PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 16, 2026

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

The Notes shall not be "qualified tax-exempt obligations".

New Issue **Rating: Moody's Ratings "Aa2"**

CITY OF EAU CLAIRE, WISCONSIN
(Eau Claire and Chippewa Counties)

$12,645,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

BID OPENING: September 22, 2026, 10:00 A.M., C.T. **CONSIDERATION**: September 22, 2026, 4:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The $12,645,000* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Eau Claire, Wisconsin (the "City"), for public purposes, including paying the cost of storm water, street, sidewalk, park, and fire station improvement projects, lead service replacement costs and acquiring vehicles and equipment. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: October 13, 2026

MATURITY: April 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	$810,000	2034	$1,035,000	2041	$310,000
2028	825,000	2035	1,075,000	2042	325,000
2029	860,000	2036	1,115,000	2043	340,000
2030	890,000	2037	255,000	2044	350,000
2031	915,000	2038	270,000	2045	370,000
2032	950,000	2039	280,000	2046	385,000
2033	995,000	2040	290,000		

***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: April 1, 2027 and semiannually thereafter.

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

MINIMUM BID: $12,486,937.50.

MAXIMUM BID: $13,656,600.00.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $252,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL & DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

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

REPRESENTATIONS

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

This Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles & Brady LLP will serve as Disclosure Counsel to the City with respect to the Notes. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Notes.

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

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

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

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

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

CLOSING CERTIFICATES

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

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BID FORM

CITY OF EAU CLAIRE
CITY COUNCIL

		Term Expires
Jeremy Gragert	Council President	April 2029
Aaron Brewster	Council Member	April 2027
Charlie Johnson	Council Member	April 2028
Larry Mboga	Council Member	April 2028
Joshua Miller	Council Member	April 2028
Joyce Orth	Council Member	April 2027
Nate Otto	Council Member	April 2028
Ethan Reed	Council Member	April 2028
Jessica Schoen	Council Member	April 2027
Clara Serrano	Council Member	April 2027
Andrew Werthmann	Council Member	April 2027

ADMINISTRATION

Dave Solberg, City Manager
Kitzie Winters, Finance Director
Nicholas L. Koerner, City Clerk
Stephen C. Nick, City Attorney

PROFESSIONAL SERVICES

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

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

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Eau Claire, Wisconsin (the "City") and the issuance of its $12,645,000* 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 ("Authorizing Resolution") to be adopted by the City Council on September 22, 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 Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of $5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of October 13, 2026. The Notes will mature on April 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing April 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 Authorizing 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 April 1, 2035 shall be subject to optional redemption prior to maturity on April 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of storm water, street, sidewalk, park, and fire station improvement projects, lead service replacement costs and acquiring vehicles and equipment.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	$12,645,000	
Total Sources		**$12,645,000**
Uses		
Estimated Underwriter's Discount	$158,063	
Costs of Issuance	121,073	
Deposit to Construction Fund	12,362,000	
Rounding Amount	3,864	
Total Uses		**$12,645,000**

*Preliminary, subject to change.

SECURITY

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

RATING

The City received a rating of "Aa2" on the Notes by Moody's Ratings ("Moody's"). Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

CONTINUING DISCLOSURE

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

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

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

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

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

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

TAX EXEMPTION

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

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

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

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

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

ORIGINAL ISSUE DISCOUNT

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

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

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

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

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

BOND PREMIUM

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

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

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

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2025 have been audited by CliftonLaronAllen 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 Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

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

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

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

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

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

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

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

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

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

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

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

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

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

	Eau Claire County	Chippewa County	Total
2026 Equalized Value	$9,629,341,300	$450,914,800	$10,080,256,100
2026 Equalized Value Reduced by Tax Increment Valuation	$9,102,780,300	$428,360,200	$9,531,140,500
2025 Assessed Value	$6,756,917,500	$312,535,800	$7,069,453,300

2026 EQUALIZED VALUE BY CLASSIFICATION

	2026 Equalized Value[1]	Percent of Total Equalized Value
Residential	$5,937,931,300	58.907%
Commercial	3,894,941,300	38.639%
Manufacturing	247,260,600	2.453%
Agricultural	122,900	0.001%
Total	$10,080,256,100	100.000%

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value[1]	Percent Increase/Decrease in Equalized Value
2022	$6,698,434,600	$7,226,242,600	11.39%
2023	6,862,353,000	8,165,787,700	13.00%
2024	6,910,646,900	8,820,474,100	8.02%
2025	7,069,453,300	9,248,253,000	4.85%
2026	N/A	10,080,256,100	9.00%

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

[1] Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value[1]	Percent of City's Total Equalized Value
Mayo Clinic Health System[2]	Health Care	$96,422,758	1.04%
Menard Inc.	Retail	93,663,427	1.01%
Marshfield Clinic[2]	Health Care	76,061,604	0.82%
Oakwood Hills Mall LP[2]	Retail	70,819,346	0.77%
Keystone Corp.	Investment Real Estate	65,946,629	0.71%
Station 955 LLC	Investment Real Estate	47,222,577	0.51%
Rykey Properties	Investment Real Estate	40,061,450	0.43%
Prairie Park Property	Residential Rental	38,343,506	0.41%
Haymarket Concepts	Commercial/Student Housing	36,875,674	0.40%
SCS Eau Claire Estates	Investment Real Estate	34,877,664	0.38%
Total		$600,294,635	6.49%
City's Total 2025 Equalized Value[3]		$9,248,253,000	

Source: The City.

DEBT

DIRECT DEBT[4]

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes and the Series 2026B Notes, as defined herein)*	$198,217,686

*Preliminary, subject to change.

[1] Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the City. 2025 information is the latest available.

[2] Assessment under appeal by taxpayer.

[3] Includes tax increment valuation.

[4] Outstanding debt is as of the dated date of the Notes.

Revenue Debt (see schedules following)

Total revenue debt secured by sewerage revenues	$17,700,837
Total revenue debt secured by water revenues (includes the Series 2026C Bonds, as defined herein)*	$36,571,460

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt. Due to an administrative miscommunication, the City did not timely make the October 17, 2022 principal and interest redemption payments for the April 1, 2025 partial maturity of its General Obligation Promissory Notes, Series 2015A, dated August 8, 2015 and the April 1, 2025 maturity of its Taxable General Obligation Promissory Notes, Series 2015B, dated August 8, 2015. The payments were wired to DTCC on October 18, 2022.

FUTURE FINANCING

Concurrently with the Notes, the City expects to issue its $7,390,000* Taxable General Obligation Promissory Notes, Series 2026B (the "Series 2026B Notes") and its $6,260,000* Waterworks System Revenue Bonds, Series 2026C (the "Series 2026C Bonds").The City is also in the process of considering sewer system improvement projects, which may include a borrowing of approximately $22,367,000 in 2027 for such projects, and the City may borrow for such purpose through a Clean Water Fund loan. The City has historically borrowed annually for its capital projects, but the amount and timing of such borrowings for 2027 have not yet been determined. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	$10,080,256,100
Multiply by 5%	0.05
Statutory Debt Limit[1]	$504,012,805
Less: General Obligation Debt*	(198,217,686)
Unused Debt Limit*	$305,795,119

*Preliminary, subject to change.

[1] The City Council has adopted a Debt Management Policy that provides that the equalized tax rate for debt service is not to exceed $2.50/$1,000 of the current equalized value of the City (excluding any debt authorized by voters under a referendum) and that the gross general obligation debt service expense levied to the City taxpayers will be less than 25% of the total operating expenditures excluding water, sewer and storm utilities. The City represents that it is in compliance with the policy.

City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Corporate Purpose Bonds Series 2012A		Corporate Purpose Bonds Series 2014A		Corporate Purpose Bonds Series 2016A		Corporate Purpose Bonds Series 2017A		Promissory Notes Series 2017B	
Dated	08/28/2012		09/03/2014		08/30/2016		08/17/2017		08/17/2017	
Amount	$5,640,000		$4,720,000		$13,920,000		$12,395,000		$8,880,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	310,000	45,788	245,000	66,420	700,000	177,754	600,000	211,078	640,000	6,400
2028	320,000	38,894	255,000	58,920	715,000	163,157	605,000	198,649		
2029	335,000	31,316	260,000	51,195	735,000	147,291	620,000	182,921		
2030	345,000	23,025	270,000	43,245	750,000	130,398	640,000	164,021		
2031	360,000	14,213	280,000	34,505	770,000	112,725	660,000	144,521		
2032	370,000	4,856	285,000	25,041	785,000	94,258	685,000	124,346		
2033			300,000	15,243	810,000	74,713	715,000	103,346		
2034			305,000	5,109	825,000	54,275	730,000	81,489		
2035					845,000	33,400	750,000	58,919		
2036					870,000	11,419	765,000	36,006		
2037							785,000	12,266		
2038										
2039										
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	2,040,000	158,091	2,200,000	299,678	7,805,000	999,388	7,555,000	1,317,563	640,000	6,400

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Corporate Purpose Bonds Series 2018A		Promissory Notes Series 2018B		Taxable Corporate Purpose Bonds Series 2018C		Corporate Purpose Bonds Series 2019A		Promissory Notes Series 2019B	
Dated	09/27/2018		09/27/2018		09/27/2018		08/28/2019		08/28/2019	
Amount	$14,330,000		$6,260,000		$7,195,000		$10,375,000		$13,270,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	825,000	273,269	700,000	31,950	685,000	76,199	475,000	171,625	1,280,000	113,450
2028	865,000	239,469	715,000	10,725	705,000	52,740	490,000	154,775	1,015,000	79,025
2029	905,000	208,594			90,000	39,203	500,000	139,925	3,190,000	31,900
2030	655,000	185,194			100,000	35,900	515,000	127,275		
2031	590,000	166,519			100,000	32,375	525,000	116,875		
2032	610,000	148,138			105,000	28,710	535,000	105,941		
2033	635,000	128,288			105,000	24,878	550,000	94,069		
2034	650,000	107,406			115,000	20,808	560,000	81,231		
2035	675,000	85,875			115,000	16,495	575,000	67,753		
2036	695,000	63,178			120,000	12,030	590,000	53,919		
2037	720,000	38,850			125,000	7,313	600,000	39,413		
2038	750,000	13,125			125,000	2,438	615,000	24,225		
2039							630,000	8,269		
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	8,575,000	1,657,904	1,415,000	42,675	2,490,000	349,086	7,160,000	1,185,294	5,485,000	224,375

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Taxable Corporate Purpose Bonds Series 2019C		Corporate Purpose Bonds Series 2020A		Promissory Notes Series 2020B		Taxable Corporate Purpose Bonds Series 2020C		Corporate Purpose Bonds Series 2021A	
Dated	08/28/2019		10/15/2020		10/15/2020		10/15/2020		09/15/2021	
Amount	$4,065,000		$10,830,000		$2,090,000		$4,615,000		$26,700,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	190,000	67,753	670,000	130,300	210,000	8,381	430,000	29,410	1,095,000	489,000
2028	195,000	63,758	680,000	116,800	210,000	6,281	440,000	20,650	1,145,000	444,200
2029	195,000	59,565	695,000	103,050	215,000	4,022	445,000	15,893	1,185,000	397,600
2030	200,000	55,120	705,000	89,050	225,000	1,406	75,000	12,920	1,230,000	355,450
2031	210,000	50,353	380,000	78,200			75,000	11,870	1,260,000	318,100
2032	215,000	45,305	385,000	70,550			75,000	10,820	1,310,000	279,550
2033	215,000	40,091	390,000	62,800			75,000	9,658	1,340,000	246,500
2034	225,000	34,645	395,000	54,950			80,000	8,340	1,370,000	219,400
2035	225,000	28,964	405,000	46,950			80,000	6,980	1,390,000	191,800
2036	235,000	23,040	415,000	38,750			80,000	5,460	1,420,000	163,700
2037	240,000	16,805	420,000	30,400			55,000	4,043	1,450,000	135,000
2038	250,000	10,250	430,000	21,900			55,000	2,888	1,475,000	105,750
2039	250,000	3,438	435,000	13,250			55,000	1,733	1,510,000	75,900
2040			445,000	4,450			55,000	578	1,530,000	45,500
2041									1,510,000	15,100
2042										
2043										
2044										
2045										
2046										
	2,845,000	499,085	6,850,000	861,400	860,000	20,091	2,075,000	141,240	20,220,000	3,482,550

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Promissory Notes Series 2021B		Taxable Promissory Notes Series 2021C		Corporate Purpose Bonds Series 2022A		Promissory Notes Series 2022B		Taxable Corporate Purpose Bonds Series 2022C	
Dated	09/15/2021		09/15/2021		10/05/2022		10/05/2022		10/05/2022	
Amount	$4,735,000		$1,530,000		$18,160,000		$3,095,000		$12,475,000	
Maturity	04/01		04/01		04/01		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	465,000	38,275	150,000	9,233	715,000	618,975	295,000	65,363	880,000	419,290
2028	480,000	26,500	150,000	7,583	750,000	597,000	315,000	50,113	905,000	383,364
2029	485,000	16,850	160,000	5,680	765,000	566,625	320,000	37,438	955,000	345,460
2030	500,000	9,188	160,000	3,520	805,000	527,375	335,000	27,613	990,000	305,588
2031	510,000	3,188	160,000	1,200	850,000	486,000	345,000	16,981	1,030,000	264,178
2032					895,000	442,375	350,000	5,688	1,065,000	220,964
2033					940,000	401,200			1,120,000	175,065
2034					980,000	357,900			410,000	142,348
2035					1,030,000	312,800			425,000	123,974
2036					1,035,000	271,500			440,000	104,728
2037					945,000	231,900			330,000	87,430
2038					985,000	193,300			345,000	72,074
2039					1,015,000	153,300			355,000	56,060
2040					1,065,000	111,700			370,000	39,385
2041					1,110,000	68,200			390,000	21,613
2042					1,150,000	23,000			260,000	6,175
2043										
2044										
2045										
2046										
	2,440,000	94,000	780,000	27,215	15,035,000	5,363,150	1,960,000	203,194	10,270,000	2,767,693

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Corporate Purpose Bonds Series 2023B		State Trust Fund Loan		State Trust Fund Loan		Promissory Notes Series 2024A		Taxable Promissory Notes Series 2024B	
Dated	07/18/2023		08/15/2023		09/08/2023		10/15/2024		10/15/2024	
Amount	$25,325,000		$10,050,000		$2,000,000		$9,935,000		$6,595,000	
Maturity	04/01		03/15		03/15		04/01		04/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	1,735,000	940,125	345,062	445,551	74,026	95,584	435,000	361,394	295,000	282,326
2028	1,790,000	852,000	361,142	429,471	77,475	92,134	430,000	339,769	315,000	267,839
2029	1,550,000	768,500	380,372	410,241	81,601	88,008	450,000	317,769	330,000	252,520
2030	1,615,000	689,375	399,391	391,222	85,681	83,928	470,000	294,769	340,000	236,608
2031	1,670,000	607,250	419,360	371,252	89,965	79,644	505,000	270,394	360,000	219,983
2032	1,750,000	521,750	439,369	351,244	94,257	75,352	520,000	244,769	380,000	202,408
2033	1,825,000	432,375	462,297	328,316	99,176	70,433	555,000	217,894	395,000	184,001
2034	840,000	365,750	485,411	305,201	104,135	65,474	590,000	189,269	415,000	166,009
2035	870,000	323,000	509,682	280,931	109,342	60,268	355,000	165,644	435,000	148,154
2036	850,000	280,000	534,466	256,146	114,659	54,951	375,000	149,269	450,000	129,235
2037	895,000	236,375	561,889	228,723	120,542	49,068	390,000	133,969	470,000	109,338
2038	935,000	195,300	589,984	200,629	126,569	43,041	405,000	118,069	495,000	88,225
2039	980,000	157,000	619,483	171,130	132,897	36,712	425,000	101,469	515,000	65,876
2040	805,000	121,300	650,073	140,539	139,460	30,150	440,000	84,169	345,000	46,655
2041	835,000	88,500	682,961	107,652	146,515	23,094	460,000	66,456	360,000	30,613
2042	870,000	54,400	717,109	73,504	153,841	15,769	475,000	48,341	150,000	18,808
2043	925,000	18,500	752,964	37,648	161,532	8,077	495,000	29,547	155,000	11,601
2044							515,000	9,978	165,000	3,960
2045										
2046										
	20,740,000	6,651,500	8,911,015	4,529,400	1,911,671	971,687	8,290,000	3,142,935	6,370,000	2,464,156

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City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/13/2026)

	Promissory Notes Series 2025A		Taxable Promissory Notes Series 2025B		Promissory Notes Series 2026A		Taxable Promissory Notes Series 2026B							
Dated	11/25/2025		11/25/2025		10/13/2026		10/13/2026							
Amount	$17,930,000		$6,620,000		$12,645,000*		$7,390,000*							
Maturity	04/01		04/01		04/01		04/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Principal**	**Estimated Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	625,000	732,669	580,000	281,600	810,000	466,804	225,000	393,811	16,684,088	7,049,773	23,733,861	181,533,599	8.42%	**2027**
2028	465,000	705,419	615,000	251,725	825,000	455,374	225,000	396,884	16,058,617	6,503,215	22,561,832	165,474,982	16.52%	**2028**
2029	470,000	682,044	640,000	220,350	860,000	426,093	240,000	385,548	17,056,973	5,935,598	22,992,571	148,418,009	25.12%	**2029**
2030	490,000	658,044	675,000	187,475	890,000	395,245	255,000	373,356	13,720,072	5,406,308	19,126,380	134,697,937	32.05%	**2030**
2031	520,000	632,794	710,000	152,850	915,000	362,749	260,000	360,480	13,554,325	4,909,197	18,463,522	121,143,612	38.88%	**2031**
2032	545,000	606,169	750,000	116,350	950,000	328,000	275,000	346,903	13,373,626	4,399,484	17,773,110	107,769,986	45.63%	**2032**
2033	570,000	578,294	780,000	82,000	995,000	290,796	290,000	332,350	13,166,473	3,892,308	17,058,781	94,603,514	52.27%	**2033**
2034	600,000	549,044	815,000	50,100	1,035,000	251,460	300,000	316,935	11,829,546	3,427,142	15,256,688	82,773,967	58.24%	**2034**
2035	630,000	518,294	845,000	16,900	1,075,000	209,778	320,000	300,420	11,664,024	2,997,297	14,661,320	71,109,944	64.13%	**2035**
2036	975,000	478,169			1,115,000	165,699	335,000	282,651	11,414,125	2,579,849	13,993,974	59,695,819	69.88%	**2036**
2037	1,025,000	428,169			255,000	137,765	355,000	263,760	9,742,431	2,190,584	11,933,015	49,953,388	74.80%	**2037**
2038	1,070,000	381,144			270,000	126,605	375,000	243,591	9,296,553	1,842,552	11,139,105	40,656,835	79.49%	**2038**
2039	1,120,000	337,344			280,000	114,710	395,000	222,125	8,717,380	1,518,314	10,235,695	31,939,455	83.89%	**2039**
2040	1,160,000	291,744			290,000	102,240	420,000	199,095	7,714,533	1,217,504	8,932,037	24,224,922	87.78%	**2040**
2041	1,210,000	244,344			310,000	88,963	445,000	174,331	7,459,476	928,865	8,388,341	16,765,446	91.54%	**2041**
2042	1,260,000	194,944			325,000	74,753	470,000	147,790	5,830,950	657,482	6,488,431	10,934,497	94.48%	**2042**
2043	1,315,000	142,622			340,000	59,705	500,000	119,043	4,644,497	426,742	5,071,239	6,290,000	96.83%	**2043**
2044	1,370,000	87,244			350,000	43,920	530,000	88,010	2,930,000	233,112	3,163,112	3,360,000	98.30%	**2044**
2045	1,430,000	29,494			370,000	27,175	570,000	54,593	2,370,000	111,261	2,481,261	990,000	99.50%	**2045**
2046					385,000	9,240	605,000	18,604	990,000	27,844	1,017,844	0	100.00%	**2046**
	16,850,000	8,277,985	6,410,000	1,359,350	12,645,000	4,137,071	7,390,000	5,020,279	198,217,686	56,254,433	254,472,119			

* Preliminary, subject to change. The Series 2026B Notes are expected to be issued concurrently with the Notes.

City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewerage Revenues
(As of 10/13/2026)

Sewerage System Revenue Bonds
Series 2013 (CWFL)

Dated	06/12/2013
Amount	$39,766,956
Maturity	05/01

Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	231,615	0	231,615	231,615	17,700,837	.00%	**2026**
2027	2,336,998	432,651	2,336,998	432,651	2,769,649	15,363,839	13.20%	**2027**
2028	2,398,157	370,692	2,398,157	370,692	2,768,849	12,965,682	26.75%	**2028**
2029	2,460,917	307,111	2,460,917	307,111	2,768,028	10,504,765	40.65%	**2029**
2030	2,525,319	241,866	2,525,319	241,866	2,767,185	7,979,446	54.92%	**2030**
2031	2,591,407	174,914	2,591,407	174,914	2,766,320	5,388,040	69.56%	**2031**
2032	2,659,224	106,209	2,659,224	106,209	2,765,433	2,728,816	84.58%	**2032**
2033	2,728,816	35,707	2,728,816	35,707	2,764,522	0	100.00%	**2033**
	17,700,837	1,900,764	17,700,837	1,900,764	19,601,602			

City of Eau Claire, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Waterworks Revenues
(As of 10/13/2026)

	Waterworks System Revenue Bonds Series 2020 (SDWFL)		Waterworks System Revenue Bonds Series 2023A		Waterworks System Revenue Bonds (SDWFL) 1) Series 2024		Waterworks System Revenue Bonds Series 2026C							
Dated	05/27/2020		07/18/2023		12/11/2024		10/13/2026							
Amount	$10,620,263		$7,040,000		$16,395,208		$6,260,000*							
Maturity	05/01		05/01		05/01		05/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2026	0	72,122	0	136,600	0	172,599	0	0	0	381,321	381,321	36,571,460	.00%	**2026**
2027	521,352	139,656	260,000	266,700	719,906	337,279	205,000	263,414	1,706,258	1,007,048	2,713,306	34,865,202	4.67%	**2027**
2028	530,528	130,399	275,000	253,325	735,744	321,266	225,000	243,998	1,766,272	948,989	2,715,260	33,098,931	9.50%	**2028**
2029	539,865	120,980	285,000	239,325	751,930	304,902	230,000	236,717	1,806,795	901,924	2,708,719	31,292,135	14.44%	**2029**
2030	549,367	111,394	300,000	224,700	768,472	288,178	240,000	228,995	1,857,839	853,267	2,711,107	29,434,296	19.52%	**2030**
2031	559,036	101,641	315,000	209,325	785,379	271,085	245,000	220,846	1,904,415	802,897	2,707,312	27,529,881	24.72%	**2031**
2032	568,875	91,715	330,000	194,850	802,657	253,617	255,000	212,251	1,956,532	752,432	2,708,964	25,573,350	30.07%	**2032**
2033	578,887	81,615	345,000	181,350	820,316	235,764	265,000	203,156	2,009,203	701,885	2,711,087	23,564,147	35.57%	**2033**
2034	589,075	71,337	355,000	167,350	838,363	217,519	275,000	193,556	2,057,438	649,761	2,707,199	21,506,709	41.19%	**2034**
2035	599,443	60,878	375,000	152,750	856,806	198,872	285,000	183,404	2,116,250	595,903	2,712,153	19,390,459	46.98%	**2035**
2036	609,993	50,235	385,000	137,550	875,656	179,815	295,000	172,620	2,165,650	540,220	2,705,869	17,224,810	52.90%	**2036**
2037	620,729	39,404	405,000	121,750	894,921	160,338	305,000	161,036	2,225,650	482,529	2,708,179	14,999,160	58.99%	**2037**
2038	631,654	28,383	420,000	105,250	914,609	140,434	320,000	148,428	2,286,263	422,495	2,708,758	12,712,897	65.24%	**2038**
2039	642,771	17,168	440,000	88,050	934,730	120,091	330,000	134,881	2,347,502	360,190	2,707,692	10,365,395	71.66%	**2039**
2040	654,084	5,756	455,000	70,150	955,294	99,301	345,000	120,354	2,409,378	295,560	2,704,939	7,956,017	78.25%	**2040**
2041			475,000	51,253	976,311	78,053	360,000	104,789	1,811,311	234,095	2,045,406	6,144,706	83.20%	**2041**
2042			490,000	31,350	997,790	56,338	380,000	88,266	1,867,790	175,954	2,043,744	4,276,916	88.31%	**2042**
2043			515,000	10,622	1,019,741	34,145	395,000	70,729	1,929,741	115,496	2,045,237	2,347,175	93.58%	**2043**
2044					1,042,175	11,464	415,000	52,116	1,457,175	63,580	1,520,755	890,000	97.57%	**2044**
2045							435,000	32,243	435,000	32,243	467,243	455,000	98.76%	**2045**
2046							455,000	10,988	455,000	10,988	465,988	0	100.00%	**2046**
	8,195,661	1,122,681	6,425,000	2,642,250	15,690,799	3,481,059	6,260,000	3,082,787	36,571,460	10,328,777	46,900,237			

* Preliminary, subject to change. The Series 2026C Bonds are expected to be issued concurrently with the Notes.

