employer contributions subsequent to the measurement date	<u>474,855</u>	<u>-</u>
Total	<u>\$ 4,266,985</u>	<u>\$ 2,542,436</u>

\$474,855 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Years Ending December 31:</b>	<b>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</b>
2025	\$ 256,571
2026	269,188
2027	1,042,546
2028	(318,610)
2029	(1)

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

---

### Actuarial Assumptions

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

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

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

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

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

### Long-Term Expected Return on Plan Assets

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

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

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

\*\* *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.7%*

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

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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)	\$ 4,597,914	\$ 475,704	\$ (2,408,780)

**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, 2024, the City reported a payable to the pension plan of \$0, 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. These risks are covered through the City's participation in CVMIC programs, commercial insurance and the City's partially self-funded health care program. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

# City of Plymouth

Notes to Financial Statements  
December 31, 2024

Beginning January 1, 2013, the City switched to an insurance internal service fund method of accounting for its health care and risk management programs. The purpose of an internal service fund is "to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursements basis." In this case, health care and risk management costs are being centralized and provided as a benefit to all City departments.

## Public Entity Risk Pool

### Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 1%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to \$25,000 per occurrence and an annual aggregate limit of \$100,000. Changes in the fund's claims loss liability follow:

	<u>Beginning Balance</u>	<u>Incurred Claims</u>	<u>Claims Paid/ Settled</u>	<u>Ending Balance</u>
2024	\$ 4,267	\$ 242,003	\$ 246,270	\$ -

## Health Care Program

Effective January 1, 2013, the City and Utilities transferred \$815,824 and \$667,500, respectively to establish the new health care internal service fund. The purpose of this fund is to pay medical and prescription drug claims of all City employees and their dependents and to minimize the total costs of annual insurance coverage.

For the current plan year, the City utilized Prairie States Enterprises as the third-party administrator for processing claims and uses Health Payment Systems (as a supplementary option) for pre-processing the claims for further discounts. In addition to maintaining a reserve fund, the City carries stop-loss coverage with ASG / Companion Life, which covers claims in excess of \$75,000 per individual up to an aggregate of \$1,357,976. Changes in fund's claims loss liability follows:

## City of Plymouth

Notes to Financial Statements  
December 31, 2024

	<u>Beginning Balance</u>	<u>Incurred Claims</u>	<u>Claims Paid/ Settled</u>	<u>Ending Balance</u>
2024	\$ 79,674	\$ 1,126,699	\$ 1,078,158	\$ 128,215

In 2011, the City joined the Center for Health & Wellness. The consortium provides nurse practitioner, physical therapist, chiropractic care, primary medical doctor care and limited wellness services to its members at a reduced cost. The public-private partnership contracts with Prevea Health to staff the Center. Costs related to the Center for Health & Wellness are part of the health care internal service fund.

### 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.

### Long-Term Contracts, WPPI Energy

The electric utility is one of 51 WPPI Energy member municipalities located throughout the States of Wisconsin, Michigan and Iowa. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell, and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the utility payable from any operating and maintenance fund established for that system.

Fifty members, representing approximately 99.8% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining member has a long-term contract through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$237 million as of December 31, 2024.

### Tax Abatement

In 2024, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$6,300,000 and is payable to the developer solely from tax increments collected from a specific portion of the development in TID No. 7. Payments are scheduled through the year 2045 (or the life of the TID). The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end was \$6,300,000.

## **Economic Dependency**

### **Electric Utility**

The utility has one significant customer who was responsible for 15% of operating revenues in 2024.

### **Sewage Utility**

The utility has one significant customer who was responsible for 26% of operating revenues in 2024.

