

# PRELIMINARY OFFICIAL STATEMENT DATED MARCH 17, 2026

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, based on present federal laws, regulations, rulings and decisions, and assuming compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and certain covenants of the City, interest to be paid on the Notes is excluded from gross income of the recipient for federal income tax purposes, and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes may affect the federal alternative tax imposed on certain corporations. See "Tax Exemption" herein for a more detailed discussion. The interest on the Notes is not exempt from present Wisconsin income or franchise tax.

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

**New Issue**

**Non-Rated**

## CITY OF LADYSMITH, WISCONSIN (Rusk County)

### \$3,310,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

**BID OPENING:** March 23, 2026, 9:30 A.M., C.T.

**CONSIDERATION:** March 23, 2026, 5:15 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$3,310,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Ladysmith, Wisconsin (the "City"), for public purposes, including street and water treatment plant improvements. 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 Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota.

**DATE OF NOTES:** April 13, 2026

**MATURITY:** As follows:

<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>
09/01/2027	\$25,000	09/01/2034	\$150,000	09/01/2041	\$195,000
09/01/2028	125,000	09/01/2035	155,000	09/01/2042	200,000
09/01/2029	125,000	09/01/2036	160,000	09/01/2043	215,000
09/01/2030	130,000	09/01/2037	170,000	09/01/2044	225,000
09/01/2031	140,000	09/01/2038	170,000	09/01/2045	230,000
09/01/2032	140,000	09/01/2039	180,000	03/01/2046	245,000
09/01/2033	145,000	09/01/2040	185,000		

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

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

**INTEREST:** March 1, 2027 and semiannually thereafter.

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

**MINIMUM BID:** \$3,268,625.

**MAXIMUM BID:** \$3,641,000.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$66,200 shall be made by the winning bidder by wire transfer of funds.

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

**BOND COUNSEL:** Fryberger, Buchanan, Smith & Frederick, P.A..

**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 Preliminary 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 Preliminary 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 Preliminary 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 Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Notes.

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

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

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

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## **CITY OF LADYSMITH COMMON COUNCIL**

		<u>Term Expires</u>
Robert Grotzinger	Mayor	April 2026
Al Christianson	Alderman	April 2026
Shawny Delasky	Alderman	April 2027
John Hoover	Alderman	April 2027
Michael Hraban	Alderman	April 2027
Nathan Johnson	Alderman	April 2026
John Kenyon	Alderman	April 2027
Randy Lovely	Alderman	April 2026

### **ADMINISTRATION**

Alan Christianson, City Administrator  
Tony Devine, Deputy Treasurer/Comptroller  
Sara Nelson, City Clerk

### **PROFESSIONAL SERVICES**

Rowe Law Office, LLC, City Attorney, Phillips, Wisconsin  
Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, Duluth, Minnesota  
Ehlers and Associates, Inc., Municipal Advisors, Minneapolis, Minnesota  
*(Other office located in Waukesha, Wisconsin)*

# INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Ladysmith, Wisconsin (the "City") and the issuance of its \$3,310,000\* General Obligation Promissory Notes, Series 2026A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Award Resolution") to be adopted by the Common Council on March 23, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Minneapolis, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary 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 April 13, 2026. The Notes will mature on September 1 in the years and amounts set forth on the cover of this Preliminary Official Statement except the final maturity is on March 1, 2046. Interest will be payable on March 1 and September 1 of each year, commencing March 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 Award 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.

\*Preliminary, subject to change.

### OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after September 1, 2035 shall be subject to optional redemption prior to maturity on September 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 redemption shall be sent by mail not more than 60 days and not less than 30 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 street and water treatment plant improvements.

## **ESTIMATED SOURCES AND USES\***

### **Sources**

Par Amount of Notes	<u>\$3,310,000</u>	
<b>Total Sources</b>		<b>\$3,310,000</b>

### **Uses**

Total Underwriter's Discount (1.250%)	\$41,375	
Costs of Issuance	53,550	
Capitalized Interest	63,222	
Deposit to Construction Fund	3,147,900	
Rounding Amount	<u>3,953</u>	
<b>Total Uses</b>		<b>\$3,310,000</b>

\*Preliminary, subject to change.

## **SECURITY**

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

## **RATING**

None of the outstanding indebtedness of the City is currently rated, and the City has not requested a rating on the Notes.

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

## **CONTINUING DISCLOSURE**

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

On the date of issue and delivery, 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 any 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 did not file timely a financial obligations in 2021, 2024, and 2025. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

## **LEGAL MATTERS**

Legal matters incident to the issuance and sale of the Bonds and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX EXEMPTION" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

## **TAX EXEMPTION**

The following discussion is not intended to be an exhaustive discussion of collateral tax consequences arising from ownership or disposition of the Notes or receipt of interest on the Notes. Prospective purchasers should consult their tax advisors with respect to collateral tax consequences, including without limitation, the determination of gain or loss on the sale of a bond, the calculation of alternative minimum tax liability; the inclusion of Social Security or other retirement payments in taxable income, the disallowance of deductions for certain expenses attributable to the Notes, and applicable state and local tax rules.

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, as Bond Counsel, based on present federal laws, regulations, rulings and decisions, and on certifications to be furnished at closing, and assuming compliance by the City with certain tax covenants, interest to be paid on the Notes is excluded from gross income for purposes of federal income taxation. Interest on the Notes is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may affect the federal alternative tax imposed on certain corporations.

Certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), however, impose continuing requirements that must be met after the issuance of the Notes in order that interest on the Notes be and remain excludable from federal gross income. These requirements include, but are not limited to, provisions regarding the use of bond proceeds and the facilities financed or refinanced with such proceeds; restrictions on the investment of bond proceeds and other amounts; and provisions requiring that certain investment earnings be rebated periodically to the federal government. Noncompliance with such requirements of the Code may cause interest on the Notes to be includable in federal gross income retroactively to their date of issue.

No provision has been made for redemption of or for an increase in the interest rate on the Notes in the event that interest on the same becomes includable in federal gross income.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax exempt status of interest on the Notes or the tax consequences of ownership of the Notes. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly affect the exclusion of the interest on the Notes from gross income for federal income tax purposes.

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

#### *Proposed Federal Legislation*

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 if enacted could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes. Prospective purchasers of Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending litigation or proposed federal tax legislation.

#### **QUALIFIED TAX-EXEMPT OBLIGATIONS**

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

## **MUNICIPAL ADVISOR**

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

## **MUNICIPAL ADVISOR AFFILIATED COMPANIES**

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

## **INDEPENDENT AUDITORS**

The basic financial statements of the City for the fiscal year ended December 31, 2024 have been audited by CliftonLarsonAllen LLP, Eau Claire, 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 Preliminary Official Statement.

## **RISK FACTORS**

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

**Taxes:** The Notes 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.

**Interest Rates:** In the future, interest rates for this type of obligation may rise generally, possibly resulting in a reduction in the value of the Notes for resale prior to maturity.

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

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

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

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

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

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

**Bankruptcy:** The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

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

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

# VALUATIONS

## WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

### Equalized Value

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

### Assessed Value

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

## CURRENT PROPERTY VALUATIONS

2025 Equalized Value	\$267,214,300
2025 Equalized Value Reduced by Tax Increment Valuation	\$219,375,300
2025 Assessed Value	\$156,406,900

## 2025 EQUALIZED VALUE BY CLASSIFICATION

	<b>2025 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$163,723,700	61.271%
Commercial	89,655,900	33.552%
Manufacturing	13,732,600	5.139%
Agricultural	700	0.000%
Undeveloped	35,400	0.013%
Forest	66,000	0.025%
	<u>\$267,214,300</u>	<u>100.000%</u>
Total	<u>\$267,214,300</u>	<u>100.000%</u>

## TREND OF VALUATIONS

Year	Assessed Value	Equalized Value <sup>1</sup>	Percent Increase/Decrease in Equalized Value
2021	\$157,308,800	\$169,684,400	1.91%
2022	159,649,400	188,857,300	11.30%
2023	164,743,700	205,681,300	8.91%
2024	157,167,900 <sup>2</sup>	229,740,000	11.70%
2025	156,406,900	267,214,300	16.31%

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

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

<sup>2</sup> The City plans to revalue within the next 12 months.

**LARGER TAXPAYERS**

<b>Taxpayer</b>	<b>Type of Business/Property</b>	<b>2025 Equalized Value<sup>1</sup></b>	<b>Percent of City's Total Equalized Value</b>
Ladysmith Campus LLC	Technical College Campus	\$13,399,598	5.01%
MCHS Hospitals Inc.	Hospital/Medical Facility	9,481,423	3.55%
Wal-Mart	Retail Store	8,863,645	3.32%
R&S Williams Properties LLC	Rental Properties	5,992,413	2.24%
Weather Shield Mfg., Inc.	Millwork, Insulated Doors	3,846,932	1.44%
Black Bear Motel LLC	Motel	3,750,746	1.40%
Dunn Paper - Ladysmith LLC	Paper Products	3,611,336	1.35%
Reinhart Partners	Retail Grocer	3,382,574	1.27%
Flambeau Village I LLC	Apartments	3,344,646	1.25%
North Cedar Academy	Academy	<u>2,953,409</u>	<u>1.11%</u>
<b>Total</b>		<b>\$58,626,724</b>	<b>21.94%</b>
City's Total 2025 Equalized Value <sup>2</sup>		\$267,214,300	

**Source:** The City.

**DEBT**

**DIRECT DEBT<sup>3</sup>**

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

Total General Obligation Debt (includes the Notes)\* \$9,945,712

\*Preliminary, subject to change.

**Revenue Debt (see schedules following)**

Total revenue debt secured by sewer and water revenues \$10,105,849

<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 anticipates issuing additional revenue bonds through the State's Clean Water and Safe Drinking Water Loan Programs within 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	\$267,214,300
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$13,360,715
Less: General Obligation Debt*	<u>(9,945,712)</u>
Unused Debt Limit*	<u><u>\$3,415,003</u></u>

\*Preliminary, subject to change.

City of Ladysmith, Wisconsin  
 Schedule of Bonded Indebtedness  
 General Obligation Debt Secured by Taxes  
 (As of 04/13/2026)

	State Trust Fund Loan		Promissory Notes Series 2019A		Corporate Purpose Bonds Series 2019D		Street Improvement Bonds Series 2022A		Promissory Note 1)	
Dated	03/15/2012		06/24/2019		12/30/2019		12/01/2022		04/16/2025	
Amount	\$594,000		\$1,350,000		\$2,220,000		\$1,045,000		\$800,000	
Maturity	03/15		12/01		12/01		12/01 Final Maturity 06/01		04/16	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	0	0	200,000	9,750	110,000	50,525	40,000	42,331	800,000	3,272
2027	45,523	7,175	125,000	3,750	110,000	46,125	40,000	40,331		
2028	47,786	4,912			120,000	41,725	40,000	38,331		
2029	50,189	2,509			130,000	36,925	45,000	36,331		
2030					130,000	34,325	45,000	34,081		
2031					135,000	31,563	45,000	31,831		
2032					135,000	28,694	50,000	29,581		
2033					140,000	25,656	50,000	27,081		
2034					145,000	22,506	55,000	25,019		
2035					150,000	19,063	55,000	22,750		
2036					150,000	15,500	60,000	20,481		
2037					155,000	11,750	60,000	18,006		
2038					155,000	7,875	65,000	15,531		
2039					160,000	4,000	65,000	12,688		
2040							70,000	9,844		
2041							75,000	6,781		
2042							80,000	1,750		
2043										
2044										
2045										
2046										
	143,498	14,596	325,000	13,500	1,925,000	376,231	940,000	412,750	800,000	3,272

1) The City anticipates receiving funds from the State's Department of Transportation Local Roads Improvement Program to pay off this Note in the near future.

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**City of Ladysmith, Wisconsin**  
**Schedule of Bonded Indebtedness continued**  
**General Obligation Debt Secured by Taxes**  
**(As of 04/13/2026)**

	<b>Promissory Notes Series 2025A</b>		<b>Promissory Note</b>		<b>Promissory Notes Series 2026A</b>							
<b>Dated</b>	06/18/2025		07/28/2025		04/13/2026							
<b>Amount</b>	\$2,025,000		\$508,069		\$3,310,000*							
<b>Maturity</b>	12/01 Final Maturity 06/01		01/28 & 07/28		09/01 Final Maturity 03/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Estimated Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
2026	30,000	133,556	31,793	11,397	0	0	1,211,793	250,831	1,462,624	8,733,919	12.18%	2026
2027	70,000	90,431	65,702	20,678	25,000	181,172	481,225	389,662	870,887	8,252,694	17.02%	2027
2028	75,000	86,931	68,858	17,522	125,000	130,130	476,644	319,551	796,195	7,776,050	21.82%	2028
2029	80,000	83,181	72,260	14,120	125,000	125,943	502,449	299,009	801,458	7,273,601	26.87%	2029
2030	85,000	79,181	75,782	10,598	130,000	121,755	465,782	279,940	745,722	6,807,819	31.55%	2030
2031	85,000	74,931	79,475	6,904	140,000	117,400	484,475	262,629	747,105	6,323,344	36.42%	2031
2032	100,000	70,681	83,344	3,036	140,000	112,710	508,344	244,703	753,046	5,815,000	41.53%	2032
2033	100,000	65,681			145,000	107,950	435,000	226,369	661,369	5,380,000	45.91%	2033
2034	100,000	60,681			150,000	102,948	450,000	211,154	661,154	4,930,000	50.43%	2034
2035	110,000	55,681			155,000	97,623	470,000	195,116	665,116	4,460,000	55.16%	2035
2036	115,000	50,181			160,000	91,888	485,000	178,050	663,050	3,975,000	60.03%	2036
2037	115,000	45,581			170,000	85,888	500,000	161,225	661,225	3,475,000	65.06%	2037
2038	125,000	40,981			170,000	79,258	515,000	143,645	658,645	2,960,000	70.24%	2038
2039	125,000	35,981			180,000	72,458	530,000	125,126	655,126	2,430,000	75.57%	2039
2040	130,000	30,981			185,000	65,078	385,000	105,903	490,903	2,045,000	79.44%	2040
2041	140,000	25,456			195,000	57,400	410,000	89,638	499,638	1,635,000	83.56%	2041
2042	140,000	19,506			200,000	49,113	420,000	70,369	490,369	1,215,000	87.78%	2042
2043	95,000	13,381			215,000	40,513	310,000	53,894	363,894	905,000	90.90%	2043
2044	100,000	9,225			225,000	31,160	325,000	40,385	365,385	580,000	94.17%	2044
2045	105,000	2,363			230,000	21,260	335,000	23,623	358,623	245,000	97.54%	2045
2046					245,000	5,513	245,000	5,513	250,513	0	100.00%	2046
	2,025,000	1,074,575	477,214	84,255	3,310,000	1,697,154	9,945,712	3,676,334	13,622,045			

\* Preliminary, subject to change.

City of Ladysmith, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Sewer and Water Revenues  
(As of 04/13/2026)

	Sewer System & Water System Rev Bonds Series 2013		Sewer System & Water System Rev Bonds Series 2014B		Sewer System & Water System Rev Bonds Series 2017		Sewer System & Water Sys Mort Rev Bonds Series 2018		Sewer System & Water System Rev Bonds Series 2019B	
Dated	06/26/2013		11/26/2014		12/27/2017		06/01/2018		06/26/2019	
Amount	\$4,194,825		\$2,463,255		\$484,796		\$3,058,560		\$1,226,354	
Maturity	05/01		05/01		05/01		05/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	217,378	19,661	128,089	31,960	24,433	3,165	59,089	79,845	59,367	10,321
2027	219,888	17,136	131,451	28,553	24,691	2,905	60,889	78,045	60,072	9,612
2028	222,428	14,582	134,901	25,057	24,952	2,642	62,744	76,191	60,786	8,894
2029	224,997	11,998	138,443	21,470	25,215	2,376	64,655	74,280	61,508	8,167
2030	227,596	9,384	142,077	17,788	25,481	2,107	66,624	72,311	62,239	7,432
2031	230,225	6,740	145,806	14,009	25,750	1,836	68,653	70,282	62,978	6,689
2032	232,884	4,066	149,634	10,132	26,022	1,561	70,744	68,191	63,726	5,936
2033	235,573	1,360	153,562	6,152	26,297	1,284	72,898	66,036	64,484	5,174
2034			157,593	2,068	26,575	1,004	75,119	63,816	65,250	4,404
2035					26,855	721	77,407	61,528	66,025	3,624
2036					27,139	435	79,764	59,170	66,809	2,835
2037					27,426	145	82,193	56,741	67,603	2,037
2038							84,697	54,238	68,406	1,229
2039							87,276	51,658	69,219	411
2040							89,935	49,000		
2041							92,674	46,261		
2042							95,496	43,438		
2043							98,405	40,530		
2044							101,402	37,533		
2045							104,490	34,444		
2046							107,673	31,262		
2047							110,952	27,982		
2048							114,331	24,603		
2049							117,814	21,121		
2050							121,402	17,533		
2051							125,099	13,835		
2052							128,909	10,025		
2053							132,836	6,099		
2054							136,881	2,053		
	1,810,969	84,928	1,281,554	157,190	310,836	20,182	2,691,050	1,338,052	898,472	76,764

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City of Ladysmith, Wisconsin  
Schedule of Bonded Indebtedness continued  
Revenue Debt Secured by Sewer and Water Revenues  
(As of 04/13/2026)

Dated Amount	Sewer System & Water System Rev Bonds Series 2019C		Sewer System & Water System Rev Bonds Series 2021		Sewer System & Water System Rev Bonds Series 2022A		Sewer System & Water System Rev Bonds Series 2022B		Sewer System & Water System Rev Bonds 1) Series 2023A	
	06/26/2019	\$418,143	06/23/2021	\$377,370	07/13/2022	\$328,432	07/13/2022	\$399,301	08/09/2023	\$107,275
Maturity	05/01		05/01		05/01		05/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	20,272	3,524	17,957	2,658	15,174	3,384	18,406	4,105	4,860	1,227
2027	20,513	3,282	18,117	2,498	15,359	3,198	18,630	3,879	4,923	1,164
2028	20,756	3,037	18,279	2,336	15,547	3,009	18,858	3,650	4,986	1,100
2029	21,003	2,789	18,442	2,172	15,736	2,818	19,088	3,418	5,050	1,035
2030	21,252	2,538	18,606	2,007	15,929	2,625	19,321	3,184	5,115	970
2031	21,505	2,284	18,772	1,840	16,123	2,429	19,557	2,947	5,181	904
2032	21,760	2,027	18,939	1,672	16,320	2,231	19,796	2,706	5,248	837
2033	22,019	1,767	19,108	1,503	16,520	2,031	20,037	2,463	5,315	769
2034	22,281	1,504	19,278	1,332	16,721	1,828	20,282	2,217	5,384	700
2035	22,545	1,237	19,450	1,159	16,925	1,622	20,530	1,968	5,453	630
2036	22,813	968	19,623	985	17,132	1,414	20,780	1,716	5,523	559
2037	23,084	695	19,798	810	17,341	1,204	21,034	1,460	5,594	488
2038	23,358	420	19,974	632	17,553	991	21,291	1,202	5,666	415
2039	23,636	140	20,152	454	17,767	775	21,551	940	5,739	342
2040			20,332	273	17,984	557	21,814	676	5,813	268
2041			20,513	91	18,204	336	22,080	408	5,888	192
2042					18,426	112	22,350	136	5,963	116
2043									6,040	39
2044										
2045										
2046										
2047										
2048										
2049										
2050										
2051										
2052										
2053										
2054										
	306,798	26,213	307,340	22,423	284,762	30,566	345,406	37,075	97,739	11,754

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 4574-17, the amount of disbursements as of February 16, 2026, is \$94,436.32. The schedule shown assumes full draws of the available loan amount.

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City of Ladysmith, Wisconsin  
Schedule of Bonded Indebtedness continued  
Revenue Debt Secured by Sewer and Water Revenues  
(As of 04/13/2026)

Dated Amount	Sewer System & Water System Bonds 2) Series 2023B		Sewer System & Water System Rev Bonds		Sewer System & Water System Rev Bonds		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	09/13/2023	09/25/2024	09/25/2024	09/25/2024	Principal	Interest						
\$195,956		\$472,514										
Maturity	05/01	05/01	05/01									
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	8,878	2,241	21,024	6,305	52,585	15,741	647,510	184,138	831,648	9,458,338	6.41%	2026
2027	8,992	2,126	21,322	6,004	53,331	15,018	658,179	173,419	831,598	8,800,160	12.92%	2027
2028	9,108	2,009	21,624	5,699	54,088	14,256	669,056	162,462	831,518	8,131,103	19.54%	2028
2029	9,225	1,891	21,931	5,390	54,855	13,483	680,147	151,288	831,435	7,450,956	26.27%	2029
2030	9,344	1,772	22,242	5,077	55,634	12,699	691,460	139,893	831,353	6,759,496	33.11%	2030
2031	9,464	1,651	22,558	4,759	56,423	11,904	702,995	128,273	831,268	6,056,501	40.07%	2031
2032	9,586	1,528	22,878	4,437	57,224	11,097	714,761	116,421	831,182	5,341,740	47.14%	2032
2033	9,709	1,404	23,203	4,110	58,036	10,280	726,761	104,333	831,093	4,614,980	54.33%	2033
2034	9,834	1,278	23,532	3,778	58,859	9,450	500,706	93,379	594,085	4,114,273	59.29%	2034
2035	9,960	1,151	23,866	3,442	59,695	8,609	348,711	85,691	434,402	3,765,562	62.74%	2035
2036	10,089	1,022	24,205	3,101	60,542	7,756	354,419	79,961	434,380	3,411,143	66.25%	2036
2037	10,218	891	24,548	2,755	61,401	6,891	360,241	74,117	434,358	3,050,903	69.81%	2037
2038	10,350	759	24,896	2,404	62,272	6,013	338,464	68,303	406,767	2,712,439	73.16%	2038
2039	10,483	625	25,250	2,048	63,156	5,123	344,229	62,518	406,747	2,368,210	76.57%	2039
2040	10,618	489	25,608	1,688	64,052	4,221	256,156	57,171	313,327	2,112,054	79.10%	2040
2041	10,755	351	25,971	1,322	64,961	3,306	261,046	52,267	313,312	1,851,008	81.68%	2041
2042	10,893	212	26,340	950	65,883	2,377	245,352	47,343	292,695	1,605,657	84.11%	2042
2043	11,033	71	26,714	574	66,817	1,436	209,009	42,649	251,659	1,396,647	86.18%	2043
2044			27,093	192	67,766	481	196,260	38,206	234,466	1,200,387	88.12%	2044
2045							104,490	34,444	138,935	1,095,897	89.16%	2045
2046							107,673	31,262	138,935	988,224	90.22%	2046
2047							110,952	27,982	138,935	877,272	91.32%	2047
2048							114,331	24,603	138,935	762,941	92.45%	2048
2049							117,814	21,121	138,935	645,127	93.62%	2049
2050							121,402	17,533	138,935	523,725	94.82%	2050
2051							125,099	13,835	138,935	398,626	96.06%	2051
2052							128,909	10,025	138,935	269,717	97.33%	2052
2053							132,836	6,099	138,935	136,881	98.65%	2053
2054							136,881	2,053	138,935	0	100.00%	2054
	178,538	21,470	454,805	64,035	1,137,579	160,139	10,105,849	2,050,790	12,156,638			

2) Pursuant to the Wisconsin Capital Finance Office, Project No. 5369-17, the amount of disbursements as of February 16, 2026, is \$165,455.68. The schedule shown assumes full draws of the available loan amount.

**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>
Rusk County	\$2,253,684,900	11.8568%	\$16,802,527	\$1,992,242
School District of Ladysmith	500,768,179	53.3609%	23,920,001	12,763,928
Northwood Technical College	66,959,697,256	0.3991%	37,710,000	<u>150,501</u>
City's Share of Total Overlapping Debt				<u><u>\$14,906,670</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$267,214,300</b>	<b>Debt/ Per Capita 3,207<sup>4</sup></b>
Total General Obligation Debt*	\$9,945,712	3.72%	\$3,101.25
City's Share of Total Overlapping Debt	<u>14,906,670</u>	<u>5.58%</u>	<u>4,648.17</u>
Total*	\$24,852,382	9.30%	\$7,749.42

\*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	\$1,468,539	100%	\$9.78
2022/23	1,470,153	100%	8.93
2023/24	1,510,878	100%	8.70
2024/25	1,456,880	100%	7.58
2025/26	1,484,998	In Process of Collection	6.77

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	\$11.63	\$6.57	\$9.78	\$27.98
2022/23	10.17	5.48	8.93	24.58
2023/24	9.26	5.03	8.70	22.99
2024/25	8.81	5.26	7.58	21.64
2025/26	7.62	4.95	6.77	19.33

**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%.

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<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 \$1,599,600 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$1,567,700 received in 2024. The City is expected to receive approximately \$1,646,000 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 1905 and is governed by a Mayor and a seven-member Common Council. All Council Members are elected to two-year terms. The appointed City Administrator, City Comptroller/Treasurer and City Clerk are responsible for administrative details and financial records.

## **EMPLOYEES; PENSIONS**

The City employs a staff of 33 full-time and five (5) part-time 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 \$153,136, \$169,962 and \$180,639, 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 \$192,625 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 0.01295565% 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 4.A 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>
Ladysmith Police Professional Association	December 31, 2027

## OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent actuarial study shows a total OPEB liability of \$87,424 as of December 31, 2024. The City has been funding these obligations on a pay-as-you-go basis.

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

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

For Fiscal Year 2024, the City's most recent Comprehensive Annual Financial Report (Audit) shows the portion of contributions to the LRLIF totaled \$1,572. For Fiscal Year 2024, the City reported a liability of \$357,742 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2023 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.077759% of the aggregate LRLIF net OPEB liability as of December 31, 2023.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 4.D. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

**Source:** The City's most recent actuarial study and Audit.

## **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 2, 2026)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$4,417,001
Special Revenue	(511,389)
Debt Service	(94,263)
Capital Projects	1,295,806
Enterprise Funds	<u>24,354</u>
 Total Funds on Hand	 <u><u>\$5,131,509</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>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$1,375,010	\$1,387,341	\$1,434,087
Less: Operating Expenses	<u>(1,037,612)</u>	<u>(1,095,316)</u>	<u>(1,105,509)</u>
Operating Income	\$337,398	\$292,025	\$328,578
Plus: Depreciation	374,339	385,403	405,645
Interest Income	<u>6,312</u>	<u>18,704</u>	<u>22,203</u>
Revenues Available for Debt Service	<u><u>\$718,049</u></u>	<u><u>\$696,132</u></u>	<u><u>\$756,426</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$793,495	\$884,936	\$885,450
Less: Operating Expenses	<u>(932,961)</u>	<u>(991,117)</u>	<u>(973,319)</u>
Operating Income	(\$139,466)	(\$106,181)	(\$87,869)
Plus: Depreciation	347,096	353,713	279,952
Interest Income	<u>13,960</u>	<u>46,774</u>	<u>54,192</u>
Revenues Available for Debt Service	<u><u>\$221,590</u></u>	<u><u>\$294,306</u></u>	<u><u>\$246,275</u></u>

## SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues, 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.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Audited
<b>Revenues</b>					
Property taxes	\$1,530,443	\$1,539,186	\$1,528,146	\$1,551,822	\$1,626,293
Special assessments	56,510	63,741	81,144	30,933	29,388
Intergovernmental	1,619,700	1,668,591	1,681,764	1,687,097	1,972,618
Licenses and permits	16,559	34,646	18,919	31,274	24,639
Fines and forfeits	25,367	34,768	27,695	21,901	17,485
Public charges for services	425,682	505,527	613,489	502,922	515,617
Intergovernmental Charges for Services	408,420	430,582	439,214	474,371	537,741
Miscellaneous	130,119	153,706	204,570	453,658	240,065
<b>Total Revenues</b>	<u>\$4,212,800</u>	<u>\$4,430,747</u>	<u>\$4,594,941</u>	<u>\$4,753,978</u>	<u>\$4,963,846</u>
<b>Expenditures</b>					
Current:					
General government	\$389,843	\$346,898	\$382,795	\$381,096	\$446,077
Public safety	1,168,973	1,283,867	1,296,226	1,335,361	1,414,925
Transportation facilities	881,232	928,963	931,216	1,231,418	925,961
Sanitation	370,208	517,951	388,269	383,901	389,525
Health and human services	128,904	162,850	160,247	191,019	218,435
Leisure activities	234,805	270,972	276,242	248,557	285,568
Education	458,864	495,625	495,161	512,543	543,165
Conservation and development	153,783	158,411	171,481	229,556	119,766
Debt service	0	0	34,127	34,127	34,127
<b>Total Expenditures</b>	<u>\$3,786,612</u>	<u>\$4,165,537</u>	<u>\$4,135,764</u>	<u>\$4,547,578</u>	<u>\$4,377,549</u>
<b>Excess of revenues over (under) expenditures</b>	\$426,188	\$265,210	\$459,177	\$206,400	\$586,297
<b>Other Financing Sources (Uses)</b>					
Capital lease proceeds	\$0	\$58,868	\$0	\$0	\$0
Lease Issuance	0	0	0	0	50,746
Transfers in	851,194	261,400	252,847	320,914	236,867
Transfers (out)	(409,283)	(375,023)	(374,723)	(375,034)	(792,271)
<b>Total Other Financing Sources (Uses)</b>	<u>441,911</u>	<u>(54,755)</u>	<u>(121,876)</u>	<u>(54,120)</u>	<u>(504,658)</u>
<b>Net changes in Fund Balances</b>	\$868,099	\$210,455	\$337,301	\$152,280	\$81,639
General Fund Balance January 1	\$1,156,149	\$2,024,248	\$2,234,703	\$2,572,004	\$2,724,284
Prior Period Adjustment	0	0	0	0	0
Residual Equity Transfer in (out)	0	0	0	0	0
General Fund Balance December 31	<u>\$2,024,248</u>	<u>\$2,234,703</u>	<u>\$2,572,004</u>	<u>\$2,724,284</u>	<u>\$2,805,923</u>
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$13,972	\$13,286	\$20,232	\$35,344	\$13,369
Restricted	28,031	26,845	21,879	11,489	17,880
Assigned	1,009,646	1,072,567	1,322,491	1,477,317	1,422,105
Unassigned	972,599	1,122,005	1,207,402	1,200,134	1,352,569
<b>Total</b>	<u>\$2,024,248</u>	<u>\$2,234,703</u>	<u>\$2,572,004</u>	<u>\$2,724,284</u>	<u>\$2,805,923</u>

**GENERAL FUND BUDGET SUMMARY**

<b>COMBINED STATEMENT</b>	<b>FISCAL YEAR ENDING DECEMBER 31</b>	
	<b>2025 Adopted Budget</b>	<b>2026 Adopted Budget<sup>1</sup></b>
Revenues		
Property taxes	\$1,456,880	\$1,484,998
Special assessments	128,250	93,500
Intergovernmental	2,395,805	2,476,929
Licenses and permits	19,600	16,850
Fines and forfeits	27,000	23,000
Public charges for services	777,820	915,115
Intergovernmental Charges for Services	10,000	10,000
Miscellaneous	134,392	99,273
<b>Total Revenues</b>	<b>\$4,949,747</b>	<b>\$5,119,665</b>
Expenditures		
Current:		
General government	\$411,932	\$475,882
Public safety	1,487,098	1,550,758
Transportation facilities	1,295,671	1,284,736
Sanitation	447,699	481,802
Health and human services	158,867	165,209
Leisure activities	173,974	192,325
Education	631,964	612,248
Conservation and development	279,949	281,106
Debt service	114,824	253,054
<b>Total Expenditures</b>	<b>\$5,001,978</b>	<b>\$5,297,120</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(\$52,231)</b>	<b>(\$177,455)</b>
<b>Other Financing Sources (Uses)</b>		
Capital lease proceeds	\$0	\$0
Transfers in	374,824	496,597
Transfers (out)	(322,594)	(319,144)
<b>Total Other Financing Sources (Uses)</b>	<b>52,230</b>	<b>177,453</b>
<b>Net changes in Fund Balances</b>	<b>(\$1)</b>	<b>(\$2)</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 3,216 and a 2025 preliminary population estimate of 3,207, and comprises an area of 4.5 square miles and is located approximately 60 miles northeast of the City of Eau Claire, Wisconsin. The City is the county seat of Rusk County, Wisconsin.