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 5449-09, the amount of disbursements as of August 31, 2026 is $6,752,626.07. The schedule shown assumes full draws of the loan.

OVERLAPPING DEBT[1]

Taxing District	Equalized Value[2]	% In City	Total G.O. Debt[3]	City's Proportionate Share
Chippewa County	$11,859,529,600	3.8021%	$6,630,000	$252,079
Eau Claire County	16,491,702,200	58.3890%	53,120,000	31,016,237
Altoona School District	1,660,788,589 [4]	1.6659%	5,365,000	89,376
Chippewa Falls Area Unified School District	6,221,494,422 [4]	0.1291%	44,800,000	57,837
Eau Claire Area School District	12,643,517,610 [4]	72.8639%	108,020,000	78,707,585
Chippewa Valley Technical College District	47,521,516,561 [4]	19.4612%	86,020,000	16,740,524
City's Share of Total Overlapping Debt				$126,863,637

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value $10,080,256,100	Debt/ Per Capita 74,545[5]
Total General Obligation Debt*	$198,217,686	1.97%	$2,659.03
City's Share of Total Overlapping Debt	126,863,637	1.26%	1,701.84
Total*	$325,081,323	3.22%	$4,360.87

*Preliminary, subject to change.

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

[2] Includes tax increment valuation.

[3] Outstanding debt based on information obtained on EMMA, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

[4] 2025 Equalized Values. 2026 Equalized Values are expected to be certified in October 2026.

[5] Preliminary estimated 2026 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Eau Claire County

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2021/22	$45,064,620	100%	$7.40
2022/23	47,943,762	100%	7.13
2023/24	50,276,777	100%	6.67
2024/25	52,333,102	100%	6.41
2025/26	54,356,617	100%	6.45

Chippewa County

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2021/22	$1,812,049	100%	$7.38
2022/23	2,115,199	100%	7.11
2023/24	2,482,536	100%	6.64
2024/25	2,066,225	100%	6.37
2025/26	2,511,492	100%	6.41

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:

Eau Claire County

Year Levied/ Year Collected	Schools[1]	County	Local	Total
2021/22	$7.83	$3.74	$7.40	$18.97
2022/23	7.05	3.46	7.13	17.64
2023/24	6.99	3.05	6.67	16.71
2024/25	7.69	2.72	6.41	16.82
2025/26	7.85	2.57	6.45	16.87

Chippewa County

Year Levied/ Year Collected	Schools[1]	County	Local	Total
2021/22	$7.83	$2.92	$7.38	$18.13
2022/23	7.03	2.57	7.11	16.71
2023/24	6.98	2.28	6.64	15.90
2024/25	7.67	2.16	6.37	16.20
2025/26	7.82	2.01	6.41	16.24

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

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

LEVY LIMITS

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

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

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent 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 $9,480,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately $9,361,000 received in 2024. The City is expected to receive approximately $9,659,000 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 1872 and is governed by a Council President and ten other City Council members. The President votes on all Council matters. All Council Members are elected to three-year terms. The appointed City Manager, City Clerk and Finance Director are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 503 full-time, 216 part-time, and 21 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City may not pay the employees' required contribution. During the fiscal year ended December 31, 2023, the fiscal year ended December 31, 2024 and the fiscal year ended December 31, 2025 ("Fiscal Year 2025"), the City's portion of contributions to WRS (not including any employee contributions) totaled $4,593,558, $5,181,986 and $5,105,124, 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, 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.

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 2025, the City reported a liability of $5,711,096 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2024 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 0.003475667% of the aggregate WRS net pension liability as of December 31, 2024.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 10 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

[1] On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 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 Circuit 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 Circuit Court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The Circuit Court's decision was appealed to the Wisconsin Court of Appeals. On January 23, 2025, the Court of Appeals granted a motion to stay the decision pending outcome of the appeal. On July 29, 2026, the Court of Appeals overturned the Circuit Court's decision and upheld the Act. On August 17, 2026, the plaintiffs petitioned the Wisconsin Supreme Court for review, and no guarantee can be made regarding the outcome of the matter.

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 units represent employees of the City:

Bargaining Unit	**Expiration Date of Current Contract**
Local 487 (Eau Claire Fire Fighters AFL-CIO)	December 31, 2027
Amalgamated Transit Union 1310	December 31, 2027
Eau Claire Professional Police Association, Wisconsin Professional Police Association and Law Enforcement Employee Relations Division	December 31, 2026

OTHER POST EMPLOYMENT BENEFITS

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the City and have satisfied specified eligibility standards through a single-employer defined benefit plan. Membership of the plan consisted of 152 retirees receiving benefits and 326 active plan members as of December 31, 2024, the date of the latest actuarial valuation.

OPEB calculations are required to be updated every two years and be prepared in accordance with Statement No. 75 of the Governmental Accounting Standards Board ("GASB 75"). An actuarial study for the plan prepared in accordance with GASB 75 was most recently completed by Milliman, Inc. in March 2026 with an actuarial valuation date of December 31, 2024 (the "Actuarial Report").

For Fiscal Year 2025, benefit payments for the plan totaled $3,477,441. The City’s current funding practice is to make payments equal to the amount of benefits to be paid on a "pay-as-you-go" basis.

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

For Fiscal Year 2025 (measured as of December 31, 2024), the plan's total OPEB liability was $37,823,382 and the plan fiduciary net position was $0, resulting in a net OPEB liability of $37,823,382.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information, see Note 13 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

The City also participates in 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 2025, the City's portion of contributions to the LRLIF totaled $11,111. For Fiscal Year 2025, the City reported a liability of $2,066,732 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2024 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.528271000% of the aggregate LRLIF net OPEB liability as of December 31, 2024.

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 14 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

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

MUNICIPAL BANKRUPTCY

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

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

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

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

FUNDS ON HAND (as of June 30, 2026)

Fund	Total Cash and Investments
General	$65,124,343
Special Revenue	18,742,623
Capital Projects	33,547,740
Enterprise Funds	39,066,235
Risk Management	4,116,292
Equipment Replacement (Enterprise)	22,158,522
Central Equipment	4,657,368
Total Funds on Hand	$187,413,123

ENTERPRISE FUNDS

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

	2023 Audited	2024 Audited	2025 Audited
Water			
Total Operating Revenues	$12,984,671	$13,170,150	$15,405,361
Less: Operating Expenses	(9,717,722)	(10,937,814)	(9,682,438)
Operating Income	$3,266,949	$2,232,336	$5,722,923
Plus: Depreciation	3,043,949	3,127,885	3,212,414
Interest Income	599,964	740,651	451,806
Revenues Available for Debt Service	$6,910,862	$6,100,872	$9,387,143
Sewer			
Total Operating Revenues	$15,834,831	$15,495,752	$15,223,135
Less: Operating Expenses	(9,128,323)	(9,344,595)	(9,684,481)
Operating Income	$6,706,508	$6,151,157	$5,538,654
Plus: Depreciation	3,166,167	3,271,073	3,363,745
Interest Income	1,194,423	1,373,818	1,246,841
Revenues Available for Debt Service	$11,067,098	$10,796,048	$10,149,240
Stormwater			
Total Operating Revenues	$5,583,462	$5,930,832	$6,824,230
Less: Operating Expenses	(3,519,583)	(3,652,661)	(4,276,894)
Operating Income	$2,063,879	$2,278,171	$2,547,336
Plus: Depreciation	1,172,477	1,233,952	1,271,154
Interest Income	132,994	97,753	117,784
Revenues Available for Debt Service	$3,369,350	$3,609,876	$3,936,274

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 2025 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31			
	2022 Audited	2023 Audited	2024 Audited	2025 Audited
Revenues				
Taxes	$47,283,985	$50,537,297	$53,062,040	$54,712,226
Special assessments	1,405,923	1,613,446	1,423,535	1,707,545
Intergovernmental	13,163,467	13,205,964	14,657,468	15,657,144
Licenses and permits	2,115,054	1,931,408	1,991,187	2,241,888
Fine and forfeitures	294,759	355,453	422,794	454,523
Charges for services - public	4,480,331	4,647,077	4,469,340	5,995,926
Charges for services - intergovernmental	4,299,087	5,189,902	5,662,387	7,183,427
Investment income (loss)	(1,192,356)	4,022,621	4,168,610	4,709,980
Miscellaneous	418,842	557,248	540,159	1,639,481
Total Revenues	$72,269,092	$82,060,416	$86,397,520	$94,302,140
Expenditures				
General government	$8,943,322	$8,673,378	$9,956,815	$10,261,137
Public safety	32,081,483	33,813,285	35,654,160	37,575,107
Public works	9,153,091	9,505,999	9,363,911	9,797,601
Culture and recreation	5,008,113	5,302,664	5,092,074	5,196,850
Development	97,200	97,200	99,840	92,000
Miscellaneous	720,067	354,188	669,795	579,281
Debt service	0	335,138	499,093	485,260
Total Expenditures	$56,003,276	$58,081,852	$61,335,688	$63,987,236
Excess of revenues over (under) expenditures	$16,265,816	$23,978,564	$25,061,832	$30,314,904
Other Financing Sources (Uses)				
Long-term debt issued	$0	$663,645	$446,501	$337,797
Sale of capital assets	224,099	25,424	63,763	7,273
Transfers in	1,684,598	1,653,884	1,911,365	1,998,239
Transfers (out)	(22,566,686)	(21,862,659)	(22,538,956)	(22,718,571)
Total Other Financing Sources (Uses)	($20,657,989)	($19,519,706)	($20,117,327)	($20,375,262)
Net changes in Fund Balances	($4,392,173) [1]	$4,458,858	$4,944,505	$9,939,642
General Fund Balance January 1	$26,796,626	$22,404,453	$26,863,311	$31,807,817
General Fund Balance December 31	$22,404,453	$26,863,311	$31,807,816	$41,747,459
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	$2,021,990	$2,477,326	$1,587,308	$1,080,489
Assigned	7,098,276	3,306,460	2,325,232	1,523,262
Unassigned	13,284,187	21,079,525	27,895,276	39,143,708
Total	$22,404,453	$26,863,311	$31,807,816	$41,747,459

[1] The City attributes the reduction in fund balance in 2022 to several factors, including, among other things (i) GASB accounting requirements regarding investment valuation, which resulted in a loss of approximately $1,200,000, (ii) an increase in public safety expenditures of approximately $906,000, and (iii) a transfer of approximately $900,000 to temporarily cover capital expenditures, which will be reimbursed from the 2023 debt issues. On November 8, 2022, voters approved a referendum to allow the City to exceed the levy limits by $1,448,132 annually to assist with increased public safety expenditures.

GENERAL FUND BUDGET SUMMARY

COMBINED STATEMENT

	FISCAL YEAR ENDING DECEMBER 31
	2026 Budget[1]
Revenues	
Taxes	57,136,068
Special assessments	1,239,910
Intergovernmental	16,169,098
Licenses and permits	2,001,106
Fine and forfeitures	381,700
Charges for services - public	4,309,530
Charges for services - intergovernmental	7,961,770
Investment income (loss)	1,276,002
Miscellaneous	6,275,070
Total Revenues	$96,750,254
Expenditures	
General government	$12,457,690
Public safety	40,303,967
Public works	10,145,444
Culture and recreation	5,640,905
Development	109,540
Miscellaneous	8,098,830
Total Expenditures	$76,756,376
Excess of revenues over (under) expenditures	$19,993,878
Other Financing Sources (Uses)	
Sale of capital assets	$500
Transfers in	3,030,099
Transfers (out)	(24,297,562)
Total Other Financing Sources (Uses)	($21,266,963)
Net changes in Fund Balances	($1,273,085) [2]
General Fund Balance January 1	$41,747,459
General Fund Balance December 31	$40,474,374

[1] The 2026 budget was adopted on November 11, 2025 and the figures reflect amendments to date.

[2] Budgeted use of fund balance for one-time Capital expenditures. The City's policies provide that the total unassigned General Fund balance shall be maintained as of December 31 of each year equal to a minimum of 15 percent of the ensuing years budgeted General Fund expenditures, with a target of 20 percent. The City met this target as of December 31, 2025, and the City expects to continue to meet it as of December 31, 2026.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 69,421 and a current preliminary estimated population of 74,545, comprises an area of 34 square miles, is located approximately 175 miles northwest of Madison, Wisconsin, and 80 miles east of St. Paul, Minnesota.

LARGER EMPLOYERS[1]

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Mayo Clinic Health System	Hospital and clinics	5,500
Menards, Inc.	Home improvement retail	4,500 +
Eau Claire Area School District	Elementary and secondary education	1,400
University of Wisconsin-Eau Claire	Post secondary education	1,275
Marshfield Clinic- Eau Claire	Physicians and surgeons	1,026
Nestle USA	Food and beverage company	999
Chippewa Valley Technical College	Technical college	797[2]
The City	City government and services	740[3]
Eau Claire County	County government and services	645
Market & Johnson	General contractor	350

Source: The City and Chippewa Valley Technical College District Final Official Statement dated April 15, 2026.

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

[2] Includes 506 full-time and 291 part-time employees.

[3] The City also has 714 election inspectors who work only during elections.

BUILDING PERMITS

	2022	2023	2024	2025	2026[1]
New Single Family Homes					
No. of building permits	126	82	88	67	45
Valuation	$47,683,240	$34,387,036	$34,433,211	$30,794,831	$22,983,682
New Multiple Family Buildings					
No. of building permits	56	14	16	15	12
Valuation	$65,796,053	$118,416,407	$66,868,088	$56,036,500	$36,560,000
New Commercial/Industrial					
No. of building permits	77	29	19	26	15
Valuation	$244,689,741	$107,378,237	$186,158,411	$48,884,713	$55,263,520
All Building Permits *(including additions and remodelings)*					
No. of building permits	4,169	2,501	4,623	5,522	2,093
Valuation	$455,829,295	$484,334,673	$450,555,027	$333,300,291	$266,396,428

Source: The City.

[1] As of August 25, 2026.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census Population	65,931
2020 U.S. Census Population	69,421
Percent of Change 2010 - 2020	5.29%
2026 Preliminary Estimated Population	74,545

Income and Age Statistics

	The City	Eau Claire County	State of Wisconsin	United States
2024 per capita income	$39,434	$42,733	$43,373	$44,673
2024 median household income	$67,395	$74,546	$77,485	$80,734
2024 median family income	$91,910	$101,292	$100,141	$99,999
2024 median gross rent	$1,045	$1,064	$1,087	$1,413
2024 median value owner occupied units	$247,600	$261,000	$266,500	$332,700
2024 median age	32.9 yrs.	35.8 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
City % of 2024 per capita income	90.92%	88.27%
City % of 2024 median family income	91.78%	91.91%

Housing Statistics

	The City		
	2020	2024	Percent of Change
All Housing Units	29,987	31,712	5.75%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (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

Year	Average Employment		Average Unemployment		
	The City	Eau Claire County	The City	Eau Claire County	State of Wisconsin
2022	38,921	57,499	2.3%	2.5%	2.8%
2023	39,920	58,723	2.5%	2.5%	2.8%
2024	40,416	59,164	2.7%	2.7%	3.0%
2025[1]	40,181	58,819	2.9%	2.9%	3.2%
2026, July[1]	40,651	59,498	3.2%	3.2%	3.4%

Source: Wisconsin Department of Workforce Development.

[1] Preliminary.

APPENDIX A

FINANCIAL STATEMENTS

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

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

CITY OF
EAU
CLAIRE

City of Eau Claire

Eau Claire, Wisconsin

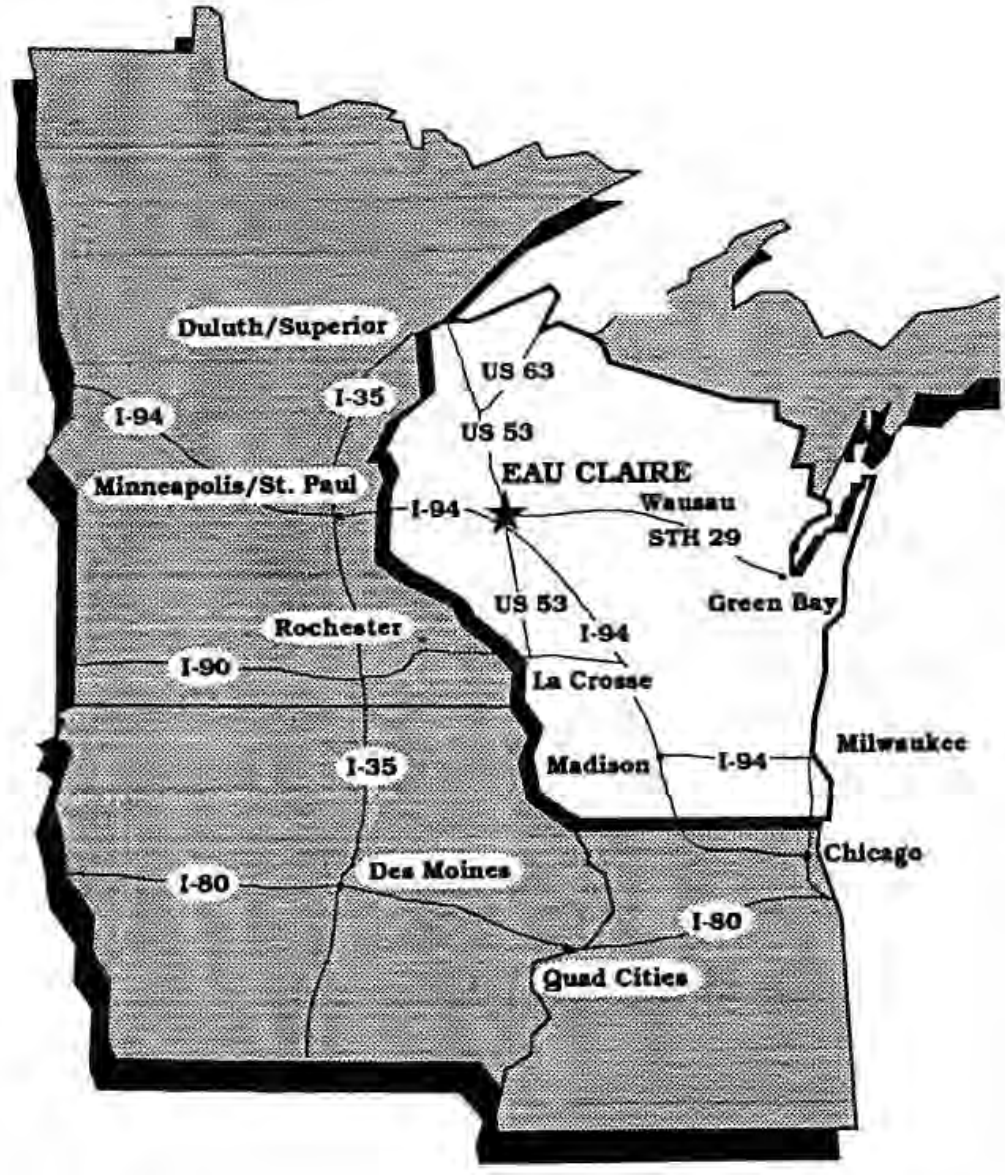
ANNUAL COMPREHENSIVE FINANCIAL REPORT
INCLUDING INDEPENDENT AUDITORS' REPORT
AS OF AND FOR THE YEAR ENDED

December 31, 2025

Finance Department
Kitzie Winters, Finance Director

EAU CLAIRE, WISCONSIN

The City of Eau Claire is located in west central Wisconsin at the confluence of the Eau Claire and Chippewa Rivers. The City was established as a lumbering settlement in the 1840's. Today it serves as the major center for health and professional services, education, retail trade and industry in the Chippewa Valley.



Eau Claire is conveniently linked by air, fiber optics, railroad and the interstate system to all of the major markets in the upper Midwest. The City is less than 2 hours away from Minneapolis / St. Paul via I-94 and just 4.5 hours from Milwaukee, also via I-94. Scheduled daily air service links Eau Claire with the Chicago O'Hare International Airport.

Eau Claire's quality of life is no secret. Several national surveys have ranked Eau Claire toward the top of all U.S. metropolitan areas. Eau Claire's picturesque setting on the banks of the Eau Claire and Chippewa Rivers is one of its greatest assets. The City has made excellent use of its natural features with many beautiful urban and rural parks and parkways. Well-preserved historic neighborhoods add to the City's charm. The City's residents enjoy a wide variety of year-round sporting events, thanks to the four distinct seasons. Swimming, biking, boating, golfing, hunting, fishing, skating, and cross-country skiing are just a few of the activities which attract visitors to the area. Eau Claire is also a cultural center with a strongly supported arts and entertainment calendar. Eau Claire is committed to incorporating green and sustainable energy, technology, and products into its operations.

Low costs of living and housing, full governmental services, a cooperative business environment and a growing economy all contribute to make Eau Claire an attractive place to live and work.