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

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

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

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## City of Plymouth

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

General Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 4,900,755	\$ 4,896,466	\$ (4,289)
Intergovernmental	1,750,741	1,774,559	23,818
Licenses and permits	215,890	214,887	(1,003)
Fines, forfeitures and penalties	79,800	118,194	38,394
Public charges for services	260,966	315,852	54,886
Intergovernmental charges for services	136,500	160,820	24,320
Investment income	41,950	414,973	373,023
Miscellaneous revenues	6,800	8,065	1,265
	<u>7,393,402</u>	<u>7,903,816</u>	<u>510,414</u>
<b>Total revenues</b>			
	<u>7,393,402</u>	<u>7,903,816</u>	<u>510,414</u>
<b>Expenditures</b>			
Current:			
General government	1,003,111	917,629	85,482
Public safety	2,710,149	2,753,950	(43,801)
Public works	1,503,205	1,103,089	400,116
Health and human services	140,115	207,575	(67,460)
Culture, recreation and education	1,080,643	1,307,943	(227,300)
Conservation and development	19,800	107,707	(87,907)
	<u>6,457,023</u>	<u>6,397,893</u>	<u>59,130</u>
<b>Total expenditures</b>			
	<u>6,457,023</u>	<u>6,397,893</u>	<u>59,130</u>
<b>Excess of revenues over expenditures</b>	<u>936,379</u>	<u>1,505,923</u>	<u>569,544</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	(1,480,529)	(1,576,717)	(96,188)
Sale of property	2,500	23,262	20,762
Transfers in	541,650	661,110	119,460
	<u>(936,379)</u>	<u>(892,345)</u>	<u>44,034</u>
<b>Total other financing sources (uses)</b>			
	<u>(936,379)</u>	<u>(892,345)</u>	<u>44,034</u>
<b>Net change in fund balance</b>	-	613,578	613,578
<b>Fund Balance, Beginning</b>	<u>3,438,020</u>	<u>3,438,020</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 3,438,020</u>	<u>\$ 4,051,598</u>	<u>\$ 613,578</u>

See notes to the required supplementary information

## City of Plymouth

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

Wisconsin Retirement System

Year Ended December 31, 2024

<b>Fiscal Year Ending</b>	<b>City's Proportion of the Net Pension Asset</b>	<b>City's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>City's Covered Payroll</b>	<b>City's 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>
12/31/24	0.03199507 %	\$ 475,704	\$ 5,043,905	9.43%	98.85 %
12/31/23	0.03204068 %	1,697,415	4,668,582	36.36 %	95.72 %
12/31/22	0.03233349 %	(2,606,138)	4,565,017	57.09 %	106.02 %
12/31/21	0.03231786 %	(2,017,648)	4,534,351	44.50 %	105.26 %
12/31/20	0.03206321 %	(1,033,864)	4,463,535	23.16 %	102.96 %
12/31/19	0.03133121 %	1,114,666	4,196,530	26.56 %	96.45 %
12/31/18	0.03095614 %	(919,124)	4,106,942	22.38 %	102.93 %
12/31/17	0.03045086 %	250,988	3,910,997	6.42 %	99.12 %
12/31/16	0.03095444 %	503,004	3,908,249	12.87 %	98.20 %
12/31/15	0.03147406 %	(773,089)	3,807,260	20.31 %	102.74 %

### Schedule of Employer Contributions

Wisconsin Retirement System

Year Ended December 31, 2024

<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>
12/31/24	\$ 474,855	\$ 474,855	\$ -	\$ 5,307,861	8.95 %
12/31/23	429,532	429,532	-	5,043,906	8.52 %
12/31/22	372,489	372,489	-	4,668,582	7.98 %
12/31/21	370,638	370,638	-	4,565,017	8.12 %
12/31/20	368,668	368,668	-	4,534,352	8.13 %
12/31/19	340,756	340,756	-	4,463,536	7.63 %
12/31/18	326,606	326,606	-	4,196,530	7.78 %
12/31/17	322,928	322,928	-	4,106,943	7.86 %
12/31/16	288,509	288,509	-	3,910,997	7.38 %
12/31/15	295,575	295,575	-	3,908,249	7.56 %

See notes to the required supplementary information

## City of Plymouth

---

Notes to Required Supplementary Information  
Year Ended December 31, 2024

### Budgetary Information

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

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. 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.