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

Larger employers in the City include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Weather Shield Manufacturing, Inc.	Windows and doors	327
Rockwell Automation	Automation consulting	260
Rusk County	County government and services	225
Marshfield Medical Center-Ladysmith	Hospital, clinic and nursing home	175
Wal-Mart	Retail	175
School District of Ladysmith-Hawkins	Elementary and secondary education	175
Biorigin Paper	Absorbent paper products	85
Rands Trucking Excavating-Dispose	Trucking-construction site clean-up services	70
Westlake Enterprises	Social services-adult services	70
Ladysmith Nursing home	Nursing & convalescent home	70

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

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

**BUILDING PERMITS** (as of March 4, 2026)

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<u>New Single Family Homes</u>					
No. of building permits	0	3	2	0	0
Valuation	\$0	\$1,016,000	\$825,000	\$0	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	1	1	0	1	0
Valuation	\$441,212	\$9,800,000	\$0	\$500,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	2	1	2	1	0
Valuation	\$103,800	\$190,000	\$100,000	\$3,000,000	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	38	46	61	45	3
Valuation	\$855,212	\$14,483,500	\$2,477,000	\$4,096,000	\$1,862,500

**Source:** The City.

**U.S. CENSUS DATA**

**Population Trend:** The City

2010 U.S. Census Population	3,414
2020 U.S. Census Population	3,216
Percent of Change 2010 - 2020	-5.80%
2025 Estimated Population	3,207

**Income and Age Statistics**

	<b>The City</b>	<b>Rusk County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2024 per capita income	\$32,435	\$33,309	\$43,373	\$44,673
2024 median household income	\$41,719	\$59,944	\$77,485	\$80,734
2024 median family income	\$75,833	\$76,292	\$100,141	\$99,999
2024 median gross rent	\$882	\$874	\$1,087	\$1,413
2024 median value owner occupied units	\$124,200	\$163,400	\$266,500	\$332,700
2024 median age	49.5 yrs.	49.2 yrs.	40.2 yrs.	38.9 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
City % of 2024 per capita income	74.78%	72.61%
City % of 2024 median family income	75.73%	75.83%

**Housing Statistics**

	<b><u>The City</u></b>		<b>Percent of Change</b>
	<b>2020</b>	<b>2024</b>	
All Housing Units	1,637	1,775	8.43%

**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.

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>	
	<b>Rusk County</b>	<b>Rusk County</b>	<b>Rusk County</b>	<b>State of Wisconsin</b>
2021	6,150	4.5%	3.8%	
2022	6,179	3.6%	2.8%	
2023	6,055	3.5%	2.8%	
2024 <sup>1</sup>	5,960	4.0%	3.0%	
2025, December <sup>1</sup>	5,550	4.5%	3.0%	

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

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<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 Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary 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 LADYSMITH, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://CLAconnect.com)

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**CITY OF LADYSMITH, WISCONSIN  
LIST OF PRINCIPAL OFFICERS  
DECEMBER 31, 2024**

ELECTED
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Mayor Council President	Robert Grotzinger Al Christianson
Aldermanic District:	
First District	Richard Ostenso
Second District	Nathan Johnson
Third District	Mike Hraban
Fourth District	Al Christianson
Fifth District	Steve Weiss
Sixth District	Randy Lovely
Seventh District	John Hoover

APPOINTED
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City Administrator	Alan Christianson
City Treasurer/Comptroller	Tony Devine
City Clerk	Sara Nelson
Director of Public Works/Building Inspector	Kurt Gorseger
Assistant Director of Public Works	Doug Parker
Water Lead Man	Douglas Wiles
Wastewater Superintendent	Travis Vollendorf
Street Superintendent	Monte Pearson
Police Chief	Kevin Julien
Fire Chief	Kyle Gibbs
Librarian	Christianna Swearingen



## INDEPENDENT AUDITORS' REPORT

City Council  
City of Ladysmith  
City of Ladysmith, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

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

#### ***Basis for Opinions***

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

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

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

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

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

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

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

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

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

**Required Supplementary Information**

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

**Supplementary Information**

Our audit for the year ended December 31, 2024, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, debt repayment schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, for the year ended December 31, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2024 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, debt repayment schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2024.

We also previously audited, in accordance with GAAS, the basic financial statements of the City as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated September 18, 2024, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The individual fund statements and schedules for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The individual fund statements and schedules were subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2023.

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
July 7, 2025

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

As management of the City of Ladysmith, Wisconsin (the City), we offer the readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ended December 31, 2024. Please consider this information in conjunction with the City's financial statements, which begin on page 18 following this narrative.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the year ended December 31, 2024 include the following:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$35,768,256 (*net position*). Of this amount, \$30,897,544 represented the City's net investment in capital assets, \$3,110,429 was held for restricted purposes, and \$1,760,283 was unrestricted. The unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- During the fiscal year, the City's total net position increased \$3,567,557 for current year activities. Net position related to governmental activities increased \$3,091,086, and net position related to the business-type activities of the City increased \$476,471.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$2,586,166, a decrease of \$2,439,829 from the previous year.
- At the end of 2024, the unassigned general fund balance totaled \$1,352,569 or 30.9% of the general fund expenditures.
- The City's total long-term debt and other long-term obligations increased \$741,781 during the current fiscal year. The City issued \$1,668,867 of mortgage revenue bonds during the year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

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

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources, less 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.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

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

Both of the government-wide financial statements distinguish those functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and service charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation facilities, sanitation, health and human services, leisure activities, education, urban redevelopment and housing, and conservation and development. The business-type activities of the City include a water utility and a sewer utility.

The government-wide financial statements can be found beginning on page 18 of this report.

### **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 governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

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

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

The City maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, CDBG deferred loan program fund, mining/MILIF, capital projects fund, TID #12 fund, and the debt service fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplementary information section.

The basic governmental fund financial statements can be found beginning on page 20 of this report.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

**Proprietary Funds.** The City maintains one type of proprietary fund – enterprise funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water utility and sewer utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds, both of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found beginning on page 24 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 29 of this report.

**Notes to the Financial Statements**

The notes to the basic financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 31 of this report.

**Supplementary Information**

In addition to the basic financial statement and accompanying notes, this report presents certain required supplementary information. Required supplementary information can be found beginning on page 78 of this report.

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information, additional supplementary information has been provided as part of this report. The supplementary information includes combining statements for the nonmajor governmental funds, individual fund statements and schedules for selected funds, various debt repayment schedules and unaudited statistical information tables. This supplementary information section of the report begins on page 85.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$35,768,256 at the close of 2024. The largest portion of net position (86%) reflects the City's investment in capital assets, including land, land improvements, buildings, furniture and equipment, infrastructure, plant in service and construction in progress, net of related outstanding debt used to acquire the assets. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. On the following page is a summary of the City's statement of net position:

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

**Condensed Statement of Net Position  
December 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 6,507,090	\$ 9,744,777	\$ 2,022,497	\$ 2,376,442	\$ 8,529,587	\$ 12,121,219
Capital Assets	24,045,075	18,736,653	22,129,556	20,338,735	46,174,631	39,075,388
Internal Balances	1,300,105	1,233,189	(1,300,105)	(1,233,189)	-	-
Total Assets	31,852,270	29,714,619	22,851,948	21,481,988	54,704,218	51,196,607
Total Deferred Outflows of Resources	1,536,453	2,183,431	368,048	546,003	1,904,501	2,729,434
Long-Term Debt Outstanding	3,484,573	4,251,958	11,150,353	10,214,118	14,634,926	14,466,076
Other Long-Term Obligations	704,201	581,477	180,948	139,148	885,149	720,625
Other Liabilities	1,116,236	968,337	98,398	269,798	1,214,634	1,238,135
Total Liabilities	5,305,010	5,801,772	11,429,699	10,623,064	16,734,709	16,424,836
Total Deferred Inflows of Resources	3,867,330	4,970,981	238,424	329,525	4,105,754	5,300,506
Net Position:						
Net Investment in						
Capital Assets	19,880,164	15,178,650	11,017,380	10,073,719	30,897,544	25,252,369
Restricted	2,196,265	2,369,942	914,164	899,027	3,110,429	3,268,969
Unrestricted	2,139,954	3,576,705	(379,671)	102,656	1,760,283	3,679,361
Total Net Position	\$ 24,216,383	\$ 21,125,297	\$ 11,551,873	\$ 11,075,402	\$ 35,768,256	\$ 32,200,699

An additional portion of the City's net position (9%) represents resources that are subject to other restrictions as to how they may be used. The remaining \$1,760,283 of total net position (5%) may be used to meet the City's ongoing obligations to its citizens and creditors. This unrestricted net position includes a deficit \$379,671 related to the City's business-type activities and \$2,139,954 used to fund the City's governmental activities.

The condensed statement of changes in net position shown on the following page shows that total net position of the City increased \$3,567,557 from current year activity, or approximately 11.1%. The increase consisted of an increase in net position related to governmental activities in the amount of \$3,091,086 and an increase in net position related to business-type activities in the amount of \$476,471.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

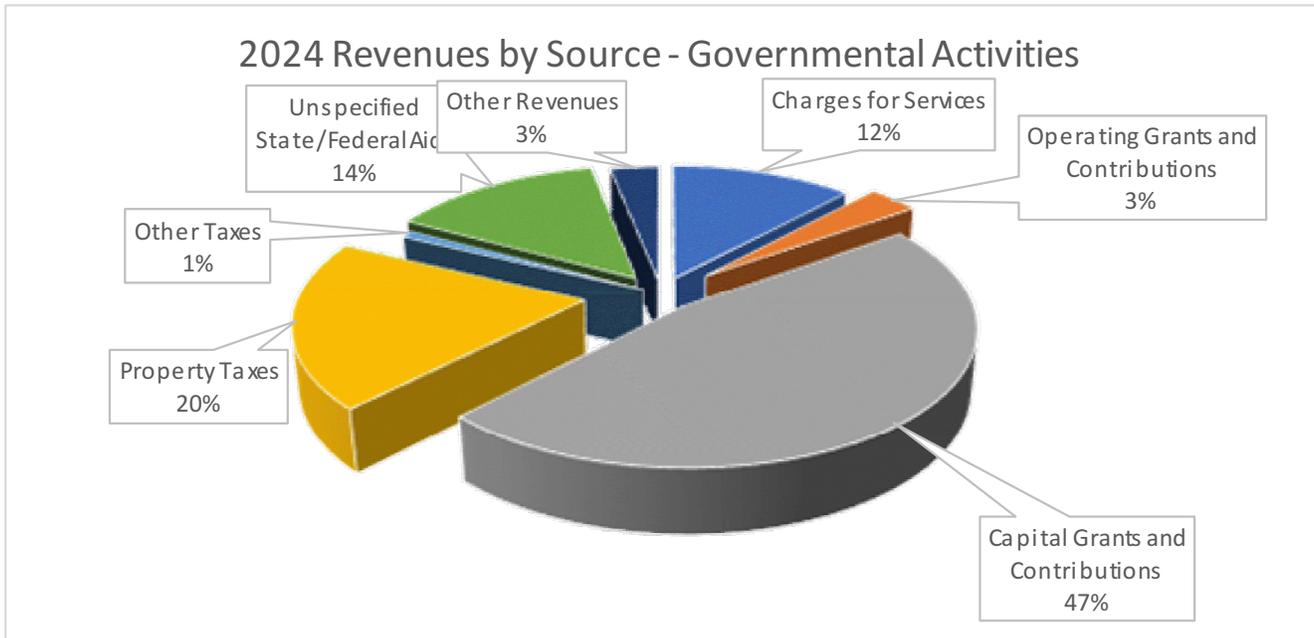
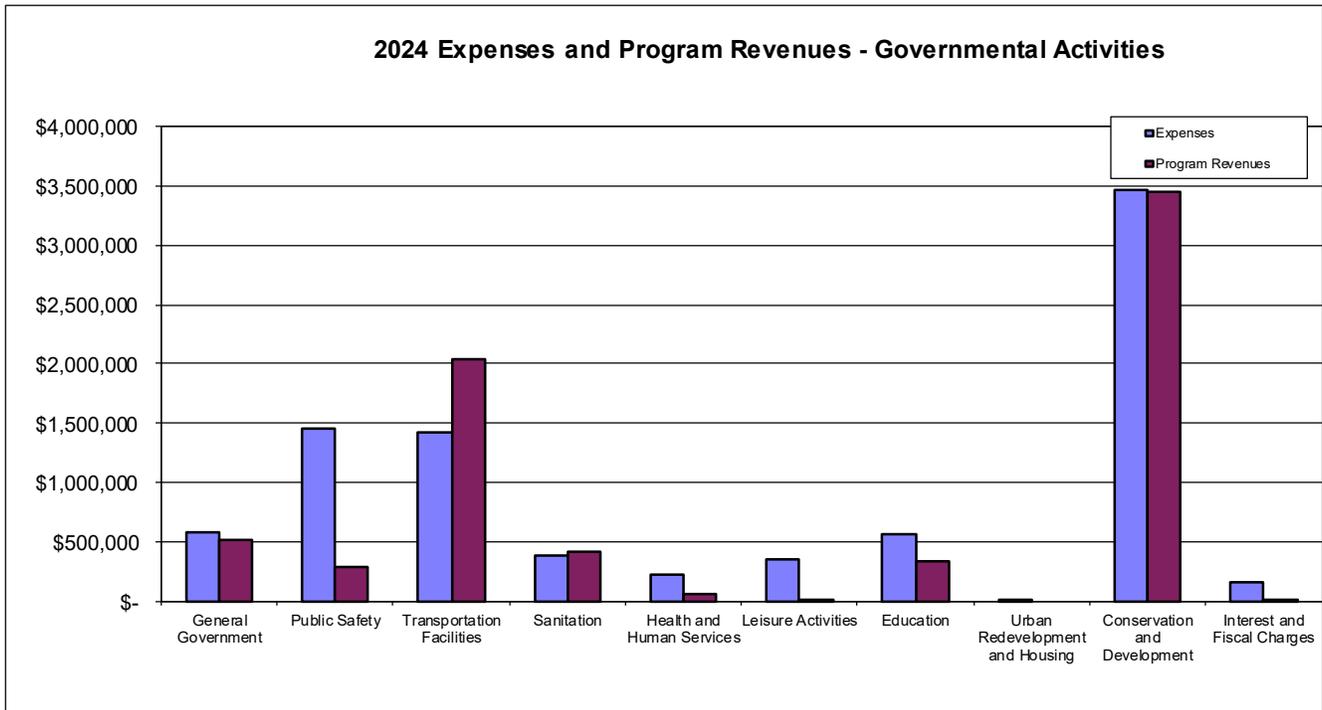
The following is a summary of the changes in the City's net position for the years ended December 31, 2024 and 2023:

**Condensed Statement of Changes 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	\$ 1,369,981	\$ 1,513,014	\$ 2,445,034	\$ 2,397,774	\$ 3,815,015	\$ 3,910,788
Operating Grants and Contributions	382,208	373,171	-	-	382,208	373,171
Capital Grants and Contributions	5,403,104	1,145,219	521,662	1,372,777	5,924,766	2,517,996
General Revenues:						
Property Taxes	2,269,719	2,064,677	-	-	2,269,719	2,064,677
Other Taxes	93,961	81,669	-	-	93,961	81,669
State and Federal Aids Not Restricted to Specific Programs	1,605,628	1,357,126	-	-	1,605,628	1,357,126
Other	362,056	488,643	79,851	67,166	441,907	555,809
<b>Total Revenues</b>	<b>11,486,657</b>	<b>7,023,519</b>	<b>3,046,547</b>	<b>3,837,717</b>	<b>14,533,204</b>	<b>10,861,236</b>
<b>EXPENSES</b>						
General Government	585,582	439,085	-	-	585,582	439,085
Public Safety	1,461,258	1,505,514	-	-	1,461,258	1,505,514
Transportation Facilities	1,418,127	943,087	-	-	1,418,127	943,087
Sanitation	392,641	395,673	-	-	392,641	395,673
Health and Human Services	227,065	181,313	-	-	227,065	181,313
Leisure Activities	353,147	206,158	-	-	353,147	206,158
Education	570,437	548,083	-	-	570,437	548,083
Urban Development and Housing	3,438	-	-	-	3,438	-
Conservation and Development	3,465,110	2,989,370	-	-	3,465,110	2,989,370
Interest and Fiscal Charges	155,633	127,321	-	-	155,633	127,321
Water	-	-	1,179,376	1,166,308	1,179,376	1,166,308
Sewer	-	-	1,153,833	1,141,352	1,153,833	1,141,352
<b>Total Expenses</b>	<b>8,632,438</b>	<b>7,335,604</b>	<b>2,333,209</b>	<b>2,307,660</b>	<b>10,965,647</b>	<b>9,643,264</b>
<b>CHANGE IN NET POSITION BEFORE TRANSFERS</b>	<b>2,854,219</b>	<b>(312,085)</b>	<b>713,338</b>	<b>1,530,057</b>	<b>3,567,557</b>	<b>1,217,972</b>
<b>TRANSFERS</b>	<b>236,867</b>	<b>240,914</b>	<b>(236,867)</b>	<b>(240,914)</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 3,091,086</b>	<b>\$ (71,171)</b>	<b>\$ 476,471</b>	<b>\$ 1,289,143</b>	<b>\$ 3,567,557</b>	<b>\$ 1,217,972</b>

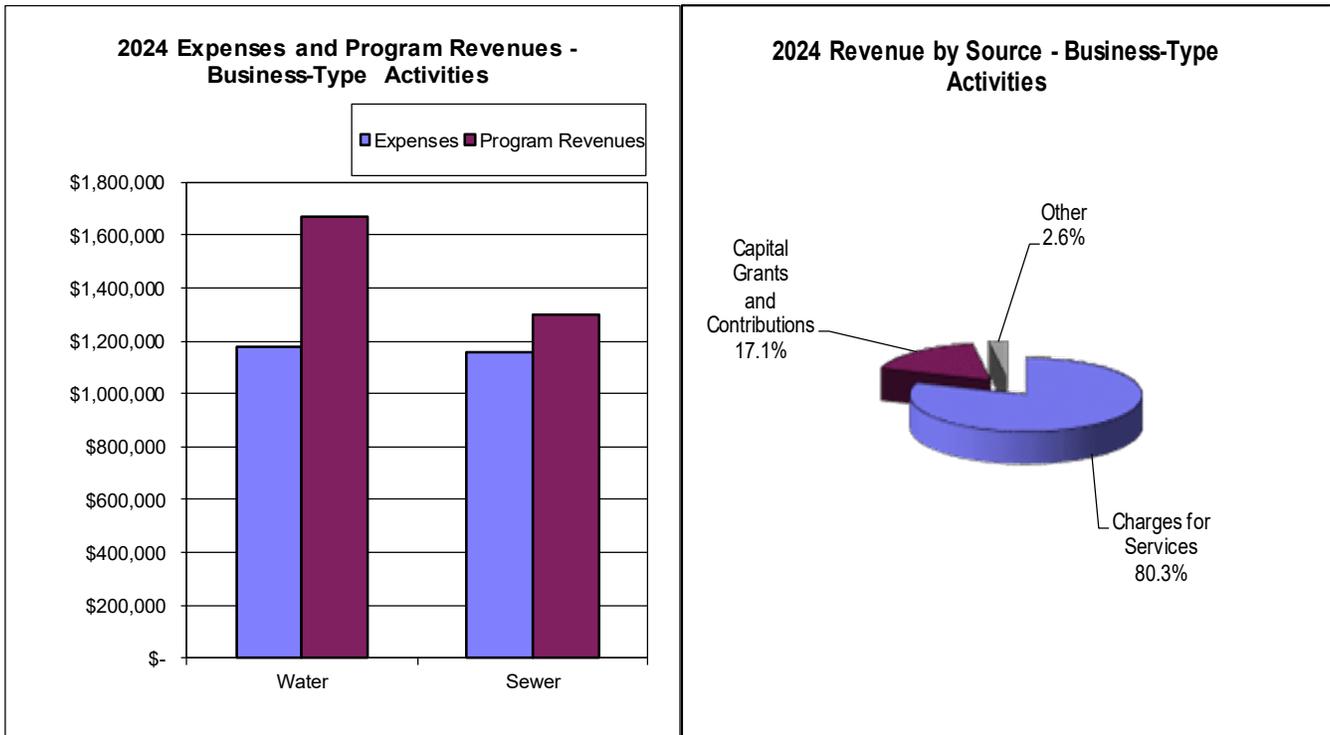
A review of the statement of activities can provide a concise picture of how the various functions/programs of the City are funded. The following charts draw data from the statement of activities. For governmental services the City's funding sources are quite balanced, with unspecified state and federal aids (14%), operating and capital grants and contributions (50%), charges for services (12%), and property taxes (20%) being the main sources of funding for ongoing operations. Approximately 4% of funding is derived from other sources.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**



In the case of business-type activities, the data shows a considerably different picture. Charges for services (80.3%) are the primary source of revenue.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**



**FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information regarding near-term inflows, outflows and balances of spendable resources. Such information can be useful in assessing the City's financing requirements. In particular, the level of unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2024, the City's governmental funds reported combined ending fund balances of \$2,586,166, a decrease of \$2,439,829 from the previous year. Of this total, \$1,260,558 is either nonspendable or restricted by specific legal requirements and other external commitments, leaving \$1,325,608 available for spending at the discretion of the City's elected officials. As the result of past actions and policy decisions and the nature of individual funds comprising the balances, \$2,176,454 of this balance has been segregated or otherwise committed or assigned for specific uses, leaving an unassigned fund balance deficit of \$850,846 in the governmental funds.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

Changes in the governmental funds are as follows:

	Fund Balance 2024	Fund Balance 2023	Current Year Changes
General Fund	\$ 2,805,923	\$ 2,724,284	\$ 81,639
CDBG Deferred Loan Program Fund	88,227	77,736	10,491
Mining/MILIF Economic Development Fund	(331,708)	1,084,377	(1,416,085)
Capital Projects Fund	-	365,821	(365,821)
Debt Service Fund	-	-	-
TID #12 Fund	(600,446)	(685,663)	85,217
Nonmajor Funds:			
Special Revenue Funds	485,027	669,824	(184,797)
Capital Projects Funds	139,143	789,616	(650,473)
Total	<u>\$ 2,586,166</u>	<u>\$ 5,025,995</u>	<u>\$ (2,439,829)</u>

The general fund is the primary operating fund used to account for the governmental operations of the City. The general fund's total fund balance increased \$81,639 during the year, and the unassigned portion of the fund increased \$152,435. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 64.1% of total general fund expenditures reported on the statement of revenues, expenditures, and changes in fund balances while the unassigned balance \$1,352,569 represented 30.9% of the same amount.

The City's CDBG deferred loan program fund, a special revenue fund, is used to account for federal housing grants received through the state as well as the related ongoing revolving loan fund. During 2024, the City received loan repayments of \$27,365. The revolving loan fund had a balance of \$88,227 at year-end. At December 31, 2024, the City had outstanding 82 deferred mortgage loans totaling \$949,076 subject to repayment upon future events. Collections on these loans are used to make additional loans under terms of the original grant agreements.

The City's mining/MILIF economic development fund, a special revenue fund, is used to account for resources generated by facilities that have been constructed by this fund in prior years. This fund received rent payments from constructed facilities in the amount of \$75,455 during 2024. The City uses these funds to further economic growth in the community. At December 31, 2024, the fund had a deficit of \$331,708 expected to be recovered by the future sale of a building.

The capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities and equipment other than those financed from proprietary funds. The fund did not have a balance at year-end.

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds. The fund did not have a balance at year-end.

The TID#12 Fund is used to account for projects within the scope of the District's plan. The fund had a deficit at year-end of \$600,446.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

The aggregated other governmental funds column includes various special revenue funds and capital projects funds used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes. The accumulated fund balances of these funds decreased \$835,270 during 2024 primarily attributable to capital projects and economic development costs incurred in the current year. These funds are individually detailed in the supplementary information section of this report.

**Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. As shown in the following schedule, the net position of the enterprise-type proprietary funds at the end of 2024 totaled \$11,551,873, an increase of \$476,471 from the previous year.

**Condensed Statement of Changes in Net Position for Enterprise Funds  
Years Ended December 31, 2024 and 2023**

	Water Utility		Sewer Utility		Total	
	2024	2023	2024	2023	2024	2023
Operating Revenues	\$ 1,434,087	\$ 1,387,341	\$ 885,450	\$ 884,936	\$ 2,319,537	\$ 2,272,277
Operating Expenses:						
Depreciation	405,645	385,403	279,952	353,713	685,597	739,116
Other	699,864	709,913	693,367	637,404	1,393,231	1,347,317
Operating Income (Loss)	328,578	292,025	(87,869)	(106,181)	240,709	185,844
Nonoperating Revenues (Expenses)	12,046	9,654	(61,079)	(38,218)	(49,033)	(28,564)
Net Income (Loss) before Contributions and Transfers	340,624	301,679	(148,948)	(144,399)	191,676	157,280
Capital Contributions	172,797	1,026,227	348,865	346,550	521,662	1,372,777
Transfers	(236,867)	(240,914)	-	-	(236,867)	(240,914)
Change in Net Position	276,554	1,086,992	199,917	202,151	476,471	1,289,143
Net Position - Beginning of Year	6,620,226	5,533,234	4,455,176	4,253,025	11,075,402	9,786,259
Net Position - End of Year	<u>\$ 6,896,780</u>	<u>\$ 6,620,226</u>	<u>\$ 4,655,093</u>	<u>\$ 4,455,176</u>	<u>\$ 11,551,873</u>	<u>\$ 11,075,402</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2024 general fund budget was not amended from the original budget adopted by the City. The general fund balance increased \$81,639 during 2024. The City ended the year with a positive budget variance for both revenues and expenditures. The positive variance in revenues was due mainly to increased intergovernmental revenues and interest revenue over budget, as well as donations and sale of property revenues recognized that were not budgeted. The positive variance in expenditures was due mainly to transportation expenditures under budget.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The City's investment in capital assets, net of accumulated depreciation/amortization, for its governmental and business-type activities as of December 31, 2024 and 2023 were as shown below:

**Capital Assets, Net of Accumulated Depreciation/Amortization  
December 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Not Subject to Depreciation/Amortization:						
Land and Land Rights	\$ 580,538	\$ 580,538	\$ 167,784	\$ 167,784	\$ 748,322	\$ 748,322
Construction Work in Progress	975,519	1,386,612	36,568	650,258	1,012,087	2,036,870
Subject to Depreciation/Amortization:						
Land Improvements	1,622,143	613,434	-	-	1,622,143	613,434
Buildings	10,336,918	8,608,390	-	-	10,336,918	8,608,390
Right-to-Use Lease - Buildings	50,746	12,793	-	-	50,746	12,793
Furniture and Equipment	1,467,868	829,451	-	-	1,467,868	829,451
Vehicles	191,342	254,674	-	-	191,342	254,674
Infrastructure	8,820,001	6,450,761	-	-	8,820,001	6,450,761
Water System Plant	-	-	11,784,603	10,310,554	11,784,603	10,310,554
Wastewater System Plant	-	-	10,140,601	9,210,139	10,140,601	9,210,139
Total	<u>\$ 24,045,075</u>	<u>\$ 18,736,653</u>	<u>\$ 22,129,556</u>	<u>\$ 20,338,735</u>	<u>\$ 46,174,631</u>	<u>\$ 39,075,388</u>

Some of the more significant additions to the City's capital assets during 2024 included:

- Street and related infrastructure upgrades (including items in progress) \$2,822,919
- Multiple building renovations and upgrades \$1,800,464

Additional information related to the City's capital assets is reported in Note 3.C following the financial statements.

**Long-Term Obligations**

At December 31, 2024, the City had outstanding \$14,882,284 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations  
December 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Total Outstanding	
	2024	2023	2024	2023	2024	2023
Long-Term Debt:						
General Obligation Debt:						
Bonds	\$ 3,015,000	\$ 3,320,000	\$ 515,000	\$ 590,000	\$ 3,530,000	\$ 3,910,000
Notes	251,264	312,567	-	-	251,264	312,567
Mortgage Revenue Bonds	-	-	10,584,838	9,469,326	10,584,838	9,469,326
Plus Unamortized Premium	63,861	73,065	12,338	14,892	76,199	87,957
Subtotal	3,330,125	3,705,632	11,112,176	10,074,218	14,442,301	13,779,850
Other Long-Term Obligations:						
Financed Purchase Agreements Payable	-	20,185	-	-	-	20,185
Lease Liability	50,746	13,057	-	-	50,746	13,057
Compensated Absences	276,432	239,255	112,805	88,156	389,237	327,411
Total	<u>\$ 3,657,303</u>	<u>\$ 3,978,129</u>	<u>\$ 11,224,981</u>	<u>\$ 10,162,374</u>	<u>\$ 14,882,284</u>	<u>\$ 14,140,503</u>

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of the City outstanding at December 31, 2024 totaled \$3,781,264, approximately 33% of the maximum legal limit of \$11,487,000.

Additional information related to the City's long-term debt is reported in Note 3E following the financial statements.

**CURRENTLY KNOWN FACTS**

With so many area jobs in the housing industry, recovery from the recession was slow in the area and recovery is not yet complete here, although it is progressing. There are scores of job openings here, as elsewhere, but apparently not enough people to fill them.

An ongoing public facility infrastructure challenge for the City is that it was not able to budget adequately for years for street reconstruction. While the City should probably be rebuilding nearly one mile of street annually, rebuilds were limited for several years to industrial streets where grant assistance was available. This was due largely to a combination of the following reasons:

- \*High asphalt prices that have not come down even with drops in oil prices.
- \*The base year City budget that was too limited at the time the state imposed local tax levy limits.
- \*Limited available borrowing capacity, which is now easing slowly.
- \*Unwillingness to impose special assessments on residents for this purpose during the troubled economy that followed the onset of the recession and has not turned around yet.

After significant investments in key water and sewer utility infrastructure in recent years those facilities are generally in excellent condition and should serve well for 20 years or more. Sanitary lift stations and the wastewater treatment facility have all been replaced or significantly upgraded within the past five years. New water supply Well No. 8 was added along with an all-new water treatment plant. These new facilities have enough capacity to accommodate additional industrial use should the need arise.

However, like most communities, some water and sewer mains in local streets are decades old and, in a few cases, have surpassed the century mark. Complicating consideration of borrowing for street rebuilds is the fact that, in many cases, the City would also need to borrow to replace utility mains underlying some of them. With some sewer mains, consideration is being given to lining them as opposed to replacing them, as this is a less invasive approach, and it can reduce street surface replacement and associated costs. This works if the water main does not also need replacing. If water main needs replacing and the street will be dug up anyway, sewers are usually also fully replaced rather than being lined.

The City previously entered into development agreements with a Wisconsin based housing developer on a project to develop 40 units of workforce housing. The project includes redeveloping the former Ladysmith Elementary School on Lindoo Avenue into apartments while constructing townhomes on site. The project is being funded by multiple sources, including tax credits through WHEDA and smaller funding contributions through the Wisconsin Department of Administration, Federal Home Loan Bank of Chicago and City Tax Increment Financing. The project broke ground in late 2023 and is substantially complete in 2024, with expected final completion in 2025.

**CITY OF LADYSMITH, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

City leadership engaged Rusk County and the Marshfield Clinic Health System in discussions for adaptive reuse of the old hospital/clinic building. Marshfield's new hospital/clinic which caused the current building to be vacated. The building, while nearing obsolescence as a hospital, was well built and has been well maintained such that it could be reused for additional workforce housing, senior apartments or a care facility. An offer to convert the property into workforce housing and a satellite location for the regional technical college was received from a Wisconsin housing developer but was turned down by Rusk County. The Wisconsin Department of Administration was looking for a facility similar in nature to develop into housing for homeless veterans which was also turned down by Rusk County. The County ultimately voted to raze the building. The building has been razed and the County maintains ownership of the property.