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INTRODUCTORY SECTION

CITY OF EAU CLAIRE, WISCONSIN
ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2025

Elected Officials

		Term Commenced	Term Expires
Emily Berge	Council President	April 2023	April 2026
Jessica Schoen	District 1	April 2024	April 2027
Emily Anderson	District 2	April 2024	April 2027
Aaron Brewster	District 3	April 2024	April 2027
Clara Serrano	District 4	April 2024	April 2027
Andrew Werthmann	District 5	April 2024	April 2027
Nate Otto	At Large	April 2025	April 2028
Ethan Reed	At Large	April 2025	April 2028
Larry Mboga	At Large	April 2025	April 2028
Joshua Miller	At Large	April 2025	April 2028
Charlie Johnson	At Large	April 2025	April 2028

Appointed Officials

Stephanie Hirsch	City Manager
Dave Solberg	Deputy City Manager
Carrie Riepl	Director of Human Resources
Kitzie L. Winters	Director of Finance, Comptroller/Treasurer
Robert A. Nelson	Director of Information Services
Aaron J. White	Director of Community Development
Lane J. Berg	Director of Community Services
Leah M. Ness	Director of Engineering
Matthew J. Jaggar	Fire Chief
Matthew W. Rokus	Police Chief
Stephen C. Nick	City Attorney
Nancy E. Kerr	Public Library Director
Elizabeth A. Giese	City-County Health Director
Nicholas Koerner	City Clerk

ORGANIZATIONAL CHART
CITY OF EAU CLAIRE, WISCONSIN

June 30, 2026

City Council
Residents of Eau Claire
Eau Claire, Wisconsin

The *Annual Comprehensive Financial Report* for year ended December 31, 2025, has been prepared to provide readers with detailed information concerning the financial condition of the City of Eau Claire. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City government. We believe the information contained herein is accurate in all material aspects. In addition, we believe the information is presented in a manner designed to fairly set forth the financial position and operational results of the City as measured by the financial activity of its various funds and component units. All disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

Reporting Entity

The Governmental Accounting Standards Board (GASB) outlines criteria by which financial information must be supplied by the primary government. Criteria include 1) The primary government's finances; 2) Organizations for which the primary government is financially responsible; and 3) Other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

This report includes all of the funds and component units of the City of Eau Claire as defined by the criteria for reporting entities.

General Fund	• *Accounts for the general administration of the City of Eau Claire*	
Special Revenue Funds	• Economic Development • Community Enhancement • Cemetery Maintenance • Hazardous Materials Response • Public Library • City-County Health Department	• Former Landfill Escrow • Seven Mile Creek Landfill • Police Department K9 • Community Development Block Grant • HOME Grant • Grants and Donations
Debt Service Funds	• General Debt Service	

Capital Projects Funds	• Environmental Improvements • Land, Buildings & Equipment • Transportation Improvements • Bridge Projects • Parks & Recreation Projects • Library Building & Equipment • TIF #8 Downtown Area Development • TIF #9 NW Business Park Phase II	• TIF #10 Confluence Project • TIF #11 Downtown • TIF #12 Water Street • TIF #13 Cannery District • TIF #14 Menomonie Street • TIF #15 County Highway T • TIF #16 Shopko Plaza • TIF #17 The Sevens
Enterprise Funds	• Water, Sewer, Storm Water Utilities • Parking • Public Transit	• Hobbs Ice Center • Outdoor Pool
Internal Service Funds	• Central Equipment	• Risk Management
Custodial Funds	• Tax Collection	

The City's component units are the Redevelopment Authority (RDA) and four Business Improvement Districts (BIDs) and their financial information is presented separately. In 1991, the City Council created the RDA to encourage urban renewal via the prevention and elimination of substandard, deteriorated, and blighted areas. The South Barstow, West Grand, Water Street, and North Barstow/Medical Business Improvement Districts account for the collection of special assessments from their members for business promotion within each District.

Community Profile

Eau Claire is located in west-central Wisconsin in both Eau Claire and Chippewa counties. Eau Claire was established as a lumbering settlement in the 1840's. The city was incorporated in 1872 and currently covers an area of approximately 36 square miles. As of 2025, the population in Eau Claire is 74,039, and the population of the Greater Eau Claire Metropolitan Area is 173,873.

Eau Claire is situated along Interstate 94 between Minneapolis and Chicago, and is home to the Chippewa Valley Regional Airport. Due to its location, Eau Claire serves as the center for health and professional services, education, retail trade, technology, and industry in west-central Wisconsin.

Government Profile

The City of Eau Claire is organized under the Council/Manager form of government as defined in the State Statutes. The City Council is responsible for all legislative actions and determining community needs. They are also responsible for establishing policies, determining priorities, adopting an annual budget and hiring the City Manager. The City Manager, in turn, is responsible to direct the City-wide operations in a manner that best fulfills the objectives of the City Council.

There are eleven members of the Eau Claire City Council, of whom five are elected from aldermanic districts. The remaining six Council members are comprised of five at-large members and the Council President. District Council members were elected to three-year terms in April 2024. At-large Council members were elected to three-year terms in April 2025. The Council President was elected to a three-year term in April 2026.

The City Council holds public hearings at 6 pm on the Monday night prior to the legislative sessions that are held at 4pm on the second and fourth Tuesdays of each month.

The vision statement of the Eau Claire City Council reads: Eau Claire is a vibrant city with exceptional quality of life and services.

The City provides many services, including police and fire protection; street construction and infrastructure maintenance; water, sewer, and stormwater; and public transit. The City's Operating Budget and Capital Improvement Plan are updated and approved by Council annually. Council workshops and public hearings provide community members with opportunities to provide feedback on the Operating Budget and Capital Improvement Plan.

Economic Conditions

Top Employers
Healthcare, education, retail, and manufacturing sectors provide many of the jobs found in Eau Claire. The city is the location for the headquarters of Menards, the nation's third largest home improvement retail chain. Five separate employers each provide jobs for at least 1,000 individuals (See Table 30).

Innovative Healthcare
Eau Claire is home to award winning medical facilities. The Mayo Clinic Health System is a nationally ranked hospital that employs over 5,500 individuals. Mayo Clinic Health System's location in downtown Eau Claire has contributed to the growth and vitality of the central business district. Marshfield Clinic is an award winning and nationally recognized healthcare provider that employs over 1,000 individuals. Within a neighboring community, Oakleaf Medical Network is a private hospital designed exclusively for surgery, and has received numerous awards for patient safety and patient experience.

Marshfield Clinic

Mayo Clinic Health System

Growing Regional Talent Pool

University of Wisconsin – Eau Claire and Chippewa Valley Technical College comprise two institutions of higher education that contribute to a growing talent pool in west-central Wisconsin. The two schools combined have over 17,659 students enrolled in programs such as applied science, nursing, computer science, marketing, and welding. The University of Wisconsin – Eau Claire is consistently rated among the top 10 public Midwestern universities.

Downtown Eau Claire

Eau Claire's vibrant and growing downtown area is a significant economic engine for the City. According to the most recent data, the downtown area of approximately 0.85 square miles contains approximately 650 businesses that employ approximately 12,500 individuals. The service industry comprises the largest employer category in downtown Eau Claire, followed by retail trade, and government.

Major Initiatives

Capital Investments – PFAS Removal Project

In 2021, elevated levels of PFAS were found in Eau Claire' drinking water. The City quickly moved and took a proactive approach to address the PFAS issue. Construction of a 20,000 sq. ft. PFAS treatment facility started in 2024, and it is expected to be completed in 2026. This project represents a $20M capital investment to clean the water that is pumped from city wells to residents. Although Eau Claire is not in violation of current drinking water standards or regulations, actions have been made to protect the health of our drinking water users. This new facility will treat drinking water to zero detection of PFAS.

PFAS Treatment Vessel

Capital Investments – City-Wide Park Improvements

Throughout 2025 work continued on the newly opened Cannery Park. In addition to the Park's scenic views of the Chippewa River, it features a variety of playground equipment, picnic areas, basketball court, enclosed park shelter, and a pump track.

Cannery Park

The City of Eau Claire hosted the opening in 2024 of the half mile broadwalk connecting Carson Park to the City's Rod and Gun Park. The trail features an elevated section, which meanders along the shore of Half Moon Lake.

Half Moon Lake Boardwalk

Capital Investments – Street & Transportation Improvements

The City of Eau Claire has made ongoing investments in its street infrastructure through reconstruction, resurfacing, and sidewalk improvement projects. These efforts help maintain safe and reliable transportation networks while supporting economic development and quality of life. Through its Capital Improvement Plan, the city prioritizes projects based on infrastructure needs and pavement conditions, demonstrating a continued commitment to preserving and modernizing its transportation system.

Awards and Recognition

Eau Claire named one of the Top 50 Best Places to Live in the Country

The U.S. News & World Report ranked Eau Claire No. 1 in Wisconsin and No. 49 nationally for best places to live in 2025. The report highlights the City's mid-sized population, affordable cost of living, strong job market with low unemployment, and exceptionally short commute times.

Eau Claire named one of the Most Livable Small Cities in the U.S.

In its 2024 study, SmartAsset.com ranked Eau Claire No.3 out of 281 cities with populations between 65,000 and 100,000. According to their rankings, Eau Claire stood out even among its top peers for low housing costs, short commute times, and high concentration of businesses in the healthcare, food service, art, accommodation, and recreation industries.

Eau Claire named as a Hidden Gem to Explore

In a 2025 publication, USA Today ranked Eau Claire No. 3 on its list of 10 hidden gems to explore on your next American road trip. USA today describes Eau Claire: "nestled right where the Chippewa and Eau Claire rivers meet, Eau Claire is a vibrant city, especially for music lovers. It is the second-fastest growing major city in Wisconsin, so it likely won't be overlooked for long."

The Eau Claire Historic Preservation Foundation acknowledged with a Certificate of Appreciation the renovation work being done to the City of Eau Claire City Hall complex at 203 S. Farwell Street. The renovation will increase energy efficiency and reveal architectural features of the original buildings including skylights and fireplaces that had been covered for decades. The buildings are the original City Hall completed in 1917 and the Carnegie Library, a gift from philanthropist Andrew Carnegie, which was constructed in 1903.

Bird City – The City of Eau Claire is pleased to be recognized as a Bird City, signifying important steps and strategies it's taken to support a healthy bird population. Birds help control pests, keep natural systems in order, enrich our lives with their beauty and are fun to watch.

Tree City – The City of Eau Claire has enjoyed status as a Tree City for 40 years. A Tree City is one that shows it understands the value of trees and the importance of sustainable tree management. The City of Eau Claire is committed to the health and maintenance of its tree canopy.

Bicycle Friendly Community – The City of Eau Claire has been designated a Bicycle Friendly Community by the League of American Bicyclists. Bicycle Friendly cities work to improve conditions for bicyclists through what have been identified by the League of American Bicyclists as the five essential elements of a Bike Friendly community, including Engineering, Education, Encouragement, Enforcement, and Evaluation and Planning.

Financial Information

Accounting System and Budgetary Control

The diverse nature of government operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. From an accounting and financial management viewpoint, a governmental unit is a combination of several different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate fund. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Budgetary control is maintained through an annual budget ordinance passed by the City Council. Formal budgetary integration is employed as a management control device during the year for the General Fund, debt service funds, and certain special revenue funds, and is adopted on a basis consistent with generally accepted accounting principles. Fixed, long-term budgets on a project basis are used for capital project funds. Flexible annual budgets are approved for proprietary funds to provide for financial management. The City Manager and Director of Finance may authorize transfers of budgeted amounts within departments; however, transfers between departments and additional appropriations to the original budget must be made by Council resolution.

Internal Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Fiscal Policies

The City's fiscal policies are detailed in the City's annual budget document. The policies provide directives for the City's financial operations including budgeting, investing, revenues, reserves, special assessments, purchasing, pension, special events, and risk management. During the annual budgeting process, the City Council is presented with the budgeting policies and how proposed budgets comply with each of the policies.

Independent Audit

Included in the financial section is the independent auditor's report which is a significant part of the Annual Comprehensive Financial Report (AC In this report, CliftonLarsonAllen, LLP, Certified Public Accountants, express their opinion that the financial statements are presented fairly in accordance with generally accepted accounting principles and comment on the scope of the examination. The opinion is unmodified and signifies a substantial level of achievement. Compliance audits of the City's federal and state financial assistance programs for the fiscal year ending December 31, 2025 were also completed by the independent auditors. The reports are available under separate cover.

Management's Discussion and Analysis

Immediately following the independent auditors' report is the *Management's Discussion and Analysis*, which provides a narrative introduction, overview, and analysis of the basic financial statements.

Reporting Achievement

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Eau Claire a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. The City has received this award each year since 1984. In order to receive a Certificate of Achievement, a government must publish

an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

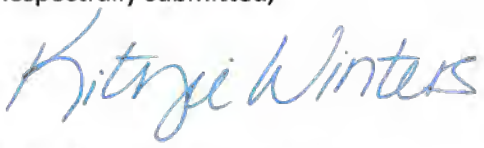
GFOA Award Winning Budget

The City of Eau Claire has been honored with the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for its Fiscal Year 2025 operating budget. This prestigious award recognizes governments that produce budget documents of the highest quality, serving as effective policy documents, financial plans, operational guides, and communication tools.

Acknowledgments

We would like to thank the City Council for their support in responsibly planning and conducting the financial operations of the City. In addition, we would like to thank Jennifer Pempek, Accounting Manager, Cassandra North, Lead Accountant, Keith Fenske, Accountant, Vicki Franson, Accountant, Kamaljot Singh, Accountant, and the remainder of the Finance Department staff for their dedication in preparing this report.

Respectfully submitted,



Kitzie Winters, Finance Director

Dave Solberg, City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Eau Claire
Wisconsin

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Executive Director/CEO

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

City Council
City of Eau Claire
Eau Claire, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eau Claire, Wisconsin (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eau Claire as of December 31, 2025, 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 (U.S. GAAP).

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.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

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 of the general fund, pension and other postemployment benefit schedules 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The detail budgetary comparison schedules for the general fund, debt service fund, and nonmajor funds, and the combining nonmajor and individual fund statements 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 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, detail budgetary comparison schedules for the general fund and debt service fund and the combining nonmajor statements, and individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

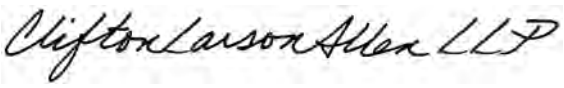
Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2026, on our consideration of the City of Eau Claire'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 of Eau Claire'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 City of Eau Claire's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
June 26, 2026

This discussion and analysis of the financial performance of the City of Eau Claire is intended to provide an overview of the City's financial activities for the fiscal year ended December 31, 2025. Readers are encouraged to consider the information presented here in conjunction with additional information as furnished in the letter of transmittal and the financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Eau Claire exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $479.2 million (net position). Of the net position, $366.0 million represents the City's net investment in capital assets, $53.4 million is held for restricted purposes and $59.8 million is available to meet the City's ongoing obligations to its residents and creditors.
- During 2025, the City of Eau Claire's total net position increased by $25.0 million from 2024, or approximately 5.51%.
- At the close of 2025, the City of Eau Claire's General Fund reported an ending fund balance of $41.7 million, a net increase of $9.9 million from 2024, or approximately 31.1%.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $39.1 million or 61.2% of the total General Fund expenditures.
- During 2025, the City of Eau Claire continued a proactive plan for the replacement of aging infrastructure, upgrading of technology used in operations and the improvement of utility services. The City's additions to capital assets totaled $28.0 million, excluding construction in progress, as shown in Note 4 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This section serves as an introduction to the City of Eau Claire's basic financial statements. The basic financial statements for the City are comprised of three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

This report also contains other supplementary information in addition to the basic financial statements.

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 private-sector business entities. The *Statement of Net Position* presents information on all of the City of Eau Claire's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the total of the assets and deferred outflows of resources less the total of the liabilities and deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *Statement of Activities* presents information showing how the City's net position changed during the 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/sick leave). The government-wide financial statements can be found on pages 16-19 of this report.

Government-Wide Financial Statements (Continued)

Both government-wide financial statements distinguish those functions of the municipality that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all, or a significant portion, of their costs through user fees and services charges, called business-type activities. The governmental activities of the City include general government, public safety, public works, health services, culture and recreation, development and other miscellaneous activities. The business-type activities of the City include the Water, Sewer, and Storm Water Utilities, Parking, Public Transit, the Hobbs Ice Center and the Outdoor Pool.

In addition to these various direct operations of the City, or primary government, the government-wide financial statements also include financial information related to legally distinct entities for which the City has financial responsibility and accountability, known as component units. These component units are the Redevelopment Authority, the South Barstow Business Improvement District, the West Grand Business Improvement District, the Water Street Business Improvement District and the North Barstow/Medical Business Improvement District. These entities are described in Note 3 following the financial statements. Separately issued financial statements of the Redevelopment Authority may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, WI 54702-5148.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Eau Claire, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. Some funds are required by law, while others are established internally to maintain control over a particular activity. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and custodial 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 statements, governmental fund financial statements focus on near-term inflows and outflows of current spendable resources, as well as balances of spendable resources that can be converted to cash and balances available at the end of the fiscal year for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental funds include the General Fund, special revenue, debt service and capital project funds. Of these, the General Fund and the Debt Service-General are shown as major funds and are presented in separate columns. Data from the other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Reconciliations follow the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds*. The reconciliations show the adjustments that are needed to convert the governmental funds financial statements to the government-wide *Statement of Net Position and Statement of Activities*.

Proprietary Funds

Proprietary funds maintained by the City of Eau Claire are of two different types: enterprise funds and internal service funds. Enterprise funds are used to report those functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for activities that provide supplies and services to the general public. Proprietary fund statements provide the same type of information as the government-wide financial statements, but in more detail. The City's fund financial statements present separate enterprise fund information for the Water, Sewer, and Storm Water Utilities and Public Transit; data from the other proprietary funds are combined into a single column for aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report. The proprietary fund financial statements begin on page 25 of this report.

Internal service funds are used to account for enterprise-like operations that provide services, on a user fee basis, primarily or exclusively to departmental customers within the governmental entity itself, rather than to external customers. The City uses internal service funds to account for its risk management and central equipment functions. Because these services predominately benefit governmental rather than business-type functions, they have been allocated primarily to the governmental activities in the government-wide financial statements. Detail about each fund may be found in the supplementary information section beginning on page 138.

Custodial Funds

Custodial funds are used to account for resources held for the benefit of parties outside the government. The City of Eau Claire uses a custodial fund to account for taxes collected for the benefit of overlapping tax jurisdictions. The custodial fund is not reflected in the government-wide financial statements because the resources of the fund are not available to support the programs of the City. The accounting for the custodial fund is similar to that used for proprietary funds. The custodial fund financial statement can be found on page 30 of this report.

Notes to the Financial Statements

The notes to the 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 34 of this report.

Additional Supplementary Information

Following the basic government-wide and fund financial statements and accompanying notes, combining statements are included for the non-major governmental, enterprise and internal service funds, along with component units. The last section of *The City of Eau Claire Annual Comprehensive Financial Report* presents statistical and historical reference data.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The *Statement of Net Position* for the City of Eau Claire is summarized in the table on the following page. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City's net position, approximately 76.4%, is invested in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets include such items as land, improvements, buildings, infrastructure, machinery and equipment, intangibles and work in progress. These capital assets are used to provide services to residents 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. Net investment in capital assets reported in connection with the City's total activities increased $12.9 million or 3.7% from 2024. The capital assets analysis is explained in greater detail on Note 4.

An additional portion of the City's net position, 11.1%, represents resources that are subject to other restrictions as to how they may be used. Restricted net position reported in connection with the City's total activities increased $1.4 million or 2.8% due mainly to the decrease in net pension liabilities.

The remaining net position, 12.5%, is unrestricted and may be used to meet the City's ongoing obligations to its residents and creditors. It is important to note that $41.2 million of the unrestricted net position is related to the City's business-type activities. Consequently, they generally may not be used to fund governmental activities.

For governmental activities, the total net position as compared to total liabilities and deferred inflows increased 2% from 2024 to 2025 while unrestricted net position to total liabilities and deferred inflow increased by 2%.

For business-type activities, the total net position as compared to total liabilities and deferred inflows increased by 44% primarily due to an increase in net investments in capital assets related to improvements and development and an increase in unrestricted net position from 2024 to 2025.

At the end of the current fiscal year, the City was able to report positive balances in all three categories of net position for the business-type activities. The same situation held true for the prior year.

City of Eau Claire, Wisconsin
Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and Other Assets	$ 205,064,718	$ 191,215,080	$ 74,443,212	$ 68,688,265	$ 279,507,930	$ 259,903,345
Capital Assets (Net)	250,482,368	250,760,408	320,468,949	308,337,049	570,951,317	559,097,457
Total Assets	455,547,086	441,975,488	394,912,161	377,025,314	850,459,247	819,000,802
Deferred Outflows of Resources	38,333,471	49,680,414	3,706,648	5,126,081	42,040,119	54,806,495
Liabilities:						
Long-term Liabilities	229,900,848	224,230,590	68,601,831	68,737,422	298,502,679	292,968,012
Other Liabilities	17,056,866	21,055,355	5,335,472	7,654,286	22,392,338	28,709,641
Total Liabilities	246,957,714	245,285,945	73,937,303	76,391,708	320,895,017	321,677,653
Deferred Inflows of Resources	90,085,830	94,573,990	2,359,555	3,431,076	92,445,385	98,005,066
Net Position:						
Net Investment in Capital Assets	111,378,582	111,274,838	254,574,326	241,765,246	365,952,908	353,040,084
Restricted	26,872,512	25,601,723	26,561,452	26,394,124	53,433,964	51,995,847
Unrestricted	18,585,919	14,919,406	41,186,173	34,169,241	59,772,092	49,088,647
Total Net Position	$ 156,837,013	$ 151,795,967	$ 322,321,951	$ 302,328,611	$ 479,158,964	$ 454,124,578
Total Net Position as % of Total Liabilities/Def. Inflows	47%	45%	422%	379%	116%	108%
Unrestricted Net Position as a % of Total Liabilities and Deferred Inflows	6%	4%	54%	43%	14%	12%

An examination of the *Statement of Activities* provides a concise picture of how the various activities of the City are funded. The table below summarizes the City's governmental and business-type activities.

Governmental Activities

Charges for services revenue increased from the prior year due to a $1.5M increase in ambulance revenue. Capital grants and contributions revenue increased from the prior year. This can vary from year to year depending on the timing of projects. Interest expenses increased due to recording of a $1.3M arbitrage rebate payable in the current year.

Business-Type Activities

Operating and capital grants and contributions revenue increased in the current year due to receiving water utility PFAS settlements and grants. Parking fund expenses increased in the current year due to the increase of depreciation expense.

The transfer amount decreased significantly in the current year due to project expenses being transferred from TIF #11 to the Parking Fund in the prior year.