### Wisconsin Retirement System

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

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

*Changes in assumptions.* Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 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 postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

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

## **SUPPLEMENTARY INFORMATION**

# City of Plymouth

Combining Balance Sheet -  
Nonmajor Governmental Funds  
December 31, 2024

	<b>Special Revenue Funds</b>				
	<b>Committed</b>	<b>Revolving Loan</b>	<b>USDA Revolving Loan</b>	<b>Garbage and Recycling</b>	<b>Housing Grant</b>
<b>Assets</b>					
Cash and investments	\$ 414,493	\$ 1,285,589	\$ 347,991	\$ 109,108	\$ 198,890
Receivables:					
Taxes	-	-	-	445,184	-
Accrued interest	-	4,219	-	-	-
Delinquent special assessments	-	-	-	-	-
Loans	-	572,290	50,000	-	446,019
Accounts	-	-	-	-	156
Due from other governments	-	-	-	4,556	-
Advances to other funds	-	660,000	-	-	-
<b>Total assets</b>	<b><u>\$ 414,493</u></b>	<b><u>\$ 2,522,098</u></b>	<b><u>\$ 397,991</u></b>	<b><u>\$ 558,848</u></b>	<b><u>\$ 645,065</u></b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 7,810	\$ -	\$ -	\$ 37,460	\$ -
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b><u>7,810</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>37,460</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources</b>					
Unearned revenues	-	-	-	445,184	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>445,184</u></b>	<b><u>-</u></b>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	397,991	-	645,065
Committed	406,683	2,522,098	-	76,204	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b><u>406,683</u></b>	<b><u>2,522,098</u></b>	<b><u>397,991</u></b>	<b><u>76,204</u></b>	<b><u>645,065</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 414,493</u></b>	<b><u>\$ 2,522,098</u></b>	<b><u>\$ 397,991</u></b>	<b><u>\$ 558,848</u></b>	<b><u>\$ 645,065</u></b>

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>			<u>Total Nonmajor Governmental Funds</u>
<u>Water and Sewer Lateral</u>	<u>American Rescue Plan Act</u>	<u>TIF District #5</u>	<u>TIF District #6</u>	<u>TIF District #7</u>	
\$ 216,898	\$ 10,073	\$ 38,668	\$ 13,421	\$ -	\$ 2,635,131
30,482	-	360,968	111,075	-	947,709
1,052	-	-	-	-	5,271
3,998	-	-	-	-	3,998
306,821	-	-	-	-	1,375,130
-	-	-	-	-	156
-	-	-	-	-	4,556
-	-	-	-	-	660,000
<u>\$ 559,251</u>	<u>\$ 10,073</u>	<u>\$ 399,636</u>	<u>\$ 124,496</u>	<u>\$ -</u>	<u>\$ 5,631,951</u>
\$ -	\$ 10,073	\$ -	\$ -	\$ -	\$ 55,343
9,000	-	-	-	-	9,000
-	-	730,000	774,408	51,200	1,555,608
<u>9,000</u>	<u>10,073</u>	<u>730,000</u>	<u>774,408</u>	<u>51,200</u>	<u>1,619,951</u>
<u>30,482</u>	<u>-</u>	<u>360,968</u>	<u>111,075</u>	<u>-</u>	<u>947,709</u>
<u>30,482</u>	<u>-</u>	<u>360,968</u>	<u>111,075</u>	<u>-</u>	<u>947,709</u>
3,998	-	-	-	-	3,998
-	-	-	-	-	1,043,056
515,771	-	-	-	-	3,520,756
-	-	(691,332)	(760,987)	(51,200)	(1,503,519)
<u>519,769</u>	<u>-</u>	<u>(691,332)</u>	<u>(760,987)</u>	<u>(51,200)</u>	<u>3,064,291</u>
<u>\$ 559,251</u>	<u>\$ 10,073</u>	<u>\$ 399,636</u>	<u>\$ 124,496</u>	<u>\$ -</u>	<u>\$ 5,631,951</u>