Several projects have been completed or are in process to improve quality of life:

- \*The City received grant funding to assist in the construction of a pavilion for the local farmer's market, which located to a new and larger site a few years ago. Construction was completed in 2024.
- \*A new Veterans Memorial Pavilion was constructed in Memorial Park, along with a handicap accessible river walk and pedestrian entrance from Hwy. 8. This facility replaces an old and undersized pavilion.
- \*The city's vintage rail equipment displays have been undergoing upgrades in recent years with all major projects reaching completion including repainting of the units and construction of protective shelters.
- \*The new Marshfield Medical Center Campus opened in March of 2023.
- \*Rental housing in the community is effectively at full occupancy, which creates a challenge to attracting employees of all types.
- \*Several commercial and industrial properties have sold, are in the process of selling or have been upgraded.
- \*EDA funded upgrades were made to the Christianson Brothers Industrial Park on the south side of the City to loop the City's water system and improve two industrial truck routes in 2023.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Ladysmith's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the City Administrator at 120 Miner Ave. West, P.O. Box 431, Ladysmith, Wisconsin 54848.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 1,324,441	\$ 62,469	\$ 1,386,910
Taxes Receivable	2,043,593	25,678	2,069,271
Accounts Receivable	84,682	397,024	481,706
Lease Receivable	538,266	-	538,266
Due from Other Governments	1,326,660	-	1,326,660
Internal Balances	1,300,105	(1,300,105)	-
Inventories	-	41,224	41,224
Prepayments	2,775	4,350	7,125
Special Assessments Receivable	237,597	506,503	744,100
Long-Term Receivables	949,076	-	949,076
Restricted Assets:			
Cash and Investments	-	985,249	985,249
Capital Assets:			
Capital Assets Not Being Depreciated/Amortized	1,556,057	204,353	1,760,410
Capital Assets Being Depreciated/Amortized	44,913,284	32,799,327	77,712,611
Accumulated Depreciation/Amortization	(22,424,266)	(10,874,124)	(33,298,390)
Total Assets	<u>31,852,270</u>	<u>22,851,948</u>	<u>54,704,218</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Plan Related	1,373,469	339,495	1,712,964
State Life Insurance OPEB Related	112,952	21,652	134,604
Single Employer OPEB Plan Related	50,032	6,901	56,933
Total Deferred Outflows of Resources	<u>1,536,453</u>	<u>368,048</u>	<u>1,904,501</u>
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	841,459	40,105	881,564
Accrued Wages	174,944	23,781	198,725
Accrued Interest Payable	18,386	34,512	52,898
Due to Other Governments	81,397	-	81,397
Special Deposits	50	-	50
Noncurrent Liabilities:			
Total Other Postemployment Benefits Liability	76,827	10,597	87,424
Net Other Postemployment Benefits Liability	300,196	57,546	357,742
Wisconsin Retirement System Net Pension Liability	154,448	38,177	192,625
Due Within One Year	400,814	727,590	1,128,404
Due in More Than One Year	3,256,489	10,497,391	13,753,880
Total Liabilities	<u>5,305,010</u>	<u>11,429,699</u>	<u>16,734,709</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding Year's Property Tax	2,269,175	-	2,269,175
State Life Insurance OPEB Related	165,022	31,634	196,656
Wisconsin Retirement System Pension Plan Related	828,189	204,713	1,032,902
Single Employer OPEB Plan Related	15,061	2,077	17,138
Lease Related	589,883	-	589,883
Total Deferred Inflows of Resources	<u>3,867,330</u>	<u>238,424</u>	<u>4,105,754</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	19,880,164	11,017,380	30,897,544
Restricted for:			
Debt Service	-	67,850	67,850
Plant Replacement	-	846,314	846,314
Grants	17,880	-	17,880
Capital Projects	1,141,082	-	1,141,082
Housing/Business Loan Programs	1,037,303	-	1,037,303
Unrestricted	2,139,954	(379,671)	1,760,283
Total Net Position	<u>\$ 24,216,383</u>	<u>\$ 11,551,873</u>	<u>\$ 35,768,256</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Functions/Programs</b>							
Primary Government:							
Governmental Activities:							
General Government	\$ 585,582	\$ 40,797	\$ -	\$ 482,980	\$ (61,805)	\$ -	\$ (61,805)
Public Safety	1,461,258	270,955	24,264	392	(1,165,647)	-	(1,165,647)
Transportation Facilities	1,418,127	3,552	321,987	1,719,732	627,144	-	627,144
Sanitation	392,641	417,968	3,728	-	29,055	-	29,055
Health and Human Services	227,065	61,457	5,000	-	(160,608)	-	(160,608)
Leisure Activities	353,147	6,610	-	-	(346,537)	-	(346,537)
Education	570,437	309,814	27,052	-	(233,571)	-	(233,571)
Urban Redevelopment and Housing	3,438	-	-	-	(3,438)	-	(3,438)
Conservation and Development	3,465,110	249,313	177	3,200,000	(15,620)	-	(15,620)
Interest and Fiscal Charges	155,633	9,515	-	-	(146,118)	-	(146,118)
Total Governmental Activities	8,632,438	1,369,981	382,208	5,403,104	(1,477,145)	-	(1,477,145)
Business-Type Activities:							
Water Utility	1,179,376	1,494,341	-	172,797	-	487,762	487,762
Sewer Utility	1,153,833	950,693	-	348,865	-	145,725	145,725
Total Business-Type Activities	2,333,209	2,445,034	-	521,662	-	633,487	633,487
Total Primary Government	\$ 10,965,647	\$ 3,815,015	\$ 382,208	\$ 5,924,766	(1,477,145)	633,487	(843,658)
<b>GENERAL REVENUES AND TRANSFERS</b>							
Taxes:							
Property Taxes Levied for General Purposes					1,156,588	-	1,156,588
Property Taxes Levied for Debt Purposes					375,744	-	375,744
Property Taxes Levied for TIF Purposes					737,387	-	737,387
Other Taxes					93,961	-	93,961
State and Federal Aids Not Restricted to Specific Functions					1,605,628	-	1,605,628
Interest and Investment Earnings					158,212	76,395	234,607
Miscellaneous					203,844	3,456	207,300
Transfers					236,867	(236,867)	-
Total General Revenues and Transfers					4,568,231	(157,016)	4,411,215
<b>CHANGE IN NET POSITION</b>					3,091,086	476,471	3,567,557
Net Position - Beginning of Year					21,125,297	11,075,402	32,200,699
<b>NET POSITION - END OF YEAR</b>					\$ 24,216,383	\$ 11,551,873	\$ 35,768,256

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2024**

	ASSETS							Totals
	General Fund	CDBG Deferred Loan Program Fund	Mining/MILIF Economic Development Fund	Capital Projects Fund	Debt Service Fund	TID #12 Fund	Other Governmental Funds	
Cash and Investments	\$ 284,788	\$ 88,227	\$ -	\$ -	\$ -	\$ -	\$ 951,426	\$ 1,324,441
Taxes Receivable	1,231,298	-	-	-	-	18,596	793,699	2,043,593
Special Assessments Receivable	237,597	-	-	-	-	-	-	237,597
Prepayments	2,775	-	-	-	-	-	-	2,775
Accounts Receivable	54,519	-	7,663	-	-	-	22,500	84,682
Lease Receivable	13,927	-	53,010	-	-	-	471,329	538,266
Due from Other Governments	30,121	-	-	1,296,539	-	-	-	1,326,660
Due from Other Funds	3,034,054	-	-	-	-	-	912,483	3,946,537
Advances to Other Funds	-	-	37,489	-	-	-	-	37,489
Loans Receivable	-	949,076	-	-	-	-	-	949,076
Total Assets	\$ 4,889,079	\$ 1,037,303	\$ 98,162	\$ 1,296,539	\$ -	\$ 18,596	\$ 3,151,437	\$ 10,491,116
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Vouchers and Accounts Payable	\$ 44,246	\$ -	\$ 126,018	\$ 665,688	\$ -	\$ 3,493	\$ 2,014	\$ 841,459
Accrued Payroll Liabilities	172,119	-	1,673	-	-	177	975	174,944
Due to Other Governmental Units	81,397	-	-	-	-	-	-	81,397
Due to Other Funds	-	-	244,441	630,851	-	596,776	1,174,364	2,646,432
Special Deposits	50	-	-	-	-	-	-	50
Advances from Other Funds	-	-	-	-	-	-	37,489	37,489
Total Liabilities	297,812	-	372,132	1,296,539	-	600,446	1,214,842	3,781,771
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Succeeding Year's Property Tax	1,456,880	-	-	-	-	18,596	793,699	2,269,175
Unavailable Special Assessments	315,045	-	-	-	-	-	-	315,045
Lease Related	13,419	-	57,738	-	-	-	518,726	589,883
Unavailable Loans Receivable	-	949,076	-	-	-	-	-	949,076
Total Deferred Inflows of Resources	1,785,344	949,076	57,738	-	-	18,596	1,312,425	4,123,179
<b>FUND BALANCES</b>								
Nonspendable	13,369	-	-	-	-	-	-	13,369
Restricted	17,880	88,227	-	-	-	-	1,141,082	1,247,189
Committed	-	-	-	-	-	-	754,349	754,349
Assigned	1,422,105	-	-	-	-	-	-	1,422,105
Unassigned	1,352,569	-	(331,708)	-	-	(600,446)	(1,271,261)	(850,846)
Total Fund Balances	2,805,923	88,227	(331,708)	-	-	(600,446)	624,170	2,586,166
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,889,079	\$ 1,037,303	\$ 98,162	\$ 1,296,539	\$ -	\$ 18,596	\$ 3,151,437	\$ 10,491,116

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2024**

**Total Fund Balances - Governmental Funds** \$ 2,586,166

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$ 580,538	
Land Improvements	3,017,135	
Buildings	16,513,812	
Furniture and Equipment	3,236,787	
Vehicles	2,170,796	
Infrastructure	19,924,008	
Construction Work in Progress	975,519	
Right-to-Use Asset - Buildings	50,746	
Accumulated Depreciation/Amortization	<u>(22,424,266)</u>	24,045,075

Some assets are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. These assets consist of:

Housing Rehabilitation Loans	949,076	
Special Assessments Receivable	237,597	
Assessments and Special Charges on Tax Roll	<u>77,448</u>	1,264,121

Net Wisconsin Retirement System pension asset/liability and related deferred outflows and inflows of resources are recorded only on the statement of net position. Balances at year-end are:

Net Pension Asset (Liability)	(154,448)	
Deferred Outflows of Resources	1,373,469	
Deferred Inflows of Resources	<u>(828,189)</u>	390,832

Net State Life Insurance OPEB Liability and related deferred outflows and inflows of resources are recorded only on the statement of net position. Balances at year-end are:

Net OPEB Liability	(300,196)	
Deferred Outflows of Resources	112,952	
Deferred Inflows of Resources	<u>(165,022)</u>	(352,266)

Total OPEB Liability and related deferred outflows and inflows of resources are recorded only on the statement of net position. Balances at year-end are:

Total OPEB Liability	(76,827)	
Deferred Outflows of Resources	50,032	
Deferred Inflows of Resources	<u>(15,061)</u>	(41,856)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities consist of:

Bonds Payable	3,015,000	
Notes Payable	251,264	
Lease Liability	50,746	
Debt Premium	63,861	
Accrued Interest Payable on Notes and Bonds	18,386	
Employee Leave Liabilities	<u>276,432</u>	<u>(3,675,689)</u>

**Net Position of Governmental Activities** \$ 24,216,383

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2024**

	General Fund	CDBG Deferred Loan Program Fund	Mining/MILIF Economic Development Fund	Capital Projects Fund	Debt Service Fund	TID #14 Fund	TID #12 Fund	Other Governmental Funds	Totals
<b>REVENUES</b>									
Taxes	\$ 1,626,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 737,387	\$ 2,363,680
Special Assessments	29,388	-	-	-	-	-	-	-	29,388
Intergovernmental	1,972,618	-	-	1,534,964	-	3,200,000	-	657,263	7,364,845
Licenses and Permits	24,639	-	-	-	-	-	-	-	24,639
Fines and Forfeits	17,485	-	-	-	-	-	-	-	17,485
Public Charges for Services	515,617	-	-	-	-	-	-	-	515,617
Intergovernmental Charges for Services	537,741	-	-	116,000	-	-	-	-	653,741
Miscellaneous:									
Interest	129,550	1,618	-	24,272	-	-	10,730	-	166,170
Rent	2,313	-	36,931	-	-	-	217,768	-	257,012
Donations	24,532	-	-	-	-	44,122	-	-	68,654
Other	83,670	27,365	38,524	-	-	-	20,763	-	170,322
Total Revenues	4,963,846	28,983	75,455	1,675,236	-	3,244,122	1,643,911	-	11,631,563
<b>EXPENDITURES</b>									
General Government	446,077	-	-	-	-	-	852,101	-	1,298,178
Public Safety	1,414,925	-	-	-	-	-	-	-	1,414,925
Transportation Facilities	925,961	-	-	2,284,484	-	-	-	-	3,210,445
Sanitation	389,525	-	-	-	-	-	-	-	389,525
Health and Human Services	218,435	-	-	-	-	-	-	-	218,435
Leisure Activities	285,568	-	-	-	-	-	-	-	285,568
Education	543,165	-	-	-	-	-	-	-	543,165
Urban Redevelopment and Housing	-	18,492	-	-	-	-	-	-	18,492
Conservation and Development	119,766	-	1,491,540	-	-	-	1,641,865	-	6,412,076
Debt Service:									
Principal Retirement	33,242	-	-	1,782,390	366,303	-	-	-	2,181,935
Interest and Fiscal Charges	885	-	-	40,841	126,915	-	-	-	168,641
Total Expenditures	4,377,549	18,492	1,491,540	4,107,715	493,218	-	3,158,905	2,493,966	16,141,385
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	586,297	10,491	(1,416,085)	(2,432,479)	(493,218)	-	85,217	(850,055)	(4,509,832)
<b>OTHER FINANCING SOURCES (USES)</b>									
Long-Term Debt Issued	-	-	-	1,782,390	-	-	-	-	1,782,390
Lease Issuance	50,746	-	-	-	-	-	-	-	50,746
Transfers In	236,867	-	-	414,927	493,218	-	656,203	-	1,801,215
Transfers Out	(792,271)	-	-	(130,659)	-	-	(641,418)	-	(1,564,348)
Total Other Financing Sources (Uses)	(504,658)	-	-	2,066,658	493,218	-	14,785	-	2,070,003
<b>NET CHANGE IN FUND BALANCES</b>	81,639	10,491	(1,416,085)	(365,821)	-	-	85,217	(835,270)	(2,439,829)
Fund Balances - Beginning of Year, As Originally Stated	2,724,284	77,736	1,084,377	365,821	-	(283,659)	1,057,436	-	5,025,995
Change Within Financial Reporting Entity - Nonmajor to Major Fund	-	-	-	-	-	283,659	(685,663)	402,004	-
Fund Balances - Beginning of Year, as Restated	2,724,284	77,736	1,084,377	365,821	-	(685,663)	1,459,440	-	5,025,995
<b>FUND BALANCES, DECEMBER 31</b>	\$ 2,805,923	\$ 88,227	\$ (331,708)	\$ -	\$ -	\$ (600,446)	\$ 624,170	\$ -	\$ 2,586,166

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
RECONCILIATION OF 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** \$ (2,439,829)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 6,411,376	
Depreciation/Amortization Expense Reported in the Statement of Activities	<u>(1,064,733)</u>	5,346,643

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of capital assets disposed of during the year. (38,221)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset/liability and related deferred outflows and inflows of resources. 42,011

OPEB expenditures in the governmental funds are measured by current year employee contributions. OPEB expenses on the statement of activities are measured by the change in OPEB liability and related deferred outflows and inflows of resources.

Total OPEB Liability and Related Items - Single Employer Plan	2,285	
Net OPEB Liability and Related Items - Multiple Employer Plan	<u>(16,591)</u>	(14,306)

Some assets not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. In the current year the change in these amounts consist of:

Housing Rehabilitation Loans	(12,311)	
Long-Term Receivable from Other Government	(116,000)	
Special Assessments Receivable	(6,606)	
Assessments and Special Charges on Tax Roll	<u>5,075</u>	(129,842)

Long-term debt and related obligations incurred in governmental funds are reported as other financing sources, but are reported as an increase in outstanding long-term obligations in the statement of net position and do not affect the statement of activities. Also governmental funds report the effect of discounts, premiums and similar items when issued, whereas these amounts are deferred and amortized in the statement of activities. In the current year these amounts consist of:

Leases	50,746	
Notes Payable	<u>1,782,390</u>	(1,833,136)

Repayment of long-term debt and other long-term obligations are reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these repayments were:

Bond Principal Retired	305,000	
Note Principal Retired	1,843,693	
Financed Purchase Agreement Principal Retired	20,185	
Lease Principal Retired	<u>13,057</u>	2,181,935

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Accrued Interest Payable	3,804	
Net Change in Employee Leave Liabilities	(37,177)	
Amortization of Debt Related Costs	<u>9,204</u>	(24,169)

**Change in Net Position of Governmental Activities** \$ 3,091,086

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 62,469	\$ -	\$ 62,469
Customer Accounts Receivable	255,964	137,231	393,195
Accounts Receivable on Tax Roll	18,313	7,365	25,678
Special Assessments Receivable	282,477	224,026	506,503
Other Accounts Receivable	-	3,829	3,829
Due from Other Funds	50,579	-	50,579
Inventories	36,141	5,083	41,224
Prepayments	2,175	2,175	4,350
Total Current Assets	<u>708,118</u>	<u>379,709</u>	<u>1,087,827</u>
Restricted Assets:			
Cash and Investments for Debt Retirement	-	138,935	138,935
Cash and Investments for Plant Replacement	-	846,314	846,314
Total Restricted Assets	<u>-</u>	<u>985,249</u>	<u>985,249</u>
Capital Assets:			
Utility Plant in Service	17,544,773	15,254,554	32,799,327
Less: Accumulated Depreciation	<u>5,760,171</u>	<u>5,113,953</u>	<u>10,874,124</u>
Net Utility Plant in Service	11,784,602	10,140,601	21,925,203
Land and Land Rights	117,546	50,238	167,784
Construction Work in Progress	<u>36,569</u>	<u>-</u>	<u>36,569</u>
Total Capital Assets	<u>11,938,717</u>	<u>10,190,839</u>	<u>22,129,556</u>
Total Assets	12,646,835	11,555,797	24,202,632
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Plan Related	199,184	140,311	339,495
State Life Insurance Other Postemployment Benefits Related	18,863	2,789	21,652
Single Employer OPEB Plan Related	<u>5,176</u>	<u>1,725</u>	<u>6,901</u>
Total Deferred Outflows of Resources	<u>223,223</u>	<u>144,825</u>	<u>368,048</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS (CONTINUED)  
DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>LIABILITIES</b>			
Current Liabilities Payable from			
Current Assets:			
Accounts Payable	\$ 6,597	\$ 33,508	\$ 40,105
Accrued Wages	16,141	7,640	23,781
Accrued Interest	11,730	9,040	20,770
Due to Other Funds	-	1,350,684	1,350,684
Current Portion of Long-Term Debt	442,417	212,825	655,242
Current Portion of Employee Vested Benefits	9,131	5,874	15,005
Total Current Liabilities Payable from			
Current Assets	486,016	1,619,571	2,105,587
Current Liabilities Payable from			
Restricted Assets:			
Accrued Interest	-	13,742	13,742
Current Portion of Long-Term Debt	-	57,343	57,343
Total Current Liabilities Payable from			
Restricted Assets	-	71,085	71,085
Long-Term Obligations (Net of Current Portion):			
Revenue Bonds and Anticipation Notes	5,197,930	5,201,661	10,399,591
Total Other Postemployment Benefits Liability	7,948	2,649	10,597
Employee Vested Benefits	59,625	38,175	97,800
Wisconsin Retirement System Net Pension Liability	22,399	15,778	38,177
State Life Insurance Net Other Postemployment			
Benefits Liability	50,135	7,411	57,546
Total Long-Term Debt	5,338,037	5,265,674	10,603,711
Total Liabilities	5,824,053	6,956,330	12,780,383
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Plan Related	120,107	84,606	204,713
State Life Insurance Net Other Postemployment			
Single Employer OPEB Plan Related	1,558	519	2,077
Benefits Related	27,560	4,074	31,634
Total Deferred Inflows of Resources	149,225	89,199	238,424
<b>NET POSITION</b>			
Net Investment in Capital Assets	6,298,370	4,719,010	11,017,380
Restricted for Plant Replacement	-	846,314	846,314
Restricted for Debt Retirement	-	67,850	67,850
Unrestricted	598,410	(978,081)	(379,671)
Total Net Position	\$ 6,896,780	\$ 4,655,093	\$ 11,551,873

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>OPERATING REVENUES</b>			
Sales of Water/Sewerage Revenues:			
Residential	\$ 514,338	\$ 500,212	\$ 1,014,550
Commercial	200,602	139,041	339,643
Industrial	112,525	33,931	146,456
Public Authorities	65,795	37,186	102,981
Public Fire Protection	450,296	-	450,296
Private Fire Protection	35,299	-	35,299
Outside Septage Acceptance	-	172,520	172,520
Total Sales of Water/Sewerage Revenues	<u>1,378,855</u>	<u>882,890</u>	<u>2,261,745</u>
Other Operating Revenues	55,232	2,560	57,792
Total Operating Revenues	<u>1,434,087</u>	<u>885,450</u>	<u>2,319,537</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	699,864	693,367	1,393,231
Depreciation	405,645	279,952	685,597
Total Operating Expenses	<u>1,105,509</u>	<u>973,319</u>	<u>2,078,828</u>
<b>OPERATING INCOME (LOSS)</b>	328,578	(87,869)	240,709
<b>NONOPERATING REVENUES (EXPENSES)</b>			
(Loss) on Sale of Capital Assets	3,456	(31,698)	(28,242)
Interest Income	22,203	54,192	76,395
Interest Expense	(60,847)	(135,816)	(196,663)
TID Utility Benefit Charge	60,254	65,243	125,497
Amortization of Debt Discount and Expense	(13,020)	(13,000)	(26,020)
Total Nonoperating Revenues (Expenses)	<u>12,046</u>	<u>(61,079)</u>	<u>(49,033)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	340,624	(148,948)	191,676
<b>TRANSFERS AND CONTRIBUTIONS</b>			
Plant Additions Financed by Grants	106,226	348,865	455,091
Plant Additions Financed by Customers	66,571	-	66,571
Transfer to General Fund	(236,867)	-	(236,867)
Total Transfers and Contributions	<u>(64,070)</u>	<u>348,865</u>	<u>284,795</u>
<b>CHANGE IN NET POSITION</b>	276,554	199,917	476,471
Net Position, January 1	<u>6,620,226</u>	<u>4,455,176</u>	<u>11,075,402</u>
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 6,896,780</u>	<u>\$ 4,655,093</u>	<u>\$ 11,551,873</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 1,272,399	\$ 882,801	\$ 2,155,200
Cash Paid to Suppliers for Goods and Services	(378,454)	(471,325)	(849,779)
Cash Paid for Employee Services	(222,471)	(150,761)	(373,232)
Cash Received (Paid) for Sewer Share of Meter Expense	41,422	(41,422)	-
Net Cash Provided by Operating Activities	712,896	219,293	932,189
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Flow Financing Received from (Repaid to) General Fund	(221,556)	288,472	66,916
Cash Paid to General Fund for Tax Equivalents	(236,867)	-	(236,867)
Net Cash Provided (Used) by Noncapital Financing Activities	(458,423)	288,472	(169,951)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash Received from Special Assessments	64,972	20,955	85,927
Cash Received from Capital Grants	183,867	409,179	593,046
Cash Paid for Acquisition of Capital Assets	(1,677,166)	(1,022,774)	(2,699,940)
Cash Received (Paid) for Salvage of Asset Retirement	3,456	1,026	4,482
Cash Received from TIDs for Utility Benefit Charge	60,254	65,243	125,497
Cash Received as Proceeds of Long-Term Debt	1,222,430	446,437	1,668,867
Cash Paid for Debt Issuance Costs	(13,020)	(13,000)	(26,020)
Cash Paid for Principal on Long-Term Debt	(382,309)	(246,047)	(628,356)
Cash Paid for Interest on Long-Term Debt	(59,927)	(136,754)	(196,681)
Net Cash Used by Capital and Related Financing Activities	(597,443)	(475,735)	(1,073,178)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Invested Funds	22,203	54,192	76,395
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	(320,767)	86,222	(234,545)
Cash and Cash Equivalents, January 1	344,486	860,277	1,204,763
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>\$ 23,719</b>	<b>\$ 946,499</b>	<b>\$ 970,218</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 328,578	\$ (87,869)	\$ 240,709
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	405,645	279,952	685,597
Changes in Pension Plan Activity:			
Asset/Liability	(56,791)	(44,932)	(101,723)
Deferred Outflows of Resources	96,753	86,563	183,316
Deferred Inflows of Resources	(46,078)	(42,797)	(88,875)
Changes in OPEB Plan Activity:			
Liability	15,166	1,985	17,151
Deferred Outflows of Resources	(4,623)	(738)	(5,361)
Deferred Inflows of Resources	(1,523)	(703)	(2,226)
(Increase) Decrease in Assets:			
Accounts Receivable	(20,615)	(8,784)	(29,399)
Other Accounts Receivable	(8,790)	6,135	(2,655)
Inventories	(5,337)	(220)	(5,557)
Prepayments	(150)	(150)	(300)
Increase (Decrease) in Liabilities:			
Accounts Payable	(1,559)	13,612	12,053
Accrued Wages	2,962	1,848	4,810
Employee Vested Benefits	9,258	15,391	24,649
Net Cash Provided by Operating Activities	\$ 712,896	\$ 219,293	\$ 932,189
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>			
Cash and Investments per Statement of Net Position:			
Cash and Investments	\$ 62,469	\$ -	\$ 62,469
Cash and Investments - Restricted	-	985,249	985,249
Total	62,469	985,249	1,047,718
Less: Certificates of Deposit with a Maturity of Greater than Three Months	38,750	38,750	77,500
Total Cash and Cash Equivalents	\$ 23,719	\$ 946,499	\$ 970,218

See accompanying Notes to Basic Financial Statements.

**CITY OF LADYSMITH, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2024**

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 555,386
Taxes Receivable	2,148,745
Total Assets	<u>2,704,131</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Succeeding Year's Property Tax	<u>2,704,131</u>
 <b>NET POSITION</b>	
Restricted for Other Governments	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

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

	Custodial Fund
<b>ADDITIONS</b>	
Tax Collections for Other Governments	\$ 2,479,789
<b>DEDUCTIONS</b>	
Payments of Taxes to Other Governments	2,479,789
<b>CHANGE IN NET POSITION</b>	-
Net Position, January 1	-
<b>NET POSITION, DECEMBER 31</b>	\$ -

*See accompanying Notes to Basic Financial Statements.*

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Ladysmith (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the City are described below:

**A. Reporting Entity**

The City of Ladysmith is a Wisconsin municipal corporation incorporated in 1905. The City is governed by a mayor/council form of government. The council consists of seven members elected from seven wards within the City and the mayor.

The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the City consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the City.

**B. Government-Wide and Fund Financial Statements**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements as described below:

Government-Wide Statements

The two government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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 to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Fund Financial Statements

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

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

The City reports the following major governmental funds:

**General Fund** – The General Fund is the operating fund of the City. It is used to account for all financial resources of the City, except those required to be accounted for in another fund.

**CDBG Deferred Loan Program Fund** – The CDBG Deferred Loan Program Fund, a special revenue fund, is used to account for CDBG housing rehabilitation funding and the related housing rehabilitation revolving loan funds. The major revenue sources for this fund are restricted grants and loan repayments.

**Mining/MILIF Economic Development Fund** – The Mining/MILIF Economic Development Fund, a special revenue fund, is used to account for resources generated by facilities that have been constructed by this fund in prior years. The major revenue source for this fund is committed rental income.

**Capital Projects Fund** – The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed from proprietary funds.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds.

**TID #12 Fund** – The TID #12 Fund, a capital projects fund, accounts for financial resources to be used for projects within the scope of the District's plan.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports the following major enterprise funds:

**Water Utility** – This fund accounts for the operations of the water system. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Fund Financial Statements (Continued)

**Sewer Utility** – This fund accounts for the operations of the wastewater collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

**Custodial Fund** – This fund is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The custodial fund is primarily used to account for the collection of property taxes for other governmental entities.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements, the proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions 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.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues reported in the governmental funds to be available if they are collected within 60 days after the end of the current fiscal period. State and federal aids under cost reimbursement programs are generally recognized when earned if expected to be collected in the subsequent year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt including lease liabilities, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

Property taxes, miscellaneous taxes, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity**

**1. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities issued or guaranteed by the federal government.
3. 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, or by the University of Wisconsin Hospitals and Clinics Authority.
4. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
5. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
6. Bonds or securities issued under the authority of the municipality.
7. The local government investment pool.
8. Repurchase agreements with public depositories, with certain conditions.

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

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**1. Deposits and Investments (Continued)**

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

Investments of the City are stated at amortized cost.

**2. Receivables and Payables**

Property Taxes

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. Taxes levied for other governmental units are recorded in the City's custodial fund with amounts due other governmental units. Since City property taxes are not considered revenue until January 1 of the year following the levy, they are therefore recorded as deferred inflows of resources in the funds budgeted.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Rusk County Treasurer for collection in February. Rusk County subsequently settles in full with the City in August of the same year, except for uncollected delinquent special assessments and special charges. Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is nonspendable for delinquent taxes owed to the City.

Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Unavailable special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls (installments placed on the 2024 tax roll are recognized as revenue in 2025). Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable

All accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**2. Receivables and Payables (Continued)**

Loans Receivable

The City has received federal and state grant funds for economic development and 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 amounts recorded as economic development and housing rehabilitation loans receivable have not been reduced by an allowance for uncollectible accounts. It is the City's policy to record deferred inflows of resources for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Lease Receivable

The City is a lessor for noncancellable leases of building space and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in the general fund to indicate that they are not available for appropriation and are not expendable available financial resources.

**3. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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.

**4. 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.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**5. Capital Assets**

Government-Wide Statements

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction in progress is not depreciated.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	\$ 1,000	N/A	N/A
Land Improvements	1,000	Straight-Line	20 Years
Buildings	1,000	Straight-Line	18 to 50 Years
Right-to-Use Asset - Buildings	1,000	Straight-Line	2 Years
Furniture and Equipment	1,000	Straight-Line	5 to 20 Years
Vehicles	1,000	Straight-Line	8 Years
Infrastructure	1,000	Straight-Line	50 Years
Utility Systems	1,000	Straight-Line	4 to 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 in the same manner as in the government-wide statements.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**6. Deferred Outflows of Resources**

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The City reports deferred outflows of resources for pension and OPEB related items.

**7. Deferred Inflows of Resources**

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected later than 60 days after the end of the City's year) under the modified accrual basis of accounting. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. In addition to these, the City reports deferred inflows of resources for pension and OPEB related items.

**8. Compensated Absences**

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

**9. Wisconsin Retirement System Pension Plan Benefits**

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

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

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**9. Wisconsin Retirement System Pension Plan Benefits (continued)**

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.

**10. Other Postemployment Benefits (OPEB) – Multiple-Employer Plan**

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

- Net OPEB Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs
- OPEB Expense

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

**11. Other Postemployment Benefits (OPEB) – Single Employer Plan**

Under various employee and union contracts the City allows retired employees to enroll in the City's health insurance plan. The retired employees pay 100% of the premiums. The liability is actuarially determined.

**12. Long-Term Obligations/Conduit Debt**

In the government-wide financial statements and proprietary fund financial statements, long-term debt, lease payable and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**12. Long-Term Obligations/Conduit Debt (continued)**

The City has approved the issuance of industrial revenue bonds (IRB's) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at December 31, 2024, approved by the City was approximately \$2,460,000, consisting of one issue.

**13. Defining Operating Revenues and Expenses**

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water utility and sewer utility are charges to customers for sales and services. 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.

**14. Use of Restricted Resources**

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

**15. Equity Classifications**

Fund equity, representing the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources, is classified as follows in the City's financial statements:

Government-Wide and Proprietary Fund Statements

Fund equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)**

**15. Equity Classifications (Continued)**

Fund Financial Statements

In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Council. Unassigned fund balance is the residual classification for the City's general fund and includes deficit fund balance amounts within other governmental funds. The City has established a policy that the general fund minimum unassigned fund balance should be between 25 and 30% of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year-end. Based on resolution of the City Council, the City Comptroller has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the City's practice to use committed, assigned, and finally unassigned fund balance.

**E. Adoption of New Accounting Standards**

GASB Statement No. 101, *Compensated Absences*

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This standard requires that liabilities from compensated absences be recognized for leave that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

The City adopted the requirements of the guidance effective January 1, 2024 and has applied the provisions of this standard to the beginning of the period of adoption. The adoption of this standard had no impact on the City's financial statements.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Accounting Changes**

The Tax Incremental District #12 fund previously did not meet the criteria to be reported as a major governmental fund. However, effective January 1, 2024, the fund now meets the criteria to be reported as a major fund and is reported as such for the fiscal year ended December 31, 2024. The Tax Incremental District #14 had previously met the criteria to be reported as a major governmental fund; however, as of January 1, 2024, the fund no longer meets the criteria to be reported as a major fund. The effect of these changes to or within the financial reporting entity is shown in column C of the table below:

	December 31, 2023, As Previously Reported	Change to or Within the Financial Reporting Entity (C)	December 31, 2023, As Adjusted
Governmental Funds:			
Major Funds			
General Fund	\$ 2,724,284	\$ -	\$ 2,724,284
CDBG Deferred Loan Program	77,736	-	77,736
Mining Economic Development	1,084,377	-	1,084,377
Capital Projects Fund	365,821	-	365,821
Debt Service	-	-	-
Tax Incremental District #12	-	(685,663)	(685,663)
Tax Incremental District #14	(283,659)	283,659	-
Nonmajor Funds	1,057,436	402,004	1,459,440
Total Governmental Funds	<u>\$ 5,025,995</u>	<u>\$ -</u>	<u>\$ 5,025,995</u>

**NOTE 2 STEWARDSHIP AND ACCOUNTABILITY**

The Tax Incremental Districts #10, #12, #14, and #16 had deficit balances at December 31, 2024 in the amount of \$37,489, \$600,446, \$499,860, and \$464,590, respectively. These deficits will be eliminated with future tax increment collections within each district. The Miner Ave Project fund had a deficit balance of \$269,322 at December 31, 2024; this deficit will be eliminated with future rent collections. The Mining Economic Development fund had a deficit balance at December 31, 2024 in the amount of \$331,708. This deficit will be eliminated in the subsequent year with proceeds from the sale of a building.

The General Fund expenditures exceeded the final budget for the following line items. These overages were determined necessary and were authorized by management.