City of Eau Claire, Wisconsin
Summary of Activities

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	$ 23,573,432	$ 19,385,757	$ 40,598,063	$ 37,561,167	$ 64,171,495	$ 56,946,924
Operating Grants and Contributions	11,601,799	10,121,526	4,556,303	3,834,043	16,158,102	13,955,569
Capital Grants and Contributions	5,179,062	562,994	10,048,954	385,742	15,228,016	948,736
General Revenues:						
Property Taxes	59,642,536	56,738,391	-	-	59,642,536	56,738,391
Hotel/Motel Room Taxes	3,107,470	2,906,803	-	-	3,107,470	2,906,803
Other Taxes	1,827,102	1,789,810	-	-	1,827,102	1,789,810
Intergovernmental Revenues	11,512,229	10,654,287	-	-	11,512,229	10,654,287
Investment Income (Loss)	6,850,548	6,669,676	1,817,685	2,212,221	8,668,233	8,881,897
Miscellaneous	474,849	570,822	-	172	474,849	570,994
Total Revenues	123,769,027	109,400,066	57,021,005	43,993,345	180,790,032	153,393,411
Expenses:						
Program Expenses:						
General Government	12,633,032	10,315,405	-	-	12,633,032	10,315,405
Public Safety	40,273,141	34,930,035	-	-	40,273,141	34,930,035
Public Works	27,634,207	21,581,177	-	-	27,634,207	21,581,177
Health Services	11,355,207	11,033,679	-	-	11,355,207	11,033,679
Culture and Recreation	8,795,260	10,738,300	-	-	8,795,260	10,738,300
Development	11,609,474	14,417,538	-	-	11,609,474	14,417,538
Interest	6,365,098	4,635,549	-	-	6,365,098	4,635,549
Water Utility	-	-	10,574,436	11,804,974	10,574,436	11,804,974
Sewer Utility	-	-	10,342,849	10,025,340	10,342,849	10,025,340
Storm Water Utility	-	-	4,525,279	3,908,555	4,525,279	3,908,555
Public Transit	-	-	7,942,363	7,606,697	7,942,363	7,606,697
Parking Fund	-	-	1,509,552	1,219,815	1,509,552	1,219,815
Hobbs Ice Center	-	-	1,514,448	1,309,940	1,514,448	1,309,940
Outdoor Pool	-	-	681,300	841,119	681,300	841,119
Total Expenses	118,665,419	107,651,683	37,090,227	36,716,440	155,755,646	144,368,123
Increase in Net Position Before Transfers	5,103,608	1,748,383	19,930,778	7,276,905	25,034,386	9,025,288
Transfers	(62,562)	(10,114,109)	62,562	10,114,109	-	-
Change in Net Position	5,041,046	(8,365,726)	19,993,340	17,391,014	25,034,386	9,025,288
Net Position - Beginning of Year	151,795,967	165,481,393	302,328,611	285,529,347	454,124,578	451,010,740
Change in Accounting Principle (GASB 101)	-	(5,319,700)	-	(591,750)	-	(5,911,450)
Net Position - Beginning of Year, As Restated	151,795,967	160,161,693	302,328,611	284,937,597	454,124,578	445,099,290
Net Position - End of Year	$ 156,837,013	$ 151,795,967	$ 322,321,951	$ 302,328,611	$ 479,158,964	$ 454,124,578

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

The focus of the City's governmental funds is to provide information regarding near-term inflows, outflows and spendable resources. Such information can be useful in assessing the City's financing requirements.

As of December 31, 2025, the City of Eau Claire's *Balance Sheet - Governmental Funds* reported combined ending fund balances of $96.8 million, an increase of $13.4 million over the previous year's ending balances.

The General Fund is the primary operating fund used to account for the governmental operations of the City. The largest revenue sources for the General Fund are taxes and intergovernmental aids, together accounting for 74.6% of revenues. Public safety, public works, and general government were the primary operations of the General Fund. Of the $64.0 million General Fund expenditures, 58.7% or $37.6 million was related to public safety, 15.3% or $9.8 million was related to public works, and 16.0% or $10.3 million was related to general government.

The General Fund has a fund balance of $41.7 million, an increase of $9.9 million from 2024. Multiple revenue types increased in 2025.

Of the fund balance, $1.1 million is nonspendable, reflecting loans made to other funds and organizations, prepaid items, materials and supplies. The assigned fund balance of $1.5 million includes subsequent year capital projects and operating budget carryforwards. The unassigned fund balance is $39.1 million.

The Debt Service Fund had a total fund balance of $6.3 million, an increase of $0.7 million from 2024. This balance reflects the amounts restricted to pay debt service.

The Nonmajor Governmental Funds column in the balance sheet includes various special revenue, debt service and capital projects funds used to account for proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The fund balance of the Nonmajor Governmental Funds increased from 2024 by $2.3 million, primarily due to capital projects.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail. The net position of the enterprise-type proprietary funds at the end of 2025 totaled $322.3 million, an increase of $20 million from the previous year's net position.

Some highlights:

- The water utility's change in net position in the current year was a positive $13.1 million from 2024. This increase included an $8.8 million increase in capital contributions from 2024.
- The sewer utility's change in net position in the current year was a positive $6.2 million from 2024.
- The storm water utility's change in net position in the current year was a positive $2.4 million from 2024.
- The total enterprise funds had a collective income before transfers and capital contributions of $10.2 million, primarily generated by the Water, Sewer and Storm Water funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, the final 2025 General Fund budget authorized expenditures and other financing uses of $72.9 million, funded by anticipated revenues of $94.5 million. From time to time during the year, the City Council approved adjustments to the budget, primarily for grants and donations. These changes are reflected in the Final Budgeted Amounts column.

The City experienced a favorable expenditure variance of $9.0 million compared to the final adopted budget. The variance is due mainly to lower than projected police department expenditures.

CAPITAL ASSETS AND DEBT

Capital Assets

In accordance with the implementation requirements of GASB No. 34, the City has recorded historical costs and depreciation expense associated with all of its capital assets, including infrastructure. As summarized in the table below, the City's reported investment in capital assets for governmental and business-type activities as of December 31, 2025 totaled $948.4 million. These assets include the street network in the governmental activities and the water, sewer and storm water systems in the business-type activities. Total accumulated depreciation was calculated to be over $377.4 million, or approximately 39.8% of the historical asset cost. Net of accumulated depreciation, the City's investment in capital assets is nearly $571.0 million, which is a net increase of approximately $11.9 million from 2024.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 22,888,154	$ 22,551,664	$ 18,605,620	$ 18,488,946	$ 41,493,774	$ 41,040,610
Land Improvements	16,858,327	16,027,673	22,999,973	23,150,058	39,858,300	39,177,731
Buildings	65,745,153	63,329,703	101,413,800	100,755,624	167,158,953	164,085,327
Infrastructure	270,448,239	266,062,558	284,522,420	276,463,594	554,970,659	542,526,152
Machinery and Equipment	58,507,104	55,394,485	41,101,132	39,047,183	99,608,236	94,441,668
Subscription Asset	1,687,093	1,435,878	-	-	1,687,093	1,435,878
Intangibles	9,745,426	9,769,614	517,400	553,580	10,262,826	10,323,194
Work in Progress	13,421,189	15,245,830	19,912,399	8,555,630	33,333,588	23,801,460
Subtotal	459,300,685	449,817,405	489,072,744	467,014,615	948,373,429	916,832,020
Less: Accumulated Depreciation/ Amortization	(208,818,317)	(199,056,997)	(168,603,791)	(158,677,567)	(377,422,108)	(357,734,564)
Total	$ 250,482,368	$ 250,760,408	$ 320,468,953	$ 308,337,048	$ 570,951,321	$ 559,097,456

Additional information about the City's capital assets can be found in Note 4 of this report. As shown in Note 4, some of the most significant additions to the City's capital assets during 2025 included the following:

	(Dollars in Millions)	
	Governmental Activities	Business-Type Activities
	2025	2025
Land, Improvements, and Buildings	$ 3.6	$ 0.7
Infrastructure	4.4	8.1
Machinery and Equipment	3.1	2.1

Long-Term Debt

At December 31, 2025, the City of Eau Claire had approximately $232.1 million of bond and long-term note principal outstanding, as summarized in the following table:

Notes and Bonds Outstanding
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds and Notes	$ 166,663,907	$ 162,653,227	$ 27,677,910	$ 26,514,400	$ 194,341,817	$ 189,167,627
Revenue Bonds	1,045,000	1,080,000	36,717,468	37,542,099	37,762,468	38,622,099
Total	$ 167,708,907	$ 163,733,227	$ 64,395,378	$ 64,056,499	$ 232,104,285	$ 227,789,726

Under Wisconsin State Statute Section 67.03(1), 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. General obligation debt of the City at the close of 2025 totaled $194.3 million, along with amounts available for payment of principal, is approximately 42.0% of the maximum legal limit. During 2025, the City issued new debt for the following amounts and purposes:

Long-Term Debt Issued

Date	Type of Debt	Amount
11/25/2025	General Obligation Promissory Notes issued to finance pool projects, land building and equipment projects, water system projects, and storm water projects.	$ 17,930,000
11/25/2025	Taxable General Obligation Promissory Notes issued to finance park projects, land building and equipment projects, TID No. 8 projects and TID No. 10 projects.	6,620,000

The General Obligation Bonds and Promissory Notes were rated Aa2 by Moody's Investors Service.

Additional information about the City's long-term debt can be found in Note 6 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residents, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. As in the past, the City provides the Annual Comprehensive Financial Report on our web page (https://www.eauclairewi.gov/government/financial-transparency/annual-financial-reports). If anyone has any questions about this report or needs additional financial information about the City of Eau Claire, please contact the Finance Department at 203 South Farwell Street, Eau Claire, Wisconsin, 54701. Finance Department staff can also be reached at (715) 839-6044.

BASIC FINANCIAL STATEMENTS

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			Component Units	Reporting Entity 2025
	Governmental Activities	Business-Type Activities	Totals		
ASSETS					
Cash and Investments	$ 89,613,793	$ 31,564,093	$ 121,177,886	$ 371,364	$ 121,549,250
Taxes Receivables, Net	53,588,077	1,332,711	54,920,788	-	54,920,788
Special Assessments Receivable	3,101,063	223,272	3,324,335	325,000	3,649,335
Notes Receivable, Net	4,915,424	-	4,915,424	1,013,651	5,929,075
Accounts Receivable, Net	4,852,968	10,220,095	15,073,063	-	15,073,063
Long-Term Receivables	-	141,615	141,615	-	141,615
Lease Receivable	1,752,335	144,763	1,897,098	-	1,897,098
Interest Receivable	619,972	-	619,972	-	619,972
Due from Other Governments	1,605,640	4,409,652	6,015,292	-	6,015,292
Internal Balances	3,136,223	(3,136,223)	-	-	-
Prepaid Items	2,107,713	760,937	2,868,650	-	2,868,650
Restricted Assets:					
Cash and Investments	38,974,983	28,782,297	67,757,280	1,373,247	69,130,527
Deposit in Insurance Pools	796,527	-	796,527	-	796,527
Property Held for Resale	-	-	-	305,930	305,930
Capital Assets:					
Land	22,888,154	18,605,621	41,493,775	-	41,493,775
Construction in Progress	13,421,189	19,912,397	33,333,586	-	33,333,586
Other Capital Assets, Net of Depreciation/Amortization	214,173,025	281,950,931	496,123,956	-	496,123,956
Total Assets	455,547,086	394,912,161	850,459,247	3,389,192	853,848,439
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflow Related to OPEB Activity	7,597,003	431,801	8,028,804	-	8,028,804
Deferred Outflow Related to LRLIF OPEB Activity	550,808	92,289	643,097	-	643,097
Deferred Outflow Related to Pension Activity	30,185,660	3,182,558	33,368,218	-	33,368,218
Total Deferred Outflows of Resources	38,333,471	3,706,648	42,040,119	-	42,040,119
LIABILITIES					
Accounts Payable and Accrued Expenses	4,194,079	4,195,187	8,389,266	19,389	8,408,655
Accrued Liabilities	5,984,569	1,064,448	7,049,017	6,935	7,055,952
Customer Deposits	268,923	16,633	285,556	-	285,556
Due to Other Governments	188,339	57,204	245,543	-	245,543
Unearned Revenue	6,420,956	2,000	6,422,956	325,000	6,747,956
Noncurrent Liabilities:					
Due to Other Governments - Due in More Than One Year	1,296,838	-	1,296,838	-	1,296,838
Net Pension Liability - Due in More Than One Year	5,167,120	543,976	5,711,096	-	5,711,096
Net LRLIF OPEB Liability - Due in More Than One Year	1,762,352	304,380	2,066,732	-	2,066,732
Total OPEB Liability - Due Within One Year	3,496,383	-	3,496,383	-	3,496,383
Total OPEB Liability - Due in More Than One Year	32,292,829	2,034,171	34,327,000	-	34,327,000
Due Within One Year	22,428,249	6,690,136	29,118,385	70,000	29,188,385
Due in More Than One Year	163,457,077	59,029,168	222,486,245	1,075,000	223,561,245
Total Liabilities	246,957,714	73,937,303	320,895,017	1,496,324	322,391,341

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2025

	Primary Government				
	Governmental Activities	Business-Type Activities	Totals	Component Units	Reporting Entity 2025
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflow - Lease	1,549,199	133,052	1,682,251	-	1,682,251
Succeeding Year's Property Taxes	64,623,939	-	64,623,939	-	64,623,939
Deferred Inflows Related to OPEB Activity	7,366,566	418,697	7,785,263	-	7,785,263
Deferred Inflows Related to LRLIF OPEB Activity	1,265,439	213,734	1,479,173	-	1,479,173
Deferred Inflows Related to Pension Activity	15,152,471	1,594,072	16,746,543	-	16,746,543
Deferred Charge on Refunding	128,216	-	128,216	-	128,216
Total Deferred Inflows of Resources	90,085,830	2,359,555	92,445,385	-	92,445,385
NET POSITION					
Net Investment in Capital Assets	111,378,582	254,574,326	365,952,908	-	365,952,908
Restricted for:					
Debt Service Payments	4,627,830	4,938,315	9,566,145	-	9,566,145
Pension	-	-	-	-	-
Cemetery Maintenance	199,813	-	199,813	-	199,813
Hazmat	104,521	-	104,521	-	104,521
Community Development	1,673,595	-	1,673,595	-	1,673,595
Home Grant	100,488	-	100,488	-	100,488
Police Department K9	222,982	-	222,982	-	222,982
Economic Development	2,080,754	-	2,080,754	-	2,080,754
Community Enhancement	1,353,414	-	1,353,414	-	1,353,414
Library	2,207,838	-	2,207,838	-	2,207,838
Health	3,033,046	-	3,033,046	-	3,033,046
Grants and Donations	1,507,412	-	1,507,412	-	1,507,412
TIF Projects	3,322,333	-	3,322,333	-	3,322,333
Capital Contracts	5,285,540	-	5,285,540	-	5,285,540
Insurance Deposits	1,152,946	-	1,152,946	-	1,152,946
Equipment Replacement	-	21,623,137	21,623,137	-	21,623,137
Business Improvement	-	-	-	1,744,175	1,744,175
Unrestricted	18,585,919	41,186,173	59,772,092	148,693	59,920,785
Total Net Position	$ 156,837,013	$ 322,321,951	$ 479,158,964	$ 1,892,868	$ 481,051,832

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Governmental Activities	Net Revenue (Expense) and Changes in Net Position: Business-Type Activities	Net Revenue (Expense) and Changes in Net Position: Totals Primary Government	Component Units	Totals - Reporting En 2025
PRIMARY GOVERNMENT									
Governmental Activities:									
General Government	$ 12,633,032	$ 6,764,584	$ 301,392	$ 383	$ (5,566,673)	$ -	$ (5,566,673)	$ -	$ (5,566,673)
Public Safety	40,273,141	9,290,370	1,878,276	151,554	(28,952,941)	-	(28,952,941)	-	(28,952,941)
Public Works	27,634,207	1,168,216	1,099,587	5,027,125	(20,339,279)	-	(20,339,279)	-	(20,339,279)
Health Services	11,355,207	3,460,154	2,895,616	-	(4,999,437)	-	(4,999,437)	-	(4,999,437)
Development	8,795,260	885,101	5,058,372	-	(2,851,787)	-	(2,851,787)	-	(2,851,787)
Culture and Recreation	11,609,474	2,005,007	368,556	-	(9,235,911)	-	(9,235,911)	-	(9,235,911)
Interest	6,365,098	-	-	-	(6,365,098)	-	(6,365,098)	-	(6,365,098)
Total Governmental Activities	118,665,419	23,573,432	11,601,799	5,179,062	(78,311,126)	-	(78,311,126)	-	(78,311,126)
Business-Type Activities:									
Water Utility	10,574,436	15,405,361	-	9,543,588	-	14,374,513	14,374,513	-	14,374,513
Sewer Utility	10,342,849	15,223,135	-	15,354	-	4,895,640	4,895,640	-	4,895,640
Storm Water Utility	4,525,279	6,824,230	-	64,800	-	2,363,751	2,363,751	-	2,363,751
Public Transit	7,942,363	1,286,262	4,556,303	425,212	-	(1,674,586)	(1,674,586)	-	(1,674,586)
Parking Fund	1,509,552	597,160	-	-	-	(912,392)	(912,392)	-	(912,392)
Hobbs Ice Center	1,514,448	924,260	-	-	-	(590,188)	(590,188)	-	(590,188)
Outdoor Pool	681,300	337,655	-	-	-	(343,645)	(343,645)	-	(343,645)
Total Business-Type Activities	37,090,227	40,598,063	4,556,303	10,048,954	-	18,113,093	18,113,093	-	18,113,093
Total Primary Government	$ 155,755,646	$ 64,171,495	$ 16,158,102	$ 15,228,016	(78,311,126)	18,113,093	(60,198,033)	-	(60,198,033)

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Governmental Activities	Business-Type Activities	Totals Primary Government	Component Units	Totals - Reporting Ent 2025
Component Units:									
Redevelopment Authority	$ 233,665	$ -	$ -	$ -	$ -	$ -	$ -	$ (233,665)	$ (233,665)
South Barstow Business Improvement District	175,657	-	-	-	-	-	-	(175,657)	(175,657)
North Barstow/Medical Business Improvement District	121,950	-	-	-	-	-	-	(121,950)	(121,950)
West Grand Business Improvement District	20,298	-	-	-	-	-	-	(20,298)	(20,298)
Water Street Business Improvement District	11,331	-	-	-	-	-	-	(11,331)	(11,331)
Total Component Units	$ 562,901	$ -	$ -	$ -	-	-	-	(562,901)	(562,901)
GENERAL REVENUES AND TRANSFERS									
Taxes:									
Property Taxes, Levied for General Purposes					40,505,403	-	40,505,403	-	40,505,403
Property Taxes, Levied for Debt Service					13,629,432	-	13,629,432	-	13,629,432
Property Taxes, Levied for TIF Districts					5,507,701	-	5,507,701	-	5,507,701
Hotel/Motel Room Taxes					3,107,470	-	3,107,470	-	3,107,470
Other Taxes					1,827,102	-	1,827,102	-	1,827,102
Special Assessments					-	-	-	324,000	324,000
Intergovernmental Revenues Not Restricted to Specific Programs					11,512,229	-	11,512,229	-	11,512,229
Investment Income					6,850,548	1,817,685	8,668,233	13,524	8,681,757
Miscellaneous					474,849	-	474,849	-	474,849
Contributions from City					-	-	-	92,000	92,000
Transfers					(62,562)	62,562	-	-	-
Total General Revenues and Transfers					83,352,172	1,880,247	85,232,419	429,524	85,661,943
CHANGE IN NET POSITION					5,041,046	19,993,340	25,034,386	(133,377)	24,901,009
Net Position - Beginning of Year					151,795,967	302,328,611	454,124,578	2,026,245	456,150,823
NET POSITION - END OF YEAR					$ 156,837,013	$ 322,321,951	$ 479,158,964	$ 1,892,868	$ 481,051,832

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Major Funds				
	General Fund	Debt Service - General	Grants and Donations	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	$ 45,708,798	$ 5,468,515	$ 7,744,005	$ 20,865,436	$ 79,786,754
Receivables:					
Taxes	46,361,981	27	-	7,221,396	53,583,404
Delinquent Personal Property Taxes, Net	4,673	-	-	-	4,673
Accounts, Net	4,071,080	16,704	-	861,105	4,948,889
Notes, Net	25,000	-	-	4,890,424	4,915,424
Leases	1,752,335	-	-	-	1,752,335
Special Assessments	3,101,063	-	-	-	3,101,063
Interest	619,972	-	-	-	619,972
Due from Other Governments	519,142	-	45,756	1,020,681	1,585,579
Due from Other Funds	9,314,246	-	-	-	9,314,246
Prepaid Items	45,489	-	-	1,221,752	1,267,241
Advances to Other Funds	1,250,000	-	-	1,400,000	2,650,000
Restricted Assets - Cash and Investments	-	841,968	-	37,776,596	38,618,564
Total Assets	$ 112,773,779	$ 6,327,214	$ 7,789,761	$ 75,257,390	$ 202,148,144
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICIT)					
LIABILITIES					
Accounts Payable	$ 498,321	$ -	$ 165,910	$ 3,288,488	$ 3,952,719
Accrued Liabilities	3,705,012	-	21,517	474,091	4,200,620
Deposits	215,434	-	-	53,489	268,923
Due to Other Governments	141,491	-	-	46,848	188,339
Due to Other Funds	-	-	-	7,943,396	7,943,396
Advances from Other Funds	-	-	-	3,238,700	3,238,700
Unearned Revenue	440,658	-	6,094,922	4,847	6,540,427
Total Liabilities	5,000,916	-	6,282,349	15,049,859	26,333,124
DEFERRED INFLOWS OF RESOURCES					
Leases	1,549,199	-	-	-	1,549,199
Subsequent Years Taxes	57,427,012	-	-	7,196,927	64,623,939
Unavailable Revenue	7,049,193	16,731	-	5,786,593	12,852,517
Total Deferred Inflows of Resources	66,025,404	16,731	-	12,983,520	79,025,655
FUND BALANCE (DEFICIT)					
Nonspendable	1,080,489	-	-	1,221,752	2,302,241
Restricted	-	6,310,483	1,788,956	56,868,508	64,967,947
Committed	-	-	-	698,870	698,870
Assigned	1,523,262	-	-	6,009,326	7,532,588
Unassigned (Deficit)	39,143,708	-	(281,544)	(17,574,445)	21,287,719
Total Fund Balance	41,747,459	6,310,483	1,507,412	47,224,011	96,789,365
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	$ 112,773,779	$ 6,327,214	$ 7,789,761	$ 75,257,390	$ 202,148,144