## City of Plymouth

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

	<b>Special Revenue Funds</b>				
	<b>Committed</b>	<b>Revolving Loan</b>	<b>USDA Revolving Loan</b>	<b>Garbage and Recycling</b>	<b>Housing Grant</b>
<b>Revenues</b>					
Taxes	\$ 171,733	\$ -	\$ -	\$ -	\$ -
Intergovernmental	14,153	-	-	22,180	-
Public charges for services	-	-	-	414,528	-
Investment income	-	70,328	14,797	-	9,377
Miscellaneous revenues	68,373	-	-	-	-
Total revenues	<u>254,259</u>	<u>70,328</u>	<u>14,797</u>	<u>436,708</u>	<u>9,377</u>
<b>Expenditures</b>					
Current:					
General government	-	4,293	-	-	-
Public safety	35,484	-	-	-	-
Public works	-	-	-	497,595	-
Culture, recreation and education	50,331	-	-	-	-
Conservation and development	149,140	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>234,955</u>	<u>4,293</u>	<u>-</u>	<u>497,595</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>19,304</u>	<u>66,035</u>	<u>14,797</u>	<u>(60,887)</u>	<u>9,377</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	67,000	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,000</u>	<u>-</u>
Net change in fund balances	19,304	66,035	14,797	6,113	9,377
<b>Fund Balances (Deficit), Beginning</b>	<u>387,379</u>	<u>2,456,063</u>	<u>383,194</u>	<u>70,091</u>	<u>635,688</u>
<b>Fund Balances (Deficit), Ending</b>	<u>\$ 406,683</u>	<u>\$ 2,522,098</u>	<u>\$ 397,991</u>	<u>\$ 76,204</u>	<u>\$ 645,065</u>

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>			<u>Total Nonmajor Governmental Funds</u>
<u>Water and Sewer Lateral</u>	<u>American Rescue Plan Act</u>	<u>TIF District #5</u>	<u>TIF District #6</u>	<u>TIF District #7</u>	
\$ -	\$ -	\$ 403,962	\$ 122,596	\$ -	\$ 698,291
-	608,483	14,968	2,598	-	662,382
-	-	-	-	-	414,528
14,263	6,243	8,651	-	-	123,659
-	-	-	18,333	-	86,706
<u>14,263</u>	<u>614,726</u>	<u>427,581</u>	<u>143,527</u>	<u>-</u>	<u>1,985,566</u>
-	14,073	13,189	224	50,200	81,979
-	-	-	-	-	35,484
-	-	-	-	-	497,595
-	-	-	-	-	50,331
2,863	-	50,150	722	1,000	203,875
-	594,410	-	-	-	594,410
-	-	150,000	90,000	-	240,000
-	-	24,888	17,300	-	42,188
<u>2,863</u>	<u>608,483</u>	<u>238,227</u>	<u>108,246</u>	<u>51,200</u>	<u>1,745,862</u>
<u>11,400</u>	<u>6,243</u>	<u>189,354</u>	<u>35,281</u>	<u>(51,200)</u>	<u>239,704</u>
-	-	-	-	-	67,000
-	(9,550)	-	-	-	(9,550)
-	(9,550)	-	-	-	57,450
11,400	(3,307)	189,354	35,281	(51,200)	297,154
<u>508,369</u>	<u>3,307</u>	<u>(880,686)</u>	<u>(796,268)</u>	<u>-</u>	<u>2,767,137</u>
<u>\$ 519,769</u>	<u>\$ -</u>	<u>\$ (691,332)</u>	<u>\$ (760,987)</u>	<u>\$ (51,200)</u>	<u>\$ 3,064,291</u>

# City of Plymouth

Combining Statement of Net Position -  
Internal Service Funds  
December 31, 2024

	<u>Health Care</u>	<u>Risk Management</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 2,955,352	\$ 384,190	\$ 3,339,542
Receivables:			
Accrued interest	8,024	212	8,236
Accounts receivable	<u>7,517</u>	<u>18,842</u>	<u>26,359</u>
Total assets	<u>2,970,893</u>	<u>403,244</u>	<u>3,374,137</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	<u>128,215</u>	<u>6,050</u>	<u>134,265</u>
Total liabilities	<u>128,215</u>	<u>6,050</u>	<u>134,265</u>
<b>Net Position</b>			
Unrestricted	<u>2,842,678</u>	<u>397,194</u>	<u>3,239,872</u>
Total net position	<u><u>\$ 2,842,678</u></u>	<u><u>\$ 397,194</u></u>	<u><u>\$ 3,239,872</u></u>