	Budget	Expenditures	Excess
General Government	\$ 443,391	\$ 446,077	\$ (2,686)
Public Safety	1,410,787	1,414,925	(4,138)
Health and Human Services	201,933	218,435	(16,502)
Education	503,145	543,165	(40,020)
Debt Service	20,768	34,127	(13,359)

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The City’s cash and investments balances at December 31, 2024 are shown in the financial statements as follows:

Governmental Funds	\$ 1,324,441
Proprietary Funds	1,047,718
Fiduciary Funds	555,386
Total	\$ 2,927,545

The cash and investments balances consisted of the following:

Deposits in Financial Institutions	\$ 907,617
Deposits in Local Government Investment Pool	2,019,478
Petty Cash	450
Total	\$ 2,927,545

**Deposits at Financial Institutions**

The City’s balances at individual financial institutions were subject to coverage under federal depository insurance, a bank deposit guaranty bond and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to an additional \$250,000 for demand accounts. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage has also been provided to the City by a financial institution in the form of a bank deposit guarantee bond. Coverage under the State Guarantee Fund may not exceed \$1,000,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Deposits at Financial Institutions (Continued)**

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. At December 31, 2024, the City's deposits were not exposed to significant custodial credit risk.

**Deposits in State Local Government Pooled-Investment Fund**

The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in the State Investment Fund (SIF), which 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. Local funds are pooled with state funds and invested by a local government unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2024 was 13 days.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1. The City's investment in the LGIP is not rated.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates the risk to the City.

The investments in the above external investment pool are valued at amortized cost.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Receivables/Deferred Revenues**

**Other Receivables**

Housing Rehabilitation Loans Receivable

The City has participated in the Small Cities Community Development Block Grant (CDBG) program, part of which was used to finance housing rehabilitation as specified within the contracts signed with the Wisconsin Department of Development.

At December 31, 2024, the City had 82 deferred mortgage loans outstanding at December 31, 2024 totaling \$949,076. These notes become due and payable in the event that the maker-

- a. no longer continues to occupy the premises securing this note as a full time residence, or
- b. transfers any legal or equitable interest in the mortgaged premises to anyone for any reason.

These loans are recorded as long-term receivables and deferred inflows of resources in the special revenue fund. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt.

Proceeds from the collection of the above loans are restricted for financing similar rehabilitation projects.

Lease Receivable

The City, acting as lessor, leases various buildings and land under long-term noncancelable lease agreements. During the year ended December 31, 2024, the City recognized \$245,237 and \$49,196 in lease revenue and interest revenue, respectively, pursuant to the contracts.

Total future lease payments to be received under the lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 172,333	\$ 23,008	\$ 195,341
2026	60,413	18,532	78,945
2027	64,372	14,773	79,145
2028	68,536	10,759	79,295
2029	30,607	7,861	38,468
2030-2034	142,005	13,781	155,786
Total	<u>\$ 538,266</u>	<u>\$ 88,714</u>	<u>\$ 626,980</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets and Leased Assets**

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

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated/Amortized:				
Land	\$ 580,538	\$ -	\$ -	\$ 580,538
Construction Work in Progress	1,386,612	5,401,961	5,813,054	975,519
Total Capital Assets Not Being Depreciated/Amortized	1,967,150	5,401,961	5,813,054	1,556,057
Capital Assets Being Depreciated/Amortized:				
Land Improvements	1,917,438	1,105,440	5,743	3,017,135
Buildings	14,509,771	2,083,591	79,550	16,513,812
Furniture and Equipment	2,512,004	765,924	41,141	3,236,787
Vehicles	2,196,699	11,314	37,217	2,170,796
Infrastructure	17,118,554	2,805,454	-	19,924,008
Right-to-use Asset - Buildings	38,379	50,746	38,379	50,746
Total Capital Assets Being Depreciated/Amortized	38,292,845	6,822,469	202,030	44,913,284
Total Capital Assets	40,259,995	12,224,430	6,015,084	46,469,341
Less Accumulated Depreciation/Amortization:				
Land Improvements	1,304,004	92,567	1,579	1,394,992
Buildings	5,901,381	321,006	45,493	6,176,894
Furniture and Equipment	1,682,553	127,507	41,141	1,768,919
Vehicles	1,942,025	74,646	37,217	1,979,454
Infrastructure	10,667,793	436,214	-	11,104,007
Right-to-Use Asset - Buildings	25,586	12,793	38,379	-
Total Accumulated Depreciation/Amortization	21,523,342	1,064,733	163,809	22,424,266
Net Capital Assets - Governmental Activities	<u>\$ 18,736,653</u>	<u>\$ 11,159,697</u>	<u>\$ 5,851,275</u>	<u>\$ 24,045,075</u>

Depreciation/Amortization expense was charged to governmental functions as follows:

General Government	\$ 48,963
Public Safety	111,057
Transportation Facilities	567,081
Sanitation	3,116
Health and Human Services	7,035
Leisure Activities	101,553
Education	35,975
Conservation and Development	189,953
Total	<u>\$ 1,064,733</u>

**CITY OF LADYSMITH, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets and Leased Assets (Continued)**  
**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 117,546	\$ -	\$ -	\$ 117,546
Construction Work in Progress	363,115	1,587,618	1,914,165	36,568
Total Capital Assets Not Being Depreciated	480,661	1,587,618	1,914,165	154,114
Capital Assets Being Depreciated:				
Source of Supply	972,883	-	-	972,883
Pumping Plant	548,698	-	-	548,698
Water Treatment	3,370,263	-	-	3,370,263
Transmission and Distribution	10,114,928	1,859,640	23,963	11,950,605
Administration and General Assets	728,125	21,333	47,133	702,325
Total Capital Assets Being Depreciated	15,734,897	1,880,973	71,096	17,544,774
Total Capital Assets	16,215,558	3,468,591	1,985,261	17,698,888
Less: Accumulated Depreciation	5,424,343	405,645	69,817	5,760,171
Net Capital Assets - Water Utility	10,791,215	3,062,946	1,915,444	11,938,717
Sewer Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	50,238	-	-	50,238
Construction Work in Progress	287,143	760,589	1,047,732	-
Total Capital Assets Not Being Depreciated	337,381	760,589	1,047,732	50,238
Capital Assets Being Depreciated:				
Collection System	5,760,533	1,161,956	92,370	6,830,119
Collection System Pumping Installation	3,185,088	44,694	36,439	3,193,343
Treatment and Disposal Plant	4,373,799	-	-	4,373,799
Administration and General Assets	844,323	36,489	23,519	857,293
Total Capital Assets Being Depreciated	14,163,743	1,243,139	152,328	15,254,554
Total Capital Assets	14,501,124	2,003,728	1,200,060	15,304,792
Less: Accumulated Depreciation	4,953,604	279,952	119,603	5,113,953
Net Capital Assets - Sewer Utility	9,547,520	1,723,776	1,080,457	10,190,839
Net Capital Assets - Business-Type Activities	\$ 20,338,735	\$ 4,786,722	\$ 2,995,901	\$ 22,129,556

Depreciation expense was charged to business-type activities as follows:

Water	\$ 405,645
Sewer	279,952
Total	<u>\$ 685,597</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2024 was as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Sewer Utility Enterprise Fund	\$ 1,350,684	Cash Deficit
General Fund	Tax Incremental District #8 Fund	10,379	Cash Deficit
General Fund	Tax Incremental District #12 Fund	596,776	Cash Deficit
General Fund	115/121 Miner Ave Project	200,923	Cash Deficit
General Fund	Mining Economic Development Fund	244,441	Cash Deficit
General Fund	Capital Projects Fund	630,851	Cash Deficit
Tax Incremental District #11 Fund	Tax Incremental District #14 Fund	448,070	Cash Deficit
Tax Incremental District #11 Fund	Tax Incremental District #16 Fund	464,413	Cash Deficit
Water Utility Enterprise Fund	Tax Incremental District #14 Fund	50,579	Share of Project Costs
Total		<u>\$ 3,997,116</u>	

**Advances from/to Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Mining/MILIF Economic Development Fund	Nonmajor Fund - Tax Incremental District #10	<u>\$ 37,489</u>	Fund Deficit

The long-term interfund advance from the Mining/MILIF Economic Development fund to the TID #10 fund is to finance fund deficit in the respective payable fund. It is anticipated that the advance to the TID fund will be reduced as tax incremental revenues become available.

Interfund balances that are owed within the governmental activities and business-type activities are eliminated in the statement of net position.

**Transfers**

The following is a schedule of interfund transfers made during 2024:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Water Utility Enterprise Fund	\$ 236,867	Tax Equivalent
Debt Service Fund	General Fund	377,344	Debt Service
Debt Service Fund	Nonmajor Fund - Meadowbrook Center	52,698	Debt Service
Debt Service Fund	Nonmajor Fund - Tax Incremental District #9	16,350	Debt Service
Debt Service Fund	Nonmajor Fund - Tax Incremental District #10	22,550	Debt Service
Debt Service Fund	Nonmajor Fund - Tax Incremental District #8	24,276	Debt Service
Capital Projects Fund	General Fund	414,927	Capital Project Cost Allocation
Nonmajor Fund - Tax Incremental District #8	Capital Projects Fund	130,659	Capital Project Cost Allocation
Nonmajor Fund - Tax Incremental District #16	Nonmajor Fund - Tax Incremental District #11	464,590	Donor TID Transfer
Nonmajor Fund - Tax Incremental District #15	Nonmajor Fund - Tax Incremental District #13	60,954	Donor TID Transfer
Total		<u>\$ 1,801,215</u>	

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations**

**Changes in Long-Term Obligations**

Changes in long-term obligations of the City for the year ended December 31, 2024 were as follows:

	Balances January 1, 2024	Additions	Reductions	Balances December 31, 2024	Amounts Due Within One Year
<b>Long-Term Debt:</b>					
<b>Governmental Activities:</b>					
General Obligation Notes and Bonds	\$ 3,320,000	\$ -	\$ 305,000	\$ 3,015,000	\$ 260,000
General Obligation Notes - Direct Borrowings	312,567	1,782,390	1,843,693	251,264	64,411
Plus Unamortized Premium	73,065	-	9,204	63,861	4,666
Subtotal	<u>3,705,632</u>	<u>1,782,390</u>	<u>2,157,897</u>	<u>3,330,125</u>	<u>329,077</u>
<b>Business-Type Activities:</b>					
Mortgage Revenue Bonds	2,804,041	-	55,647	2,748,394	57,343
Mortgage Revenue Bonds - Direct Borrowings	6,665,285	1,668,867	497,708	7,836,444	572,688
General Obligation Notes and Bonds	590,000	-	75,000	515,000	80,000
Plus Unamortized Premium	14,892	-	2,554	12,338	2,554
Subtotal	<u>10,074,218</u>	<u>1,668,867</u>	<u>630,909</u>	<u>11,112,176</u>	<u>712,585</u>
Total Long-Term Debt	<u>\$ 13,779,850</u>	<u>\$ 3,451,257</u>	<u>\$ 2,788,806</u>	<u>\$ 14,442,301</u>	<u>\$ 1,041,662</u>
<b>Other Long-Term Obligations:</b>					
<b>Governmental Activities:</b>					
Compensated Absences *	\$ 239,255	\$ 37,177	\$ -	\$ 276,432	\$ 47,714
Financed Purchase Agreement Payable	20,185	-	20,185	-	-
Lease Liability	13,057	50,746	13,057	50,746	24,023
Subtotal	<u>272,497</u>	<u>87,923</u>	<u>33,242</u>	<u>327,178</u>	<u>71,737</u>
<b>Business-Type Activities:</b>					
Compensated Absences *	<u>88,156</u>	<u>24,649</u>	<u>-</u>	<u>112,805</u>	<u>15,005</u>
Total Other Long-Term Obligations	<u>\$ 360,653</u>	<u>\$ 112,572</u>	<u>\$ 33,242</u>	<u>\$ 439,983</u>	<u>\$ 86,742</u>

\* The change is presented as a net change.

The City's estimated liability for accrued employee benefits is discussed in Note 4 B.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Security and Default**

The outstanding long-term obligations of the City contain the following provisions:

**General Obligation Notes and Bonds**

These are general obligations of the City in which all the taxable property in the City is subject to the levy of a tax to pay the principal and interest on the notes as they become due. The levy, under current tax law, may be levied without limitation to rate or amount. Principal and interest paid for the current year from the governmental activities was \$414,644 and the tax levy was \$375,744. Principal and interest paid for the current year from the business-type activities was \$91,713.

**State Trust Fund Loans**

The City's outstanding notes from direct borrowings related to governmental activities of \$251,264 are subject to a statutory provision that an event of late or nonpayment, a 1% per month penalty will be charged and the payment will be collected through a reduction in payments from the state of Wisconsin. The notes are payable only from and secured by a pledge of the City. Principal and interest paid for the current year and debt service total transfer in amounts were \$76,974.

**Water Revenue Bonds**

The bonds are payable from a pledge of revenues of the water utility system. Principal and interest paid for the current year and total customer net revenues were \$386,675 and \$734,223.

**Safe Drinking Water Loan Program (Direct Borrowings)**

The water utility's outstanding notes related to business type activities of \$5,306,998 contain the following provisions in the event of default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

**Sewer Revenue Bonds**

The bonds are payable from a pledge of revenues of the sewer utility system. Principal and interest paid for the current year and total customer net revenues were \$346,651 and \$192,083.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Security and Default (Continued)**

**Clean Water Fund Program (Direct Borrowings)**

The sewer utility's outstanding notes related to business type activities of \$2,529,447 contain the following provisions in the event of default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

**Current Year Borrowing (Direct Borrowing)**

On June 14, 2024, the City issued a \$2,902,500 General Obligation Promissory Note for the purpose of financing capital projects. The note accrues interest at 5.85% and matures December 31, 2025. The City borrowed \$1,782,390 on this note during 2024 and repaid that same amount during the year, resulting in a zero outstanding balance at December 31, 2024.

In 2023, the Water Utility issued Water System Revenue Bonds through the Safe Drinking Water Loan Program (SDWL) with a maximum loan amount of \$195,956. The bonds were issued to finance utility replacement of water mains and services along multiple downtown streets. During 2023, the Utility received \$84,136 in draws on the loan, and in 2024, the City received an additional \$81,320 in draws on the loan. The debt accrues interest at 1.287% and matures May 2043.

In 2023, the Sewer Utility issued Sewer System Revenue Bonds through the Clean Water Fund Loan Program (CWF) with a maximum loan amount of \$107,275. The bonds were issued to finance utility replacement of sanitary sewer lines along multiple downtown streets. During 2023, the Utility received \$54,226 in draws on the loan, and in 2024, the City received an additional \$40,209 in draws on the loan. The debt accrues interest at 1.287% and matures May 2043.

The Water Utility issued Water System Revenue Bonds through the Safe Drinking Water Loan Program (SDWL) with a maximum loan amount of \$1,267,362. The bonds were issued to finance utility replacement of water mains and services along multiple downtown streets. During 2024, the Utility received \$1,141,110 in draws on the loan. The debt accrues interest at 1.419% and matures May 2044.

The Sewer Utility issued Sewer System Revenue Bonds through the Clean Water Fund Loan Program (CWF) with a maximum loan amount of \$547,600. The bonds were issued to finance utility replacement of sanitary sewer lines along multiple downtown streets. During 2024, the Utility received \$406,228 in draws on the loan. The debt accrues interest at 1.419% and matures May 2044.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt**

Annual Requirements for Retirement

Individual general obligation long-term debt issued outstanding at December 31, 2024 and annual requirements for their retirement were as follows:

<u>Description</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Governmental Activities:				
State Trust Fund Loan, \$303,000, dated 3/29/05, due 3/15/25, interest at 5.00% (direct borrowing)	2025	\$ 23,120	\$ 1,156	\$ 24,276
General Obligation Promissory Notes \$945,000, dated 6/24/19, due 12/1/2027, interest at 3.00%	2025	130,000	11,700	141,700
	2026	100,000	7,800	107,800
	2027	160,000	3,750	163,750
		<u>390,000</u>	<u>23,250</u>	<u>413,250</u>
State trust fund loan, \$594,000 dated 3/15/12, due 3/15/29, interest at 5.00% (direct borrowing)	2025	41,291	11,407	52,698
	2026	43,356	9,343	52,699
	2027	45,523	7,175	52,698
	2028	47,786	4,912	52,698
	2029	50,188	2,509	52,697
		<u>228,144</u>	<u>35,346</u>	<u>263,490</u>
General Obligation Refunding Bonds, \$1,745,000, dated 12/31/19, due 12/1/39, interest at 2.50%-4.00%	2025	90,000	44,414	134,414
	2026	90,000	40,814	130,814
	2027	90,000	37,213	127,213
	2028	95,000	33,613	128,613
	2029	105,000	29,813	134,813
	2030-2034	555,000	115,088	670,088
	2035-2039	620,000	46,975	666,975
		<u>1,645,000</u>	<u>347,930</u>	<u>1,992,930</u>
General Obligation Improvement Bonds \$1,045,000, dated 12/1/22, due 6/1/42, interest at 4.125%-5.00%	2025	40,000	44,331	84,331
	2026	40,000	42,331	82,331
	2027	40,000	40,331	80,331
	2028	40,000	38,332	78,332
	2029	45,000	36,332	81,332
	2030-2034	245,000	147,591	392,591
	2035-2039	305,000	89,458	394,458
	2040-2042	225,000	18,376	243,376
		<u>980,000</u>	<u>457,082</u>	<u>1,437,082</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

**Annual Requirements for Retirement (Continued)**

<u>Description</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>Business-Type Activities:</b>				
General Obligation Promissory Notes	2025	\$ 60,000	\$ 3,750	\$ 63,750
\$405,000, dated 6/24/19, due 12/1/2027, interest at 3.00%	2026	65,000	1,950	66,950
		<u>125,000</u>	<u>5,700</u>	<u>130,700</u>
General Obligation Corporate Purpose	2025	20,000	10,512	30,512
Bonds \$475,000, dated 12/31/19, due 12/1/39, interest at 2.50%-4.00%	2026	20,000	9,712	29,712
	2027	20,000	8,912	28,912
	2028	25,000	8,113	33,113
	2029	25,000	7,112	32,112
	2030-2034	130,000	27,660	157,660
	2035-2039	150,000	11,214	161,214
		<u>390,000</u>	<u>83,235</u>	<u>473,235</u>
Total General Obligation Debt		<u>\$ 3,781,264</u>	<u>\$ 953,698</u>	<u>\$ 4,734,962</u>

Annual requirements for retirement of general obligation debt outstanding at December 31, 2024 are summarized as follows:

Year	General Obligation Bonds and Notes		Notes from Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2025	\$ 340,000	\$ 114,707	\$ 64,411	\$ 12,563	\$ 531,681
2026	315,000	102,607	43,356	9,343	470,306
2027	310,000	90,206	45,523	7,175	452,904
2028	160,000	80,058	47,786	4,912	292,756
2029	175,000	73,257	50,188	2,509	300,954
2030-2034	930,000	290,339	-	-	1,220,339
2035-2039	1,075,000	147,647	-	-	1,222,647
2040-2042	225,000	18,376	-	-	243,376
Total	<u>\$ 3,530,000</u>	<u>\$ 917,196</u>	<u>\$ 251,264</u>	<u>\$ 36,502</u>	<u>\$ 4,734,962</u>

The annual requirements for retirement of general obligation debt outstanding will be funded as follows:

Year	Funding Sources						Total
	City	TID #8	TID #9	TID #10	Water Utility	Sewer Utility	
2025	\$ 377,843	\$ 24,276	\$ 15,900	\$ 21,950	\$ 55,562	\$ 36,150	\$ 531,681
2026	339,244	-	15,450	21,350	59,062	35,200	470,306
2027	330,492	-	-	25,750	57,412	39,250	452,904
2028	263,844	-	-	-	20,762	8,150	292,756
2029	267,842	-	-	-	20,162	12,950	300,954
2030-2034	1,064,993	-	-	-	94,682	60,664	1,220,339
2035-2039	1,057,757	-	-	-	109,926	54,964	1,222,647
2040-2042	212,626	-	-	-	20,500	10,250	243,376
Total	<u>\$ 3,914,640</u>	<u>\$ 24,276</u>	<u>\$ 31,350</u>	<u>\$ 69,050</u>	<u>\$ 438,068</u>	<u>\$ 257,578</u>	<u>\$ 4,734,962</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

General Obligation Debt Limitation

Section 67.03(1) of the Wisconsin Statutes provides that the amount of indebtedness of a municipality shall not exceed 5% of the equalized valuation of the taxable property in the municipality. At December 31, 2024, the City's debt limit amounted to \$11,487,000 and indebtedness subject to the limitation totaled \$3,781,264.

**Sewer System and Water System Revenue Bonds**

Outstanding mortgage revenue bonds and notes totaled \$10,584,838 at December 31, 2024. The City's full faith and credit do not back these which are backed only by the assets and revenues of the water and sewer utility enterprise funds. Annual requirements for principal and interest as of December 31, 2024 were as summarized on the following pages:

Description	Year	Principal	Interest	Total
Water System Revenue Bonds \$3,985,974, dated 6/26/13, due 5/1/33 interest at 1.155% (direct borrowing)	2025	\$ 214,896	\$ 22,157	\$ 237,053
	2026	217,378	19,661	237,039
	2027	219,888	17,136	237,024
	2028	222,428	14,582	237,010
	2029	224,997	11,998	236,995
	2030-2033	926,277	21,549	947,826
			2,025,864	107,083
Sewer System Revenue Bonds, Series 2014B \$2,377,674, dated 11/26/14, due 5/1/34 interest at 2.625% (direct borrowing)	2025	124,812	35,279	160,091
	2026	128,089	31,959	160,048
	2027	131,451	28,553	160,004
	2028	134,901	25,057	159,958
	2029	138,443	21,469	159,912
	2030-2034	748,670	50,150	798,820
		1,406,366	192,467	1,598,833
Water System Revenue Bonds \$507,691 (available), dated 12/27/17 due 5/1/37, interest at 1.056% (direct borrowing)	2025	24,177	3,410	27,587
	2026	24,433	3,153	27,586
	2027	24,691	2,894	27,585
	2028	24,952	2,632	27,584
	2029	25,215	2,367	27,582
	2030-2034	130,125	7,761	137,886
	2035-2037	81,420	1,296	82,716
		335,013	23,513	358,526

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Sewer System and Water System Revenue Bonds (Continued)**

<u>Description</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Sewer System Revenue Refunding Bonds Series 2018, \$3,058,560, dated 6/1/18, due 5/1/2054, interest at 3.00%	2025	\$ 57,343	\$ 81,591	\$ 138,934
	2026	59,089	79,845	138,934
	2027	60,889	78,045	138,934
	2028	62,744	76,190	138,934
	2029	64,655	74,280	138,935
	2030-2034	354,038	340,637	694,675
	2035-2039	411,337	283,338	694,675
	2040-2044	477,912	216,763	694,675
	2045-2049	555,260	139,415	694,675
	2050-2054	645,127	49,548	694,675
			2,748,394	1,419,652
Water System Revenue Bonds \$1,226,354, dated 12/31/2019, due 5/1/39 interest at 1.188% (direct borrowing)	2025	58,670	11,022	69,692
	2026	59,367	10,321	69,688
	2027	60,072	9,611	69,683
	2028	60,786	8,893	69,679
	2029	61,508	8,167	69,675
	2030-2034	318,677	29,635	348,312
	2035-2039	338,062	10,134	348,196
		957,142	87,783	1,044,925
Sewer System Revenue Bonds \$418,143, dated 12/31/2019, due 5/1/39 interest at 1.188% (direct borrowing)	2025	20,034	3,763	23,797
	2026	20,272	3,524	23,796
	2027	20,513	3,282	23,795
	2028	20,756	3,037	23,793
	2029	21,003	2,789	23,792
	2030-2034	108,817	10,120	118,937
	2035-2039	115,436	3,460	118,896
		326,831	29,975	356,806
Water System Revenue Bonds \$372,623, dated 6/23/21, due 5/1/41 interest at 0.891% (direct borrowing)	2025	17,799	2,817	20,616
	2026	17,957	2,658	20,615
	2027	18,117	2,497	20,614
	2028	18,279	2,335	20,614
	2029	18,442	2,172	20,614
	2030-2034	94,703	8,354	103,057
	2035-2039	98,997	4,041	103,038
	2040-2041	40,845	364	41,209
		325,139	25,238	350,377
Water System Revenue Bonds \$399,301, dated 7/13/22, due 5/1/42 interest at 1.221% (direct borrowing)	2025	18,233	4,340	22,573
	2026	18,456	4,116	22,572
	2027	18,681	3,890	22,571
	2028	18,909	3,660	22,569
	2029	19,140	3,427	22,567
	2030-2034	99,263	13,552	112,815
	2035-2039	105,474	7,307	112,781
2040-2042	66,426	1,224	67,650	
		364,582	41,516	406,098

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Sewer System and Water System Revenue Bonds (Continued)**

<u>Description</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Sewer System Revenue Bonds \$328,433, dated 7/13/22, due 5/1/42 interest at 1.221% (direct borrowing)	2025	\$ 14,991	\$ 3,568	\$ 18,559
	2026	15,174	3,384	18,558
	2027	15,359	3,198	18,557
	2028	15,547	3,009	18,556
	2029	15,737	2,818	18,555
	2030-2034	81,613	11,144	92,757
	2035-2039	86,718	6,008	92,726
	2040-2042	54,614	1,005	55,619
		<u>299,753</u>	<u>34,134</u>	<u>333,887</u>
Sewer System Revenue Bonds \$107,275, dated 8/9/23, due 5/1/43 interest at 1.287% (direct borrowing)	2025	4,224	1,135	5,359
	2026	4,278	1,080	5,358
	2027	4,333	1,024	5,357
	2028	4,389	968	5,357
	2029	4,446	911	5,357
	2030-2034	23,102	3,676	26,778
	2035-2039	24,627	2,145	26,772
	2040-2043	20,867	540	21,407
		<u>90,266</u>	<u>11,479</u>	<u>101,745</u>
Water System Revenue Bonds \$195,956, dated 9/13/23, due 5/1/43 interest at 1.287% (direct borrowing)	2025	7,401	1,988	9,389
	2026	7,496	1,892	9,388
	2027	7,592	1,795	9,387
	2028	7,690	1,696	9,386
	2029	7,789	1,596	9,385
	2030-2034	40,475	6,446	46,921
	2035-2039	43,147	3,754	46,901
	2040-2043	36,560	949	37,509
		<u>158,150</u>	<u>20,116</u>	<u>178,266</u>
Water System Revenue Bonds \$1,141,110, dated 9/25/24, due 5/1/44 interest at 1.419% (direct borrowing)	2025	49,743	16,821	66,564
	2026	50,449	15,128	65,577
	2027	51,165	14,407	65,572
	2028	51,891	13,676	65,567
	2029	52,627	12,935	65,562
	2030-2034	274,550	53,176	327,726
	2035-2039	294,591	32,994	327,585
	2040-2044	316,094	11,341	327,435
		<u>1,141,110</u>	<u>170,478</u>	<u>1,311,588</u>
Water System Revenue Bonds \$406,228, dated 9/25/24, due 5/1/44 interest at 1.419% (direct borrowing)	2025	17,708	5,767	23,475
	2026	17,959	5,386	23,345
	2027	18,214	5,129	23,343
	2028	18,473	4,869	23,342
	2029	18,735	4,605	23,340
	2030-2034	97,738	18,930	116,668
	2035-2039	104,873	11,744	116,617
	2040-2044	112,528	4,036	116,564
		<u>406,228</u>	<u>60,466</u>	<u>466,694</u>
Total Revenue Bonds		<u>\$ 10,584,838</u>	<u>\$ 2,223,900</u>	<u>\$ 12,808,738</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Sewer System and Water System Revenue Bonds (Continued)**

The bonds are subject to redemption and prepayment at the option of the City, in whole or in part, and if in part, at the option of the City and in such manner as the City shall determine and by lot as to bonds maturing in the same year at a price of par plus accrued interest.

According to the resolution authorizing the issuance of the sewer system revenue bonds, the sewer utility is to set aside gross revenues in separate and special funds as follows:

- (1) Revenue Fund
- (2) Operation and Maintenance Fund
- (3) Special Redemption Fund:
  - a) Principal and Interest Debt Service Account
  - b) Reserve Account
- (4) Depreciation Fund

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolutions. The City has established all of the above required funds, except for the Revenue Fund. Revenues of the utility are deposited into and transfers to other funds are made out of the Operation and Maintenance Fund. The City has established the Special Redemption Fund as required by the ordinance. The balance in the sewer utility debt reserve at December 31, 2024 was \$138,935.

**Lease Liability**

The City has one agreement with Rusk County for the use of office space for the public safety department. The principal and interest costs for the year ended December 31, 2024 were \$13,057 and \$303 respectively.

The future required lease payments under the agreement are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 24,023	\$ 1,427	\$ 25,450
2026	26,723	-	26,723
Total	<u>\$ 50,746</u>	<u>\$ 1,427</u>	<u>\$ 52,173</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Governmental Fund Balances**

The governmental fund balances reported on the fund financial statements at December 31, 2024 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund:	\$ 2,805,923	\$ -	\$ -	\$ -	\$ -	\$ -
Delinquent Taxes	-	10,594	-	-	-	-
Prepayments	-	2,775	-	-	-	-
Fire Department - Special 2% Fund	-	-	1,888	-	-	-
Fire Department - Special 2% Fund	-	-	15,992	-	-	-
Subsequent Years Budget	-	-	-	-	305,305	-
Joint Management	-	-	-	-	25,000	-
Vacation Reserve	-	-	-	-	1,682	-
Quiet Zone Study	-	-	-	-	3,226	-
Police Department:						
Uniform Fund	-	-	-	-	3,353	-
Employee Benefits	-	-	-	-	7,731	-
Police Department Meth Program	-	-	-	-	389	-
Police Department Bike Rodeo	-	-	-	-	439	-
Special Investigations	-	-	-	-	219	-
Safe Assured Donation	-	-	-	-	2,000	-
Police Department Donations	-	-	-	-	7,697	-
Library Donations	-	-	-	-	31,335	-
Skate Park	-	-	-	-	7,299	-
Tourism and Recreation-Room Tax	-	-	-	-	4,479	-
Winter Magic	-	-	-	-	3,609	-
Carryover Funds:						
Veterans' Mural	-	-	-	-	322	-
Recycling Program	-	-	-	-	10,967	-
Street Improvements	-	-	-	-	575,268	-
Street Equipment	-	-	-	-	120,787	-
Cracksealing	-	-	-	-	211,517	-
Parks Lawn Mower	-	-	-	-	13,223	-
Cemetery Equipment	-	-	-	-	20,262	-
Cemetery - From Sale	-	-	-	-	65,996	-
Unassigned	-	-	-	-	-	1,352,569
CDBG Deferred Loan Program Fund	88,227	-	88,227	-	-	-
Mining/MILIF Economic						
Development Fund	(331,708)	-	-	-	-	(331,708)
Capital Projects Fund	-	-	-	-	-	-
TID #12 Fund	(600,446)	-	-	-	-	(600,446)
Nonmajor Funds:						
Special Revenue Funds:						
Meadowbrook Center Income Fund	129,996	-	-	129,996	-	-
Fritz Avenue Revenue Fund	450,827	-	-	450,827	-	-
Rail Site Facility Revenue Fund	173,526	-	-	173,526	-	-
115/121 Miner Ave Project	(269,322)	-	-	-	-	(269,322)
Capital Projects Funds:						
Tax Incremental District #8 Fund	9,443	-	9,443	-	-	-
Tax Incremental District #9 Fund	116,931	-	116,931	-	-	-
Tax Incremental District #10 Fund	(37,489)	-	-	-	-	(37,489)
Tax Incremental District #11 Fund	974,760	-	974,760	-	-	-
Tax Incremental District #14 Fund	(499,860)	-	-	-	-	(499,860)
Tax Incremental District #13 Fund	39,948	-	39,948	-	-	-
Tax Incremental District #16 Fund	(464,590)	-	-	-	-	(464,590)
Total Governmental Fund Balances at December 31, 2024	<u>\$ 2,586,166</u>	<u>\$ 13,369</u>	<u>\$ 1,247,189</u>	<u>\$ 754,349</u>	<u>\$ 1,422,105</u>	<u>\$ (850,846)</u>

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Tax Incremental Districts**

The City has created several tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

At the creation of the districts, the statutes provided that no project costs could be expended later than seven years after the creation date of the district. The statutes further allowed the municipality to collect tax increments for 16 years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first. The state enacted several changes relating to tax incremental district for 2004 (with amending legislation in 2005). One of these changes extends the expenditure period for all current and future districts to five years prior to the termination of the district's unextended maximum life. For those districts that had reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expend additional project costs included in the project plan (subject to certain conditions). The project plans, on file in the administration office of the City, detail the proposed projects, the estimated year of construction or site acquisition and the estimated costs of the individual projects. Project costs uncollected at the dissolution date are absorbed by the municipality.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Tax Incremental Districts (Continued)**

The following is a summary of project costs and revenues of the districts still in existence during 2024 from their inception through December 31, 2024:

	TID #8	TID #9	TID #10	TID #11	TID #12	TID #13	TID #14	TID #15	TID #16
Accumulated Project Costs	\$ 3,109,024	\$ 5,288,316	\$ 1,689,350	\$ 1,095,169	\$ 3,844,568	\$ 112,440	\$ 1,727,849	\$ 60,954	\$ 941,329
Accumulated Project Revenues and Residual Equity Transfers:									
Tax Increments	2,002,813	4,292,236	621,667	2,055,635	-	152,388	114,828	-	12,149
Other Taxes	-	33,648	47,671	-	-	-	-	-	-
State Transportation Grants	240,000	858,948	907,623	-	-	-	-	-	-
State Personal Property Aid	3,069	17,084	640	2,553	-	-	-	-	-
State Aid for Exempt Computers	63,333	98,401	5,273	11,741	-	-	-	-	-
Other State Aid	80,900	-	-	-	3,200,000	-	1,113,161	-	-
Interest Income	6,627	-	-	-	-	-	-	-	-
Donation	76,365	27,960	-	-	44,122	-	-	-	-
Sale of Property	239,399	46,970	-	-	-	-	-	-	-
Other Miscellaneous	-	-	1,487	-	-	-	-	-	-
Transfers from Other Funds	382,842	-	2,500	-	-	-	-	60,954	464,590
Total	<u>3,095,348</u>	<u>5,375,247</u>	<u>1,586,861</u>	<u>2,069,929</u>	<u>3,244,122</u>	<u>152,388</u>	<u>1,227,989</u>	<u>60,954</u>	<u>476,739</u>
Future Project Revenues Necessary to Recover Net Project Costs to Date	\$ 13,676	\$ (86,931)	\$ 102,489	\$ (974,760)	\$ 600,446	\$ (39,948)	\$ 499,860	\$ -	\$ 464,590

The above summary of transactions is reconcilable to the fund balances in the TID capital projects funds at December 31, 2024 as follows:

	TID #8	TID #9	TID #10	TID #11	TID #12	TID #13	TID #14	TID #15	TID #16
Long-Term Debt Payable from TID Funds:									
State Trust Fund Loan Dated 3/29/05	\$ 23,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Obligation Promissory Notes, Series 2019A	-	30,000	65,000	-	-	-	-	-	-
Less: Unrecovered Costs Above Fund Balance (Deficit) December 31, 2024	<u>13,676</u>	<u>(86,931)</u>	<u>102,489</u>	<u>(974,760)</u>	<u>600,446</u>	<u>(39,948)</u>	<u>499,860</u>	<u>-</u>	<u>464,590</u>
	\$ 9,443	\$ 116,931	\$ (37,489)	\$ 974,760	\$ (600,446)	\$ 39,948	\$ (499,860)	\$ -	\$ (464,590)

The fund deficits are being financed either by the Mining/MILIF Economic Development fund, the general fund, or TID #11.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION**

**A. Wisconsin Retirement System Pension Plan Benefits**

**General Information About the Pension Plan**

Plan Description

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

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

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 plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)  
General Information About the Pension Plan (Continued)**

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including Teachers, 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 January 1, 2024 through December 31, 2024, the WRS recognized \$180,639 in contributions from the employer.