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Total Governmental Fund Balances		$ 96,789,365
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 fund statements. Capital assets at year-end (excluding internal service funds) consist of:		
Construction in Progress	$ 13,421,189	
Land	22,888,154	
Other Capital Assets, Net of Depreciation/Amortization	214,173,025	
Less: Internal Service Fund Included Below	(15,581,426)	$ 234,900,942
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences:		
(Premium) Discount on Debt		(6,598,203)
Deferred Charge on Refunding of Debt		(128,216)
Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.		(20,040)
Special assessments, loans receivable, and various other receivables are reported as unavailable revenue in the fund financial statements and are recognized as revenue when earned in the government-wide financial statements. See Note III.B.		12,853,717
The net pension asset (liability) does not relate to current financial resources and is not reported in the governmental funds.		(5,095,257)
The net local retirement life insurance OPEB liability does not relate to current financial resources and is not reported in the governmental funds.		(1,696,062)
The net OPEB liability does not relate to current financial resources and is not reported in the governmental funds.		(35,655,030)
Some deferred outflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred Outflows - OPEB Related Amounts		7,568,524
Deferred Outflows - Pension Related Amounts		29,765,221
Deferred Outflows - LRLI OPEB Related Amounts		530,708
Some deferred inflows of resources do not relate to current financial resources and are not reported in the governmental funds.		
Deferred Inflows - OPEB Related Amounts		(7,338,950)
Deferred Inflows - Pension Related Amounts		(14,941,882)
Deferred Inflows - LRLI OPEB Related Amounts		(1,218,890)
Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		26,510,471
Long-term liabilities, including bonds and notes payable, are not due in the current period and, therefore, are not reported in the fund statements. Long-term liabilities at year-end (excluding internal service funds) consist of:		
General Obligation Debt	(166,663,907)	
Revenue Bonds - Direct Borrowings	(1,045,000)	
Subscription Liability	(606,627)	
Arbitrage Rebate Payable	(1,296,838)	
Vested Compensated Absences	(8,077,649)	
Accrued Interest on General Obligation Debt	(1,699,384)	(179,389,405)
Net Position of Governmental Activities		$ 156,837,013

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	Major Funds				
	General Fund	Debt Service - General	Grants and Donations	Other Nonmajor Funds	Total Governmental Funds
REVENUES					
Taxes	$ 54,712,226	$ -	$ -	$ 8,615,172	$ 63,327,398
Special Assessments	1,707,545	27	-	-	1,707,572
Intergovernmental	15,657,144	-	4,665,283	4,323,672	24,646,099
Licenses and Permits	2,241,888	-	-	810,699	3,052,587
Fines and Forfeitures	454,523	-	-	6,447	460,970
Fees and Charges for Services - Public	5,995,926	-	-	1,477,603	7,473,529
Fees and Charges for Services - Intergovernmental	7,183,427	-	-	3,138,371	10,321,798
Investment Income (Loss)	4,709,980	27,859	213,946	1,564,168	6,515,953
Miscellaneous	1,639,481	-	-	3,767,310	5,406,791
Total Revenues	94,302,140	27,886	4,879,229	23,703,442	122,912,697
EXPENDITURES					
Current:					
General Government	10,261,137	5,094	-	-	10,266,231
Public Safety	37,575,107	-	-	252,740	37,827,847
Public Works	9,797,601	-	-	838,829	10,636,430
Health Services	-	-	2,219,774	8,786,836	11,006,610
Culture and Recreation	5,196,850	-	-	5,357,556	10,554,406
Development	92,000	-	175,000	8,249,210	8,516,210
Miscellaneous	579,281	-	-	-	579,281
Capital Outlay	-	-	1,878,263	15,950,746	17,829,009
Debt Service:					
Principal	453,254	9,699,899	-	3,198,109	13,351,262
Interest	32,006	3,411,080	-	2,428,346	5,871,432
Total Expenditures	63,987,236	13,116,073	4,273,037	45,062,372	126,438,718
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	30,314,904	(13,088,187)	606,192	(21,358,930)	(3,526,021)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	337,797	-	-	16,805,000	17,142,797
Refunding Long-Term Bonds Issued	-	1,340,000	-	2,800,000	4,140,000
Premiums on Long-Term Bonds Issued	-	714,580	-	106,496	821,076
Payments on Refunding Long-Term Bonds	-	(1,237,061)	-	(2,834,249)	(4,071,310)
Transfers from Other Funds	1,998,239	12,951,157	-	11,483,689	26,433,085
Transfers to Other Funds	(22,718,571)	-	-	(4,735,549)	(27,454,120)
Proceeds from Sale of Capital Assets	7,273	-	-	1,144	8,417
Total Other Financing Sources (Uses)	(20,375,262)	13,768,676	-	23,626,531	17,019,945
NET CHANGE IN FUND BALANCE	9,939,642	680,489	606,192	2,267,601	13,493,924
Fund Balances - Beginning of Year	31,807,817	5,629,994	901,220	44,956,410	83,295,441
FUND BALANCES - END OF YEAR	$ 41,747,459	$ 6,310,483	$ 1,507,412	$ 47,224,011	$ 96,789,365

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Government Funds	$	13,493,924
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Government funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital Outlay is Capitalized in the Government-Wide Statements		12,154,577
Depreciation is Reported in the Government-Wide Statements		(11,992,046)
In the Statement of Activities, the gain or loss on disposal of capital assets is reported. In the fund statements, proceeds from the sale of capital assets are reported because the proceeds increase financial resources. This is the amount of net book value of capital asset disposals.		(986,061)
Receivables that may be uncollectible are recorded in unavailable revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide.		118,269
Receivables not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. This amount is the change in the following unavailable revenue categories:		
Delinquent Personal Property Taxes Receivable		(12,447)
Accounts Receivable		362,979
Loan Receivable		(169,080)
Interest Receivable		198,490
Special Assessments Receivable		(55,105)
Grants Receivable		281,039
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount is the change in the following assets and liabilities:		
Compensated Absences		(595,755)
Other Postemployment Benefit Liability (and OPEB Related Deferred Outflows/Inflows of Resources)		414,156
Local Retirement Life Insurance Other Postemployment Benefits (and OPEB Related Deferred Outflows/Inflows of Resources)		(76,764)
Net Pension Liability (and Pension Related Deferred Outflows/Inflows of Resources)		(2,088,990)
Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(613,930)
Repayment of debt principal and subscriptions is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of principal and subscription payments paid.		17,422,574
Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. This is the amount of debt issued during the year.		(21,282,797)
Arbitrage rebates are not reported as expenditures in the governmental funds, but incurrance of arbitrage rebates increases liabilities in the Statement of Net Position. This net effect of the rebate:		(1,296,838)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the fund financial statements because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities interest expense is recognized as the interest accrues regardless of when it is due.		(91,234)
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences:		
Premium on New Debt		(821,075)
Amortization of Premium (Discount)		656,666
Change in Deferred Charge on Refunding		20,494
Net Change in Net Position - Governmental Activities	$	5,041,046

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF NET POSITION – ENTERPRISE FUNDS
DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS						
Current Assets:						
Cash and Investments	$ 3,751,440	$ 20,111,784	$ 5,776,164	$ 1,924,705	$ 31,564,093	$ 9,827,039
Taxes Receivable	670,862	491,457	170,392	-	1,332,711	-
Other Accounts Receivables, Net of Allowances	5,286,059	3,014,873	1,659,156	260,007	10,220,095	42,388
Due from Other Governments	1,478,809	1,123,414	-	1,807,429	4,409,652	20,061
Prepaid Supplies and Materials	583,770	-	-	162,828	746,598	840,472
Prepaid Items	14,339	-	-	-	14,339	-
Restricted Cash and Investments	2,964,614	1,605,404	550,204	-	5,120,222	-
Total Current Assets	14,749,893	26,346,932	8,155,916	4,154,969	53,407,710	10,729,960
Noncurrent Assets:						
Restricted Assets:						
Cash and Investments	4,621,354	18,522,750	-	517,971	23,662,075	356,419
Net Pension Asset	-	-	-	-	-	-
Deposit in Insurance Pools	-	-	-	-	-	796,527
Special Assessment Receivable	116,680	106,592	-	-	223,272	-
Long-Term Receivables	-	-	-	141,615	141,615	-
Lease Receivable	-	-	-	144,763	144,763	-
Advances to Other Funds	-	-	-	-	-	1,838,700
Capital Assets:						
Construction in Progress	19,443,628	299,374	35,538	133,857	19,912,397	1,112,931
Land	324,575	327,940	17,421,610	531,496	18,605,621	247,199
Capital Assets	146,893,950	158,817,235	80,312,053	64,531,491	450,554,729	37,682,309
Less: Accumulated Depreciation	(54,427,658)	(62,667,433)	(25,118,896)	(26,389,811)	(168,603,798)	(23,461,013)
Total Capital Assets, Net Accumulated Depreciation	112,234,495	96,777,116	72,650,305	38,807,033	320,468,949	15,581,426
Total Noncurrent Assets	116,972,529	115,406,458	72,650,305	39,611,382	344,640,674	18,573,072
Total Assets	131,722,422	141,753,390	80,806,221	43,766,351	398,048,384	29,303,032
DEFERRED OUTFLOWS OF RESOURCES						
Other Postemployment Benefit Related Amounts	117,122	62,342	11,220	241,117	431,801	28,479
Pension Related Amounts	881,029	742,069	278,041	1,281,419	3,182,558	420,439
Local Retirement Life Insurance Other Postemployment Benefit Related	21,984	18,551	7,641	44,113	92,289	20,100
Total Deferred Outflows of Resources	1,020,135	822,962	296,902	1,566,649	3,706,648	469,018

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF NET POSITION – ENTERPRISE FUNDS (CONTINUED)
DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Total	
LIABILITIES						
Current Liabilities:						
Accounts Payable	$ 3,423,620	$ 385,970	$ 127,696	$ 257,901	$ 4,195,187	$ 241,361
Accrued Payroll and Payroll Taxes	193,552	144,790	43,505	299,963	681,810	84,565
Accrued Compensated Absences	323,863	301,013	112,772	327,278	1,064,926	205,571
Accrued Interest	78,802	-	84,528	37,581	200,911	-
Deposits	-	-	-	16,633	16,633	-
Unearned Revenue	-	-	-	2,000	2,000	-
Due to Other Governments	44,893	-	-	12,311	57,204	-
Due to Other Funds	-	-	-	1,370,850	1,370,850	-
Current Portion of Advances from Other Funds	-	-	-	240,000	240,000	-
Current Portion of General Obligation Debt	845,000	-	1,255,600	421,710	2,522,310	-
Current Portion of Unpaid Claims	-	-	-	-	-	220,000
Liabilities Payable from Restricted Assets:						
Current Portion of Revenue Bonds	825,503	2,277,398	-	-	3,102,901	-
Accrued Interest	94,589	87,138	-	-	181,727	-
Total Current Liabilities	5,829,822	3,196,309	1,624,101	2,986,227	13,636,459	751,497
Noncurrent Liabilities						
Advances from Other Funds	-	-	-	1,010,000	1,010,000	-
Revenue Bonds Payable	16,142,266	17,700,837	-	-	33,843,103	-
General Obligation Debt	9,801,728	-	11,430,765	3,953,571	25,186,064	-
Other Postemployment Benefits	551,757	293,687	52,846	1,135,881	2,034,171	134,182
Pension Liability	150,589	126,837	47,524	219,026	543,976	71,863
Local Retirement Life Insurance Other Postemployment Benefit Related	72,506	61,186	25,201	145,487	304,380	66,290
Unpaid Claims	-	-	-	-	-	2,468,365
Total Noncurrent Liabilities	26,718,846	18,182,547	11,556,336	6,463,965	62,921,694	2,740,700
Total Liabilities	32,548,668	21,378,856	13,180,437	9,450,192	76,558,153	3,492,197
DEFERRED INFLOWS OF RESOURCES						
Leases	-	-	-	133,052	133,052	-
Deferred Inflows Related to OPEB	113,569	60,450	10,877	233,801	418,697	27,616
Deferred Inflows Related to Pension	441,288	371,686	139,264	641,834	1,594,072	210,589
Local Retirement Life Insurance Other Postemployment Benefit Related	50,913	42,964	17,696	102,161	213,734	46,549
Total Deferred Inflows of Resources	605,770	475,100	167,837	1,110,848	2,359,555	284,754
NET POSITION						
Net Investment in Capital Assets	82,939,428	76,452,233	60,285,575	34,897,090	254,574,326	15,576,540
Restricted for:						
Insurance Deposits	-	-	-	-	-	1,152,946
Debt Service Payments	3,332,911	1,605,404	-	-	4,938,315	-
Equipment Replacement	4,168,387	17,454,750	-	-	21,623,137	-
Unrestricted (Deficit)	9,147,393	25,210,009	7,469,274	(125,130)	41,701,546	9,265,613
Total Net Position	$ 99,588,119	$ 120,722,396	$ 67,754,849	$ 34,771,960	322,837,324	$ 25,995,099
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(515,373)	
NET POSITION OF BUSINESS-TYPE ACTIVITIES					$ 322,321,951	

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Business-type Activities - Enterprise Funds						Governmental Activities
	Water Utility	Sewer Utility	Storm Water Utility	Parking Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES							
Charges for Services	$ 13,111,360	$ 14,874,428	$ 6,824,164	$ -	$ 2,901,139	$ 37,711,091	$ 6,540,090
Other Revenues	2,294,001	348,707	66	-	244,198	2,886,972	1,024,833
Total Operating Revenues	15,405,361	15,223,135	6,824,230	-	3,145,337	40,598,063	7,564,923
OPERATING EXPENSES							
Personal Services	2,730,661	2,668,313	884,486	-	4,447,681	10,731,141	1,418,602
Contractual Services	1,453,561	1,482,262	914,009	-	2,299,461	6,149,293	538,190
Supplies and Materials	824,275	733,842	54,082	-	955,032	2,567,231	1,441,688
Utilities	644,310	560,619	153,163	-	452,039	1,810,131	231,578
Depreciation	3,212,414	3,363,745	1,271,154	-	2,631,460	10,478,773	2,002,215
Administrative	817,217	875,700	1,000,000	-	560,170	3,253,087	1,022,079
Claims	-	-	-	-	-	-	3,213,020
Total Operating Expenses	9,682,438	9,684,481	4,276,894	-	11,345,843	34,989,656	9,867,372
OPERATING INCOME (LOSS)	5,722,923	5,538,654	2,547,336	-	(8,200,506)	5,608,407	(2,302,449)
NONOPERATING REVENUES (EXPENSES)							
Operating Grants/Contributions	-	-	-	-	4,556,303	4,556,303	-
Investment Income	451,806	1,246,841	117,784	-	1,253	1,817,684	95,161
Gain (Loss) on Sale of Capital Assets	-	(11,106)	(988)	-	(13,502)	(25,596)	(28,609)
Interest and Fiscal Charges	(759,373)	(542,190)	(247,281)	-	(153,080)	(1,701,924)	-
Interest Charged to Construction	-	-	-		-	-	140,222
Total Nonoperating Revenues (Expenses)	(307,567)	693,545	(130,485)	-	4,390,974	4,646,467	206,774
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	5,415,356	6,232,199	2,416,851	-	(3,809,532)	10,254,874	(2,095,675)
TRANSFERS							
Transfers from Other Funds	74,516	-	-	-	2,089,726	2,164,242	973,473
Transfers to Other Funds	(1,958,258)	-	-	-	(143,422)	(2,101,680)	(15,000)
Total Transfers	(1,883,742)	-	-	-	1,946,304	62,562	958,473
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	3,531,614	6,232,199	2,416,851	-	(1,863,228)	10,317,436	(1,137,202)
Capital Contributions	9,543,588	15,354	64,800	-	425,212	10,048,954	150,226
CHANGE IN NET POSITION	13,075,202	6,247,553	2,481,651	-	(1,438,016)	20,366,390	(986,976)
Net Position - Beginning of Year	86,512,917	114,474,843	65,273,198	22,102,677	14,107,298	302,470,933	26,982,075
Change within Financial Reporting Entity - Major to Nonmajor Fund	-	-	-	(22,102,677)	22,102,677	-	-
Net Position - Beginning of Year, as Restated	86,512,917	114,474,843	65,273,198	-	36,209,975	302,470,933	26,982,075
NET POSITION - END OF YEAR	$ 99,588,119	$ 120,722,396	$ 67,754,849	$ -	$ 34,771,959	$ 322,837,323	$ 25,995,099
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(373,052)	
CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES						$ 19,993,338	

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Customers	$ 11,496,129	$ 15,887,342	$ 6,698,205	$ 3,097,230	$ 37,178,906	$ 7,643,010
Cash Payments to Suppliers for Goods and Services	(2,866,450)	(2,781,772)	(1,117,941)	(3,843,022)	(10,609,185)	(2,352,120)
Cash Payments to Employees for Services	(2,819,505)	(2,738,243)	(873,990)	(4,479,275)	(10,911,013)	(1,382,366)
Claims Paid	-	-	-	-	-	(3,213,020)
Repayment of Insurance Claims	-	-	-	-	-	821,469
Administrative Charges	(817,217)	(875,700)	(1,000,000)	(560,170)	(3,253,087)	(1,022,079)
Net Cash Provided (Used) by Operating Activities	4,992,957	9,491,627	3,706,274	(5,785,237)	12,405,621	494,894
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating Grants/Contributions Received	-	-	-	4,198,484	4,198,484	-
Negative Cash Implicitly Financed	-	-	-	524,316	524,316	-
Cash Received (Paid) from Other Funds	-	(862,082)	-	49,579	(812,503)	-
Transfers In from Other Funds	-	-	-	2,089,726	2,089,726	972,302
Transfers Out to Other Funds	(1,883,742)	-	-	(143,422)	(2,027,164)	(15,000)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,883,742)	(862,082)	-	6,718,683	3,972,859	957,302
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt Issued	3,673,162	-	1,630,000	395,000	5,698,162	-
Premium on Debt Issues	84,957	-	86,796	21,372	193,125	-
Debt Retirement	(1,464,785)	(2,219,320)	(1,200,487)	(554,426)	(5,439,018)	-
Special Assessments Received	11,613	11,641	-	-	23,254	-
Interest and Fiscal Charges Paid	(754,641)	(551,870)	(248,690)	(157,865)	(1,713,066)	-
Acquisition and Construction of Capital Assets	(9,973,320)	(2,936,458)	(2,254,478)	(144,179)	(15,308,435)	(2,407,496)
Principal Paid on Capital Advances from Other Funds	-	-	-	(230,000)	(230,000)	-
Proceeds from Sale of Capital Assets	-	2,391	-	-	2,391	121,625
Net Cash Used by Capital Financing Activities	(8,423,014)	(5,693,616)	(1,986,859)	(670,098)	(16,773,587)	(2,285,871)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and Dividends on Investments	451,806	1,246,841	117,784	1,253	1,817,684	95,161
Net Cash Provided by Investing Activities	451,806	1,246,841	117,784	1,253	1,817,684	95,161
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,861,993)	4,182,770	1,837,199	264,601	1,422,577	(738,514)
Cash, Investments, and Cash Equivalents - Beginning of Year	16,199,401	36,057,168	4,489,169	2,178,075	58,923,813	10,921,972
CASH, INVESTMENTS, AND CASH EQUIVALENTS - END OF YEAR	$ 11,337,408	$ 40,239,938	$ 6,326,368	$ 2,442,676	$ 60,346,390	$ 10,183,458
RECONCILIATION OF CASH AND CASH EQUIVALENTS						
Cash and Cash Equivalents per Statement of Net Position	$ 3,751,440	$ 20,111,784	$ 5,776,164	$ 1,924,705	$ 31,564,093	$ 9,827,039
Restricted Cash and Cash Equivalents:						
Current	2,964,614	1,605,404	550,204	-	5,120,222	-
Noncurrent	4,621,354	18,522,750	-	517,971	23,662,075	356,419
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ 11,337,408	$ 40,239,938	$ 6,326,368	$ 2,442,676	$ 60,346,390	$ 10,183,458

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 5,722,923	$ 5,538,654	$ 2,547,336	$ (8,200,506)	$ 5,608,407	$ (2,302,449)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Difference between Deferred Outflows Related to:						
Depreciation	3,212,414	3,363,745	1,271,154	2,631,460	10,478,773	2,002,215
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:						
Taxes Receivable	(167,842)	82,192	16,068	-	(69,582)	-
Accounts Receivable	(2,262,581)	582,015	(142,093)	(27,449)	(1,850,108)	78,087
Due from Other Governments	(1,478,809)	-	-	-	(1,478,809)	-
Prepaid Supplies and Materials	(8,464)	-	-	11,101	2,637	56,444
Prepaid Items	(16)	-	-	-	(16)	15,835
Lease Receivable	-	-	-	(31,576)	(31,576)	-
Accounts Payable	19,283	(5,049)	3,313	(12,545)	5,002	(212,943)
Due to Other Governments	44,893	-	-	(138,889)	(93,996)	-
Other Liabilities	31,527	21,860	1,121	23,408	77,916	22,709
Deferred Inflow - Lease	-	-	-	4,536	4,536	-
Other Postemployment Benefit Related Deferrals and Liability	(172,165)	(153,034)	(19,607)	(642,229)	(987,035)	(171,391)
State Life Insurance Deferrals and Liability	559	2,833	653	15,839	19,884	(11,838)
Unpaid Claims	-	-	-	-	-	821,469
Pension Related Deferrals and Asset/Liability	51,235	58,411	28,329	575,770	713,745	196,756
Unearned Revenue	-	-	-	2,000	2,000	-
Deposits	-	-	-	3,843	3,843	-
Total Adjustments	(729,966)	3,952,973	1,158,938	2,415,269	6,797,214	2,797,343
Net Cash Provided (Used) by Operating Activities	$ 4,992,957	$ 9,491,627	$ 3,706,274	$ (5,785,237)	$ 12,405,621	$ 494,894

NONCASH CAPITAL, INVESTING, AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2025:	
Water Utility	$ 3,297,896
Sewer Utility	346,648
Storm Water Utility	117,483
Nonmajor Enterprise Funds	28,838
Internal Service Funds	4,886

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2025

	Custodial Fund
ASSETS	
Cash and Investments	$ 14,737,664
Taxes Receivable	77,295,528
Total Assets	92,033,192
DEFERRED INFLOWS OF RESOURCES:	
Subsequent Year Tax Roll	92,033,192
NET POSITION	
Restricted - for Other Governments	$ -

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2025

	Custodial Fund
ADDITIONS	
Tax Collections for Other Governments	$ 58,935,415
DEDUCTIONS	
Payments of Taxes to Other Governments	58,935,415
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	-
NET POSITION - END OF YEAR	$ -

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF NET POSITION – COMPONENT UNITS
DECEMBER 31, 2025

	Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Totals
ASSETS					
Current Assets:					
Cash and Investments	$ -	$ 107,914	$ 166,726	$ 96,724	$ 371,364
Receivables:					
Special Assessments	-	178,000	120,000	27,000	325,000
Notes	994,698	-	18,953	-	1,013,651
Total Current Assets	994,698	285,914	305,679	123,724	1,710,015
Noncurrent Assets:					
Restricted Assets:					
Cash and Investments	1,373,247	-	-	-	1,373,247
Property Held for Resale	305,930	-	-	-	305,930
Total Noncurrent Assets	1,679,177	-	-	-	1,679,177
Total Assets	2,673,875	285,914	305,679	123,724	3,389,192
LIABILITIES					
Current Liabilities:					
Accounts Payable	-	6,760	12,629	-	19,389
Accrued Liabilities	6,935	-	-	-	6,935
Unearned Revenues	-	178,000	120,000	27,000	325,000
Current Portion of Bonds Payable	70,000	-	-	-	70,000
Total Current Liabilities	76,935	184,760	132,629	27,000	421,324
Noncurrent Liabilities:					
Bonds Payable	1,075,000	-	-	-	1,075,000
Total Liabilities	1,151,935	184,760	132,629	27,000	1,496,324
NET POSITION					
Restricted for Business Improvement	1,373,247	101,154	173,050	96,724	1,744,175
Unrestricted	148,693	-	-	-	148,693
Total Net Position	$ 1,521,940	$ 101,154	$ 173,050	$ 96,724	$ 1,892,868

See accompanying Notes to Basic Financial Statements.