## City of Plymouth

Combining Statement of Revenues, Expenditures and Changes in Fund Net Position -  
Internal Service Funds  
Year Ended December 31, 2024

	<u>Health Care</u>	<u>Risk Management</u>	<u>Total</u>
<b>Operating Revenues</b>			
City and Utility contributions	\$ 1,020,643	\$ 275,361	\$ 1,296,004
Other	<u>158,839</u>	<u>43,926</u>	<u>202,765</u>
Total operating revenues	<u>1,179,482</u>	<u>319,287</u>	<u>1,498,769</u>
<b>Operating Expenses</b>			
Health care costs, City employees	595,416	-	595,416
Health care costs, Utility employees	482,742	-	482,742
Risk management insurance and expenses	<u>-</u>	<u>288,868</u>	<u>288,868</u>
Total operating expenses	<u>1,078,158</u>	<u>288,868</u>	<u>1,367,026</u>
Operating income	<u>101,324</u>	<u>30,419</u>	<u>131,743</u>
<b>Nonoperating Revenues</b>			
Investment income	<u>120,478</u>	<u>10,660</u>	<u>131,138</u>
Total nonoperating revenues	<u>120,478</u>	<u>10,660</u>	<u>131,138</u>
Change in net position	221,802	41,079	262,881
<b>Net Position, Beginning</b>	<u>2,620,876</u>	<u>356,115</u>	<u>2,976,991</u>
<b>Net Position, Ending</b>	<u>\$ 2,842,678</u>	<u>\$ 397,194</u>	<u>\$ 3,239,872</u>

## City of Plymouth

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended December 31, 2024

	<u>Health Care</u>	<u>Risk Management</u>	<u>Total</u>
<b>Cash Flows From Operating Activities</b>			
Received from customers	\$ 1,185,715	\$ 330,709	\$ 1,516,424
Paid to suppliers for goods and services	<u>(1,029,617)</u>	<u>(287,085)</u>	<u>(1,316,702)</u>
Net cash flows from operating activities	<u>156,098</u>	<u>43,624</u>	<u>199,722</u>
<b>Cash Flows From Investing Activities</b>			
Investment income	<u>117,573</u>	<u>10,584</u>	<u>128,157</u>
Net cash flows from investing activities	<u>117,573</u>	<u>10,584</u>	<u>128,157</u>
Net change in cash and cash equivalents	273,671	54,208	327,879
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,172,007</u>	<u>290,021</u>	<u>1,462,028</u>
<b>Cash and Cash Equivalents, Ending</b>	<u><u>\$ 1,445,678</u></u>	<u><u>\$ 344,229</u></u>	<u><u>\$ 1,789,907</u></u>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>			
Operating income	\$ 101,324	\$ 30,419	\$ 131,743
Changes in assets and liabilities:			
Accounts receivable	6,233	11,422	17,655
Accounts payable	<u>48,541</u>	<u>1,783</u>	<u>50,324</u>
Net cash flows from operating activities	<u><u>\$ 156,098</u></u>	<u><u>\$ 43,624</u></u>	<u><u>\$ 199,722</u></u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>			
Cash and investments, statement of net position	\$ 2,955,352	\$ 384,190	\$ 3,339,542
Less noncash equivalents	<u>(1,509,674)</u>	<u>(39,961)</u>	<u>(1,549,635)</u>
Cash and cash equivalents	<u><u>\$ 1,445,678</u></u>	<u><u>\$ 344,229</u></u>	<u><u>\$ 1,789,907</u></u>
<b>Noncash Capital and Related Financing Activities</b>			
None			

**FORM OF LEGAL OPINION**

(See following pages)