Contribution rates for 2024 are:

	<u>Employee</u>	<u>Employer</u>
General	6.90 %	6.90 %
Protective with Social Security	6.90	14.32
Protective without Social Security	6.90	19.12

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

**General Information About the Pension Plan (Continued)**

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 Ending December 31</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	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

**Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2024, the City reported a liability of \$192,625 for its proportionate share of the total 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 0.01295565%, which was an increase of 0.00000237% from its proportion measured as of December 31, 2022.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

For the year ended December 31, 2024, the City recognized pension expense of \$131,534. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 776,663	\$ (1,028,695)
Changes of Assumptions	83,959	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	671,272	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	431	(4,207)
City Contributions Subsequent to the Measurement Date	180,639	-
Total	<u>\$ 1,712,964</u>	<u>\$ (1,032,902)</u>

\$180,639 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2025	\$ 101,868
2026	106,748
2027	420,287
2028	(129,480)

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 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
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Inflation:	3.0%
Salary Increases:	0.1% to 5.6% including inflation
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

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

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

Long-Term Expected Return on Plan Assets

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

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

Long-Term Expected Return on Plan Assets (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized below:

Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	40%	4.5%	N/A	N/A
U.S. Equities	N/A	N/A	70%	4.0%
International Equities	N/A	N/A	30%	4.8%
Public Fixed Income	27%	3.0%	N/A	N/A
Inflation Sensitive Assets	19%	1.7%	N/A	N/A
Real Estate	8%	3.0%	N/A	N/A
Private Equity/Debt	18%	6.7%	N/A	N/A
Leverage	-12%	1.0%	N/A	N/A
Totals	100%		100%	

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

Asset Allocations are management within established ranges; target percentages may differ from actual monthly allocations.

Single Discount Rate

A single discount rate of 6.80% was used to measure the Total Pension Liability, for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% 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 6.80% 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 expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

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:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,861,817	\$ 192,625	\$ (975,378)

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>.

**B. Compensated Absences**

Vacation is expected to be used annually, but will be paid out in the event of retirement or termination. Employees in the Police Union earn sick leave at the rate of one day (10 hours) per month with a maximum accumulation of 1,000 hours. General employees earn sick leave at the rate of one day per month with a maximum accumulation of 960 hours. Additionally, all employees are awarded one bonus day if they work a calendar year without a sick day taken. Upon retirement (under WRS eligibility), employees receive payout of sick leave at 100% of the accumulated hours plus any bonus days awarded. The City allows employee's compensatory time off in lieu of pay at the rate of one and one-half hours for each hour of overtime worked. Such time is expected to be used in the year it is earned. The maximum accumulation of compensatory hours is 40. Upon normal retirement any remaining, unused compensatory time may be paid out at the employee's regular rate of pay and at the discretion of the governing body.

Liabilities for accumulated vacation and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide financial statements when earned. The estimated liability for unused vacation, sick leave, and compensatory time payable from the governmental funds at December 31, 2024 was \$276,432. The estimated liability in the proprietary funds at that date was \$112,805.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Other Postemployment Benefit Plan**

The City engages an actuary to determine the City's liability for postemployment health care benefits other than pensions in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

**General Information about the OPEB Plan**

Single-Employer Plan Description

The City offers a single employer supplemental program for certain employees which includes certain health insurance benefits. The City provides these benefits according to negotiated agreements. The amounts vary based on age, years of service, and classification of employees.

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefit Payments	1
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
Active Plan Members	34
Total	35

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Total OPEB Liability**

The City's total OPEB liability of \$87,424 was measured as of December 31, 2023.

Actuarial Assumptions

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

Inflation:	2.50%
Salary Increases:	3.00%
Discount Rate:	4.00%
Health Care Cost Trend Rates:	7.0% decreasing by 0.10% per year down to 4.50%, and level thereafter
Mortality Rates:	2020 WRS Experience Tables

The discount rate was based on the Bond Buyer GO 20-year AA Bond Index published by the Federal Reserve.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Other Postemployment Benefit Plan (Continued)**

**Change in the Total OPEB Liability**

	Total OPEB Liability
Balance at December 31, 2023	\$ 69,442
Changes for the year:	
Service Cost	5,749
Interest	3,001
Differences Between Expected and Actual Experience	10,824
Changes of Assumptions or Other Input	1,837
Benefit Payments	(3,429)
Net Changes	17,982
Balance at December 31, 2024	\$ 87,424

There were no changes in benefit terms during the reporting period. The discount rate for the reporting period was 4.0% compared to the prior year discount rate of 4.25%.

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

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

		1% Decrease 3.00%	Current Discount Rate 4.00%	1% Increase 5.00%
Total OPEB Liability	12/31/24	\$ 92,079	\$ 87,424	\$ 83,029

**Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates**

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

		1% Decrease (6.0% decreasing to 3.50%)	Health Care Cost Trend Rates (7.0% decreasing to 4.50%)	1% Increase (8.0% decreasing to 5.50%)
Total OPEB Liability	12/31/24	\$ 80,914	\$ 87,424	\$ 94,922

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Other Postemployment Benefit Plan (Continued)**

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

For the year ended December 31, 2024, the City recognized OPEB expense of \$13,566. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions or Other Input	\$ 20,605	\$ 12,088
Net Difference Between Projected and Actual Experience	20,162	5,050
City Contributions Subsequent to the Measurement Date	16,166	-
Total	<u>\$ 56,933</u>	<u>\$ 17,138</u>

\$16,166 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the total OPEB liability in the fiscal year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>OPEB Expense</u>
2025	\$ 4,816
2026	4,816
2027	4,817
2028	4,975
2029	4,974
Thereafter	(769)

The plan does not issue separate financial statements.

**D. Other Postemployment Benefits – Multiple Employer Plan**  
**Plan Description**

The LRLIF is a multiple-employer, defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

**Benefits Provided**

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

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Other Postemployment Benefits – Multiple Employer Plan (Continued)**

**Contributions**

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

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

Contribution rates as of December 31, 2024 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2024 are:

Attained Age	Basic
Under 30	\$ 0.05
30-34	0.06
35-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$1,572 in contributions from the City.

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

At December 31, 2024, the City reported a liability of \$357,742 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023 and rolled forward to December 31, 2023.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Other Postemployment Benefits – Multiple Employer Plan (Continued)**

**OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (Continued)**

No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the City's proportion was 0.077759%, which was an increase of 0.001501% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized OPEB expense of \$28,026. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (31,662)
Changes of Assumptions	111,906	(140,872)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	4,833	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions City Contributions Subsequent to the Measurement Date	16,293	(24,122)
	1,572	-
Total	<u>\$ 134,604</u>	<u>\$ (196,656)</u>

\$1,572 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the fiscal year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	OPEB Expense Amount
2025	\$ (3,158)
2026	247
2027	(15,341)
2028	(25,538)
2029	(24,892)
Thereafter	5,058

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Other Postemployment Benefits – Multiple Employer Plan (Continued)**  
**OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEBs (Continued)**

Actuarial Assumptions

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

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. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from the prior year, including the price inflation, mortality, and separation rates. The total OPEB liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Other Postemployment Benefits – Multiple Employer Plan (Continued)**

**OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (Continued)**

Single Discount Rate

A single discount rate of 3.32% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. The plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

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

The following presents the City’s proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32%, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	1% Decrease (2.32%)	Current Discount Rate (3.32%)	1% Increase (4.32%)
City’s Proportionate Share of the Net OPEB Liability (Asset)	\$ 480,677	\$ 357,742	\$ 263,904

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB 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>.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**E. Industrial Development Facility Projects**

Jointly Owned

As a part of financing costs for industrial development capital improvements, the City and Rusk County (County) have combined their resources in several joint facility projects. The projects are accounted for by the City in special revenue funds. A description of these related activities are as follows:

- 101 Doughty Rd. W. contains about 31,000 sq. ft. and is leased to ADF, an acrylic products manufacturer.
- 501 Doughty Rd. W. contains 20,000 sq. ft. and is leased to OPE. This property is being considered for an infill project to create additional leasable space.
- 1402 Jez Road (Jez Rd. Building) contains 20,000 sq. ft. It was vacant during 2024. It is being considered for an infill project to create additional leasable space.
- 1101 Barnett Rd. (Enterprise Center) contains about 28,000 sq. ft. and portions of this space is leased to Rusk County Transit Commission, Barefoot Painter, Liberty Commercial Roofing, and Best Enterprises.
- 515 Fritz Ave. W. (Fritz Avenue Plant) contains 40,457 sq. ft. and portions of it is leased to Dahlstrom Trucking, Hooper Corporation and Rockwell Automation.
- 600 Gates Avenue W. (Gates Avenue Plant) contains 64,302 sq. ft. portions of which are leased to A&M Fiberglass, Biorigin, and to James West. Another portion of this facility is occupied by the Rusk County Sheriff's Department, without benefit of a lease, which space is also not generating revenue.

Rusk County collects rents for these facilities and pays the operating costs, including servicing debt incurred solely by the County to construct and enhance some of them. Such operating costs includes provision of maintenance directly by County staff or arranged through contractors as needed.

At the end of each year Rusk County is to provide the City a reconciliation of revenues and expenditures for each property, with the presumption that excess revenues would be applied to reducing the aforementioned debt or be shared with the City. Alternately, if the year end result is a loss, the City could be asked to share coverage of the loss.

City Owned

Meadowbrook Center Income Fund

This is a City-only owned and operated facility located at 1506 E. 16<sup>th</sup> St. S. and contains about 117,000 sq. ft. In the past it has received financing assistance through the Ladysmith Community Industrial Development Corporation to finance capital improvements. This assistance was fully repaid several years ago. The fund had a balance of \$129,996 at December 31, 2024. Current tenants are Rockwell Automation and Westlake Enterprises.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**E. Industrial Development Facility Projects (Continued)**

City Owned (Continued)

Fritz Avenue Revenues Fund

This is a City-only owned and operated facility located at 501 Fritz Avenue W., which contains 20,000 sq. ft. and is separate and distinct from the Fritz Avenue Plant jointly owned with the County. The two facilities are located next to each other but with different ownership. Rockwell Automation, which also leases space in the City-County owned facility next door is the sole tenant in this facility at 501 Fritz. The City collects the rent at this facility and also takes care of its maintenance through contracted services. The City's fund balance for this facility at December 31, 2024 was \$450,827. This balance is available to the City for future economic development projects.

**F. Contingencies**

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

**G. Risk Management**

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

**H. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to this plan are entirely from employee voluntary contributions. The City makes no employer contributions to this plan.

**I. Contract Commitments**

The City has entered into multiple capital project contracts. Remaining commitments on these contracts at December 31, 2024, totaled \$1,007,573.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**J. Subsequent Events**

On April 25, 2025, the City issued a \$775,000 General Obligation Promissory Note for interim financing on the Infill Building Project. The note accrues interest at 4.75% and matures October 16, 2025.

On April 16, 2025, the City issued an \$800,000 General Obligation Promissory Note line of credit. The note accrues interest at 4.75% and matures April 16, 2026.

On June 18, 2025, the City issued \$2,025,000 General Obligation Promissory Notes for street and utility infrastructure improvements in Tax Incremental Districts. The notes accrue interest at 4.00% to 5.00% and mature June 1, 2045.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF LADYSMITH, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,638,878	\$ 1,638,878	\$ 1,626,293	\$ (12,585)
Special Assessments	64,888	64,888	29,388	(35,500)
Intergovernmental	1,929,148	1,929,148	1,972,618	43,470
Licenses and Permits	17,750	17,750	24,639	6,889
Fines and Forfeits	29,000	29,000	17,485	(11,515)
Public Charges for Services	493,200	493,200	515,617	22,417
Intergovernmental Charges for Services	508,154	508,154	537,741	29,587
Miscellaneous:				
Interest	88,656	88,656	129,550	40,894
Rent	13,250	13,250	2,313	(10,937)
Donations	5,400	5,400	24,532	19,132
Other	16,250	16,250	83,670	67,420
Total Revenues	<u>4,804,574</u>	<u>4,804,574</u>	<u>4,963,846</u>	<u>159,272</u>
<b>EXPENDITURES</b>				
General Government	443,391	443,391	446,077	(2,686)
Public Safety	1,410,787	1,410,787	1,414,925	(4,138)
Transportation Facilities	1,301,866	1,301,866	925,961	375,905
Sanitation	403,062	403,062	389,525	13,537
Health and Human Services	201,933	201,933	218,435	(16,502)
Leisure Activities	321,950	321,950	285,568	36,382
Education	503,145	503,145	543,165	(40,020)
Conservation and Development	123,350	123,350	119,766	3,584
Debt Service	20,768	20,768	34,127	(13,359)
Total Expenditures	<u>4,730,252</u>	<u>4,730,252</u>	<u>4,377,549</u>	<u>352,703</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	74,322	74,322	586,297	511,975
<b>OTHER FINANCING SOURCES (USES)</b>				
Lease Issuance	-	-	50,746	50,746
Transfer In	375,874	375,874	236,867	(139,007)
Transfer Out	(491,618)	(491,618)	(792,271)	(300,653)
Total Other Financing Sources (Uses)	<u>(115,744)</u>	<u>(115,744)</u>	<u>(504,658)</u>	<u>(388,914)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(41,422)	(41,422)	81,639	123,061
Fund Balance - January 1	<u>2,724,284</u>	<u>2,724,284</u>	<u>2,724,284</u>	<u>-</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 2,682,862</u>	<u>\$ 2,682,862</u>	<u>\$ 2,805,923</u>	<u>\$ 123,061</u>

See Notes to Required Supplementary Information.

**CITY OF LADYSMITH, WISCONSIN**  
**SCHEDULE OF CHANGE IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST TEN FISCAL YEARS**  
**(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability:							
Service Cost	\$ 4,094	\$ 4,094	\$ 3,855	\$ 6,836	\$ 7,463	\$ 7,304	\$ 5,749
Interest	1,331	1,380	1,734	2,563	1,930	1,679	3,001
Differences Between Expected and Actual Experience	-	-	20,642	-	(6,943)	-	10,824
Changes of Assumptions or Other Input	-	(1,430)	34,817	2,544	(5,427)	(9,368)	1,837
Benefit Payments	(8,071)	-	-	(25,362)	(13,960)	(2,277)	(3,429)
Net Change in Total OPEB Liability	(2,646)	4,044	61,048	(13,419)	(16,937)	(2,662)	17,982
Total OPEB Liability - Beginning	40,014	37,368	41,412	102,460	89,041	72,104	69,442
Total OPEB Liability - Ending	<u>\$ 37,368</u>	<u>\$ 41,412</u>	<u>\$ 102,460</u>	<u>\$ 89,041</u>	<u>\$ 72,104</u>	<u>\$ 69,442</u>	<u>\$ 87,424</u>
Covered Employee Payroll	\$ 1,458,818	\$ 1,458,818	\$ 1,711,601	\$ 1,711,601	\$ 1,785,846	\$ 1,785,846	\$ 2,046,281
Total OPEB Liability as a Percentage of Covered Employee Payroll	2.56%	2.84%	5.99%	5.20%	4.04%	3.89%	4.27%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**CITY OF LADYSMITH, WISCONSIN  
SCHEDULE OF PROPORTIONATE SHARE OF  
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN ASSET/LIABILITY  
LAST TEN MEASUREMENT DATES**

Plan Measurement Date	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2023	0.01295565 %	\$ 192,625	\$ 1,974,273	9.76 %	98.85 %
12/31/2022	0.01295328	686,226	1,908,254	35.96	95.72
12/31/2021	0.01279639	(1,031,412)	1,879,991	54.86	106.02
12/31/2020	0.01265611	(790,138)	1,796,126	43.99	105.26
12/31/2019	0.01280168	(412,784)	1,727,218	23.90	102.96
12/31/2018	0.01302243	463,297	1,674,063	27.68	96.45
12/31/2017	0.01312361	(389,656)	1,690,040	23.06	102.93
12/31/2016	0.01349814	111,256	1,689,492	6.59	99.12
12/31/2015	0.01395477	226,762	1,644,952	13.79	98.20
12/31/2014	0.00144519	(354,812)	1,786,575	19.86	102.74

**CITY OF LADYSMITH, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS TO WISCONSIN RETIREMENT SYSTEM  
PENSION PLAN  
LAST TEN FISCAL YEARS**

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2024	\$ 180,639	\$ (180,639)	\$ -	\$ 2,027,876	8.91 %
12/31/2023	169,962	(169,962)	-	1,974,274	8.61
12/31/2022	153,136	(153,136)	-	1,908,254	8.02
12/31/2021	151,903	(151,903)	-	1,879,991	8.08
12/31/2020	145,021	(145,021)	-	1,796,126	8.07
12/31/2019	131,658	(131,658)	-	1,727,218	7.62
12/31/2018	129,528	(129,528)	-	1,674,063	7.74
12/31/2017	134,255	(134,255)	-	1,690,040	7.94
12/31/2016	125,401	(125,401)	-	1,689,492	7.42
12/31/2015	124,863	(124,863)	-	1,644,952	7.59

**Changes of Benefit Terms**

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

**Changes of Assumptions**

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

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

**CITY OF LADYSMITH, WISCONSIN**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN**  
**LAST TEN MEASUREMENT DATES**  
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Plan Measurement Date	City's Proportion of the Net OPEB Liability (Asset)	City's Proportionate Share of the Net OPEB Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/2023	0.07775900 %	\$ 357,742	\$ 1,905,000	18.78 %	33.90 %
12/31/2022	0.07625800	290,530	1,846,000	15.74	38.81
12/31/2021	0.08271600	488,882	1,744,000	28.03	29.57
12/31/2020	0.08028700	441,636	1,764,000	25.04	31.36
12/31/2019	0.08228800	350,398	1,599,000	21.91	37.58
12/31/2018	0.07917200	204,290	1,577,000	12.95	48.69
12/31/2017	0.07737200	232,780	3,253,714	7.15	44.81

**CITY OF LADYSMITH, WISCONSIN**  
**SCHEDULE OF THE CITY'S CONTRIBUTIONS TO THE**  
**WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN**  
**LAST TEN FISCAL YEARS**  
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

City's Fiscal Year End Date	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2024	\$ 1,572	\$ (1,572)	\$ -	\$ 1,905,000	0.08 %
12/31/2023	1,600	(1,600)	-	1,846,000	0.09
12/31/2022	1,520	(1,520)	-	1,744,000	0.09
12/31/2021	1,654	(1,654)	-	1,764,000	0.09
12/31/2020	1,607	(1,607)	-	1,599,000	0.10
12/31/2019	1,525	(1,525)	-	1,577,000	0.10
12/31/2018	1,530	(1,530)	-	3,253,714	0.05

### Changes of Benefit Terms

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

### Changes of Assumptions

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

The assumption changes that were used to measure the December 31, 2022 total OPEB liabilities, including the following:

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

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

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

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2024**

**BUDGETARY INFORMATION**

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the City’s annual operating budget. The City did not formally adopt a budget for the CDBG fund or the Mining/MILIF Economic Development fund.

The City’s budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with accounting principles generally accepted in the United States of America. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City’s legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The City exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

The following general fund expenditure line items exceeded budgeted amounts. These overages were determined necessary and authorized by management.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Government	\$ 443,391	\$ 446,077	\$ (2,686)
Public Safety	1,410,787	1,414,925	(4,138)
Health and Human Services	201,933	218,435	(16,502)
Education	503,145	543,165	(40,020)
Debt Service	20,768	34,127	(13,359)

## **SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**SCHEDULE A-1**

**CITY OF LADYSMITH, WISCONSIN  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
YEAR ENDED DECEMBER 31, 2024**

	Special Revenue Funds						Capital Projects Funds		Total Nonmajor Governmental Funds
	Meadowbrook Center Income	Rail Site Facility Revenues	Fritz Avenue Revenues	ARPA Funding	115/121 Miner Ave Project	Total	Combined Total		
Cash and Investments	\$ 112,095	\$ 173,526	\$ 446,127	\$ -	\$ -	\$ 731,748	\$ 219,678	\$ 951,426	
Taxes Receivable	-	-	-	-	-	-	793,699	793,699	
Accounts Receivable	2,500	-	-	-	-	2,500	20,000	22,500	
Lease Receivable	253,142	-	134,770	-	83,417	471,329	-	471,329	
Due from Other Funds	-	-	-	-	-	-	912,483	912,483	
<b>Total Assets</b>	<b>\$ 367,737</b>	<b>\$ 173,526</b>	<b>\$ 580,897</b>	<b>\$ -</b>	<b>\$ 83,417</b>	<b>\$ 1,205,577</b>	<b>\$ 1,945,860</b>	<b>\$ 3,151,437</b>	

**ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

**LIABILITIES**

Accounts Payable	\$ 901	\$ -	\$ -	\$ -	\$ -	\$ 901	\$ 1,113	\$ 2,014
Accrued Payroll Liabilities	-	-	-	-	-	-	975	975
Due to Other Funds	-	-	-	-	200,923	200,923	973,441	1,174,364
Advances from Other Funds	-	-	-	-	-	-	37,489	37,489
<b>Total Liabilities</b>	<b>901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,923</b>	<b>201,824</b>	<b>1,013,018</b>	<b>1,214,842</b>

**DEFERRED INFLOWS OF RESOURCES**

Succeeding Year's Taxes Lease Related	-	-	-	-	-	-	793,699	793,699
Total Deferred Inflows of Resources	236,840	-	130,070	-	151,816	518,726	-	518,726
	236,840	-	130,070	-	151,816	518,726	793,699	1,312,425

**FUND BALANCES**

Restricted	-	-	-	-	-	-	1,141,082	1,141,082
Committed	129,996	173,526	450,827	-	-	754,349	-	754,349
Unassigned	-	-	-	-	(269,322)	(269,322)	(1,001,939)	(1,271,261)
<b>Total Fund Balances</b>	<b>129,996</b>	<b>173,526</b>	<b>450,827</b>	<b>-</b>	<b>(269,322)</b>	<b>485,027</b>	<b>139,143</b>	<b>624,170</b>

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

	\$ 367,737	\$ 173,526	\$ 580,897	\$ -	\$ 83,417	\$ 1,205,577	\$ 1,945,860	\$ 3,151,437
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SCHEDULE A-2

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

	Special Revenue Funds				Capital Projects Funds		Total Nonmajor Governmental Funds
	Meadowbrook Center Income	Rail Site Facility Revenues	Fritz Avenue Revenues	115/121 Miner Ave Project	ARP A Funding	Combined Total	
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 737,387	\$ 737,387
Intergovernmental	-	-	-	250,000	327,194	80,069	657,263
Miscellaneous:							
Lease Revenue	178,648	1	32,518	6,601	-	-	217,768
Lease Interest	9,515	-	1,215	-	-	-	10,730
Other	-	-	-	-	-	20,763	20,763
Total Revenues	188,163	1	33,733	256,601	327,194	838,219	1,643,911
<b>EXPENDITURES</b>							
General Government	-	-	-	524,907	327,194	-	852,101
Transportation Facilities	-	-	-	-	-	-	-
Community and Economic Development	62,349	852	22,489	-	-	1,556,175	1,641,865
Total Expenditures	62,349	852	22,489	524,907	327,194	1,556,175	2,493,966
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	125,814	(851)	11,244	(268,306)	-	(717,956)	(850,055)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	-	-	-	656,203	656,203
Transfers Out	(52,698)	-	-	-	-	(588,720)	(641,418)
Total Other Financing Sources (Uses)	(52,698)	-	-	-	-	67,483	14,785
<b>NET CHANGE IN FUND BALANCES</b>	73,116	(851)	11,244	(268,306)	-	(650,473)	(835,270)
Fund Balances - Beginning of Year, As Originally Stated	56,880	174,377	439,583	(1,016)	-	387,612	1,057,436
Change within Financial Reporting Entity Nonmajor to Major Fund	-	-	-	-	-	402,004	402,004
Fund Balances - Beginning of Year, As Restated	56,880	174,377	439,583	(1,016)	-	789,616	1,459,440
<b>FUND BALANCES (DEFICITS), DECEMBER 31</b>	\$ 129,996	\$ 173,526	\$ 450,827	\$ (269,322)	\$ -	\$ 139,143	\$ 624,170

SCHEDULE A-3

CITY OF LADYSMITH, WISCONSIN  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2024

	TID #8	TID #9	TID #10	TID #11	TID #13	TID #14	TID #15	TID #16	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>									
Cash and Investments	\$ -	\$ 116,931	\$ -	\$ 62,454	\$ 40,204	\$ -	\$ 89	\$ -	\$ 219,678
Taxes Receivable	118,739	185,629	35,575	202,861	182,885	54,552	-	13,458	793,699
Accounts Receivable	20,000	-	-	-	-	-	-	-	20,000
Due from Other Funds	-	-	-	912,483	-	-	-	-	912,483
Total Assets	\$ 138,739	\$ 302,560	\$ 35,575	\$ 1,177,798	\$ 223,089	\$ 54,552	\$ 89	\$ 13,458	\$ 1,945,860
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 79	\$ 1,034	\$ -	\$ -	\$ 1,113
Accrued Payroll Liabilities	178	-	-	177	177	177	89	177	975
Due to Other Funds	10,379	-	-	-	-	498,649	-	464,413	973,441
Advances from Other Funds	-	-	37,489	-	-	-	-	-	37,489
Total Liabilities	10,557	-	37,489	177	256	499,860	89	464,590	1,013,018
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Succeeding Year's Tax Increment	118,739	185,629	35,575	202,861	182,885	54,552	-	13,458	793,699
<b>FUND BALANCES</b>									
Restricted	9,443	116,931	-	974,760	39,948	-	-	-	1,141,082
Unassigned	-	-	(37,489)	-	-	(499,860)	-	(464,590)	(1,001,939)
Total Fund Balances	9,443	116,931	(37,489)	974,760	39,948	(499,860)	-	(464,590)	139,143
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 138,739	\$ 302,560	\$ 35,575	\$ 1,177,798	\$ 223,089	\$ 54,552	\$ 89	\$ 13,458	\$ 1,945,860

SCHEDULE A-4

CITY OF LADYSMITH, WISCONSIN  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 YEAR ENDED DECEMBER 31, 2024

	TID #8	TID #9	TID #10	TID #11	TID #12	TID #13	TID #14	TID #15	TID #16	Total Nonmajor Capital Projects Funds
<b>REVENUES</b>										
Taxes	\$ 119,311	\$ 181,340	\$ 37,472	\$ 185,468	\$ -	\$ 141,995	\$ 59,652	\$ -	\$ 12,149	\$ 737,387
Intergovernmental	70,469	8,219	177	1,204	-	-	-	-	-	80,069
Miscellaneous:										
Other	20,000	763	-	-	-	-	-	-	-	20,763
Total Revenues	209,780	190,322	37,649	186,672	-	141,995	59,652	-	12,149	838,219
<b>EXPENDITURES</b>										
Conservation and Development	231,105	105,832	4,070	17,861	-	13,283	275,853	2,590	905,581	1,556,175
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(21,325)	84,490	33,579	168,811	-	128,712	(216,201)	(2,590)	(893,432)	(717,956)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	130,659	-	-	-	-	-	-	60,954	464,590	656,203
Transfers Out	(24,276)	(16,350)	(22,550)	(464,590)	-	(60,954)	-	-	-	(588,720)
Total Other Financing Sources (Uses)	106,383	(16,350)	(22,550)	(464,590)	-	(60,954)	-	60,954	464,590	67,483
<b>NET CHANGE IN FUND BALANCES</b>	85,058	68,140	11,029	(295,779)	-	67,758	(216,201)	58,364	(428,842)	(650,473)
Fund Balances - Beginning of Year, As Originally Stated	(75,615)	48,791	(48,518)	1,270,539	(685,663)	(27,810)	-	(58,364)	(35,748)	387,612
Change within Financial Reporting Entity Nonmajor to Major Fund	-	-	-	-	685,663	-	(283,659)	-	-	402,004
Fund Balances - Beginning of Year, As Restated	(75,615)	48,791	(48,518)	1,270,539	-	(27,810)	(283,659)	(58,364)	(35,748)	789,616
<b>FUND BALANCES (DEFICITS), DECEMBER 31</b>	\$ 9,443	\$ 116,931	\$ (37,489)	\$ 974,760	\$ -	\$ 39,948	\$ (499,860)	\$ -	\$ (464,590)	\$ 139,143

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED BALANCE SHEET  
DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2023)**

	2024	2023
<b>ASSETS</b>		
Cash and Investments	\$ 284,788	\$ 616,026
Taxes Receivable:		
Current Tax Roll Items	1,220,704	1,242,927
Personal Property Taxes Receivable	1,296	21,452
Tax Roll Items Held by County:		
Special Assessments	5,361	4,362
Special Charges	275	1,573
Utility Charges	3,662	3,973
Special Assessments Receivable	237,597	244,203
Prepayments	2,775	3,984
Other Accounts Receivable	54,519	42,905
Lease Receivable	13,927	55,020
Due from Other Governments	30,121	17,610
Due from Other Funds:		
Special Revenue Funds	445,364	441
Capital Project Funds	1,238,006	1,451,976
Enterprise Funds	1,350,684	1,283,767
	<b>\$ 4,889,079</b>	<b>\$ 4,990,219</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Vouchers Payable	\$ 44,246	\$ 121,085
Accrued Payroll Liabilities	172,119	165,988
Due to Other Governmental Units	81,397	97,681
Special Deposits	50	50
Total Liabilities	297,812	384,804
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Succeeding Year's Property Tax	1,456,880	1,510,878
Unavailable Special Assessments	315,045	316,576
Lease Related	13,419	53,677
Total Deferred Inflows of Resources	1,785,344	1,881,131
<b>FUND BALANCE</b>		
Nonspendable:		
Prepayments	2,775	3,984
Delinquent Taxes	10,594	31,360
Restricted	17,880	11,489
Assigned	1,422,105	1,477,317
Unassigned	1,352,569	1,200,134
Total Fund Balance	2,805,923	2,724,284
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<b>\$ 4,889,079</b>	<b>\$ 4,990,219</b>