CITY OF EAU CLAIRE, WISCONSIN
STATEMENT OF ACTIVITIES – COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Redevelopment Authority	South Barstow Business Improvement District	North Barstow/ Medical Business Improvement District	Nonmajor Component Units	Total
Redevelopment Authority:									
Contractual Services	$ 78,644	$ -	$ -	$ -	$ (78,644)	$ -	$ -	$ -	$ (78,644)
Developer Incentive	155,021	-	-	-	(155,021)	-	-	-	(155,021)
Total Redevelopment Authority	233,665	-	-	-	(233,665)	-	-	-	(233,665)
South Barstow Business Improvement District:									
Contractual Services	74,702	-	-	-	-	(74,702)	-	-	(74,702)
Supplies and Materials	100,955	-	-	-	-	(100,955)	-	-	(100,955)
Total South Barstow Business Improvement District	175,657	-	-	-	-	(175,657)	-	-	(175,657)
North Barstow/Medical Business Improvement District:									
Contractual Services	88,460	-	-	-	-	-	(88,460)	-	(88,460)
Supplies and Materials	33,490	-	-	-	-	-	(33,490)	-	(33,490)
Total North Barstow/Medical Business Improvement District	121,950	-	-	-	-	-	(121,950)	-	(121,950)
Nonmajor Component Units	31,629	-	-	-	-	-	-	(31,629)	(31,629)
Total Component Units	$ 562,901	$ -	$ -	$ -	(233,665)	(175,657)	(121,950)	(31,629)	(562,901)
GENERAL REVENUES									
Special Assessments					-	178,000	120,000	26,000	324,000
Investment Income					-	6,788	4,248	2,488	13,524
Contributions from the City					92,000	-	-	-	92,000
Total General Revenues					92,000	184,788	124,248	28,488	429,524
CHANGE IN NET POSITION					(141,665)	9,131	2,298	(3,141)	(133,377)
Net Position - Beginning of Year					1,663,605	92,023	170,752	99,865	2,026,245
Net Position - Beginning of Year, as Restated					1,663,605	92,023	170,752	99,865	2,026,245
NET POSITION - END OF YEAR					$ 1,521,940	$ 101,154	$ 173,050	$ 96,724	$ 1,892,868

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Eau Claire, Wisconsin (the City) conform to accounting principles generally accepted in the United States of America as applicable governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units

- **Redevelopment Authority of the City of Eau Claire**. The government-wide financial statements include the Redevelopment Authority of the City of Eau Claire (RDA) as a component unit. The RDA is a legally separate organization. The board of the RDA is appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the RDA and also create a potential financial benefit to or burden on the City (see Note 3). As a major component unit, the RDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2025. Separately issued financial statements of the RDA of the City of Eau Claire may be obtained from the Finance Director's office, which is located at 203 South Farwell Street, P.O. Box 5148, Eau Claire, Wisconsin 54702-5148.

- **Business Improvement Districts (BIDs)**. The government-wide financial statements include the South Barstow Business Improvement District, North Barstow/Medical Business Improvement District, West Grand Business Improvement District, and Water Street Business Improvement District as component units. The BID boards are appointed by the Eau Claire City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BIDs and also create a potential financial benefit to or burden on the City (see Note 8). As major component units, the financial statements of the South Barstow Business Improvement District and the North Barstow/Medical Business Improvement District have been presented as discrete columns in the financial statements. As nonmajor component units, the remaining BIDs financial statements have been combined and presented as a separate column in the financial statements. The information presented is for the fiscal year ended December 31, 2025. Separate financial statements are not issued by the BIDs.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

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

The City reports the following major governmental funds:

General Fund

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

Debt Service – General

Accounts for and reports resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs, other than TIF or enterprise debt.

Grants and Donations

Accounts for the financial activity of various grants and donations.

The City reports the following major enterprise funds:

Water Utility

Accounts for the construction, operations, and maintenance of the municipal water pumping, treatment, and distribution systems.

Sewer Utility

Accounts for the construction, operations, and maintenance of the municipal sewage collection and treatment system.

Storm Water Utility

Accounts for the construction and operation of the City's storm sewer system. It also accounts for the acquisition and maintenance of storm water detention areas.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

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

- Cemetery Maintenance
- Hazardous Materials Response
- Community Development
- Home Grant
- Police Department K9
- Economic Development
- Community Enhancement
- Public Library
- City-County Health Department
- Downtown
- Former Landfill Escrow
- Seven Mile Creek Landfill

Debt Service Funds

Used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds

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

- TIF No. 8 Downtown Development
- TIF No. 9 Gateway Northwest Business Park Overlay
- TIF No. 10 Confluence Project
- TIF No. 11 Downtown Mixed Use
- TIF No. 12 Water Street
- TIF No. 13 Cannery District
- TIF No. 14 Menomonie Street
- TIF No. 15 Gateway Northwest
- TIF No. 16 Shopko Plaza
- TIF No. 17 The Sevens
- Transportation Improvements
- Land, Buildings, and Equipment
- Parks and Recreation Projects
- Environmental Improvements
- Library Buildings and Equipment

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Enterprise Funds

May be used to report any activity for which a fee is charged to external users for goods or services and must be used for activities which meet certain debt or cost recovery criteria.

- Hobbs Ice Center
- Outdoor Pool
- Public Transit Fund
- Parking Fund

In addition, the City reports the following fund types:

Internal Service Funds

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

- Risk Management
- Central Equipment

Custodial Funds

Are 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.

- Custodial Fund

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

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At year end, there were $1,866,429 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

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

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

All Financial Statements

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

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

1. Deposits and Investments

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

Investments 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.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments (Continued)

3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

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

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

Custodial Credit Risk

Collateralization shall be required on all demand deposit accounts, nonnegotiable certificates of deposit, and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be a minimum of 106% of the fair value of principal and accrued interest. The level of collateralization is negotiated and a part of the City's Bank Services contract. Collateral shall be pledged in the name of the City of Eau Claire, subject to release by the City's finance director.

Credit Risk

The City will only invest in the type of investments allowable by state statutes as listed above. In addition, any securities the City invests in must have a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors' Service or other similar nationally recognized ranking agency, or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.

Concentration of Credit Risk

The City will diversify investments by security type, institution and terms of maturity to reduce portfolio risk. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments (Continued)

Concentration of Credit Risk (Continued)

Investments shall be diversified by:

1. Limiting investments to avoid concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and authorized pools).
2. Limiting investments in securities that have higher credit risks.
3. Investing in securities with varying maturities.
4. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Interest Rate Risk

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. However, the City may collateralize its investments using longer-dated securities. The City will maintain at least 10% of its total investment portfolio in instruments maturing in 30 days or less.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2025, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables

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

Property tax calendar – 2025 tax roll:

Lien Date and Levy Date	December 2025
Tax Bills Mailed	December 2025
Payment in Full, or	January 31, 2026
First Installment Due	January 31, 2026
Second Installment Due	July 31, 2026
Personal Property Taxes in Full	January 31, 2026
Tax Sale – 2025 Delinquent Real Estate Taxes	October 2028

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the Water and Sewer Utilities because they have the right by law to place delinquent bills on the tax roll, and other delinquent bills are generally not significant. The General Fund, City-County Health Department, Public Library, Cemetery Maintenance, Community Enhancement Fund, and Risk Management have recorded allowances of $4,560,400, $1,473, $83,677, $38,100, $6,146, and $173,830 internal balances.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables (Continued)

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 amount recorded as economic development loans receivable has been reduced by an allowance for uncollectible accounts of $94,500.

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

Lease Receivable

The City is the lessor for noncancellable leases of Carson Park, T-Mobile Tower Land, Farmers Market, Skypark Landfill, YMCA Parking Lot, YMCA Pool, United Soccer, AYSO Soccer, Eau Claire Figure Skating, and Eau Claire Youth Hockey. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

3. Prepaid Items and Prepaid Supplies and Materials

Governmental fund prepaid materials and supplies, if material, are recorded at cost based on the first-in, first-out (FIFO) method using the consumption method of accounting. Proprietary fund prepaid materials and supplies are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction or operation and maintenance expense when used.

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

4. Restricted Assets

Mandatory segregation of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

Funds on deposit with Wisconsin Municipal Insurance Company for payment of insurance claims are combined with 12 other participating governments. The City's deposit at year-end was $356,419. This amount is recorded as Restricted Assets in the Internal Service funds. See Note 3 for additional information on restricted assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets

Government-Wide Statements

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

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

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

Buildings	40 to 50 Years
Land Improvements	30 to 55 Years
Machinery and Equipment	3 to 25 Years
Utility System	40 to 100 Years
Intangibles	3 to 40 Years
Infrastructure	10 to 30 Years
Subscription Assets	5 Years

Fund Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Deferred Outflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to pensions and other postemployment benefits.

7. Compensated Absences

Under terms of employment, employees accumulate vacation, compensatory time, sick leave, and other benefits at various rates depending on bargaining group and length of service. Only benefits considered to be vested are disclosed in these statements.

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

Payments for vacation and compensatory time will be made at rates in effect when the benefits are used. Accumulated vacation and compensatory time liabilities at December 31, 2025, are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Long-Term Obligations (Continued)

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

9. Deferred Inflows of Resources

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements, the City's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits. 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.

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

Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. The City has reported deferred inflows of resources related to unavailable revenues for property taxes, grants, and special assessments. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Equity Classifications

Government-Wide Statements

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

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

The net position section includes an adjustment for capital assets owned by the business-type activities column but financed by debt of the governmental activities.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Equity Classifications (Continued)

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

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

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

In cases where multiple types of fund balance are available to pay for expenditures, restricted resources will be used first, followed by committed, assigned, and finally unassigned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Equity Classifications (Continued)

Fund Statements (Continued)

The City has adopted a minimum fund balance policy. The policy is to maintain unassigned fund balance at a level equal to a minimum of 15% of the ensuing year's budgeted General Fund expenditures, with a target of 20% for cash flow and contingency purposes. The balance at year-end was $39,143,487, or 38.81%, and included as unassigned General Fund balance. Of that amount, $10,084,900 is designated for working capital.

See Note 7 for further information.

11. Pension

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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.

12. Multiple Employer Postemployment Benefits Other than Pensions (OPEB)

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 Net OPEB Liability, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits, OPEB Expense (Revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs 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.

13. Single Employer Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources, and OPEB expense, the City's single-employer defined benefit retiree healthcare plan recognizes benefit payments when due and payable in accordance with the benefit terms.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

14. Basis for Existing Rates

Water Utility

Current rates in Water Utility were approved by the Public Service Commission of Wisconsin and effective February 1, 2025.

Sewer Utility

Current rates in the Sewer Utility were approved by the City Council on November 12, 2024, and effective January 1, 2025.

Storm Water Utility

Current rates in the Storm Water Utility were approved by the City Council on November 12, 2024, and effective January 1, 2025.

15. Adjustments to Beginning Balances

Change in Fund Presentation from Major to Nonmajor

The Parking Fund previously met the criteria to be reported as a major enterprise fund. However, effective January 1, 2025, the fund no longer met the criteria to be reported as a major fund and is reported as a nonmajor enterprise fund for the year ended December 31, 2025. The effect of that change to or within the financial reporting entity is shown in the table below.

	December 31, 2024, Net Position as Previously Reported	Change to or Within the Financial Reporting Entity	January 1, 2025, Net Position as Previously Reported
Government-Wide:			
Governmental Activities	$ 160,161,693	$ -	$ 160,161,693
Business-Type Activities	284,937,597	-	284,937,597
Component Units	2,131,499	-	2,131,499
Total Government-Wide	$ 447,230,789	$ -	$ 447,230,789
Enterprise Funds Major:			
Water Utility	$ 85,741,982	$ -	$ 85,741,982
Sewer Utility	107,558,362	-	107,558,362
Storm Water Utility	63,177,340	-	63,177,340
Parking Fund	12,889,311	(12,889,311)	-
Enterprise Funds Nonmajor:			
Hobbs Ice Center	1,553,492	-	1,553,492
Outdoor Pool	2,682,836	-	2,682,836
Public Transit	11,123,000	-	11,123,000
Parking Fund	-	12,889,311	12,889,311
Internal Service Funds:			
Risk Management	7,304,344	-	7,304,344
Central Equipment	20,633,797	-	20,633,797
Component Unit Funds:			
Redevelopment Authority	1,844,108	-	1,844,108
Total Restatement	$ 314,508,572	$ -	$ 314,508,572

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Limitations on the City Tax Levy

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

B. Deficit Balances

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

As of December 31, 2025, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF No. 8 Downtown Development	$ 7,067,726	Expenditures in Excess of Revenues
TIF No. 10 Confluence Project	221,505	Expenditures in Excess of Revenues
TIF No. 13 Cannery District	111,727	Expenditures in Excess of Revenues
Former Landfill Escrow	1,330	Expenditures in Excess of Revenues
Library Buildings & Equipment	9,591	Expenditures in Excess of Revenues
Home Grant Fund	23,945	Expenditures in Excess of Revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the district, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City maintains a cash and investment pool for all funds and component units which is recorded on the statement of net position as follows:

Per Statement of Net Position:	
Cash and Investments	$ 121,549,250
Restricted Cash and Investments	69,130,527
Per Statement of Assets and Liabilities -	
Custodial Fund	14,737,664
Total	$ 205,417,441

Total Cash and Investments Consist of the Following:	
Petty Cash and Cash on Hand	$ 11,418
Deposits with Financial Institutions	8,502,237
Deposits Held by Fiscal Agents	483,054
Investments	196,420,732
Total Cash and Investments	$ 205,417,441

Deposits

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

	Carrying Value	Bank Balance	Associated Risks
Demand Deposits	$ 8,502,237	$ 8,607,459	Custodial Credit Risk

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts (including NOW accounts) and $250,000 for demand deposit amounts (interest-bearing and noninterest bearing).

In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of $250,000 for the combined amount of all deposits.

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

The City maintains collateral agreements with its bank. At December 31, 2025, the bank had obtained a letter of credit in the amount of $17,000,000 to secure the City's deposits.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

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

	Carrying Value	Associated Risks
U.S. Agencies Implicitly Guaranteed	$ 11,562,799	Custodial Credit Risk, Credit Risk, Interest Rate Risk, Concentration of Credit Risk
Corporate Bonds and Notes	4,429,122	Custodial Credit Risk, Credit Risk, Interest Rate Risk, Concentration of Credit Risk
Municipal Bonds and Notes	44,368,036	Custodial Credit Risk, Credit Risk, Interest Rate Risk, Concentration of Credit Risk
US Treasuries	9,264,635	Custodial Credit Risk, Credit Risk, Interest Rate Risk, Concentration of Credit Risk
Negotiable Certificates of Deposit	11,796,613	Custodial Credit Risk, Credit Risk, Interest Rate Risk, Concentration of Credit Risk
LGIP	114,999,527	Credit Risk
Total Investments	$ 196,420,732	

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's' own assumptions about the assumptions market participants and would use in pricing the asset.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

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

> Automated method – IDC Institutional Bond Pricing
> Automated method – IDC CD Pricing

	December 31, 2025			
Investment Type	Level 1	Level 2	Level 3	Total
U.S. Agencies	$ -	$ 11,562,799	$ -	$ 11,562,799
Corporate Bonds and Notes	-	4,429,122	-	4,429,122
Municipal Bonds and Notes	-	44,368,036	-	44,368,036
US Treasuries	-	9,264,635	-	9,264,635
Negotiable Certificates of Deposit	-	11,796,613	-	11,796,613
Totals	$ -	$ 81,421,205	$ -	81,421,205
Investments at Amortized Cost:				
Local Government Investment Pool				114,999,527
Total				$ 196,420,732

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

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

Credit Risk

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

The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on 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 2025 was 9 days.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Interest Rate Risk

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

As of December 31, 2025, the City's investments were as follows:

Investment	Maturity Date	Fair Value	Moody's Investor Service
Pell City Al	12/1/2026	$ 283,115	AA
North	1/15/2026	289,838	N/A
Usalliance	2/26/2026	196,949	N/A
Oklahoma City	3/1/2026	353,967	AAA
Brazos Tx	4/1/2026	248,895	AAA
Grafton Wi	4/1/2026	99,453	N/A
Rhode Island	4/1/2026	225,731	AA+
F N M A	4/24/2026	545,479	AA+
F H L B Deb	4/28/2026	499,190	AA+
Colorado Hsg	5/1/2026	35,000	AAA
U S Treasury	5/31/2026	550,589	N/A
Michigan ST	6/1/2026	225,430	AA+
Canyons Sch Dist	6/15/2026	149,277	N/A
Massachusetts	7/15/2026	500,100	N/A
Toyota Finl	7/22/2026	245,320	N/A
F H L M C	7/25/2026	1,314,711	N/A
Citrus Calif Ca	8/1/2026	542,130	AA
Natomas Uni	8/1/2026	98,655	AA
Sonoma Cnty	8/1/2026	208,545	AA
F H L M C	8/25/2026	1,487,340	N/A
Brightstar Cr	8/28/2026	212,498	N/A
Gwinnett Cnty	9/1/2026	554,190	AAA
Inglewood Ca	9/1/2026	163,664	AA
Jpmorgan	9/10/2026	1,706,950	A
Skyone Fed Cr	9/11/2026	249,899	N/A
Colorado Hsg	11/1/2026	489,082	AAA
Enterprise Al	11/1/2026	338,728	AA-
Neshaminy Pa	11/1/2026	88,365	N/A
Department	11/12/2026	97,931	N/A
U S Treasury	11/15/2026	1,735,764	N/A
Michigan ST	12/1/2026	225,941	AA+

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

Investment	Maturity Date	Fair Value	Moody's Investor Service
Florida Hsg	1/1/2027	$ 383,796	N/A
Iowa Fin Auth	1/1/2027	151,109	AAA
Utah Hsg	1/1/2027	276,711	N/A
Will Cnty Il	1/1/2027	163,408	AA
Corporate	2/26/2027	250,106	N/A
Maryland ST	3/1/2027	322,586	N/A
Orchard Farm Mo	3/1/2027	102,536	AA+
New York ST	3/15/2027	1,810,936	AA+
Illinois Hsg	4/1/2027	363,622	N/A
Virginia ST	4/1/2027	246,683	AAA
Colorado Hsg	5/1/2027	302,298	AAA
Georgia ST	6/1/2027	504,835	AAA
Michigan ST	6/1/2027	251,250	AA+
Portland Or	6/1/2027	519,516	N/A
Idaho Hsg Fin	7/1/2027	474,841	N/A
Iowa Fin Auth	7/1/2027	126,313	AAA
Utah Hsg	7/1/2027	269,622	N/A
Utah Hsg	7/1/2027	252,190	N/A
Robbinsville	7/15/2027	224,028	AA
Alvorda Ca Uni	8/1/2027	188,834	AA
Berkeley Ca Uni	8/1/2027	115,508	AA+
Blaine Mn	8/1/2027	3,187,391	Sp-1+
Denison Tx	8/1/2027	146,196	AAA
Desert Ca	8/1/2027	598,961	AA
Fresno Ca Uni	8/1/2027	125,290	N/A
Santa Clarita	8/1/2027	159,492	AA
Sonoma Cnty	8/1/2027	176,863	AA
Connexus	8/26/2027	250,337	N/A
Maryland ST	9/1/2027	252,728	N/A
Illinois Hsg	10/1/2027	405,024	N/A
New York ST	10/1/2027	191,445	AA+
Bedford Park Il	12/1/2027	144,177	AA
Georgia ST	12/1/2027	253,088	AAA
Mahoning Cnty	12/1/2027	440,627	AA
Mechanicsburg	12/1/2027	50,140	AA-
Michigan ST	12/1/2027	226,535	AA+

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

Investment	Maturity Date	Fair Value	Moody's Investor Service
Florida Hsg	1/1/2028	$ 487,661	N/A
Montgomery	1/1/2028	148,307	N/A
New York N Y	2/1/2028	3,042,819	AAA
Florence Twp	3/1/2028	1,431,896	AA-
Orchard Farm Mo	3/1/2028	182,919	AA+
Superior Wi	3/1/2028	292,260	AA-
F N M A Gtd	3/25/2028	787,014	N/A
Spiritbank	3/27/2028	233,051	N/A
Illinois Hsg	4/1/2028	924,833	N/A
Pennsylvania	4/1/2028	365,148	AA+
Colorado Hsg	5/1/2028	132,482	AAA
Colorado Hsg	5/1/2028	808,944	AAA
Rhode Island	5/1/2028	507,310	AA
Chicago Ridge Il	6/1/2028	207,583	AA
Georgia ST	6/1/2028	332,076	AAA
Michigan ST	6/1/2028	277,074	AA+
Minnesota ST	7/1/2028	741,644	AA+
Oregon ST Hsg	7/1/2028	636,375	N/A
New York N Y	8/1/2028	506,760	AAA
Sallie Mae Bk	8/14/2028	245,544	N/A
Illinois Hsg	10/1/2028	1,143,855	N/A
Rhode Island	10/1/2028	251,513	AA+
Colorado Hsg	11/1/2028	441,836	AAA
Missouri ST	11/1/2028	165,071	AA+
Missouri ST	11/1/2028	215,088	AA+
South Dakota	11/1/2028	861,790	AAA
Cumberland Cty Me	12/1/2028	368,420	AA+
Michigan ST	12/1/2028	151,211	AA+
Civic Fed Cr	12/22/2028	249,827	N/A
Minnesota ST	1/1/2029	488,664	AA+
Texas ST	2/1/2029	176,642	AAA
F F C B Deb	3/15/2029	562,824	AA+
Richmond Va	3/1/2029	586,271	AA+
F F C B Deb	3/5/2029	3,003,780	AA+
New York ST	3/15/2029	547,236	AAA
New York ST	3/15/2029	557,939	N/A
New York N Y	5/1/2029	1,421,480	AAA
Maryland ST	6/1/2029	466,119	AA+
Idaho Hsg Fin	7/1/2029	781,349	N/A
Public Fin	7/1/2029	490,245	AAA
F H L M C	7/25/2029	380,308	N/A
Santa Monica	8/1/2029	213,296	AA+
F F C B Deb	8/20/2029	2,982,154	AA+
Morgan Stanley	9/4/2029	245,355	N/A
Morgan Stanley	9/4/2029	245,355	N/A
Denver Co	12/1/2029	477,115	AA+
Michigan ST	12/1/2029	286,180	AA+
Maryland ST	3/1/2030	1,334,021	N/A
New York ST	3/15/2030	693,398	AA+
Rhode Island	4/1/2030	399,856	AA+
New York N Y	5/1/2030	513,605	AAA
Connecticut	5/15/2030	1,230,336	AAA
Rhode Island	10/1/2030	349,311	AA+
United States	11/30/2030	6,978,283	N/A
Virginia ST	7/1/2034	201,424	AAA
		-	
CASH AND CASH EQUILAVLENTS	N/A	11,796,613	
Total		$ 81,421,205	

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Concentration of Credit Risk

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

At December 31, 2025, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
FHLMC	U.S. Agencies - Implicitly Guaranteed	4 %
FHLB	U.S. Agencies - Implicitly Guaranteed	1

Investments listed by type and maturity, are as follows:

		Investment Maturities (in years)			
Description	Totals	<1	1 to 2	2 to 3	>3
WI LGIP	$ 114,999,527	$ 114,999,527	$ -	$ -	$ -
Money Market Funds	11,796,613	11,796,613	-	-	-
U.S. Treasuries	9,264,635	2,286,352	-	-	6,978,283
Government Agencies:					
FHLB	499,190	499,190	-	-	-
FHLMC	3,182,358	2,802,050	-	-	380,308
FFCB	6,548,758	-	-	-	6,548,758
FNMA	1,332,493	545,479	-	787,014	-
Municipal Bonds and Notes	44,368,036	5,120,103	13,408,575	14,624,872	11,214,486
Corporate Bonds and Notes	4,429,122	2,709,546	500,443	728,422	490,711
Total	$ 196,420,732	$ 140,758,860	$ 13,909,018	$ 16,140,308	$ 25,612,546

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

B. Receivables

Receivables (including due from other governments) as of year-end for the government's individual major funds and nonmajor funds, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities

Fund	Gross Receivables	Allowance for Uncollectibles	Net Receivables	Amounts Not Expected to be Collected Within One Year
General	$ 61,015,646	$ 4,560,400	$ 56,455,246	$ 5,032,094
Debt Service - General	16,731	-	16,731	16,704
Grants and Donations	45,756	-	45,756	-
Nonmajor Funds	14,216,823	223,217	13,993,606	4,671,584
Internal Service Funds	236,280	173,830	62,450	-
Total	$ 75,531,236	$ 4,957,447	$ 70,573,789	$ 9,720,382

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Business-Type Activities

Fund	Gross Receivables	Allowance for Uncollectibles	Net Receivables	Amounts Not Expected to be Collected Within One Year
Water Utility	$ 7,552,410	$ -	$ 7,552,410	$ 1,884,440
Sewer Utility	5,073,187	336,851	4,736,336	89,206
Storm Water Utility	1,829,548	-	1,829,548	-
Nonmajor Funds	2,353,814	-	2,353,814	224,907
Total	$ 16,808,959	$ 336,851	$ 16,472,108	$ 2,198,553

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

	Unearned	Unavailable
Delinquent Property Taxes Receivable	$ -	$ 4,673
Accounts Receivable	445,505	3,995,252
Loan Receivable	-	4,890,424
Interest Receivable	-	393,829
Special Assessments Not Yet Due	-	3,125,559
Grants Receivable	-	443,980
ARPA Funds Received in Advance	6,093,722	-
Total Unearned/Unavailable Revenue for Governmental Funds	$ 6,539,227	$ 12,853,717

Notes Receivable

At December 31, 2025, the General Fund has one note receivable for $25,000. The note will be paid by the Chippewa Valley Innovation Center, which used the proceeds to partially fund a loan pool that is designed to provide beginning businesses with loans to purchase machinery and equipment.