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

July 2, 2026

Re: City of Plymouth, Wisconsin ("Issuer")  
\$11,675,000 General Obligation Promissory Notes, Series 2026A,  
dated July 2, 2026 ("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 July 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$185,000	___%
2028	320,000	___
2029	435,000	___
2030	485,000	___
2031	470,000	___
2032	480,000	___
2033	495,000	___
2034	520,000	___
2035	535,000	___
2036	610,000	___
2037	615,000	___
2038	605,000	___
2039	630,000	___
2040	650,000	___
2041	680,000	___
2042	720,000	___
2043	755,000	___
2044	785,000	___
2045	825,000	___
2046	875,000	___

Interest is payable semi-annually on January 1 and July 1 of each year commencing on July 1, 2027.

The Notes maturing on July 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on July 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 Plymouth, Sheboygan County, Wisconsin (the "Issuer") in connection with the issuance of \$11,675,000 General Obligation Promissory Notes, Series 2026A, dated July 2, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on May 26, 2026, as supplemented by an Approving Certificate, dated \_\_\_\_\_, 2026 (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 and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](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 \_\_\_\_\_, 2026 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 Plymouth, Sheboygan 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 128 Smith Street, Plymouth, Wisconsin 53073, phone (920) 893-1271, fax (920) 893-0183.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 20\_\_, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

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

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

Section 5. Reporting of Listed Events.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 2nd day of July, 2026.

---

Donald O. Pohlman  
Mayor

(SEAL)

---

Anna Voigt  
City Clerk

**NOTICE OF SALE**

**\$11,675,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A  
CITY OF PLYMOUTH, WISCONSIN**

Bids for the purchase of \$11,675,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") of the City of Plymouth, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M., Central Time, on June 17, 2026, at which time they will be opened, read and tabulated. **The Common Council adopted a resolution on May 26, 2026 (the "Parameters Resolution"), which authorizes the City Administrator/Utilities Manager or the Finance Director 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 June 17, 2026, neither the City Administrator/Utilities Manager nor the Finance Director will have the authority to accept a bid for the 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 cost of projects included in the City’s capital improvement plan. 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 July 2, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on July 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$185,000	2034	\$520,000	2041	\$680,000
2028	320,000	2035	535,000	2042	720,000
2029	435,000	2036	610,000	2043	755,000
2030	485,000	2037	615,000	2044	785,000
2031	470,000	2038	605,000	2045	825,000
2032	480,000	2039	630,000	2046	875,000
2033	495,000	2040	650,000		

**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 an increase of \$490,000 per maturity or a decrease of up to \$180,000 per maturity for maturities in the years 2027 through 2046. 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 July 1 and January 1 of each year, commencing July 1, 2027, 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, Minneapolis, 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 July 1, 2035 shall be subject to optional redemption prior to maturity on July 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 July 2, 2026, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage

certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

## LEGAL MATTERS

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). (See "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Notes. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

## SUBMISSION OF BIDS

Bids must not be for less than \$11,529,062.50, nor more than \$12,842,500 plus accrued interest on the principal sum of \$11,675,000 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 10:30 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

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

**A good faith deposit ("Deposit") in the amount of \$233,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall

be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

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

## **AWARD**

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid. **The Notes will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 5.00% 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 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-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 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 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Common Council

Anna Voigt, City Clerk  
City of Plymouth, Wisconsin

# BID FORM

City of Plymouth, Wisconsin (the "City")

June 17, 2026

**RE: \$11,675,000\* General Obligation Promissory Notes, Series 2026A (the "Notes")**

**DATED: July 2, 2026**

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 \$11,529,062.50, nor more than \$12,842,500) 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	2046
_____ % 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 an increase of \$490,000 per maturity or a decrease of up to \$180,000 per maturity for maturities in the years 2027 through 2046. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

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

**A good faith deposit ("Deposit") in the amount of \$233,500 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about July 2, 2026.

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 July 2, 2026 of the above bid is \$\_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_%.

The foregoing offer is hereby accepted on behalf of the City of Plymouth, Wisconsin, on June 17, 2026.

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