SCHEDULE B-2

CITY OF LADYSMITH, WISCONSIN  
 GENERAL FUND  
 SCHEDULE OF CHANGES IN FUND BALANCE  
 YEAR ENDED DECEMBER 31, 2024

	Balance January 1, 2024	General Property Taxes	Other Revenues/ Sources	Transfers		Transfers		Total Available	Expenditures	Balance December 31, 2024
				General Fund		Other Funds				
				In	Out	In	Out			
<b>NONSPENDABLE</b>										
Prepayments	3,984	\$ -	\$ -	\$ 1,209	\$ -	\$ -	\$ -	2,775	\$ -	2,775
Delinquent Taxes	31,360	-	-	20,766	-	-	-	10,594	-	10,594
Total Nonspendable Fund Balance	35,344	-	-	21,975	-	-	-	13,369	-	13,369
<b>RESTRICTED</b>										
Fire Department - Special 2% Fund	-	-	21,123	-	354	-	-	20,769	18,881	1,888
Fire Department - Donations	11,489	-	9,500	-	-	-	-	20,989	4,997	15,992
Total Restricted Fund Balance	11,489	-	30,623	-	354	-	-	41,758	23,878	17,880
<b>ASSIGNED</b>										
Library Fund Balance Applied to Subsequent Year's Budget	201,966	-	-	305,305	201,966	-	-	305,305	-	305,305
Library Maintenance - Controlled by Joint Management	25,000	-	-	-	-	-	-	25,000	-	25,000
Library Vacation Reserve	4,812	-	-	3,130	-	-	-	1,682	-	1,682
Quiet Zone Study	3,226	-	-	-	-	-	-	3,226	-	3,226
Police Department:										
Uniform Fund	6,312	3,800	-	-	3,521	-	-	6,591	3,238	3,353
Employee Benefits	7,731	-	-	-	-	-	-	7,731	-	7,731
Police Department Meth Program	389	-	-	-	-	-	-	389	-	389
Police Department Bike Rodeo	439	-	-	-	-	-	-	439	-	439
Special Investigations	219	-	-	-	-	-	-	219	-	219
Safe Assured Donation	2,000	-	-	-	-	-	-	2,000	-	2,000
Police Department Donations	6,393	-	4,200	-	-	-	-	10,593	2,896	7,697
Library Donations	26,174	-	7,272	-	-	-	-	33,446	2,111	31,335
Skate Park	7,299	-	-	-	-	-	-	7,299	-	7,299
Centennial Bond Account	4,303	-	176	-	-	-	-	4,479	-	4,479
Winter Magic	3,729	-	2,450	-	-	-	-	6,179	2,570	3,609
Carryover Funds:										
Veterans' Mural	2,034	-	50	-	-	-	-	2,084	1,762	322
Recycling Program	10,967	-	-	-	-	-	-	10,967	-	10,967
Street Improvements	829,608	234,326	-	-	-	-	414,927	649,007	73,739	575,268
Street Equipment	32,043	90,000	-	-	-	-	-	122,043	1,256	120,787
Cracksealing/Patching	189,789	92,500	-	-	-	-	-	282,289	70,772	211,517
Parks Lawn Mower	17,623	8,000	-	-	-	-	-	25,623	12,400	13,223
Cemetery - Lawn Mower	86,999	12,000	-	-	-	-	-	20,262	-	20,262
Cemetery - From Sale to Sisters	1,477,317	440,626	14,148	305,305	208,617	-	414,927	86,999	21,003	65,996
Total Assigned Fund Balance	1,200,134	1,091,706	3,437,489	381,732	456,091	236,867	377,344	5,514,493	4,161,924	1,352,569
<b>UNASSIGNED</b>										
Total General Fund	\$ 2,724,284	\$ 1,532,332	\$ 3,482,260	\$ 687,037	\$ 687,037	\$ 236,867	\$ 792,271	\$ 7,183,472	\$ 4,377,549	\$ 2,805,923

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024			Variance Positive (Negative)	2023 Actual
	Adopted Budget	Final Budget	Actual		
<b>REVENUES</b>					
Taxes:					
General Property Taxes	\$ 1,510,878	\$ 1,510,878	\$ 1,532,332	\$ 21,454	\$ 1,470,153
Motel Room Tax	68,000	68,000	73,541	5,541	63,024
Other Payments in Lieu of Taxes	60,000	60,000	20,420	(39,580)	18,645
Total Taxes	<u>1,638,878</u>	<u>1,638,878</u>	<u>1,626,293</u>	<u>(12,585)</u>	<u>1,551,822</u>
Special Assessments	64,888	64,888	29,388	(35,500)	30,933
Intergovernmental:					
Shared Taxes from State	1,577,773	1,577,773	1,586,886	9,113	1,338,384
Fire Insurance Taxes from State	7,750	7,750	8,563	813	7,777
State Aid for Exempt Computers	9,300	9,300	9,319	19	9,319
State Transportation Aids	317,058	317,058	321,987	4,929	304,378
Police Training Grants	1,280	1,280	1,200	(80)	-
Police Other Grants	1,595	1,595	3,546	1,951	3,305
Highway Safety Grants	-	-	-	-	7,000
Fire Suppression Grant	-	-	392	392	-
Recycling Grant	-	-	3,728	3,728	3,728
Library Grants	14,392	14,392	26,042	11,650	13,206
Other State Payments	-	-	10,955	10,955	-
Total Intergovernmental	<u>1,929,148</u>	<u>1,929,148</u>	<u>1,972,618</u>	<u>43,470</u>	<u>1,687,097</u>
Licenses and Permits:					
Liquor and Malt Beverage Licenses	6,500	6,500	6,447	(53)	6,779
Operators Licenses	3,750	3,750	2,865	(885)	3,255
Cigarette Licenses	750	750	800	50	717
Amusement Device Licenses	200	200	185	(15)	190
Pet Licenses	1,750	1,750	1,994	244	1,794
Building Permits	4,500	4,500	11,505	7,005	18,072
Other Permits	300	300	843	543	467
Total Licenses and Permits	<u>17,750</u>	<u>17,750</u>	<u>24,639</u>	<u>6,889</u>	<u>31,274</u>
Fines and Forfeits:					
Court Fines and Costs	28,000	28,000	17,485	(10,515)	21,381
Parking Violations	1,000	1,000	-	(1,000)	520
Total Fines and Forfeits	<u>29,000</u>	<u>29,000</u>	<u>17,485</u>	<u>(11,515)</u>	<u>21,901</u>
Public Charges for Services:					
Clerk's Office	300	300	487	187	323
Police Department	20,500	20,500	20,911	411	14,995
Street Department Earnings	3,000	3,000	3,552	552	5,318
Garbage Collection	406,900	406,900	417,968	11,068	420,329
Library Fees	2,000	2,000	4,632	2,632	4,040
Parks and Playgrounds	5,500	5,500	6,610	1,110	5,745
Cemetery	55,000	55,000	61,457	6,457	52,172
Total Public Charges for Services	<u>493,200</u>	<u>493,200</u>	<u>515,617</u>	<u>22,417</u>	<u>502,922</u>

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024				2023 Actual
	Adopted Budget	Final Budget	Actual	Variance Positive (Negative)	
<b>REVENUES (CONTINUED)</b>					
Intergovernmental Charges for Services:					
Fire Department Contracts	\$ 224,367	\$ 224,367	\$ 232,559	\$ 8,192	\$ 196,069
Library	283,787	283,787	305,182	21,395	278,302
Total Intergovernmental Charges for Services	508,154	508,154	537,741	29,587	474,371
Interest:					
Investments	70,000	70,000	110,396	40,396	169,572
Penalties for Tax Roll Items	2,000	2,000	2,278	278	1,618
Special Assessments	16,656	16,656	16,804	148	15,051
Lease Interest	-	-	72	72	1,920
Total Interest	88,656	88,656	129,550	40,894	188,161
Rent:					
City Owned Buildings	-	-	225	225	3,871
Library Lower Level Rent	500	500	2,088	1,588	1,288
Community Center	-	-	-	-	11,757
Ladysmith IDC-Garage Rent	12,750	12,750	-	(12,750)	-
Total Rent	13,250	13,250	2,313	(10,937)	16,916
Donations:					
Library Foundation Grant	-	-	1,010	1,010	33,600
Donations for the Fire Department	-	-	9,500	9,500	12,035
Donations for the Police Department	3,000	3,000	4,200	1,200	3,335
Donations for Parks and Recreation	-	-	50	50	-
Donations for Winter Magic Event	1,900	1,900	2,450	550	3,100
Donation for Recreation Facilities	-	-	-	-	15,500
Donations for Veterans Mural	-	-	50	50	150
Library Donations	500	500	7,272	6,772	9,894
Total Donations	5,400	5,400	24,532	19,132	77,614
Other Revenues:					
Utility Reimbursements:					
City Garage Expenses	-	-	7,220	7,220	10,980
City Hall Expenses	10,000	10,000	8,451	(1,549)	9,525
Sale of City Property	5,000	5,000	20,269	15,269	62,851
Insurance Recoveries\Dividends	-	-	2,756	2,756	38,119
Lease Revenue	-	-	40,257	40,257	40,257
Miscellaneous	1,250	1,250	4,717	3,467	9,235
Total Other Revenues	16,250	16,250	83,670	67,420	170,967
Total Revenues	4,804,574	4,804,574	4,963,846	159,272	4,753,978

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024				2023 Actual
	Adopted Budget	Final Budget	Actual	Variance Positive (Negative)	
<b>EXPENDITURES</b>					
General Government:					
City Council	\$ 22,643	\$ 22,643	\$ 18,633	\$ 4,010	\$ 12,674
Commissions/Committees	12,424	12,424	14,392	(1,968)	14,275
Mayor	5,383	5,383	3,881	1,502	4,015
Clerk-Treasurer-Comptroller	215,833	215,833	239,849	(24,016)	183,579
City Hall Offices	35,325	35,325	34,275	1,050	34,926
Elections	31,558	31,558	22,211	9,347	18,846
Human Resource Management	11,193	11,193	9,837	1,356	9,273
Assessment of Property	14,000	14,000	13,773	227	14,592
Independent Auditing and Actuarial Valuation	19,000	19,000	18,600	400	18,350
City Attorney	27,080	27,080	27,444	(364)	21,215
Special Legal Counsel	5,000	5,000	-	5,000	6,580
Municipal Court	27,552	27,552	23,784	3,768	23,748
Uncollectible Taxes	250	250	-	250	-
Property and Liability Insurance	14,650	14,650	14,593	57	14,762
Miscellaneous	1,500	1,500	4,805	(3,305)	4,261
Total General Government	443,391	443,391	446,077	(2,686)	381,096
Public Safety:					
Police Department	1,091,381	1,091,381	1,088,636	2,745	1,035,147
Police Department Outlay	11,930	11,930	61,115	(49,185)	38,474
Police Department Uniform Fund	4,500	4,500	7,964	(3,464)	6,470
Fire Department	172,500	172,500	188,603	(16,103)	173,671
Fire Department Equipment	7,000	7,000	3,987	3,013	4,223
Fire Department Vehicle Fund	75,000	75,000	-	75,000	-
Fire Department 2% Fund	6,000	6,000	18,881	(12,881)	38,085
Building Inspection	27,309	27,309	27,845	(536)	25,507
Regulation Office	15,167	15,167	16,190	(1,023)	13,556
Storm Damage Cleanup	-	-	1,704	(1,704)	228
Total Public Safety	1,410,787	1,410,787	1,414,925	(4,138)	1,335,361
Transportation Facilities:					
Engineering Department	39,960	39,960	44,556	(4,596)	39,626
Street Commissioner	7,440	7,440	28,213	(20,773)	21,572
Street Department Time Off	58,416	58,416	58,252	164	74,352
Street Department Administration	40,235	40,235	32,990	7,245	47,246
Street Machinery Maintenance	126,024	126,024	138,190	(12,166)	143,267
Street Machinery Outlay	70,000	70,000	1,152	68,848	217,575
Garage	137,882	137,882	127,441	10,441	127,095

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024				2023 Actual
	Adopted Budget	Final Budget	Actual	Variance Positive (Negative)	
<b>EXPENDITURES (CONTINUED)</b>					
Transportation Facilities (Continued):					
Street Maintenance	\$ 29,649	\$ 29,649	\$ 55,520	\$ (25,871)	\$ 52,042
Street Construction	234,326	234,326	73,739	160,587	5,896
Street Cleaning	19,838	19,838	8,302	11,536	9,077
Snow Removal	198,311	198,311	55,901	142,410	200,260
Street Tack Coating and Patching	119,217	119,217	86,169	33,048	106,128
Street Lighting	78,500	78,500	81,670	(3,170)	82,244
Sidewalks and Crosswalks	26,043	26,043	1,193	24,850	29,135
Storm Sewers	68,855	68,855	54,596	14,259	32,393
Curbs and Gutters	7,350	7,350	16,068	(8,718)	7,721
Bridges and Culverts	2,000	2,000	26,519	(24,519)	6,457
Street Signs and Markings	23,678	23,678	21,793	1,885	15,266
Parking Lots	964	964	519	445	888
Public Transportation	13,178	13,178	13,178	-	13,178
Total Transportation Facilities	1,301,866	1,301,866	925,961	375,905	1,231,418
Sanitation:					
Refuse Collection	257,208	257,208	243,535	13,673	241,624
Refuse Collection - Outlay	8,000	8,000	7,305	695	5,445
Transfer/Landfill Charges	114,000	114,000	115,280	(1,280)	112,080
Spring/Fall Clean-up	250	250	802	(552)	-
Landfill Remediation	7,500	7,500	12,300	(4,800)	14,200
Recycling Services	3,000	3,000	3,202	(202)	4,006
Weed Control	13,104	13,104	7,101	6,003	6,546
Total Sanitation	403,062	403,062	389,525	13,537	383,901
Health and Human Services:					
Animal Pound	67,418	67,418	56,460	10,958	67,747
Cemetery	134,515	134,515	161,975	(27,460)	123,272
Total Health and Human Services	201,933	201,933	218,435	(16,502)	191,019
Leisure Activities:					
Ball Diamonds	14,782	14,782	16,168	(1,386)	3,911
Parks	191,040	191,040	194,210	(3,170)	167,674
O.J. Falge Park Improvements	9,000	9,000	2,731	6,269	7,591
Swimming Beach	23,074	23,074	2,846	20,228	14,948
Skate Park	1,400	1,400	1,185	215	1,425
Public Celebrations	59,554	59,554	44,897	14,657	48,268
Winter Special Events	2,500	2,500	2,570	(70)	2,443
Recreation Facility Development	20,600	20,600	20,961	(361)	2,297
Total Leisure Activities	321,950	321,950	285,568	36,382	248,557

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024			Variance Positive (Negative)	2023 Actual
	Adopted Budget	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>					
Education:					
Library Operations	\$ 500,745	\$ 500,745	\$ 539,742	\$ (38,997)	\$ 505,769
Library Automation	1,400	1,400	1,029	371	854
Library Fines Fund	1,000	1,000	2,394	(1,394)	5,920
Total Education	<u>503,145</u>	<u>503,145</u>	<u>543,165</u>	<u>(40,020)</u>	<u>512,543</u>
Conservation and Development:					
City Advertising and Promotion	39,000	39,000	34,169	4,831	36,161
Tourism and Recreation-Room Tax	-	-	10,000	(10,000)	49,838
Planning and Development Office	15,489	15,489	15,445	44	14,892
Industrial Development	5,192	5,192	2,201	2,991	3,222
Tree Management	30,169	30,169	50,094	(19,925)	59,186
Economic Development	33,500	33,500	7,857	25,643	66,257
Total Conservation and Development	<u>123,350</u>	<u>123,350</u>	<u>119,766</u>	<u>3,584</u>	<u>229,556</u>
Debt Service:					
Lease Principal	20,768	20,768	33,242	(12,474)	32,353
Lease Interest	-	-	885	(885)	1,774
Total Debt Service	<u>20,768</u>	<u>20,768</u>	<u>34,127</u>	<u>(13,359)</u>	<u>34,127</u>
Total Expenditures	<u>4,730,252</u>	<u>4,730,252</u>	<u>4,377,549</u>	<u>352,703</u>	<u>4,547,578</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	74,322	74,322	586,297	511,975	206,400
<b>OTHER FINANCING SOURCES (USES)</b>					
Lease Issuance	-	-	50,746	50,746	-
Transfers In	375,874	375,874	236,867	(139,007)	320,914
Transfers Out	(491,618)	(491,618)	(792,271)	(300,653)	(375,034)
Total Other Financing Sources (Uses)	<u>(115,744)</u>	<u>(115,744)</u>	<u>(504,658)</u>	<u>(388,914)</u>	<u>(54,120)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (41,422)</u>	<u>\$ (41,422)</u>	81,639	<u>\$ 123,061</u>	152,280
Fund Balance, January 1			<u>2,724,284</u>		<u>2,572,004</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 2,805,923</u>		<u>\$ 2,724,284</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER UTILITY ENTERPRISE FUND  
 STATEMENT OF NET POSITION  
 DECEMBER 31, 2024  
 (WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2023)**

	2024	2023
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 62,469	\$ 383,236
Customer Accounts Receivable	255,964	235,349
Accounts Receivable on Tax Roll	18,313	9,523
Special Assessments Receivable	282,477	280,878
Due from Other Governments	-	77,641
Due from Other Funds	50,579	50,579
Inventories	36,141	30,804
Prepayments	2,175	2,025
Total Current Assets	708,118	1,070,035
Capital Assets:		
Utility Plant in Service	17,662,319	15,852,443
Less: Accumulated Depreciation	5,760,171	5,424,343
Net Utility Plant in Service	11,902,148	10,428,100
Construction Work in Progress	36,569	363,115
Total Capital Assets	11,938,717	10,791,215
Total Assets	12,646,835	11,861,250
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	199,184	295,937
State Life Insurance Other Postemployment Benefits Related	18,863	15,917
Single Employer OPEB Plan Related	5,176	3,499
Total Deferred Outflows of Resources	223,223	315,353
<b>LIABILITIES</b>		
Current Liabilities Payable from Current Assets:		
Accounts Payable	6,597	132,175
Accrued Wages	16,141	13,179
Accrued Interest	11,730	9,312
Due to General Fund - Cash Overdraft	-	221,556
Current Portion of Long-Term Debt	442,417	380,217
Current Portion of Employee Vested Benefits	9,131	11,295
Total Current Liabilities	486,016	767,734
Long-Term Obligations (Net of Current Portion):		
Mortgage Revenue Bonds	5,197,930	4,421,507
Other Postemployment Benefits Liability	7,948	6,313
Wisconsin Retirement System Net Pension Liability	22,399	79,190
State Life Insurance Net Other Postemployment Benefits Liability	50,135	36,604
Employee Vested Benefits	59,625	48,203
Total Long-Term Obligations	5,338,037	4,591,817
Total Liabilities	5,824,053	5,359,551
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	120,107	166,185
State Life Insurance Other Postemployment Benefits Related	27,560	28,889
Single Employer OPEB Plan Related	1,558	1,752
Total Deferred Inflows of Resources	149,225	196,826
<b>NET POSITION</b>		
Net Investment in Capital Assets	6,298,370	5,865,472
Unrestricted	598,410	754,754
Total Net Position	\$ 6,896,780	\$ 6,620,226

**CITY OF LADYSMITH, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>OPERATING REVENUES</b>		
Sales of Water:		
Residential	\$ 514,338	\$ 482,566
Commercial	200,602	182,251
Industrial	112,525	125,052
Public Authorities	65,795	84,824
Public Fire Protection	450,296	426,215
Private Fire Protection	35,299	36,165
Total Sales of Water	1,378,855	1,337,073
Other Operating Revenues:		
Forfeited Discounts	4,110	4,233
Meter Charge to Sewer Utility	41,422	42,136
Miscellaneous Revenues	9,700	3,899
Total Other Operating Revenues	55,232	50,268
Total Operating Revenues	1,434,087	1,387,341
<b>OPERATING EXPENSES</b>		
Operation and Maintenance:		
Operation	203,318	194,607
Maintenance	144,915	155,843
Customer Accounting and Collection	7,582	6,182
Administrative and General	344,049	353,281
Total Operation and Maintenance	699,864	709,913
Depreciation	405,645	385,403
Total Operating Expenses	1,105,509	1,095,316
<b>OPERATING INCOME</b>	328,578	292,025
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Income	22,203	18,704
Interest Expense	(60,847)	(60,992)
TID Utility Benefit Charge	60,254	60,254
Amortization of Debt Discount and Expense	(13,020)	(10,000)
Sale of Property	3,456	1,688
Total Nonoperating Revenues (Expenses)	12,046	9,654
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	340,624	301,679
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>		
Plant Additions Financed by Customer	66,571	115,625
Plant Additions Financed by Grants	106,226	172,315
Plant Additions Financed by City Tax Incremental District	-	738,287
Transfer to General Fund - Tax Equivalents	(236,867)	(240,914)
Total Capital Contributions and Transfers	(64,070)	785,313
<b>CHANGE IN NET POSITION</b>	276,554	1,086,992
Net Position, January 1	6,620,226	5,533,234
<b>NET POSITION, DECEMBER 31</b>	\$ 6,896,780	\$ 6,620,226

**CITY OF LADYSMITH, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ 1,272,399	\$ 1,348,887
Cash Received for Sewer Share of Meter Expense	41,422	42,136
Cash Paid to Suppliers for Goods and Services	(378,454)	(402,652)
Cash Paid for Employee Services	(222,471)	(250,724)
Net Cash Provided by Operating Activities	712,896	737,647
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash Flow Financing Received from (Repaid to) General Fund	(221,556)	(42,265)
Cash Paid to General Fund for Tax Equivalents	(236,867)	(240,914)
Net Cash Used by Noncapital Financing Activities	(458,423)	(283,179)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Paid for Acquisition of Capital Assets	(1,677,166)	(252,946)
Cash Received from Special Assessments	64,972	26,933
Cash Received for Salvage of Asset Retirement	3,456	1,688
Cash Received on Capital Grants	183,867	94,674
Cash Received from TIDs for Utility Benefit Charge	60,254	60,254
Cash Received (Paid) on Advance to Other Fund	-	(50,579)
Cash Received from Long-Term Debt Proceeds	1,222,430	107,537
Cash Paid for Debt Issuance Costs	(13,020)	(10,000)
Principal Paid on Long-Term Debt	(382,309)	(370,184)
Interest Paid on Long-Term Debt	(59,927)	(62,959)
Net Cash Used by Capital and Related Financing Activities	(597,443)	(455,582)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Invested Funds	22,203	18,704
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(320,767)	17,590
Cash and Cash Equivalents - January 1	344,486	326,896
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	\$ 23,719	\$ 344,486

**CITY OF LADYSMITH, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income	\$ 328,578	\$ 292,025
Adjustments to Reconcile Operating Income to Net Cash		
Provided by Operating Activities:		
Depreciation	405,645	385,403
Changes in Pension Plan Activity:		
Asset/Liability	(56,791)	198,100
Deferred Outflows of Resources	96,753	(63,854)
Deferred Inflows of Resources	(46,078)	(113,835)
Changes in OPEB Plan Activity:		
Liability	15,166	(21,975)
Deferred Outflows of Resources	(4,623)	5,486
Deferred Inflows of Resources	(1,523)	23,192
(Increase) Decrease in Assets:		
Accounts Receivable	(20,615)	36,262
Other Accounts Receivable	(8,790)	606
Inventory	(5,337)	(10,811)
Prepayments	(150)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	(1,559)	(7,528)
Accrued Wages	2,962	716
Employee Vested Benefits	9,258	13,860
Net Cash Provided by Operating Activities	\$ 712,896	\$ 737,647
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>		
Cash and Investments per Statement of Net Position:		
Cash and Investments - Unrestricted	\$ 62,469	\$ 383,236
Less: Certificates of Deposit with a Maturity of		
Greater than Three Months	38,750	38,750
Cash and Cash Equivalents	\$ 23,719	\$ 344,486
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>		
Capital Assets Financed by City Tax Incremental District	\$ -	\$ 738,287
Capital Assets Financed by Accounts Payable	\$ -	\$ 124,019

**CITY OF LADYSMITH, WISCONSIN  
 WATER UTILITY ENTERPRISE FUND  
 SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES  
 YEAR ENDED DECEMBER 31, 2024  
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>OPERATIONAL EXPENSES</b>		
Operational Labor - Pumping	\$ 51,192	\$ 37,836
Power for Pumping	66,133	65,867
Chemicals - Treatment	21,910	18,591
Supplies and Expenses - Treatment	30,612	38,848
Transmission and Distribution - Labor	4,385	2,126
Supplies and Expense - Distribution	17,251	15,104
Shop Expenses	11,835	16,235
Total Operational Expenses	203,318	194,607
 <b>MAINTENANCE EXPENSES</b>		
Pumps	16,144	12,535
Reservoirs	3,012	11,558
Mains	31,375	54,910
Services	38,154	25,915
Meters	33,210	35,083
Hydrants	20,117	14,124
Other Plant	2,903	1,718
Total Maintenance Expenses	144,915	155,843
 <b>CUSTOMER ACCOUNTS EXPENSES</b>		
Meter Reading Labor	4,918	3,695
Supplies and Expense - Customers	2,664	2,487
Total Customer Accounts Expenses	7,582	6,182
 <b>ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Administrative and General Salaries	64,332	72,522
Office Supplies and Expenses	12,168	15,754
Outside Services Employed	10,562	11,570
Insurance Expense	17,080	17,413
Employee Pensions, Benefits and Taxes	203,629	209,421
Regulatory Commission Expenses	237	-
Miscellaneous General Expenses	14,976	3,668
Educational Expenses	5,438	5,479
Transportation Expenses	10,798	12,011
Rent of City Hall	4,829	5,443
Total Administrative and General Expenses	344,049	353,281
Total Operation and Maintenance Expenses	\$ 699,864	\$ 709,913

**CITY OF LADYSMITH, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2023)**

	2024	2023
<b>ASSETS</b>		
Current Assets:		
Customer Accounts Receivable	\$ 137,231	\$ 128,447
Other Accounts Receivable	3,829	9,100
Accounts Receivable on Tax Roll	7,365	8,229
Special Assessments Receivable	224,026	244,981
Due from Other Governments	-	60,314
Inventories	5,083	4,863
Prepayments	2,175	2,025
Total Current Assets	379,709	457,959
Restricted Assets:		
Debt Reserve	138,935	138,936
Plant Replacement	846,314	760,091
Total Restricted Assets	985,249	899,027
Capital Assets:		
Utility Plant in Service	15,304,792	14,213,981
Less: Accumulated Depreciation	5,113,953	4,953,604
Net Utility Plant in Service	10,190,839	9,260,377
Construction Work in Progress	-	287,143
Total Capital Assets	10,190,839	9,547,520
Total Assets	11,555,797	10,904,506
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	140,311	226,874
State Life Insurance Other Postemployment Benefits Related	2,789	2,610
Single Employer OPEB Plan Related	1,725	1,166
Total Deferred Outflows of Resources	144,825	230,650
<b>LIABILITIES</b>		
Current Liabilities Payable from Current Assets:		
Accounts Payable	33,508	86,675
Accrued Wages	7,640	5,792
Accrued Interest	9,040	8,645
Due to General Fund - Cash Overdraft	1,350,684	1,062,212
Current Portion of Long-Term Obligations	212,825	189,679
Current Portion of Employee Vested Benefits	5,874	7,491
Total Current Liabilities	1,619,571	1,360,494
Current Liabilities Payable from Restricted Assets:		
Accrued Interest	13,742	14,020
Current Portion of Long-Term Debt	57,343	55,648
Total Current Liabilities Payable from Restricted Assets	71,085	69,668
Long-Term Obligations (Net of Current Portion):		
Revenue Bonds and Anticipation Notes	5,201,661	5,027,167
Other Postemployment Benefits Liability	2,649	2,104
Wisconsin Retirement System Net Pension Liability	15,778	60,710
State Life Insurance Net Other Postemployment Benefits Liability	7,411	5,971
Employee Vested Benefits	38,175	21,167
Total Long-Term Liabilities	5,265,674	5,117,119
Total Liabilities	6,956,330	6,547,281
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	84,606	127,403
State Life Insurance Other Postemployment Benefits Related	4,074	4,712
Single Employer OPEB Plan Related	519	584
Total Deferred Outflows of Resources	89,199	132,699
<b>NET POSITION</b>		
Net Investment in Capital Assets	4,719,010	4,208,247
Restricted for Plant Replacement	846,314	760,091
Restricted for Debt Retirement	67,850	69,268
Unrestricted	(978,081)	(582,430)
Total Net Position	\$ 4,655,093	\$ 4,455,176

**CITY OF LADYSMITH, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>OPERATING REVENUES</b>		
Sewerage Revenues:		
Residential	\$ 500,212	\$ 492,846
Commercial	139,041	129,370
Industrial	33,931	53,049
Public Authorities	37,186	49,851
Outside Septage Acceptance	172,520	156,768
Total Sewerage Revenues	882,890	881,884
Other Operating Revenues:		
Forfeited Discounts	2,560	3,052
Total Operating Revenues	885,450	884,936
<b>OPERATING EXPENSES</b>		
Operation and Maintenance:		
Operation	91,002	87,590
Maintenance	324,280	261,817
Customer Accounting and Collecting	45,662	46,191
Administrative and General	232,423	241,806
Total Operation and Maintenance	693,367	637,404
Depreciation	279,952	353,713
Total Operating Expenses	973,319	991,117
<b>OPERATING LOSS</b>	(87,869)	(106,181)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Gain (Loss) on Sale of Capital Assets	(31,698)	-
Interest Income	54,192	46,774
Interest Expense	(135,816)	(140,235)
TID Utility Benefit Charge	65,243	65,243
Amortization of Debt Discount and Expense	(13,000)	(10,000)
Total Nonoperating Revenues (Expenses)	(61,079)	(38,218)
<b>LOSS BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(148,948)	(144,399)
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>		
Plant Additions Financed by Customer Special Assessments	-	113,634
Plant Additions Financed by City	-	92,221
Plant Additions Financed by Grants	348,865	140,695
Total Capital Contributions and Transfers	348,865	346,550
<b>CHANGE IN NET POSITION</b>	199,917	202,151
Net Position - January 1	4,455,176	4,253,025
<b>NET POSITION - DECEMBER 31</b>	\$ 4,655,093	\$ 4,455,176

**CITY OF LADYSMITH, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ 882,801	\$ 888,776
Cash Paid to Suppliers for Goods and Services	(471,325)	(405,596)
Cash Paid for Employee Services	(150,761)	(161,229)
Cash Paid for Sewer Share of Meter Expense	(41,422)	(42,136)
Net Cash Provided by Operating Activities	219,293	279,815
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash Flow Financing Received from (Repaid to) General Fund	288,472	134,125
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Received from Special Assessments	20,955	25,389
Cash Received from Capital Grants	409,179	80,381
Cash Paid for Acquisition of Capital Assets	(1,022,774)	(162,585)
Cash Received from Sale of Capital Assets	1,026	-
Cash Received from TIDs for Utility Benefit Charge	65,243	65,243
Cash Received as Proceeds of Long-Term Debt	446,437	70,650
Cash Paid for Debt Issuance Costs	(13,000)	(10,000)
Cash Paid for Principal on Long-Term Debt	(246,047)	(240,947)
Cash Paid for Interest on Long-Term Debt	(136,754)	(141,674)
Cash Paid for Principal on Financed Purchase Agreement	-	(38,940)
Cash Paid for Interest on Financed Purchase Agreement	-	(1,164)
Net Cash Used by Capital and Related Financing Activities	(475,735)	(353,647)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Invested Funds	54,192	46,774
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	86,222	107,067
Cash and Cash Equivalents - January 1	860,277	753,210
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	\$ 946,499	\$ 860,277

**CITY OF LADYSMITH, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Loss	\$ (87,869)	\$ (106,181)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Changes in Pension Plan Activity:		
Asset/Liability	(44,932)	153,503
Deferred Outflows of Resources	86,563	(45,766)
Deferred Inflows of Resources	(42,797)	(91,114)
Changes in OPEB Plan Activity:		
Liability	1,985	(8,055)
Deferred Outflows of Resources	(738)	2,546
Deferred Inflows of Resources	(703)	3,412
Depreciation	279,952	353,713
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(8,784)	8,239
Other Accounts Receivable	6,135	(4,399)
Inventory	(220)	(88)
Prepayments	(150)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	13,612	7,702
Accrued Wages	1,848	(1,204)
Employee Vested Benefits	15,391	7,507
Net Cash Provided by Operating Activities	\$ 219,293	\$ 279,815
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>		
Cash and Investments per Statement of Net Position:		
Cash and Investments - Restricted	\$ 985,249	\$ 899,027
Less: Certificates of Deposit with a Maturity of Greater than Three Months	38,750	38,750
Cash and Cash Equivalents	\$ 946,499	\$ 860,277
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>		
Capital Assets Financed by City Tax Incremental District	\$ -	\$ 92,221
Capital Assets Financed by Accounts Payable	\$ -	\$ 66,779