TID #14 has a note receivable of $2,070,000 with Visit Eau Claire at December 31, 2025. Visit Eau Claire owes the City for its portion of the Sonnentag Center.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Notes Receivable (Continued)

The Community Development Special Revenue Fund has notes receivable of $1,420,886 at December 31, 2025. The balance includes 95 loans, which are all required to be secured by a lien on the property. Some loans require installment payments and some can be deferred until the property is sold. Interest on these loans is either lower than market or zero. The City discontinued the small industry loan program in 1989.

The Economic Development Special Revenue Fund has notes receivable of $1,494,038 at December 31, 2025. This balance is comprised of 40 different loans to a variety of businesses and nonprofits.

Lease Receivable

The City, acting as lessor, leases Carson Park, YMCA Pool, T-Mobile tower land, Farmers Market, Skypark Landfill, CV Soccer, EC Youth Hockey, YMCA Parking lot, EC Figure Skating and EC Soccer under long-term noncancelable lease agreements at interest rates of 4.5-5.25%. The leases expire at different times and will not renew. During the year ended, December 31, 2025, the City recognized $ 178,150 and $91,288 in lease revenue and interest revenue, respectively, pursuant to the contract.

Total future minimum lease payments to be received under the lease agreement are follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 129,432	$ 86,842	$ 216,274
2027	132,047	80,467	212,514
2028	80,192	75,127	155,319
2029	84,878	70,992	155,870
2030	87,513	66,593	154,106
2031 - 2035	402,977	278,438	681,415
2036 - 2040	400,678	170,571	571,249
2041 - 2045	406,488	88,130	494,618
2046 - 2050	162,348	12,724	175,072
2051 - 2055	10,545	261	10,806
Total Minimum Lease Payments	$ 1,897,098	$ 930,145	$ 2,827,243

C. Restricted Assets

The following represents the balances of the restricted assets:

Long-Term Debt Accounts

Redemption – Used to segregate resources accumulated for debt service payments over the next 12 months.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Restricted Assets (Continued)

Long-Term Debt Accounts (Continued)

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

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

Construction – Used to report proceeds of bond issuances that are restricted for use in construction.

Equipment Replacement Account

The Water and Sewer Utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Following is a list of restricted assets at December 31, 2025:

	Governmental Activities	Business-Type Activities	Component Units
Restricted Assets:			
Restricted Cash and Investments:			
Redemption Account	$ -	$ 2,050,087	$ -
Reserve Account	-	-	
Depreciation Account	-	1,685,000	-
Equipment Replacement Account	-	21,623,138	-
Restricted Contributions	225,788	-	-
Debt Payments	976,582	869,621	-
Revolving Loan Sequestered Funds	479,063	-	-
Construction Account	36,937,131	2,554,451	1,373,247
Insurance Claims Account	356,419	-	-
Total Restricted Cash and Investments	38,974,983	28,782,297	1,373,247
Total Restricted Assets	$ 38,974,983	$ 28,782,297	$ 1,373,247

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Construction in Progress	$ 15,245,830	$ 5,838,933	$ (7,663,574)	$ 13,421,189
Land	22,551,664	336,491	(1)	22,888,154
Total Capital Assets Not Being Depreciated	37,797,494	6,175,424	(7,663,575)	36,309,343
Capital Assets Being Depreciated/Amortized:				
Land Improvements	16,027,673	830,654	-	16,858,327
Buildings	63,329,703	2,420,961	(5,511)	65,745,153
Machinery and Equipment	55,394,485	4,817,815	(1,705,196)	58,507,104
Intangibles	9,769,614	-	(24,188)	9,745,426
Infrastructure	266,062,558	7,933,440	(3,547,759)	270,448,239
Subscription Assets	1,435,878	337,797	(86,582)	1,687,093
Total Capital Assets Being Depreciated/Amortized	412,019,911	16,340,667	(5,369,236)	422,991,342
Less: Accumulated Depreciation/Amortization for:				
Land improvements	(11,549,477)	(990,503)	-	(12,539,980)
Buildings	(22,186,092)	(1,631,636)	3,011	(23,814,717)
Machinery and Equipment	(35,442,452)	(3,545,453)	1,350,098	(37,637,807)
Intangibles	(3,891,352)	(334,267)	24,188	(4,201,431)
Infrastructure	(125,426,417)	(7,072,796)	2,769,062	(129,730,151)
Subscription Assets	(561,207)	(419,606)	86,582	(894,231)
Total Accumulated Depreciation/Amortization	(199,056,997)	(13,994,261)	4,232,941	(208,818,317)
Total Capital Assets Being Depreciated/Amortized	212,962,914	2,346,406	(1,136,295)	214,173,025
Governmental Activities Capital Assets	$ 250,760,408	$ 8,521,830	$ (8,799,870)	$ 250,482,368

Depreciation/amortization expense was charged to function as follows:

Governmental Activities:	
General Government	$ 887,636
Public Safety	1,492,559
Public Works, Which Includes the Depreciation of Infrastructure	9,919,798
Health Services	73,188
Culture and Recreation	1,597,693
Development	23,387
Total Governmental Activities Depreciation/ Amortization Expense	$ 13,994,261

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Construction in Progress	$ 8,555,630	$ 14,599,988	$ (3,243,219)	$ 19,912,399
Land	18,488,946	116,674	-	18,605,620
Total Capital Assets Not Being Depreciated	27,044,576	14,716,662	(3,243,219)	38,518,019
Capital Assets Being Depreciated:				
Improvements	23,150,058	23,200	(173,285)	22,999,973
Buildings	100,755,624	658,176	-	101,413,800
Distribution and Collection Systems	273,574,276	8,429,347	(365,157)	281,638,466
Source of Supply Systems	2,889,318	-	(5,364)	2,883,954
Machinery and Equipment	39,047,183	2,072,993	(19,044)	41,101,132
Intangibles	553,580	8,900	(45,080)	517,400
Total Capital Assets Being Depreciated	439,970,039	11,192,616	(607,930)	450,554,725
Less: Accumulated Depreciation for:				
Improvements	(3,866,036)	(1,029,606)	162,037	(4,733,605)
Buildings	(40,830,521)	(2,343,039)	-	(43,173,560)
Distribution and Collection Systems	(89,557,620)	(4,968,202)	326,450	(94,199,372)
Source of Supply Systems	(1,146,690)	(62,793)	5,364	(1,204,119)
Machinery and Equipment	(23,131,743)	(2,017,258)	15,874	(25,133,127)
Intangibles	(144,957)	(57,877)	42,826	(160,008)
Total Accumulated Depreciation	(158,677,567)	(10,478,775)	552,551	(168,603,791)
Total Capital Assets Being Depreciated	281,292,472	713,841	(55,379)	281,950,934
Business-Type Activities Capital Assets	$ 308,337,048	$ 15,430,503	$ (3,298,598)	$ 320,468,953

Depreciation/amortization expense was charged to functions as follows:

Business-Type Activities:	
Water	$ 3,212,414
Sewer	3,363,745
Storm Water	1,271,154
Hobbs Ice Center	474,838
Outdoor Pool	98,924
Public Transit	1,169,280
Parking	888,420
Total Business-Type Activities Depreciation/ Amortization Expense	$ 10,478,775

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

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A. Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue - Home Grant	$ 62,911
General Fund	Capital Projects - TIF #8	3,506,649
General Fund	Capital Projects - TIF #10	221,506
General Fund	Capital Projects - TIF #13	2,008,557
General Fund	Capital Projects - TIF #14	190,460
General Fund	Capital Projects - TIF #15	1,747,238
General Fund	Capital Projects - TIF #16	-
General Fund	Capital Projects - TIF #17	163,624
General Fund	Capital Projects - Library Building	42,451
General Fund	Enterprise - Hobbs Ice Center	52,167
General Fund	Enterprise - Public Transit	1,318,683
Subtotal - Fund Financial Statements		9,314,246
Less: Fund Eliminations		(7,943,396)
Total Interfunds		1,370,850
Governmental-Wide Net Interfund Advances		1,250,000
Adjustment to Reflect Internal Service Fund Activities Related to Enterprise Funds		515,373
Total Internal Balances - Government-Wide Statement of Net Position		$ 3,136,223

The principal purpose of these interfunds is to cover an overdraft of pooled cash. Remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All due to/due from amounts are expected to be repaid within one year.

B. Advances

The General Fund is advancing funds to Hobbs Ice Center. The General Fund is charging Hobbs Ice Center interest on the advances based on the balance outstanding before the principal payment for the current year. The rate being charged to Hobbs advances is 1.75-4.27%.

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

B. Advances (Continued)

The Economic Development, Streets Capital Projects and Risk Management Funds are advancing funds to TIF No. 8. Principal and interest payments on these advances have not yet started. These funds will be charging TIF No. 8 interest on the advances based on the balance outstanding before the principal payment, retroactive to the year 2004. The rate to be charged is 1.85-6.15%.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Enterprise - Hobbs Ice Center	$ 1,250,000	$ 240,000
Special Revenue - Economic Development	Capital Projects - TIF #8	400,000	-
Capital Projects - Street Projects	Capital Projects - TIF #8	1,000,000	-
Internal Service - Risk Management	Capital Projects - TIF #8	1,838,700	-
Subtotal - Fund Financial Statements		4,488,700	
Less: Fund Eliminations		(3,238,700)	
Total Net Government-Wide Advances		$ 1,250,000	

The principal purpose of the advances is to advance funds for capital construction projects, collateral on a letter of credit and repayment of transfers from prior years.

No repayment schedule has been established TIF No. 8. Annual repayment of principal and interest on the other advances are made according to the following schedule:

	Advances		
Year Ending December 31,	Principal	Interest	Totals
2026	$ 240,000	$ 38,431	$ 278,431
2027	250,000	27,431	277,431
2028	260,000	17,231	277,231
2029	380,000	7,981	387,981
2030	10,000	3,781	13,781
2031 - 2035	65,000	13,519	78,519
2036 - 2039	45,000	2,353	47,353
Total	$ 1,250,000	$ 110,728	$ 1,360,728

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

C. Interfund Transfers

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Water Utility	$ 1,958,258	Payment in Lieu of Tax
General Fund	Community Enhancement	24,981	Carson Park Operating
General Fund	Risk Management	15,000	Lexipool Reimbursement with WMMIC
Internal Service:			
Risk Management	General Fund	973,473	Replenish Fund Balance
Special Revenue:			
Cemetery Maintenance	General Fund	217,932	Operating Subsidy
Public Library Operating	General Fund	4,716,574	February Tax Transfer from City
Economic Development	Downtown Special Revenue Fund	74,571	Elimination of special revenue fund
City-County Health Department	General Fund	2,101,658	February Tax Transfer from City
City-County Health Department	Community Development	79,760	Fund Code Enforcement Project
Debt Service:			
Debt Service-General	General Fund	12,061,023	Debt Service Payments
Debt Service-General	Library	861,878	Debt Service Payments
Debt Service-General	City-County Health Department	28,256	Debt Service Payments
Capital Projects:			
Land, Buildings, and Equipment	General Fund	635,000	Fund Various Projects
Land, Buildings, and Equipment	Community Enhancement	5,000	Fund various projects
Street Projects	General Fund	160,000	Fund Various Projects
Street Projects	Community Enhancement	85,000	Fund Various Projects
Parks and Recreation Projects	Community Enhancement	480,000	Fund Park Development Projects
Capital Projects-TIF #15	Capital Projects-TIF #9	2,784,772	Transfer unspent bond proceeds to overlay district
Capital Projects-TIF #8	Parking Fund	143,422	75% Galloway Ramp Profits
Enterprise:			
Parking Fund	General Fund	354,861	Operating Subsidy
Public Transit	General Fund	1,167,389	Operating Subsidy
Hobbs Ice Center	General Fund	256,145	Operating Subsidy
Outdoor Pool	Community Enhancement	204,331	Operating Subsidy
Outdoor Pool	Community Enhancement	107,000	Subsidize Facilities Improvements
Water Utility	General Fund	74,516	Debt service payments - Private Lead Service Lines
Subtotal - Fund Financial Statements		29,570,800	
Less: Fund Eliminations		(25,304,878)	
Less: Government-Wide Eliminations		(4,203,360)	
Total - Government-Wide Statement of Activities		$ 62,562	

Fund Transferred To	Fund Transferred From	Amount
Governmental Activities	Business-Type Activities	$ (2,101,680)
Business-Type Activities	Governmental Activities	2,164,242
Total - Government-Wide Financial Statements		$ 62,562

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

C. Interfund Transfers (Continued)

The City has numerous interfund transactions during the course of the fiscal year. These transactions are treated as follows:

1. Move revenues from the fund that collects them to the fund that the budget requires to expend them.

2. Move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund.

3. Use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

NOTE 6 LONG-TERM OBLIGATIONS

Long–term debt activity for the year ended December 31, 2025, was as follows:

	Outstanding December 31, 2024	Additions	Reductions	Outstanding December 31, 2025	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds - Direct Placements	$ 162,653,227	$ 20,945,000	$ 16,934,320	$ 166,663,907	$ 13,566,821
Revenue Bonds - Direct Borrowings	1,080,000	-	35,000	1,045,000	40,000
Add/(Subtract):					
Premiums/(Discounts)	6,433,794	821,075	656,666	6,598,203	-
Subtotal	170,167,021	21,766,075	17,625,986	174,307,110	13,606,821
Other Liabilities:					
Vested Compensated Absences	7,671,525	10,209,783	9,598,084	8,283,224	8,283,224
Subscription Liability	722,084	337,797	453,254	606,627	318,204
Unpaid Self-Insurance Claims	1,866,896	2,291,497	1,470,028	2,688,365	220,000
Total Other Liabilities	10,260,505	12,839,077	11,521,366	11,578,216	8,821,428
Total Governmental Activities Long-Term Debt	$ 180,427,526	$ 34,605,152	$ 29,147,352	$ 185,885,326	$ 22,428,249

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

	Outstanding December 31, 2024	Additions	Reductions	Outstanding December 31, 2025	Due Within One Year
Business-Type Activities:					
Bonds and Notes Payable:					
General Obligation Bonds - Direct Placements	$ 25,299,400	$ 3,605,000	$ 2,371,490	$ 26,532,910	$ 2,522,310
Revenue Bonds - Direct Borrowings	37,542,099	2,093,162	2,917,793	36,717,468	3,102,900
Add/(Subtract):					
Premiums/(Discounts)	1,360,611	193,125	149,736	1,404,000	-
Subtotal	64,202,110	5,891,287	5,439,019	64,654,378	5,625,210
Other Liabilities:					
Vested Compensated Absences	1,056,002	1,332,762	1,323,838	1,064,926	1,064,926
Total Other Liabilities	1,056,002	1,332,762	1,323,838	1,064,926	1,064,926
Total Business-Type Activities Long-Term Debt	$ 65,258,112	$ 7,224,049	$ 6,762,857	$ 65,719,304	$ 6,690,136

	Outstanding December 31, 2024	Additions	Reductions	Outstanding December 31, 2025	Due Within One Year
Component Units:					
General Obligation Bonds - Direct Placements	$ 1,215,000	$ -	$ 70,000	$ 1,145,000	$ 70,000

A. Security and Default

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

General Obligation Bonds

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 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 and tax levy were $22,518,257 and $19,137,133, respectively.

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 revenues were $2,771,189 and $14,874,428, respectively.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

A. Security and Default (Continued)

Clean Water Fund Loan Program

The City's outstanding notes from direct borrowings related to business type activities of $19,978,236 contain the following provisions in the event of a 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.

Safe Drinking Water Loan Program

The City's outstanding notes from direct borrowings related to business type activities of $11,109,232 contain the following provisions in the event of a 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.

B. General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Tax incremental bonds are paid by segregated property taxes but are ultimately backed by the full faith and credit of the City if incremental taxes are inadequate to meet payments. Business-type activities debt is payable by revenues from user fees of those funds, or, if the revenues are not sufficient, by future tax levies.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

B. General Obligation Debt (Continued)

In accordance with Wisconsin Statues, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2025, was $462,412,650. Total general obligation debt outstanding at year-end was $194,341,817.

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Governmental Activities:					
General Obligation Bonds:					
Corporate Purpose	08/28/12	04/01/32	2.0-2.625%	$ 5,640,000	$ 2,340,000
Corporate Purpose	09/03/14	04/01/34	3.0%-4.0%	4,720,000	2,440,000
Corporate Purpose	08/30/16	04/01/36	2.0-3.0%	13,920,000	8,495,000
Corporate Purpose	08/30/16	04/01/26	1.8-2.1%	7,585,000	420,000
Corporate Purpose	08/30/16	04/01/26	2.0-3.0%	2,830,000	310,000
Corporate Purpose	11/10/16	04/01/26	1.4-2.0%	2,080,000	225,000
Corporate Purpose	08/17/17	04/01/37	2.0-4.0%	12,395,000	8,140,000
Corporate Purpose	08/17/17	04/01/27	2.0-4.0%	8,880,000	1,270,000
Corporate Purpose	09/27/18	04/01/38	3.0-5.0%	14,330,000	9,375,000
Corporate Purpose	09/27/18	04/01/28	3.0-5.0%	6,260,000	2,095,000
Corporate Purpose	09/27/18	04/01/38	3.0-3.9%	7,195,000	3,155,000
Corporate Purpose	08/27/19	04/01/39	2.19%	10,375,000	7,615,000
Corporate Purpose	08/27/19	04/01/29	1.72%	13,270,000	6,725,000
Corporate Purpose	08/27/19	04/01/39	2.5723	4,065,000	3,030,000
Corporate Purpose	10/15/20	04/01/40	2.00%	10,830,000	7,505,000
Corporate Purpose	10/15/20	04/01/30	1.25-3.0%	2,090,000	1,070,000
Corporate Purpose	10/15/20	04/01/40	1.05-3.0%	4,615,000	2,490,000
Corporate Purpose	09/15/21	04/01/41	2.0-4.0%	26,700,000	21,275,000
Corporate Purpose	09/15/21	04/01/41	1.125-3.0%	4,735,000	2,895,000
Corporate Purpose	09/15/21	04/01/41	0.15-1.5%	1,530,000	930,000
Corporate Purpose	10/05/22	04/01/42	4.0-5.0%	18,160,000	15,725,000
Corporate Purpose	10/05/22	04/01/32	3.0-5.0%	3,095,000	2,245,000
Corporate Purpose	10/05/22	04/01/42	4.0-4.75%	12,475,000	11,110,000
Corporate Purpose	07/18/23	04/01/43	4.0-5.0%	25,325,000	22,420,000
Corporate Purpose	08/15/23	03/15/43	5.00%	10,050,000	9,239,645
Corporate Purpose	09/01/23	03/15/43	5.00%	2,000,000	1,982,172
Corporate Purpose	10/15/24	04/01/44	3.8 - 5.0%	9,935,000	8,800,000
Corporate Purpose	10/15/24	04/01/44	4.75%	6,595,000	6,470,000
Corporate Purpose	11/25/25	04/01/35		17,930,000	17,930,000
Corporate Purpose	11/25/25	04/01/35		6,620,000	6,620,000
Total General Obligation Debt					194,341,817
Less: Business-Type Activities and Component Unit Portion of G.O. Bonds					(27,677,910)
Total - Governmental Activities - G.O. Bonds					$ 166,663,907

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

B. General Obligation Debt (Continued)

Debt service requirements to maturity are as follows:

Year Ending December 31,	Governmental Activities General Obligation Debt		Component Units General Obligation Debt		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 13,566,821	$ 5,770,153	$ 70,000	$ 27,040	$ 2,522,310	$ 679,610
2027	13,192,188	5,419,275	70,000	25,622	2,386,900	610,454
2028	12,970,617	4,948,600	75,000	24,117	1,963,000	550,559
2029	13,927,073	4,482,511	75,000	22,505	1,954,900	496,386
2030	10,673,772	4,054,825	75,000	20,818	1,826,300	444,883
2031 - 2035	49,203,493	14,417,320	410,000	75,424	7,559,500	1,541,908
2036 - 2040	36,470,021	7,512,953	370,000	20,304	5,955,000	592,475
2041 - 2045	16,659,922	2,340,081	-	-	2,365,000	57,434
Total	$ 166,663,907	$ 48,945,718	$ 1,145,000	$ 215,829	$ 26,532,910	$ 4,973,709

C. Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operations of the Water and Sewer Utilities.