**CITY OF LADYSMITH, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES  
YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	<u>2024</u>	<u>2023</u>
<b>OPERATIONAL EXPENSES</b>		
Power for Pumping	\$ 67,746	\$ 67,110
Operating Supplies and Expense	14,513	13,445
Transportation Expense	6,308	3,375
Garage Expense	2,435	3,660
Total Operational Expenses	<u>91,002</u>	<u>87,590</u>
<b>MAINTENANCE EXPENSES</b>		
Collection System	111,791	108,046
Treatment and Distribution	205,351	150,424
Plant and Grounds	7,138	3,347
Total Maintenance Expenses	<u>324,280</u>	<u>261,817</u>
<b>CUSTOMER ACCOUNTS EXPENSE</b>		
Sewer Share of Meter Reading and Maintenance	41,422	42,136
Billing and Collection	4,240	4,055
Total Customer Accounts Expense	<u>45,662</u>	<u>46,191</u>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Administration and General Salaries	61,663	69,197
Office Supplies Expenses	27,330	23,171
Outside Services Employed	8,150	8,388
Employee Pensions and Benefits	105,715	112,861
Insurance Expense	19,353	19,546
Rent	8,040	6,069
Educational Expenses	2,172	2,574
Total Administrative and General Expenses	<u>232,423</u>	<u>241,806</u>
 Total Operation and Maintenance Expenses	 <u>\$ 693,367</u>	 <u>\$ 637,404</u>

## **DEBT REPAYMENT SCHEDULES**

CITY OF LADYSMITH, WISCONSIN  
STATE TRUST FUND LOAN  
DATED MARCH 29, 2005  
OUTSTANDING DECEMBER 31, 2024

Funding Source: Tax Incremental District No. 8

Interest Rate: 5.00%

<u>Payment Date</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
3/15/25	\$ 24,275.67	\$ 23,119.69	\$ 1,155.98

**CITY OF LADYSMITH, WISCONSIN  
 GENERAL OBLIGATION STREET IMPROVEMENT BONDS, SERIES 2022C  
 DATED DECEMBER 1, 2022  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	General City	
		Principal	Interest
6/1/25	5.000%	\$ -	\$ 22,165.63
12/1/25	5.000%	40,000.00	22,165.63
6/1/26	5.000%	-	21,165.63
12/1/26	5.000%	40,000.00	21,165.63
6/1/27	5.000%	-	20,165.63
12/1/27	5.000%	40,000.00	20,165.63
6/1/28	5.000%	-	19,165.63
12/1/28	5.000%	40,000.00	19,165.63
6/1/29	5.000%	-	18,165.63
12/1/29	5.000%	45,000.00	18,165.63
6/1/30	5.000%	-	17,040.63
12/1/30	5.000%	45,000.00	17,040.63
6/1/31	5.000%	-	15,915.63
12/1/31	5.000%	45,000.00	15,915.63

**CITY OF LADYSMITH, WISCONSIN  
 GENERAL OBLIGATION STREET IMPROVEMENT BONDS, SERIES 2022C (CONTINUED)  
 DATED DECEMBER 1, 2022  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	General City	
		Principal	Interest
6/1/32	5.000%	\$ -	\$ 14,790.63
12/1/32	5.000%	50,000.00	14,790.63
6/1/33	4.125%	-	13,540.63
12/1/33	4.125%	50,000.00	13,540.63
6/1/34	4.125%	-	12,509.38
12/1/34	4.125%	55,000.00	12,509.38
6/1/35	4.125%	-	11,375.00
12/1/35	4.125%	55,000.00	11,375.00
6/1/36	4.125%	-	10,240.63
12/1/36	4.125%	60,000.00	10,240.63
6/1/37	4.125%	-	9,003.13
12/1/37	4.125%	60,000.00	9,003.13
6/1/38	4.375%	-	7,765.63
12/1/38	4.375%	65,000.00	7,765.63
6/1/39	4.375%	-	6,343.75
12/1/39	4.375%	65,000.00	6,343.75
6/1/40	4.375%	-	4,921.88
12/1/40	4.375%	70,000.00	4,921.88
6/1/41	4.375%	-	3,390.63
12/1/41	4.375%	75,000.00	3,390.63
6/1/42	4.375%	80,000.00	1,750.00
Total		<u>\$ 980,000.00</u>	<u>\$ 457,081.40</u>

**CITY OF LADYSMITH, WISCONSIN  
STATE TRUST FUND LOAN  
DATED MARCH 15, 2012  
OUTSTANDING DECEMBER 31, 2024**

Interest Rate: 5.00%

Payment Date	Total	Meadowbrook Center Special Revenue Fund	
		Principal	Interest
3/15/25	\$ 52,698.21	\$ 41,290.98	\$ 11,407.23
3/15/26	52,698.21	43,355.53	9,342.68
3/15/27	52,698.21	45,523.31	7,174.90
3/15/28	52,698.21	47,786.05	4,912.16
3/15/29	<u>52,698.06</u>	<u>50,188.63</u>	<u>2,509.43</u>
Total	<u>\$ 263,490.90</u>	<u>\$ 228,144.50</u>	<u>\$ 35,346.40</u>

**CITY OF LADYSMITH, WISCONSIN  
 GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A  
 DATED JUNE 24, 2019  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Totals		General City		TID #9		TID #10	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
6/1/25	3.000%	\$ -	\$ 5,850.00	\$ -	\$ 4,425.00	\$ -	\$ 450.00	\$ -	\$ 975.00
12/1/25	3.000%	130,000.00	5,850.00	95,000.00	4,425.00	15,000.00	450.00	20,000.00	975.00
6/1/26	3.000%	-	3,900.00	-	3,000.00	-	225.00	-	675.00
12/1/26	3.000%	135,000.00	3,900.00	100,000.00	3,000.00	15,000.00	225.00	20,000.00	675.00
6/1/27	3.000%	-	1,875.00	-	1,500.00	-	-	-	375.00
12/1/27	3.000%	125,000.00	1,875.00	100,000.00	1,500.00	-	-	25,000.00	375.00
<b>Total</b>		<b>\$ 390,000.00</b>	<b>\$ 23,250.00</b>	<b>\$ 295,000.00</b>	<b>\$ 17,850.00</b>	<b>\$ 30,000.00</b>	<b>\$ 1,350.00</b>	<b>\$ 65,000.00</b>	<b>\$ 4,050.00</b>

**CITY OF LADYSMITH, WISCONSIN  
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019D  
 DATED DECEMBER 30, 2019  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	General City	
		Principal	Interest
6/1/25	4.000%	\$ -	\$ 22,206.25
12/1/25	4.000%	90,000.00	22,206.25
6/1/26	4.000%	-	20,406.25
12/1/26	4.000%	90,000.00	20,406.25
6/1/27	4.000%	-	18,606.25
12/1/27	4.000%	90,000.00	18,606.25
6/1/28	4.000%	-	16,806.25
12/1/28	4.000%	95,000.00	16,806.25
6/1/29	4.000%	-	14,906.25
12/1/29	4.000%	105,000.00	14,906.25
6/1/30	4.000%	-	13,856.25
12/1/30	4.000%	105,000.00	13,856.25
6/1/31	4.000%	-	12,740.63
12/1/31	4.000%	110,000.00	12,740.63
6/1/32	4.000%	-	11,571.88
12/1/32	4.000%	110,000.00	11,571.88
6/1/33	4.000%	-	10,334.38
12/1/33	4.000%	115,000.00	10,334.38
6/1/34	4.000%	-	9,040.63
12/1/34	4.000%	115,000.00	9,040.63
6/1/35	4.000%	-	7,675.01
12/1/35	4.000%	120,000.00	7,675.01
6/1/36	4.000%	-	6,250.00
12/1/36	4.000%	120,000.00	6,250.00
6/1/37	4.000%	-	4,750.00
12/1/37	4.000%	125,000.00	4,750.00
6/1/38	4.000%	-	3,187.50
12/1/38	4.000%	125,000.00	3,187.50
6/1/39	4.000%	-	1,625.00
12/1/39	4.000%	130,000.00	1,625.00
Total		<u>\$ 1,645,000.00</u>	<u>\$ 347,925.06</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2013A  
 DATED JUNE 26, 2013  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Total	Water	
			Principal	Interest
5/1/25	1.155%	\$ 226,594.95	\$ 214,895.59	\$ 11,699.36
11/1/25	1.155%	10,458.34	-	10,458.34
5/1/26	1.155%	227,835.98	217,377.63	10,458.35
11/1/26	1.155%	9,202.99	-	9,202.99
5/1/27	1.155%	229,091.33	219,888.34	9,202.99
11/1/27	1.155%	7,933.13	-	7,933.13
5/1/28	1.155%	230,361.18	222,428.05	7,933.13
11/1/28	1.155%	6,648.61	-	6,648.61
5/1/29	1.155%	231,645.71	224,997.10	6,648.61
11/1/29	1.155%	5,349.25	-	5,349.25
5/1/30	1.155%	232,945.06	227,595.81	5,349.25
11/1/30	1.155%	4,034.89	-	4,034.89
5/1/31	1.155%	234,259.43	230,224.55	4,034.88
11/1/31	1.155%	2,705.34	-	2,705.34
5/1/32	1.155%	235,588.98	232,883.64	2,705.34
11/1/32	1.155%	1,360.44	-	1,360.44
5/1/33	1.155%	236,933.87	235,573.44	1,360.43
Total		<u>\$ 2,132,949.48</u>	<u>\$ 2,025,864.15</u>	<u>\$ 107,085.33</u>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2014B  
DATED NOVEMBER 26, 2014  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Total	Sewer	
			Principal	Interest
5/1/25	2.625%	\$ 143,270.82	\$ 124,812.25	\$ 18,458.57
11/1/25	2.625%	16,820.40	-	16,820.40
5/1/26	2.625%	144,908.97	128,088.57	16,820.40
11/1/26	2.625%	15,139.24	-	15,139.24
5/1/27	2.625%	146,590.13	131,450.89	15,139.24
11/1/27	2.625%	13,413.95	-	13,413.95
5/1/28	2.625%	148,315.42	134,901.48	13,413.94
11/1/28	2.625%	11,643.36	-	11,643.36
5/1/29	2.625%	150,086.01	138,442.64	11,643.37
11/1/29	2.625%	9,826.31	-	9,826.31
5/1/30	2.625%	151,903.06	142,076.76	9,826.30
11/1/30	2.625%	7,961.55	-	7,961.55
5/1/31	2.625%	153,767.83	145,806.28	7,961.55
11/1/31	2.625%	6,047.84	-	6,047.84
5/1/32	2.625%	155,681.53	149,633.69	6,047.84
11/1/32	2.625%	4,083.90	-	4,083.90
5/1/33	2.625%	157,645.47	153,561.57	4,083.90
11/1/33	2.625%	2,068.40	-	2,068.40
5/1/34	2.625%	159,660.97	157,592.57	2,068.40
Total		<u>\$ 1,598,835.16</u>	<u>\$ 1,406,366.70</u>	<u>\$ 192,468.46</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2017A  
 DATED DECEMBER 27, 2017  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Total	Water	
			Principal	Interest
5/1/25	1.056%	\$ 25,946.38	\$ 24,177.50	\$ 1,768.88
11/1/25	1.056%	1,641.22	-	1,641.22
5/1/26	1.056%	26,074.02	24,432.81	1,641.21
11/1/26	1.056%	1,512.21	-	1,512.21
5/1/27	1.056%	26,203.04	24,690.83	1,512.21
11/1/27	1.056%	1,381.84	-	1,381.84
5/1/28	1.056%	26,333.41	24,951.56	1,381.85
11/1/28	1.056%	1,250.10	-	1,250.10
5/1/29	1.056%	26,465.15	25,215.05	1,250.10
11/1/29	1.056%	1,116.96	-	1,116.96
5/1/30	1.056%	26,598.29	25,481.32	1,116.97
11/1/30	1.056%	982.42	-	982.42
5/1/31	1.056%	26,732.82	25,750.40	982.42
11/1/31	1.056%	846.46	-	846.46
5/1/32	1.056%	26,868.79	26,022.33	846.46
11/1/32	1.056%	709.06	-	709.06
5/1/33	1.056%	27,006.18	26,297.12	709.06
11/1/33	1.056%	570.21	-	570.21
5/1/34	1.056%	27,145.04	26,574.82	570.22
11/1/34	1.056%	429.90	-	429.90
5/1/35	1.056%	27,285.35	26,855.45	429.90
11/1/35	1.056%	288.10	-	288.10
5/1/36	1.056%	27,427.15	27,139.05	288.10
11/1/36	1.056%	144.81	-	144.81
5/1/37	1.056%	27,570.43	27,425.63	144.80
<b>Total</b>		<b>\$ 358,529.34</b>	<b>\$ 335,013.87</b>	<b>\$ 23,515.47</b>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2018A  
DATED JUNE 1, 2018  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Total	Sewer	
			Principal	Interest
5/1/25	3.000%	\$ 98,568.78	\$ 57,342.89	\$ 41,225.89
11/1/25	3.000%	40,365.74	-	40,365.74
5/1/26	3.000%	99,455.11	59,089.37	40,365.74
11/1/26	3.000%	39,479.40	-	39,479.40
5/1/27	3.000%	100,368.46	60,889.06	39,479.40
11/1/27	3.000%	38,566.07	-	38,566.07
5/1/28	3.000%	101,309.62	62,743.55	38,566.07
11/1/28	3.000%	37,624.91	-	37,624.91
5/1/29	3.000%	102,279.41	64,654.50	37,624.91
11/1/29	3.000%	36,655.10	-	36,655.10
5/1/30	3.000%	103,278.78	66,623.68	36,655.10
11/1/30	3.000%	35,655.74	-	35,655.74
5/1/31	3.000%	104,308.59	68,652.85	35,655.74
11/1/31	3.000%	34,625.95	-	34,625.95
5/1/32	3.000%	105,369.73	70,743.78	34,625.95
11/1/32	3.000%	33,564.79	-	33,564.79
5/1/33	3.000%	106,463.22	72,898.43	33,564.79
11/1/33	3.000%	32,471.32	-	32,471.32
5/1/34	3.000%	107,589.99	75,118.67	32,471.32
11/1/34	3.000%	31,344.54	-	31,344.54
5/1/35	3.000%	108,751.08	77,406.54	31,344.54
11/1/35	3.000%	30,183.44	-	30,183.44
5/1/36	3.000%	109,947.55	79,764.11	30,183.44
11/1/36	3.000%	28,986.96	-	28,986.96
5/1/37	3.000%	111,180.45	82,193.47	28,986.98
11/1/37	3.000%	27,754.07	-	27,754.07
5/1/38	3.000%	112,450.90	84,696.83	27,754.07
11/1/38	3.000%	26,483.62	-	26,483.62

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2018A  
DATED JUNE 1, 2018 (CONTINUED)  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Total	Sewer	
			Principal	Interest
5/1/39	3.000%	\$ 113,760.05	\$ 87,276.43	\$ 26,483.62
11/1/39	3.000%	25,174.48	-	25,174.48
5/1/40	3.000%	115,109.07	89,934.59	25,174.48
11/1/40	3.000%	23,825.46	-	23,825.46
5/1/41	3.000%	116,499.17	92,673.71	23,825.46
11/1/41	3.000%	22,435.35	-	22,435.35
5/1/42	3.000%	117,931.63	95,496.28	22,435.35
11/1/42	3.000%	21,002.91	-	21,002.91
5/1/43	3.000%	119,407.69	98,404.78	21,002.91
11/1/43	3.000%	19,526.84	-	19,526.84
5/1/44	3.000%	120,928.72	101,401.88	19,526.84
11/1/44	3.000%	18,005.81	-	18,005.81
5/1/45	3.000%	122,496.08	104,490.27	18,005.81
11/1/45	3.000%	16,438.45	-	16,438.45
5/1/46	3.000%	124,111.15	107,672.70	16,438.45
11/1/46	3.000%	14,823.36	-	14,823.36
5/1/47	3.000%	125,775.45	110,952.09	14,823.36
11/1/47	3.000%	13,159.08	-	13,159.08
5/1/48	3.000%	127,489.41	114,331.32	13,158.09
11/1/48	3.000%	11,444.11	-	11,444.11
5/1/49	3.000%	129,257.62	117,813.51	11,444.11
11/1/49	3.000%	9,676.91	-	9,676.91
5/1/50	3.000%	131,078.65	121,401.74	9,676.91
11/1/50	3.000%	7,855.88	-	7,855.88
5/1/51	3.000%	132,955.13	125,099.25	7,855.88
11/1/51	3.000%	5,979.39	-	5,979.39
5/1/52	3.000%	134,888.77	128,909.38	5,979.39
11/1/52	3.000%	4,045.75	-	4,045.75
5/1/53	3.000%	136,881.30	132,835.55	4,045.75
11/1/53	3.000%	2,053.22	-	2,053.22
5/1/54	3.000%	138,934.53	136,881.31	2,053.22
Total		<u>\$ 4,168,034.74</u>	<u>\$ 2,748,392.52</u>	<u>\$ 1,419,642.22</u>

SCHEDULE F-10

CITY OF LADYSMITH, WISCONSIN  
 SEWER SYSTEM AND WATER SYSTEM GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2019A  
 DATED JUNE 24, 2019  
 OUTSTANDING DECEMBER 31, 2024

Payment Date	Rate	Totals		Water		Sewer	
		Principal	Interest	Principal	Interest	Principal	Interest
6/1/25	3.000%	\$ -	\$ 1,875.00	\$ -	\$ 1,050.00	\$ -	\$ 825.00
12/1/25	3.000%	60,000.00	1,875.00	35,000.00	1,050.00	25,000.00	825.00
6/1/26	3.000%	-	975.00	-	525.00	-	450.00
12/1/26	3.000%	65,000.00	975.00	35,000.00	525.00	30,000.00	450.00
Total		\$ 125,000.00	\$ 5,700.00	\$ 70,000.00	\$ 3,150.00	\$ 55,000.00	\$ 2,550.00

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2019B  
 DATED JUNE 26, 2019  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/25	1.188%	\$ 58,670.09	\$ 5,685.42
11/1/25	1.188%	-	5,336.92
5/1/26	1.188%	59,367.09	5,336.92
11/1/26	1.188%	-	4,984.28
5/1/27	1.188%	60,072.37	4,984.28
11/1/27	1.188%	-	4,627.45
5/1/28	1.188%	60,786.03	4,627.45
11/1/28	1.188%	-	4,266.38
5/1/29	1.188%	61,508.17	4,266.38
11/1/29	1.188%	-	3,901.02
5/1/30	1.188%	62,238.88	3,901.02
11/1/30	1.188%	-	3,531.33
5/1/31	1.188%	62,978.28	3,531.33
11/1/31	1.188%	-	3,157.23
5/1/32	1.188%	63,726.46	3,157.23
11/1/32	1.188%	-	2,778.70
5/1/33	1.188%	64,483.53	2,778.70
11/1/33	1.188%	-	2,395.67
5/1/34	1.188%	65,249.60	2,395.67
11/1/34	1.188%	-	2,008.08
5/1/35	1.188%	66,024.76	2,008.08
11/1/35	1.188%	-	1,615.90
5/1/36	1.188%	66,809.14	1,615.90
11/1/36	1.188%	-	1,219.05
5/1/37	1.188%	67,602.83	1,219.05
11/1/37	1.188%	-	817.49
5/1/38	1.188%	68,405.95	817.49
11/1/38	1.188%	-	411.16
5/1/39	1.188%	69,218.61	411.16
Total		<u>\$ 957,141.79</u>	<u>\$ 87,786.74</u>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2019C  
DATED JUNE 26, 2019  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/25	1.188%	\$ 20,033.88	\$ 1,941.38
11/1/25	1.188%	-	1,822.38
5/1/26	1.188%	20,271.87	1,822.38
11/1/26	1.188%	-	1,701.96
5/1/27	1.188%	20,512.70	1,701.96
11/1/27	1.188%	-	1,580.12
5/1/28	1.188%	20,756.40	1,580.12
11/1/28	1.188%	-	1,456.83
5/1/29	1.188%	21,002.98	1,456.83
11/1/29	1.188%	-	1,332.07
5/1/30	1.188%	21,252.49	1,332.07
11/1/30	1.188%	-	1,205.82
5/1/31	1.188%	21,504.98	1,205.82
11/1/31	1.188%	-	1,078.09
5/1/32	1.188%	21,760.46	1,078.09
11/1/32	1.188%	-	948.83
5/1/33	1.188%	22,018.96	948.83
11/1/33	1.188%	-	818.04
5/1/34	1.188%	22,280.56	818.04
11/1/34	1.188%	-	685.69
5/1/35	1.188%	22,545.26	685.69
11/1/35	1.188%	-	551.78
5/1/36	1.188%	22,813.09	551.78
11/1/36	1.188%	-	416.27
5/1/37	1.188%	23,084.12	416.27
11/1/37	1.188%	-	279.14
5/1/38	1.188%	23,358.34	279.14
11/1/38	1.188%	-	140.40
5/1/39	1.188%	23,635.85	140.40
Total		<u>\$ 326,831.94</u>	<u>\$ 29,976.22</u>

SCHEDULE F-13

CITY OF LADYSMITH, WISCONSIN  
 SEWER SYSTEM AND WATER SYSTEM GENERAL OBLIGATION CORPORATE PUPOSE BONDS, SERIES 2019D  
 DATED DECEMBER 30, 2019  
 OUTSTANDING DECEMBER 31, 2024

Payment Date	Rate	Totals		Water		Sewer	
		Principal	Interest	Principal	Interest	Principal	Interest
6/1/25	4.000%	\$ -	\$ 5,256.25	\$ -	\$ 3,481.25	\$ -	\$ 1,775.00
12/1/25	4.000%	20,000.00	5,256.25	15,000.00	3,481.25	5,000.00	1,775.00
6/1/26	4.000%	-	4,856.25	-	3,181.25	-	1,675.00
12/1/26	4.000%	20,000.00	4,856.25	15,000.00	3,181.25	5,000.00	1,675.00
6/1/27	4.000%	-	4,456.25	-	2,881.25	-	1,575.00
12/1/27	4.000%	20,000.00	4,456.25	15,000.00	2,881.25	5,000.00	1,575.00
6/1/28	4.000%	-	4,056.25	-	2,581.25	-	1,475.00
12/1/28	4.000%	25,000.00	4,056.25	15,000.00	2,581.25	10,000.00	1,475.00
6/1/29	4.000%	-	3,556.25	-	2,281.25	-	1,275.00
12/1/29	4.000%	25,000.00	3,556.25	15,000.00	2,281.25	10,000.00	1,275.00
6/1/30	4.000%	-	3,306.25	-	2,131.25	-	1,175.00
12/1/30	4.000%	25,000.00	3,306.25	15,000.00	2,131.25	10,000.00	1,175.00

SCHEDULE F-13

CITY OF LADYSMITH, WISCONSIN  
 SEWER SYSTEM AND WATER SYSTEM GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019D (CONTINUED)  
 DATED DECEMBER 30, 2019  
 OUTSTANDING DECEMBER 31, 2024

Payment Date	Rate	Totals		Water		Sewer	
		Principal	Interest	Principal	Interest	Principal	Interest
6/1/31	4.000%	\$ -	\$ 3,040.63	\$ -	\$ 1,971.88	\$ -	\$ 1,068.75
12/1/31	4.000%	25,000.00	3,040.63	15,000.00	1,971.88	10,000.00	1,068.75
6/1/32	4.000%	-	2,775.00	-	1,812.50	-	962.50
12/1/32	4.000%	25,000.00	2,775.00	15,000.00	1,812.50	10,000.00	962.50
6/1/33	4.000%	-	2,493.75	-	1,643.75	-	850.00
12/1/33	4.000%	25,000.00	2,493.75	15,000.00	1,643.75	10,000.00	850.00
6/1/34	4.000%	-	2,212.50	-	1,475.00	-	737.50
12/1/34	4.000%	30,000.00	2,212.50	20,000.00	1,475.00	10,000.00	737.50
6/1/35	4.000%	-	1,856.25	-	1,237.50	-	618.75
12/1/35	4.000%	30,000.00	1,856.25	20,000.00	1,237.50	10,000.00	618.75
6/1/36	4.000%	-	1,500.00	-	1,000.00	-	500.00
12/1/36	4.000%	30,000.00	1,500.00	20,000.00	1,000.00	10,000.00	500.00
6/1/37	4.000%	-	1,125.00	-	750.00	-	375.00
12/1/37	4.000%	30,000.00	1,125.00	20,000.00	750.00	10,000.00	375.00
6/1/38	4.000%	-	750.00	-	500.00	-	250.00
12/1/38	4.000%	30,000.00	750.00	20,000.00	500.00	10,000.00	250.00
6/1/39	4.000%	-	375.00	-	250.00	-	125.00
12/1/39	4.000%	30,000.00	375.00	20,000.00	250.00	10,000.00	125.00
<b>Total</b>		<b>\$ 390,000.00</b>	<b>\$ 83,231.26</b>	<b>\$ 255,000.00</b>	<b>\$ 54,356.26</b>	<b>\$ 135,000.00</b>	<b>\$ 28,875.00</b>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2021  
 DATED JUNE 23, 2021  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/25	0.891%	\$ 17,798.80	\$ 1,448.49
11/1/25	0.891%	-	1,369.20
5/1/26	0.891%	17,957.39	1,369.20
11/1/26	0.891%	-	1,289.20
5/1/27	0.891%	18,117.40	1,289.20
11/1/27	0.891%	-	1,208.49
5/1/28	0.891%	18,278.81	1,208.49
11/1/28	0.891%	-	1,127.06
5/1/29	0.891%	18,441.69	1,127.06
11/1/29	0.891%	-	1,044.90
5/1/30	0.891%	18,605.99	1,044.90
11/1/30	0.891%	-	962.01
5/1/31	0.891%	18,771.78	962.01
11/1/31	0.891%	-	878.38
5/1/32	0.891%	18,939.04	878.38
11/1/32	0.891%	-	794.01
5/1/33	0.891%	19,107.79	794.01
11/1/33	0.891%	-	708.88
5/1/34	0.891%	19,278.03	708.88
11/1/34	0.891%	-	623.00

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2021 (CONTINUED)  
 DATED JUNE 23, 2021  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/35	0.891%	\$ 19,449.79	\$ 623.00
11/1/35	0.891%	-	536.35
5/1/36	0.891%	19,623.10	536.35
11/1/36	0.891%	-	448.93
5/1/37	0.891%	19,797.94	448.93
11/1/37	0.891%	-	360.73
5/1/38	0.891%	19,974.34	360.73
11/1/38	0.891%	-	271.74
5/1/39	0.891%	20,152.30	271.74
11/1/39	0.891%	-	181.96
5/1/40	0.891%	20,331.87	181.96
11/1/40	0.891%	-	91.39
5/1/41	0.891%	20,513.03	91.39
Total		<u>\$ 325,139.09</u>	<u>\$ 25,240.95</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2022  
 DATED JULY 13, 2022  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/25	1.221%	\$ 18,233.08	\$ 2,225.76
11/1/25	1.221%	-	2,114.45
5/1/26	1.221%	18,455.71	2,114.45
11/1/26	1.221%	-	2,001.78
5/1/27	1.221%	18,681.05	2,001.78
11/1/27	1.221%	-	1,887.73
5/1/28	1.221%	18,909.15	1,887.73
11/1/28	1.221%	-	1,772.29
5/1/29	1.221%	19,140.03	1,772.29
11/1/29	1.221%	-	1,655.44
5/1/30	1.221%	19,373.73	1,655.44
11/1/30	1.221%	-	1,537.16
5/1/31	1.221%	19,610.28	1,537.16
11/1/31	1.221%	-	1,417.44
5/1/32	1.221%	19,849.72	1,417.44
11/1/32	1.221%	-	1,296.26
5/1/33	1.221%	20,092.09	1,296.26
11/1/33	1.221%	-	1,173.60
5/1/34	1.221%	20,337.41	1,173.60
11/1/34	1.221%	-	1,049.44

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2022 (CONTINUED)  
 DATED JULY 13, 2022  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/35	1.221%	\$ 20,585.73	\$ 1,049.44
11/1/35	1.221%	-	923.76
5/1/36	1.221%	20,837.09	923.76
11/1/36	1.221%	-	796.55
5/1/37	1.221%	21,091.51	796.55
11/1/37	1.221%	-	667.79
5/1/38	1.221%	21,349.04	667.79
11/1/38	1.221%	-	537.45
5/1/39	1.221%	21,609.71	537.45
11/1/39	1.221%	-	405.53
5/1/40	1.221%	21,873.56	405.53
11/1/40	1.221%	-	271.99
5/1/41	1.221%	22,140.64	271.99
11/1/41	1.221%	-	136.82
5/1/42	1.221%	22,410.98	136.82
Total		<u>\$ 364,580.51</u>	<u>\$ 41,516.72</u>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2022  
DATED JULY 13, 2022  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/25	1.221%	\$ 14,991.04	\$ 1,830.00
11/1/25	1.221%	-	1,738.48
5/1/26	1.221%	15,174.08	1,738.48
11/1/26	1.221%	-	1,645.84
5/1/27	1.221%	15,359.36	1,645.84
11/1/27	1.221%	-	1,552.07
5/1/28	1.221%	15,546.90	1,552.07
11/1/28	1.221%	-	1,457.16
5/1/29	1.221%	15,736.72	1,457.16
11/1/29	1.221%	-	1,361.09
5/1/30	1.221%	15,928.87	1,361.09
11/1/30	1.221%	-	1,263.84
5/1/31	1.221%	16,123.36	1,263.84
11/1/31	1.221%	-	1,165.41
5/1/32	1.221%	16,320.23	1,165.41
11/1/32	1.221%	-	1,065.77
5/1/33	1.221%	16,519.50	1,065.77
11/1/33	1.221%	-	964.92
5/1/34	1.221%	16,721.20	964.92
11/1/34	1.221%	-	862.84

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2022 (CONTINUED)  
DATED JULY 13, 2022  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/35	1.221%	\$ 16,925.37	\$ 862.84
11/1/35	1.221%	-	759.51
5/1/36	1.221%	17,132.02	759.51
11/1/36	1.221%	-	654.92
5/1/37	1.221%	17,341.21	654.92
11/1/37	1.221%	-	549.05
5/1/38	1.221%	17,552.94	549.05
11/1/38	1.221%	-	441.89
5/1/39	1.221%	17,767.26	441.89
11/1/39	1.221%	-	333.42
5/1/40	1.221%	17,984.20	333.42
11/1/40	1.221%	-	223.63
5/1/41	1.221%	18,203.79	223.63
11/1/41	1.221%	-	112.49
5/1/42	1.221%	18,426.05	112.49
Total		<u>\$ 299,754.10</u>	<u>\$ 34,134.66</u>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2023  
DATED AUGUST 9, 2023  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/25	1.287%	\$ 4,223.99	\$ 580.86
11/1/25	1.287%	-	553.68
5/1/26	1.287%	4,278.35	553.68
11/1/26	1.287%	-	526.15
5/1/27	1.287%	4,333.41	526.15
11/1/27	1.287%	-	498.26
5/1/28	1.287%	4,389.18	498.26
11/1/28	1.287%	-	470.02
5/1/29	1.287%	4,445.67	470.02
11/1/29	1.287%	-	441.41
5/1/30	1.287%	4,502.89	441.41
11/1/30	1.287%	-	412.44
5/1/31	1.287%	4,560.84	412.44
11/1/31	1.287%	-	383.09
5/1/32	1.287%	4,619.54	383.09
11/1/32	1.287%	-	353.36
5/1/33	1.287%	4,678.99	353.36
11/1/33	1.287%	-	323.25
5/1/34	1.287%	4,739.21	323.25
11/1/34	1.287%	-	292.75

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2023 (CONTINUED)  
DATED AUGUST 9, 2023  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/35	1.287%	\$ 4,800.20	\$ 292.75
11/1/35	1.287%	-	261.86
5/1/36	1.287%	4,861.98	261.86
11/1/36	1.287%	-	230.58
5/1/37	1.287%	4,924.56	230.58
11/1/37	1.287%	-	198.89
5/1/38	1.287%	4,987.93	198.89
11/1/38	1.287%	-	166.79
5/1/39	1.287%	5,052.13	166.79
11/1/39	1.287%	-	134.28
5/1/40	1.287%	5,117.15	134.28
11/1/40	1.287%	-	101.35
5/1/41	1.287%	5,183.01	101.35
11/1/41	1.287%	-	68.00
5/1/42	1.287%	5,249.71	68.00
11/1/42	1.287%	-	34.22
5/1/43	1.287%	5,317.27	34.22
Total		<u>\$ 90,266.01</u>	<u>\$ 11,481.62</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2023  
 DATED SEPTEMBER 13, 2023  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/25	1.287%	\$ 7,400.57	\$ 1,017.69
11/1/25	1.287%	-	970.07
5/1/26	1.287%	7,495.82	970.07
11/1/26	1.287%	-	921.83
5/1/27	1.287%	7,592.29	921.83
11/1/27	1.287%	-	872.98
5/1/28	1.287%	7,690.00	872.98
11/1/28	1.287%	-	823.49
5/1/29	1.287%	7,788.97	823.49
11/1/29	1.287%	-	773.37
5/1/30	1.287%	7,889.21	773.37
11/1/30	1.287%	-	722.60
5/1/31	1.287%	7,990.75	722.60
11/1/31	1.287%	-	671.18
5/1/32	1.287%	8,093.59	671.18
11/1/32	1.287%	-	619.10
5/1/33	1.287%	8,197.75	619.10
11/1/33	1.287%	-	566.35
5/1/34	1.287%	8,303.26	566.35
11/1/34	1.287%	-	512.91

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2023 (CONTINUED)  
 DATED SEPTEMBER 13, 2023  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/35	1.287%	\$ 8,410.12	\$ 512.91
11/1/35	1.287%	-	458.80
5/1/36	1.287%	8,518.36	458.80
11/1/36	1.287%	-	403.98
5/1/37	1.287%	8,627.99	403.98
11/1/37	1.287%	-	348.46
5/1/38	1.287%	8,739.02	348.46
11/1/38	1.287%	-	292.22
5/1/39	1.287%	8,851.50	292.22
11/1/39	1.287%	-	235.26
5/1/40	1.287%	8,965.00	235.26
11/1/40	1.287%	-	177.57
5/1/41	1.287%	9,080.81	177.57
11/1/41	1.287%	-	119.14
5/1/42	1.287%	9,197.67	119.14
11/1/42	1.287%	-	59.95
5/1/43	1.287%	9,316.05	59.95
Total		<u>\$ 158,148.73</u>	<u>\$ 20,116.21</u>

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2024  
DATED SEPTEMBER 25, 2024  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/25	1.419%	\$ 17,708.17	\$ 3,009.50
11/1/25	1.419%	-	2,756.55
5/1/26	1.419%	17,959.45	2,756.55
11/1/26	1.419%	-	2,629.13
5/1/27	1.419%	18,214.30	2,629.13
11/1/27	1.419%	-	2,499.90
5/1/28	1.419%	18,472.76	2,499.90
11/1/28	1.419%	-	2,368.83
5/1/29	1.419%	18,734.89	2,368.83
11/1/29	1.419%	-	2,235.91
5/1/30	1.419%	19,000.74	2,235.91
11/1/30	1.419%	-	2,101.10
5/1/31	1.419%	19,270.36	2,101.10
11/1/31	1.419%	-	1,964.37
5/1/32	1.419%	19,543.80	1,964.37
11/1/32	1.419%	-	1,825.71
5/1/33	1.419%	19,821.13	1,825.71
11/1/33	1.419%	-	1,685.08
5/1/34	1.419%	20,102.39	1,685.08
11/1/34	1.419%	-	1,542.45

**CITY OF LADYSMITH, WISCONSIN  
SEWER SYSTEM REVENUE BONDS, SERIES 2024 (CONTINUED)  
DATED SEPTEMBER 25, 2024  
OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Sewer	
		Principal	Interest
5/1/35	1.419%	\$ 20,387.64	\$ 1,542.45
11/1/35	1.419%	-	1,397.80
5/1/36	1.419%	20,676.94	1,397.80
11/1/36	1.419%	-	1,251.10
5/1/37	1.419%	20,970.35	1,251.10
11/1/37	1.419%	-	1,102.32
5/1/38	1.419%	21,267.92	1,102.32
11/1/38	1.419%	-	951.42
5/1/39	1.419%	21,569.71	951.42
11/1/39	1.419%	-	798.38
5/1/40	1.419%	21,875.79	798.38
11/1/40	1.419%	-	643.17
5/1/41	1.419%	22,186.19	643.17
11/1/41	1.419%	-	485.76
5/1/42	1.419%	22,501.03	485.76
11/1/42	1.419%	-	326.12
5/1/43	1.419%	22,820.30	326.12
11/1/43	1.419%	-	164.21
5/1/44	1.419%	<u>23,144.13</u>	<u>164.21</u>
Total		<u>\$ 406,227.99</u>	<u>\$ 60,468.12</u>

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2024  
 DATED SEPTEMBER 25, 2024  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/25	1.419%	\$ 49,742.92	\$ 9,078.27
11/1/25	1.419%	-	7,743.25
5/1/26	1.419%	50,448.78	7,743.25
11/1/26	1.419%	-	7,385.31
5/1/27	1.419%	51,164.64	7,385.31
11/1/27	1.419%	-	7,022.30
5/1/28	1.419%	51,890.67	7,022.30
11/1/28	1.419%	-	6,654.14
5/1/29	1.419%	52,627.00	6,654.14
11/1/29	1.419%	-	6,280.75
5/1/30	1.419%	53,373.78	6,280.75
11/1/30	1.419%	-	5,902.06
5/1/31	1.419%	54,131.14	5,902.06
11/1/31	1.419%	-	5,518.00
5/1/32	1.419%	54,899.27	5,518.00
11/1/32	1.419%	-	5,128.49
5/1/33	1.419%	55,678.28	5,128.49
11/1/33	1.419%	-	4,733.45
5/1/34	1.419%	56,468.37	4,733.45
11/1/34	1.419%	-	4,332.81

**CITY OF LADYSMITH, WISCONSIN  
 WATER SYSTEM REVENUE BONDS, SERIES 2024 (CONTINUED)  
 DATED SEPTEMBER 25, 2024  
 OUTSTANDING DECEMBER 31, 2024**

Payment Date	Rate	Water	
		Principal	Interest
5/1/35	1.419%	\$ 57,269.64	\$ 4,332.81
11/1/35	1.419%	-	3,926.48
5/1/36	1.419%	58,082.31	3,926.48
11/1/36	1.419%	-	3,514.39
5/1/37	1.419%	58,906.50	3,514.39
11/1/37	1.419%	-	3,096.44
5/1/38	1.419%	59,742.37	3,096.44
11/1/38	1.419%	-	2,672.57
5/1/39	1.419%	60,590.11	2,672.57
11/1/39	1.419%	-	2,242.69
5/1/40	1.419%	61,449.90	2,242.69
11/1/40	1.419%	-	1,806.70
5/1/41	1.419%	62,321.87	1,806.70
11/1/41	1.419%	-	1,364.53
5/1/42	1.419%	63,206.21	1,364.53
11/1/42	1.419%	-	916.08
5/1/43	1.419%	64,103.12	916.08
11/1/43	1.419%	-	461.27
5/1/44	1.419%	<u>65,012.73</u>	<u>461.27</u>
Total		<u>\$ 1,141,109.61</u>	<u>\$ 170,481.69</u>

**STATISTICAL INFORMATION (UNAUDITED)**

**TABLE 1**

**CITY OF LADYSMITH, WISCONSIN  
CITY TAX RATES – ALL OVERLAPPING GOVERNMENTS  
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025
State of Wisconsin	0.156	0.144	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Rusk County	5.479	4.862	5.393	6.490	7.260	7.316	7.084	6.487	6.278	7.683
City of Ladysmith	7.315	7.250	7.679	8.920	10.569	10.639	10.554	10.561	10.866	11.080
Ladysmith School District	12.473	11.959	12.162	13.402	12.419	12.208	12.194	11.707	11.242	12.524
Northwood Technical College	0.344	0.320	0.330	0.369	0.398	0.395	0.346	0.323	0.314	0.350
<b>Total Tax Rate</b>	<b>25.767</b>	<b>24.535</b>	<b>25.564</b>	<b>29.181</b>	<b>30.646</b>	<b>30.558</b>	<b>30.178</b>	<b>29.078</b>	<b>28.699</b>	<b>31.637</b>
<b>Ratio of Assessed Value to Equalized Value</b>	<b>108.71%</b>	<b>118.16%</b>	<b>115.19%</b>	<b>103.03%</b>	<b>95.00%</b>	<b>94.72%</b>	<b>92.71%</b>	<b>84.53%</b>	<b>80.10%</b>	<b>68.41%</b>

**CITY OF LADYSMITH, WISCONSIN  
TREND OF VALUES  
ASSESSED VALUES AND EQUALIZED VALUES  
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

Year	Equalized Value	Assessed Value
2024	\$ 229,740,000	\$ 157,167,900
2023	205,681,300	164,743,700
2022	188,857,300	159,649,400
2021	169,684,600	157,308,800
2020	166,504,100	157,708,100
2019	167,092,300	158,741,200
2018	154,414,900	159,098,800
2017	161,863,200	186,448,900
2016	158,221,100	186,953,600
2015	170,615,300	185,482,990
2014	171,294,200	183,485,160
2013	155,524,300	184,280,620
2012	147,868,400	177,939,290
2011	162,330,400	177,783,047
2010	158,635,400	176,707,650
2009	174,814,000	175,830,470
2008	168,063,300	173,712,840
2007	164,137,500	163,769,490
2006	151,941,800	164,471,070
2005	141,732,888	128,962,755

**TABLE 3**

**CITY OF LADYSMITH, WISCONSIN  
TEN LARGEST TAXPAYERS IN THE CITY  
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2024 Equalized Value</u>	<u>Percent of Equalized Value</u>
Ladysmith Campus LLC	Nursing Home	\$ 11,464,900	4.99%
MCHS Hospitals Inc	Healthcare	7,980,800	3.47%
Wal-Mart Real Estate Business Trust	Retail Store	7,583,900	3.30%
Robert A Williams	Rental Properties	6,964,100	3.03%
City Forest Corporation (Dunn Paper)	Paper Products	4,044,100	1.76%
Weathershield Mfg., Inc.	Millwork, Insulated Doors	3,385,200	1.47%
Black Bear Motel LLC	Motel	3,209,200	1.40%
Reinhart Partners	Retail Grocer	2,894,100	1.26%
Flambeau Village	Apartments	2,861,700	1.25%
Eduinvest LLC	Academy	2,527,000	1.10%

**TABLE 4**

**CITY OF LADYSMITH, WISCONSIN  
GENERAL FUND REVENUES BY SOURCE  
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

Fiscal Year	Charges for						Total
	Taxes	Special Assessments	Inter-Governmental	Licenses and Permits	Fines and Forfeits	Services	
2024	\$ 1,626,293	\$ 29,388	\$ 1,972,618	\$ 24,639	\$ 17,485	\$ 1,053,358	\$ 4,963,846
2023	1,551,822	30,933	1,687,097	31,274	21,901	977,293	4,753,978
2022	1,528,146	81,144	1,681,764	18,919	27,695	1,052,703	4,594,941
2021	1,539,186	63,741	1,668,591	34,646	34,768	936,109	4,430,747
2020	1,530,443	56,510	1,619,700	165,559	25,367	834,102	4,212,800
2019	1,331,532	27,777	2,115,656	21,186	29,359	817,357	4,492,343
2018	1,340,642	41,684	1,708,815	17,897	34,622	814,373	4,100,645
2017	1,273,325	47,390	1,697,696	16,308	37,311	786,809	3,995,799
2016	1,322,769	68,806	1,582,158	12,938	33,976	782,040	3,904,872
2015	1,288,288	54,454	1,672,396	11,762	43,523	793,186	3,950,271
2014	1,273,255	24,639	1,597,089	14,755	43,913	774,764	3,866,683
2013	1,269,293	35,147	1,588,374	20,098	41,708	786,601	3,867,584
2012	1,264,112	38,165	1,629,704	20,698	39,512	817,893	3,950,915
2011	1,241,979	33,658	1,894,014	26,652	35,112	845,531	4,208,969
2010	1,234,177	56,748	1,885,157	21,140	37,429	808,643	4,195,120
2009	1,157,744	80,814	1,871,089	15,715	54,895	833,091	4,141,900
2008	1,126,876	93,791	1,831,477	23,837	57,552	805,042	4,233,209
2007	1,152,050	104,087	1,877,044	33,358	67,458	804,417	4,586,715
2006	1,138,651	70,021	1,816,964	22,646	63,813	751,508	4,073,569
2005	1,020,665	93,808	1,762,459	18,372	68,348	685,171	3,773,567

**CITY OF LADYSMITH, WISCONSIN  
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION  
(THE INFORMATION IN THIS TABLE IS UNAUDITED)**

Fiscal Year	General Government	Public Safety	Transportation Facilities	Sanitation	Health and Human Services	Leisure and Activities	Conservation and Development	Education	Economic Development	Debt Service	Total
2024	\$ 446,077	\$ 1,414,925	\$ 925,961	\$ 389,525	\$ 218,435	\$ 285,568	\$ 119,766	\$ 543,165	\$ -	\$ 527,345	\$ 4,870,767
2023	381,096	1,335,361	1,231,418	383,901	191,019	248,557	229,556	512,543	-	520,935	5,034,386
2022	382,795	1,296,226	931,216	388,269	160,247	276,242	171,481	495,161	-	521,524	4,623,161
2021	346,898	1,283,867	928,963	517,951	162,850	270,972	158,411	495,625	-	488,597	4,654,134
2020	389,843	1,168,973	881,232	370,208	128,904	234,805	153,783	458,864	-	609,090	4,395,702
2019	423,275	1,116,175	1,781,024	345,018	160,512	231,217	113,925	467,771	-	520,194	5,159,111
2018	511,851	1,089,512	1,341,465	321,332	130,925	281,859	102,708	444,725	-	648,424	4,872,801
2017	382,878	1,424,615	1,178,437	307,522	104,094	235,425	54,863	433,821	-	647,359	4,769,014
2016	365,877	1,117,775	1,238,071	298,957	109,759	186,052	63,440	433,628	-	738,827	4,552,386
2015	353,112	1,060,310	934,480	417,872	96,499	162,355	78,638	437,292	-	789,554	4,330,112
2014	445,168	1,163,688	1,188,304	289,501	87,942	143,962	58,238	443,788	-	721,979	4,542,570
2013	434,114	1,218,902	810,362	294,004	113,621	140,981	72,244	438,146	-	931,631	4,454,005
2012	431,800	1,087,031	864,121	272,333	116,033	154,186	77,171	459,465	-	855,814	4,317,954
2011	415,815	1,206,948	853,491	280,013	105,499	139,008	77,699	501,992	-	976,846	4,557,311
2010	425,211	1,478,867	1,023,188	288,631	119,999	221,982	97,931	435,190	-	823,157	4,914,156
2009	504,899	989,012	1,000,298	391,650	125,120	154,955	97,547	445,257	-	748,227	4,456,965
2008	580,965	1,299,509	1,410,720	232,008	113,816	215,492	278,644	444,754	-	525,344	5,101,252
2007	634,323	1,215,845	1,473,658	259,188	126,005	327,193	143,957	403,233	-	551,110	5,134,512
2006	586,697	932,960	807,507	245,827	121,038	225,435	99,290	408,472	-	633,652	4,060,878
2005	577,420	886,981	927,782	497,463	120,095	314,769	24,974	386,076	163,214	441,653	4,340,427

**CITY OF LADYSMITH, WISCONSIN  
MISCELLANEOUS SUPPLEMENTAL INFORMATION (UNAUDITED)  
YEAR ENDED DECEMBER 31, 2024**

<b>DATE OF INCORPORATION</b>	1905
<b>FORM OF GOVERNMENT</b>	Council--Mayor
<b>AREA</b>	4 1/2 Square Miles
<b>MILES OF STREETS</b>	34.4 Miles
<b>NUMBER OF STREET LIGHTS</b>	485
<b>FIRE PROTECTION</b>	
Number of Stations	1
Volunteer Firefighters	28
<b>POLICE PROTECTION</b>	
Number of Stations	1
Number of Policemen and Officers	9
<b>EDUCATION</b>	
Grade Schools:	
Public	1
Religious	1
Middle Schools	1
High Schools	1
<b>MUNICIPAL WATER DEPARTMENT</b>	
Number of Consumers	1,586
Average Daily Gallons Pumped	276,611
Miles of Water Mains	44
Wells	4
<b>SEWERS</b>	
Sanitary Sewers	35.5 Miles
Storm Sewers	24.5 Miles
<b>RECREATION AND CULTURE</b>	
Number of Parks	5 with 92 Acres
Number of Libraries	1
Number of Volumes	33,856
<b>EMPLOYEES</b>	
Full-Time	32
Part-Time	5
Volunteer Firefighters	28
Seasonal Summer	13

**SINGLE AUDIT SECTION**

**CITY OF LADYSMITH, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Housing and Urban Development Community Development Block Grant</u>	14.228	WI DOA	CDBG PF 23-12	\$ -	\$ 1,000,000
<u>U.S. Department of Treasury COVID-19 Coronavirus State and Local Fiscal Recovery Funds</u>	21.027	WI DOR	Not Available	-	327,194
Total Federal Expenditures				\$ -	\$ 1,327,194

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF LADYSMITH, WISCONSIN  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Ladysmith under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Ladysmith, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Ladysmith.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 INDIRECT COST RATE**

The City of Ladysmith has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council  
City of Ladysmith  
Ladysmith, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Ladysmith, Wisconsin (City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 7, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001, 2024-002, and 2024-003 that we consider to be material weaknesses.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City of Ladysmith's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
July 7, 2025



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

City Council  
City of Ladysmith  
Ladysmith, Wisconsin

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Ladysmith's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Ladysmith's major federal programs for the year ended December 31, 2024. The City of Ladysmith's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Ladysmith and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Ladysmith's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Ladysmith's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Ladysmith's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Ladysmith's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Ladysmith's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Ladysmith's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Ladysmith's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
July 7, 2025

**CITY OF LADYSMITH, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2024**

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***Section I – Summary of Auditors’ Results***

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***Financial Statements***

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     X     Yes          No
  - Significant deficiency(ies) identified?          Yes     X     None reported
3. Noncompliance material to basic financial statements noted?          Yes     X     No

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified?          Yes     X     No
  - Significant deficiency(ies) identified?          Yes     X     None reported
2. Type of auditor’s report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?          Yes     X     No

***Identification of major federal programs:***

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
14.228	Community Development Block Grant

Dollar threshold used to determine between type A and type B programs:     \$ 750,000    

Auditee qualified as low-risk auditee?          Yes     X     No

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

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***Section II – Findings Related to the Financial Statements***

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**Finding: 2024-001    Limited Segregation of Duties**

**Type of Finding:**    Material Weakness in Internal Control Over Financial Reporting

**Condition:**            The auditors noted during the audit that the available staff precludes a proper separation of duties to assure adequate internal control.

**Criteria or specific requirement:**    Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

**Effect:**                Lack of segregation of duties could result in a financial statement misstatement, caused by error or fraud that would not be detected or prevented by City staff.

**Cause:**                The condition is due to limited staff available.

**Recommendation:**    The City should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

**Repeat Finding:**      This audit finding was reported as finding in the prior year.

**Views of Responsible Officials and Planned Corrective Actions:** The City will continue to work to achieve segregation of duties whenever cost effective. The City Administrator is the official responsible for ensuring corrective action of the deficiency.

**Finding: 2024-002    Material Audit Adjustments**

**Type of Finding:**    Material Weakness in Internal Control Over Financial Reporting

**Condition:**            The audit firm proposed, and the City posted to its general ledger accounts journal entries for correcting certain misstatements.

**Criteria or specific requirement:**    The City should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

**Effect:**                The financial statements of the City may include inaccurate information not detected or prevented by City staff.

**Cause:**                The City has not established controls to ensure that all accounts are adjusted to their appropriate year-end balances in accordance with Generally Accepted Accounting Principles (GAAP).

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

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***Section II – Findings Related to the Financial Statements (Continued)***

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**Finding: 2024-002    Material Audit Adjustments (Continued)**

**Recommendation:** The City should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

**Repeat Finding:** This audit finding was reported as finding in the prior year.

**Views of Responsible Officials and Planned Corrective Actions:** The city will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. The City Administrator is the official responsible for ensuring corrective action of the deficiency.

**Finding: 2024-003    Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

**Type of Finding:** Material Weakness in Internal Control Over Financial Reporting

**Condition:** The City does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

**Criteria or specific requirement:** The City is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements included related disclosures, in conformity with GAAP.

**Effect:** The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the City's internal controls.

**Cause:** The City relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have designated an individual with suitable skill, knowledge, or experience to oversee their preparation and have reviewed, approved, and accepted responsibility for the annual financial statements and the related footnote disclosures.

**Recommendation:** The City should continue to evaluate its internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

**Repeat Finding:** This audit finding was reported as finding in the prior year.

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

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***Section II – Findings Related to the Financial Statements (Continued)***

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**Finding: 2024-003 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP) (Continued)**

**Views of Responsible Officials and Planned Corrective Actions:** The City will continue to rely upon the audit firm to prepare the annual financial statements and related footnote disclosures in accordance with GAAP. Management will review, approve, and accept responsibility for these financial statements and related footnote disclosures prior to issuance. The City Administrator is the official responsible for ensuring corrective action of the deficiency.

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***Section III – Findings and Questioned Costs – Major Federal Program***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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**FORM OF LEGAL OPINION**

(See following pages)

# FRYBERGER

— LAW FIRM —

April 13, 2026

City of Ladysmith  
120 W. Miner Avenue  
Ladysmith, WI 54848

[PURCHASER]

**Re: *City of Ladysmith, Wisconsin  
\$3,310,000 General Obligation Promissory Notes, Series 2026A***

We have acted as Bond Counsel in connection with the authorization, issuance and delivery by the City of Ladysmith, Rusk County, Wisconsin (the “Issuer”), of the above-referenced bonds dated the date hereof (the “Notes”). The Notes are issued pursuant to Chapter 67, Wisconsin Statutes.

A. Scope of Examination. For the purpose of rendering this opinion letter, we have examined the following:

1. a resolution of the Issuer adopted on March 23, 2026, authorizing the issuance and delivery of the Notes (the “Resolution”);
2. the Tax Exemption Certificate of the Issuer dated the date hereof setting forth and certifying as to certain matters, including but not limited to the use and investment of the proceeds of the Notes (the “Tax Certificate”);
3. applicable law and certified copies of certain proceedings taken, and certain affidavits and certificates furnished by the Issuer and others with respect to the authorization, sale and issuance of the Notes; and
4. such other documents and other materials we considered necessary in order to render this opinion.

B. Reliance. As to questions of fact material to our opinion, we have relied upon certified proceedings, documents and certifications furnished to us by public officials and officers of the Issuer and others without undertaking to verify such facts by independent investigation. We have also relied, without independent investigation, upon representations and certifications made by the Issuer in the Tax Certificate and the representations and certifications made by the Issuer, agents of the Issuer and others in connection with the

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FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A

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Superior, WI 54880  
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issuance of the Notes as to: (a) the nature, cost, use and useful economic life of the facilities and/or improvements financed by the Notes, (b) the application to be made of the proceeds of the Notes, (c) the investment of such proceeds and (d) other matters material to the tax-exempt status of the interest borne by the Notes, including the anticipated sources of repayment of the Notes.

C. Assumptions.

1. In rendering the opinions contained in Section D below, we have assumed: (a) the legal capacity for all purposes relevant hereto of all natural persons, (b) with respect to all parties to agreements or instruments relevant hereto other than the Issuer, that such parties had the requisite power and authority (corporate or otherwise) to execute, deliver and perform such agreements or instruments, (c) that such agreements or instruments are the valid, binding and enforceable obligations of each such party, other than the Issuer, (d) the authenticity of all documents submitted to us as originals and the authenticity of the originals, (e) the conformity to original documents of all documents submitted to us as certified or photostatic copies, (f) the genuineness of the signatures on all documents submitted to us, and (g) the accuracy of the facts and representations stated in all documents submitted to us.

2. In rendering the opinions contained in paragraphs 3 and 4 of Section D below, we have assumed that the proceeds of the Notes will be applied in accordance with the provisions of the Resolution and the representations made by the Issuer in the Tax Certificate and that the Issuer will make or cause to be made any necessary calculations and pay to the United States any amounts required under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

3. For the purpose of rendering the opinion set forth in paragraph 3 of Section D, below, we have also assumed compliance by the Issuer with requirements of the Code that must be satisfied subsequent to the issuance of the Notes. The Issuer has covenanted to comply with each such requirement.

D. Opinions. Based upon such examination, assumptions and reliance, on the basis of federal and State of Wisconsin (the "State") laws, regulations, rulings and decisions in effect on the date hereof, but excluding any pending legislation which may have a retroactive date prior to the date hereof, and subject to certain limitations set forth in Section E below, it is our opinion that:

1. The Notes are valid and binding general obligations of the Issuer enforceable in accordance with their terms.

2. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the principal of and interest on the Notes. 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 the 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 Notes, as of their date of issuance, bear interest which is excluded from gross income of the recipient for federal income tax purposes and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes may affect the federal alternative minimum tax imposed on certain corporations.

4. Based solely on factual representations by the Issuer, the Notes have been designated by the Issuer as “qualified tax-exempt obligations” under and within the meaning of Section 265(b)(3)(b) of the Code.

E. Qualifications and Limitations. The opinions expressed in Section D above are subject to the following:

1. We express no opinion as to federal or state tax consequences arising from ownership of the Notes other than as set forth in Section D hereof.

2. The rights of the owners and enforceability of the Notes are subject to and may be limited by (a) state and federal laws, rulings, decisions and principles of equity affecting remedies, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law); (b) the effect of any applicable bankruptcy, moratorium, insolvency, reorganization, fraudulent conveyance or other similar laws affecting the enforcement of creditors’ or secured creditors’ rights or laws relating to creditors’ or secured creditors’ rights against public instrumentalities heretofore or hereafter enacted to the extent constitutionally applicable; (c) the exercise of judicial discretion in appropriate cases; and (d) federal and state securities laws and public policy relating thereto.

3. Failure by the Issuer to comply with applicable requirements of the Code could cause the interest on the Notes to be includable in the gross income of the owners thereof for federal income taxation, either prospectively or retroactively to the date hereof.

4. Our opinions expressed in Section D above are limited to the law of the State and the federal law of the United States of America, and we assume no responsibility as to the applicability to this transaction, or the effect thereon, of the law of any other jurisdiction.

5. Except as expressly stated in this opinion, we express no opinion as to compliance with any federal securities laws or any state securities or Blue Sky laws.

# FRYBERGER LAW FIRM

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6. This opinion is rendered as of the date set forth above and we express no opinion as to circumstances or events which may occur subsequent to such date.

7. The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

8. We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Notes, and we express no opinion relating thereto.

Respectfully submitted,

Fryberger, Buchanan, Smith & Frederick, P.A.

### 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 Ladysmith, Rusk County, Wisconsin (the “Issuer”) in connection with the issuance of its \$3,310,000 General Obligation Promissory Notes, Series 2026A, dated April 13, 2026 (the “Obligations”). The Obligations are being issued pursuant to a Resolution of the Issuer dated March 23, 2026 (the “Resolution”). The Issuer 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 and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule (defined below). References in this Disclosure Certificate to holders of the Obligations shall include the beneficial owners of the Obligations. This Disclosure Certificate constitutes the written understanding under the Rule.

(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 definitions 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.

“Dissemination Agent” means such person from time to time designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” means, with respect to the Issuer a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of one of the foregoing. The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with this rule.

“IRS” means the Internal Revenue Service of the Department of the Treasury.

“Listed Events” means any of the events listed in Sections 5(a) and 5(b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, whose current address is 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Official Statement” means the Preliminary Official Statement, dated March \_\_\_\_, 2026, delivered in connection with the original issuance and sale of the Obligations, together with the final Official Statement and any amendments thereto or supplements thereof.

“Participating Underwriter” means any of the original underwriter(s) of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time. Reference is also made to SEC Release No. 34-83885 (File No. S7-01-17) for additional information relating to the Issuer’s compliance with this Certificate.

“SEC” means the Securities and Exchange Commission or any successor to its functions governing state and municipal securities.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 12 months after the end of the fiscal year (presently December 31), commencing with the fiscal year ended December 31, 2025, provide to the MSRB, filed in accordance with Section 1(b) of this Disclosure Certificate, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. In each case, 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 later than the date required above for the filing of the Annual Report if they are not available by that date; provided, however, unaudited financial information will be provided and the Audited Financial Statements will be submitted to the MSRB when and if available. The Issuer may provide the Annual Report by specific reference to documents previously provided to the MSRB or filed with the SEC; provided, however, that if the document so referenced is a final official statement within the meaning of the Rule, such final official statement must be available from the MSRB.

(b) Not later than 15 days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall provide the Annual Report to the Dissemination Agent (if the Issuer is not the Dissemination Agent).

(c) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of such 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 Reports. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

- (a) Current Property Valuations
- (b) Direct Debt
- (c) Debt Limit
- (d) Tax Levies & Collections

Section 5. Reporting of Significant Events.

(a) The Issuer shall give, or cause to be given notice of the occurrence of any of the following events with respect to the Obligations, in a timely manner not in excess of 10 business days after the occurrence of the event:

- (1) principal and interest payment delinquencies;
  - (2) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (3) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (4) substitution of credit or liquidity providers, if any, or their failure to perform;
  - (5) adverse tax opinions or the issuance by the IRS of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
  - (6) tender offers;
  - (7) defeasances;
  - (8) rating changes;
  - (9) bankruptcy, insolvency, receivership or similar event of the Issuer;
- or

(10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Obligations, *if material*, in a timely manner not in excess of 10 business days after the occurrence of the event:

(1) non-payment related defaults;

(2) unless described in (a)(5) above, other notices or determinations by the IRS with respect to the tax-exempt status of the Obligations, or other events affecting the tax-exempt status of the Obligations;

(3) modifications to rights of holders of the Obligations;

(4) bond calls;

(5) release, substitution or sale of property securing repayment of the Obligations;

(6) 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;

(7) appointment of a successor or additional trustee or the change of name of a trustee; or

(8) incurrence of a Financial Obligation or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders.

(c) For the purposes of the event identified in subsection (a)(9), 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 or 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.

(d) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under subsection (b), the Issuer shall as soon as possible determine if such event would constitute material information for holders of Obligations.

(e) 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 this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertaking herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

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 Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Obligations may take such action 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 this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, 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. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Obligations.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Obligations, and shall create no rights in any other person or entity.

Section 13. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 8 hereof, to modify the undertaking under this Disclosure Certificate if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

Dated as of April 13, 2026.

CITY OF LADYSMITH, WISCONSIN

By: \_\_\_\_\_  
Robert Grotzinger, Mayor

By: \_\_\_\_\_  
Sara Nelson, Clerk

**NOTICE OF SALE**

**\$3,310,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A  
CITY OF LADYSMITH, WISCONSIN**

Bids for the purchase of \$3,310,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") of the City of Ladysmith, 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 9:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 9:30 A.M., Central Time, on March 23, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 5:15 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

**AUTHORITY; PURPOSE; SECURITY**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including street and water treatment plant improvements. 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 April 13, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>
09/01/2027	\$25,000	09/01/2034	\$150,000	09/01/2041	\$195,000
09/01/2028	125,000	09/01/2035	155,000	09/01/2042	200,000
09/01/2029	125,000	09/01/2036	160,000	09/01/2043	215,000
09/01/2030	130,000	09/01/2037	170,000	09/01/2044	225,000
09/01/2031	140,000	09/01/2038	170,000	09/01/2045	230,000
09/01/2032	140,000	09/01/2039	180,000	03/01/2046	245,000
09/01/2033	145,000	09/01/2040	185,000		

**ADJUSTMENT OPTION**

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

**TERM BOND OPTION**

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

## **INTEREST PAYMENT DATES AND RATES**

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 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 September 1, 2035 shall be subject to optional redemption prior to maturity on September 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 redemption shall be sent by mail not more than 60 days and not less than 30 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 April 13, 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

Legal matters incident to the issuance and sale of the Bonds and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX EXEMPTION" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

## SUBMISSION OF BIDS

Bids must not be for less than \$3,268,625 plus accrued interest on the principal sum of \$3,310,000 from date of original issue of the Notes to date of delivery. **The maximum proposal allowed will be \$3,641,000.** 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 9:30 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 \$66,200 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

## **AWARD**

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

## **BOND INSURANCE**

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

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

## **CUSIP NUMBERS**

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

## **QUALIFIED TAX-EXEMPT OBLIGATIONS**

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

## **CONTINUING DISCLOSURE**

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

City of Ladysmith, Wisconsin

# BID FORM

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

March 23, 2026

RE: \$3,310,000\* General Obligation Promissory Notes, Series 2026A (the "Notes")  
DATED: April 13, 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 \$3,268,625 *nor more than \$3,641,000*) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	09/01/2027	_____ % due	09/01/2034	_____ % due	09/01/2041
_____ % due	09/01/2028	_____ % due	09/01/2035	_____ % due	09/01/2042
_____ % due	09/01/2029	_____ % due	09/01/2036	_____ % due	09/01/2043
_____ % due	09/01/2030	_____ % due	09/01/2037	_____ % due	09/01/2044
_____ % due	09/01/2031	_____ % due	09/01/2038	_____ % due	09/01/2045
_____ % due	09/01/2032	_____ % due	09/01/2039	_____ % due	03/01/2046
_____ % due	09/01/2033	_____ % due	09/01/2040		

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. 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 \$66,200 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 April 13, 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 Preliminary 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 April 13, 2026 of the above bid is \$\_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Ladysmith, Wisconsin, on March 23, 2026.

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