The Sewer Utility has pledged future sewer revenues, net specified operating expense to repay $39,766,956 in sewer revenue bonds issued in 2013. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable solely from sewer revenues and are payable through 2033. Annual principal and interest payments are expected to require 25% of Sewer Utility revenues. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $22,140,415.

The Water Utility has pledged future water revenues, net specified operating expense to repay $11,174,785 in water revenue bonds issued in 2020. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable solely from water revenues and are payable through 2040. Annual principal and interest payments are expected to require 25% of Water Utility revenues. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $9,907,307.

The Water Utility has pledged future water revenues, net specified operating expense to repay $5,940,000 in water revenue bonds issued in 2023. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable solely from water revenues and are payable through 2043. Annual principal and interest payments are expected to require 25% of Water Utility revenues. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $7,979,975.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

C. Revenue Debt (Continued)

The Water Utility has pledged future water revenues, net specified operating expense to repay $2,401,236 in water revenue bonds issued in 2024. Proceeds from the bonds provided financing for PFAS Plant Construction. The bonds are payable solely from water revenues and are payable through 2044. Annual principal and interest payments are expected to require 25% of Water Utility revenues. The bonds require net revenues of 1.10 times annual principal and interest payments on outstanding bonds. The total principal and interest remaining to be paid on the bonds are $2,937,485.

TID #15 has pledged future property tax revenues to repay $1,100,000 in water revenue bonds issued in 2023. Proceeds from the bonds provided financing for treatment plant upgrades. The bonds are payable through 2043. The total principal and interest remaining to be paid on the bonds are $1,480,125.

Revenue debt payable at December 31, 2025, consists of the following:

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 2025
Governmental Activities	07/18/23	05/01/43	4.125-5.00%	$ 1,100,000	$ 1,045,000
Utility:					
Revenue Bonds - Sewer	06/12/13	05/01/33	2.617%	39,766,956	19,978,236
Revenue Bonds - Water	05/27/20	05/01/40	1.760%	10,620,263	8,707,996
Revenue Bonds - Water	07/18/23	05/01/43	4.125-5.00%	5,940,000	5,630,000
Revenue Bonds - Water	12/11/24	05/01/44	2.2%	16,395,208	2,401,237
Total - Business-Type Activities - Revenue Debt					$ 36,717,468

Debt service requirements to maturity are as follows:

	Governmental Activities Revenue Debt		Business-Type Activities Revenue Debt	
Year Ending December 31,	Principal	Interest	Principal	Interest
2026	$ 40,000	$ 43,738	$ 3,102,900	$ 929,188
2027	40,000	41,738	3,183,787	846,667
2028	45,000	39,613	3,266,442	761,856
2029	45,000	37,363	3,350,910	674,709
2030	45,000	35,113	3,442,236	585,054
2031 - 2035	270,000	141,688	12,925,763	1,660,313
2036 - 2040	330,000	81,438	5,604,316	684,777
2041 - 2045	230,000	14,438	1,841,115	105,150
Total	$ 1,045,000	$ 435,125	$ 36,717,468	$ 6,247,714

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

D. Other Debt Information

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 through noncash means and certain other types of leave.

E. Subscription-Based Information Technology Arrangements

The City entered into multiple lease agreements for the right to use subscription-based information technology. A subscription liability was recorded during the current fiscal year for these arrangements. The City used the incremental borrowing rate for the arrangements since the interest rate was not provided in the agreement.

The future minimum lease payments under the agreements are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 318,204	$ 14,841	$ 333,045
2027	195,941	4,501	200,442
2028	45,088	2,307	47,395
2029	47,394	-	47,394
Total	$ 606,627	$ 21,649	$ 628,276

NOTE 7 NET POSITION/FUND BALANCES

A. Governmental Activities

Net position reported on the government-wide statement of net position at December 31, 2025, included the following:

	2025	2024
Net Investment in Capital Assets		
Capital Assets	$ 459,300,685	$ 449,817,405
Accumulated Depreciation	(208,818,317)	(199,056,997)
Related Debt:		
GO Notes	(167,708,907)	(163,733,227)
Subscription Liability	(606,627)	(722,084)
Less: Unamortized Premium	(6,598,203)	(6,433,794)
Deferred Refunding	(128,217)	(148,710)
Noncapital Debt	2,505,622	3,107,434
Assumed Utility Debt	(705,622)	(742,434)
Capital Related Accounts and Retainage Payable	(2,798,962)	(3,379,011)
Unspent Proceeds	36,937,130	32,566,256
Net Investment in Capital Assets	$ 111,378,582	$ 111,274,838

NOTE 7 NET POSITION/FUND BALANCES (CONTINUED)

A. Governmental Activities (Continued)

Governmental fund balances reported on the fund financial statements at December 31, 2025, include the following:

	General Fund	Debt Service Fund	Grants and Donations Fund	Nonmajor Funds	Totals
Fund Balances:					
Nonspendable:					
Long-Term Notes Receivable	$ 25,000	$ -	$ -	$ -	$ 25,000
Long-Term Advances to Other Funds	1,010,000	-	-	-	1,010,000
Prepaid Items and Inventories	45,489	-	-	1,221,752	1,267,241
Restricted for:					
Debt Service	-	6,310,483	-	112,129	6,422,612
Capital Contracts	-	-	-	12,366,449	12,366,449
Cemetery Maintenance	-	-	-	148,123	148,123
Hazardous Materials	-	-	-	62,204	62,204
Community Development	-	-	-	210,918	210,918
Home Grant	-	-	-	100,488	100,488
Police Department K9	-	-	-	222,982	222,982
Economic Development	-	-	-	678,374	678,374
Community Enhancement	-	-	-	1,353,414	1,353,414
Public Library	-	-	-	1,042,341	1,042,341
City-County Health Department	-	-	-	2,813,089	2,813,089
Downtown	-	-	-	-	-
Bond Construction	-	-	-	36,937,130	36,937,130
Landfill	-	-	-	820,866	820,866
Grants and Donations	-	-	1,788,956	-	1,788,956
Committed for:					
Economic Development	-	-	-	698,870	698,870
Assigned for:					
Capital Projects	675,450	-	-	3,968,808	4,644,258
Carryover-2019 Budget	4,500	-	-	-	4,500
Highway 53 Maintenance	843,312	-	-	-	843,312
Turf Refinancing	-	-	-	-	-
Economic Development	-	-	-	2,040,518	2,040,518
Unassigned (Deficit)	39,143,708	-	(281,544)	(17,574,444)	21,287,720
Total Fund Balances	$ 41,747,459	$ 6,310,483	$ 1,507,412	$ 47,224,011	$ 96,789,365

B. Business-Type Activities

Net Investment in Capital Assets:	
Construction in Progress	$ 19,912,399
Land	18,605,620
Other Capital Assets, Net of Accumulated Depreciation/Amortization	281,950,933
Less: Related Long-Term Debt Outstanding (Excluding Unspent Capital Related Debt Proceeds)	(65,894,626)
Total Investment in Capital Assets	$ 254,574,326

NOTE 8 COMPONENT UNITS

A. Redevelopment Authority

This report contains the Redevelopment Authority of the City of Eau Claire (RDA), which is included as a component unit. Financial information is combined with the City's other component units and is presented as a separate column in the statement of net position and statement of activities.

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

a. Basis of Accounting:
The RDA prepares its financial statements in accordance with the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments:
The RDA is part of the City of Eau Claire's cash pool. The custodial credit risk pertaining specifically to the RDA's resources at these institutions cannot be determined individually for those accounts. At year-end, the RDA's deposits were $1,213,924. The City's investment policy is applied to the custody of the RDA's deposits (see Note 3).

Interest income on pooled deposits is not allocated to the RDA because the City provides services to the RDA at no cost.

Property Held for Resale

To further its objectives, the RDA purchases and holds property for resale. As such, this property is presented as an asset at the lower of cost or market.

Property held for resale activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Property Held for Resale	$ 305,930	$ -	$ -	$ 305,930

Risk Management

The RDA participates in the same risk pools as the reporting entity. Information related specifically to the RDA is unavailable.

Commitments and Contingencies

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

NOTE 8 COMPONENT UNITS (CONTINUED)

A. Redevelopment Authority (Continued)

Related Parties

The City provides various administrative services and facilities to the RDA. No estimate of cost for these services is included in the financial statements. The salaries and fringe benefits of the City's staff that work on RDA projects are paid for by the City. The RDA does not reimburse the City for any of these costs.

B. Business Improvement Districts

Basis of Accounting and Measurement Focus

The business improvement districts prepare their financial statements in accordance with the modified accrual basis of accounting. The measurement focus of the BIDs is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable revenue or nonspendable fund balance.

Deposits and Investments

The BIDs are part of the City of Eau Claire's cash and investment pool. The custodial credit risk pertaining specifically to the BIDs' resources at these institutions cannot be determined individually for those accounts. The City's investment policy is applied to the custody of the BIDs' deposits.

At year-end, the deposit balances for the BIDs were as follows:

South Barstow	$ 107,914
North Barstow/Medical	$ 166,726
West Grand	$ 55,045
Water Street	$ 41,679

NOTE 9 TAX INCREMENTAL FINANCING DISTRICTS

The City currently maintains separate debt service and capital projects funds which account for nine Tax Incremental Financing Districts (TIDs) created in prior years 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. These costs are recovered from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment. Wisconsin statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the termination date, whichever occurs first. The City of Eau Claire must absorb project costs that are not recovered from tax increment by the district's dissolution date.

Debt service and capital project funds are maintained to account for tax increment and other revenues used to finance principal and interest payments on outstanding debt applicable to the districts.

	Effective Date	Amended Date	Expenditure Deadline	Termination Year
TIF No. 8	2003	2/12/2020	9/24/2024	9/24/2032
TIF No. 9	2008	4/20/2017	9/9/2023	9/9/2028
TIF No. 10	2015	7/31/2015	10/14/2036	10/14/2041
TIF No. 11	2015	N/A	9/22/2030	9/22/2035
TIF No. 12	2017	N/A	9/12/2032	9/12/2037
TIF No. 13	2019	N/A	7/23/2034	7/23/2039
TIF No. 14	2021	N/A	4/27/2037	4/27/2042
TIF No. 15	2022	N/A	7/12/2037	7/12/2042
TIF No. 16	2023	N/A	6/27/2038	6/27/2043
TIF No. 17	2024	N/A	6/25/2039	6/25/2044

Upon termination, the incremental tax base created by each TIF will become part of the City's regular tax base. Any surplus remaining in the TIF fund at the time of termination will be allocated among all affected taxing jurisdictions.

NOTE 9 TAX INCREMENTAL FINANCING DISTRICTS (CONTINUED)

The following tables summarize the project and expenditures from creation of the districts through December 31, 2025.

	TIF No 8	TIF No 9	TIF No 10	TIF No 11	TIF No 12
Project Costs:					
Capital Expenditures	$ 27,166,468	$ 1,899,943	$ 6,961,761	$ 10,239,362	$ -
Interest and Fiscal Charges	7,372,928	272,930	2,143,585	1,028,604	150
Development, Marketing Bond Issuance Costs	4,597,693	369,755	3,054,784	960,611	26,915
	-	-	-	-	-
Total Project Costs	39,137,089	2,542,628	12,160,130	12,228,577	27,065
Project Revenue:					
Tax Increments	20,201,067	2,824,996	5,450,646	3,429,877	1,232,514
Interest Income and Misc Rev	3,654,749	524,921	346,500	300,754	250,668
Grants and Donations	503,008	-	-	-	-
Total Project Revenues	24,358,825	3,349,918	5,797,146	3,730,631	1,483,181
Net Recoverable Costs (Refundable)	$ 14,778,265	$ (807,289)	$ 6,362,985	$ 8,497,945	$ (1,456,116)

	TIF No 13	TIF No 14	TIF No 15	TIF No 16	TIF No 17
Project Costs (Continued):					
Capital Expenditures	$ 6,560,529	$ 794,049	$ 752,717	$ -	$ -
Interest and Fiscal Charges	950,837	744,835	965,679	-	188,542
Development, Marketing Bond Issuance Costs	3,976,395	5,323,886	2,196,464	150,450	2,084,538
	-	-	-	-	-
Total Project Costs	11,487,761	6,862,769	3,914,860	150,450	2,273,081
Project Revenue (Continued):					
Tax Increments	1,259,986	953,715	320,312	219,918	-
Interest Income and Misc Rev	801,682	902,482	1,014,435	718	268,862
Grants and Donations	-	-	-	-	-
Total Project Revenues	2,061,668	1,856,197	1,334,747	220,635	268,862
Net Recoverable Costs (Refundable)	$ 9,426,093	$ 5,006,573	$ 2,580,113	$ (70,185)	$ 2,004,219

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM

A. Plan Description

The WRS is a cost-sharing, multiemployer 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.

EFT issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at http://etf.wi.gov/about-etf//reports-and-studies/financial-reports-and-statements. Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

B. 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.

C. 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 a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

D. 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:

Year Ending December 31,	Core Fund Adjustment	Variable Fund Adjustment
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)%
2024	3.6 %	15.0 %

E. Contributions

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

During the reporting period, the WRS recognized $5,105,124 in contributions from the City.

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

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

Contribution rates for the plan year reported as of December 31, 2025 are:

Employee Category	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.90 %	6.90 %
Protective with Social Security	6.90	14.30
Protective Without Social Security	6.90	19.19

At December 31, 2025, the City reported a liability of $5,711,096 for its proportionate share of the total net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. 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, 2024, the City's proportion was 0.003475667%, which was an increase of 0.00304167% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized pension expense (revenue) of $7,647,982.

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Projected and Actual Experience	$ 17,736,079	$ 16,666,351
Changes in Assumptions	1,694,593	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	8,678,312	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,695	80,192
Employer Contributions Subsequent to the Measurement Date	5,257,539	-
Total	$ 33,368,218	$ 16,746,543

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

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

$5,257,539 reported as deferred outflows related to pension resulting from the WRS employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2026	$ 3,405,557
2027	11,813,444
2028	(2,940,862)
2029	(914,003)
2030	-
Total	$ 11,364,136

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases	
Wage Inflation:	3.0%
Seniority/Merit:	0.1% - 5.7%
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.

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

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

Actuarial Assumptions (Continued)

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. The total pension liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Public Equity	38 %	7.0 %	4.3 %
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	18	9.5	6.7
Leverage	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.7%. Asset allocations are managed within established ranges; target percentages may differ from actual monthly allocations. The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility asses, such as fixed income securities. The results in an asset allocation beyond 100%. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

NOTE 10 PENSION PLAN - EMPLOYEES' RETIREMENT SYSTEM (CONTINUED)

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

Long-Term Expected Return on Plan Assets (Continued)

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

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 6.77% (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 long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.8%) or one percentage point higher (7.8%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's Proportionate Share of the Net Pension Liability(Asset)	$ 53,577,539	$ 5,711,096	$ (28,296,639)

At December 31, 2025, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

NOTE 11 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors and omissions; workers' compensation, health care of its employees. The City purchases commercial insurance to provide coverage for employee health, auto and general liability, property damage, and boiler and machinery loss. Excess insurance for workers' compensation is also purchased; however, workers' compensation risks are accounted for and financed by an internal service fund – the Risk Management Fund. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A. Self-Insurance

For workers' compensation claims, the uninsured risk of loss is $550,000 per incident. The City has purchased excess insurance from Safety National Insurance Company for claims in excess of those amounts. Settled claims have not exceeded the excess coverage in any of the past three years.

All funds of the City participate in the insurance program and make payments to the Risk Management Fund. Amounts payable to the Risk Management Fund are based on historical cost estimates of the amounts necessary to pay prior and current year claims.

The unpaid claims liability of $2,688,365 at December 31, 2025, is based on GASB Statement No. 10 which requires that a liability for claims be established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The liability is based on actuarial estimates of the present value of unpaid losses and includes both current claims payable and an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The liability at year-end includes $443,835 of potential workers' compensation claims and $2,244,325 for potential liability claims. Changes in unpaid claims liabilities in the current and prior year were:

	Current Year	Prior Year
Unpaid Claims - Beginning of Year	$ 1,866,896	$ 1,597,618
Current Year Claims and Changes in Estimates	2,291,497	1,742,712
Claims Payments	(1,470,028)	(1,473,434)
Unpaid Claims - End of Year	$ 2,688,365	$ 1,866,896

Public Entity Risk Pool

Transit Mutual Insurance Corporation of Wisconsin (TMi)

Transit Mutual Insurance Corporation of Wisconsin (TMi) is a municipal mutual insurance corporation, which insures auto liability and vehicle physical damage for municipally-owned transit systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The City insures its transit systems' auto liability and physical damage with TMi and is an owner of the corporation.

NOTE 11 RISK MANAGEMENT (CONTINUED)

A. Self-Insurance (Continued)

Public Entity Risk Pool (Continued)

Transit Mutual Insurance Corporation of Wisconsin (TMi) (Continued)

In 2025, TMi issued to the City an auto liability insurance policy with a $250,000 per person policy limit and a $7,000,000 per accident policy limit. Of the per accident policy limit, TMi insures $2,000,000.

The physical damage policy issued by TMi to the City provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a $500 per accident deductible for private passenger and service units and a $1,000 per accident deductible for bus units.

Management of TMi consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the corporation beyond its representation on the board of directors.

Premiums are determined in advance of each premium year, which begins on January 1. TMi is an assessable mutual; accordingly, the board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the premium year. Members are required by Wisconsin Statue and TMi bylaws to fund any deficit attributable to a premium year during which they were a member. TMi was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums.

A list of the other members and their share of participation is available in the TMi report, which is available from TMi, 400 N. Richmond Street, Suite J, Appleton, Wisconsin 54915-1483 or by email from tmi@new.rr.com.

Wisconsin Municipal Mutual Insurance Company (WMMIC)

The Wisconsin Municipal Mutual Insurance Company (WMMIC) is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes, which has provided risk management and liability insurance services since January 1, 1988. Each member municipality appoints one policy holder to serve as a representative. The policy holders elect a seven-member board of directors who are responsible for financing and budget control. The City does not exercise any control over the activities of the agencies beyond the election of officers and board. The City's deposit is $796,527 and recorded as an asset in the Risk Management internal service fund.

NOTE 11 RISK MANAGEMENT (CONTINUED)

A. Self-Insurance (Continued)

Public Entity Risk Pool (Continued)

Wisconsin Municipal Mutual Insurance Company (WMMIC) (Continued)

Insurance coverage provided through WMMIC includes auto and public liability for claims over $100,000 per occurrence or $300,000 aggregate for years 1988-94 and $200,000 per occurrence or $500,000 aggregate for years 1995-97, and $200,000 per occurrence or $400,000 aggregate in 1998 through 2021, with an annual cap of $15,000,000. The policy is nonassessable, thereby limiting the City's commitment to a proportional share of a $13,935,000 revenue bond issue sold by WMMIC to provide for the initial capitalization. The share of participation is determined on a basis of prior claim history and can be affected by acceptance of new members.

NOTE 12 COMMITMENT AND CONTINGENCIES

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

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

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

The City has active construction projects as of December 31, 2025. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

NOTE 12 COMMITMENT AND CONTINGENCIES (CONTINUED)

At December 31, 2025, the City had contracts for construction projects on which work had not been completed or billed. These commitments are normal ongoing construction including maintenance of streets, storm sewers, and utility mains. They also include major equipment ordered but not delivered. No restrictions of net position have been made for the proprietary fund amounts.

Capital Projects:	
Transportation Improvements	$ 2,640,046
Land, Building and Equipment	1,472,775
Parks and Recreation Projects	172,772
TIF No. 8 Downtown Area Development	105,441
TIF No. 12 Water Street District	117,650
TIF No. 14 Sonnentag	776,856
Total Committed Construction	$ 5,285,541
Proprietary Funds:	
Water Utility	$ 9,425,619
Sewer Utility	4,278,513
Storm Water Utility	785,889
Public Transit	1,863,554
Parking Fund	23,352
Central Equipment	583,473
Total Committed Construction and Equipment	$ 16,960,400

The City owned and operated a landfill in the Town of Union which closed in 1978. A treatment system operation began in 1997. This system is designed to contain VOCs (volatile organic compounds) from migration from the landfill to the Blue Valley subdivision. The City currently works with Potentially Responsible Parties (PRPs) and the Wisconsin Department of Natural Resources on a long-term monitoring plan for groundwater containment and treatment system. Ultimate final cleanup costs are unknown.

During 2014, the City entered into a 20-year lease commencing January 1, 2014 and continuing through December 31, 2033, to operate a Joint Law Enforcement Center within the Eau Claire County Courthouse. The lease may be extended for up to two additional 10-year terms at the option of the City. The monthly rental rate is adjusted annually based on actual operational costs. The total rental payments made in 2025 were $389,667.

NOTE 13 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. General Information About the Plan

Plan Description

The City's other postemployment benefit (OPEB) plan provides medical benefits for eligible retirees and their spouses through the City's health insurance plan which covers both active and retired members. The City administers its single-employer defined benefit healthcare plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

Benefit provisions are established through collective bargaining agreements or the employee handbook; benefits vary but, generally, the City will pay 100% of the lowest-priced single health policy between the age established by the Wisconsin Retirement System as normal retirement age and age 65. Administrative costs of the plan are financed by the City.

Employees Covered by Benefit Terms

At December 31, 2025, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	152
Total Eligible Active Plan Members	326
Total Members	478

The plan is closed to new entrants from most employee groups, with the exception of firefighters, transit, patrol, and library.

Total OPEB Liability

The City's total OPEB liability of $37,823,383 was measured as of December 31, 2025 and was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	4.08%
Salary Increases	3.00%, Average, Plus Inflation
Health Care Trends	6.3% initially for pre-65 members and 6.0% post-65 members, and then decreasing to an ultimate rate of 3.7% for pre-65 members and 3.7% for post-65 members in 2074 and later years.
Retirees' Share of Benefit Related Costs	Varies

NOTE 13 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. General Information About the Plan (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on a yield for 20-year Bond Buyer GO Index.

Mortality rates were based on the Wisconsin 2020 Mortality table (with adjustments) as the base table and project future improvements with 2020 generational improvement scale (with adjustments), as adopted by the board in connection with the 2018-2020 Experience Study performed by the actuary for the Wisconsin Retirement System.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of the Wisconsin Retirement System actuarial valuation as of December 31, 2024.

Changes in the Total OPEB Liability

Balance at December 31, 2024	$ 39,658,138
Changes for the Year:	
Service Cost	1,727,900
Interest	1,293,134
Changes of Benefit Terms	-
Effect of Liability Gains or Losses	1,109,548
Changes in Assumptions or Other Inputs	(2,498,823)
Benefit Payments	(3,466,514)
Net Changes	(1,834,755)
Balance at December 31, 2025	$ 37,823,383

Changes of assumptions or other inputs reflect an update of demographic assumptions based upon the most recent WRS experience study, a change in the annual claim costs to reflect current medical provisions and premiums, and an update to the medical trend rates to be consistent with the most recent Getzen model application.

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 or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB Liability	$ 40,677,628	$ 37,823,383	$ 35,219,680

NOTE 13 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. General Information About the Plan (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 34,590,808	$ 37,823,383	$ 41,593,490

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

For the year ended December 31, 2025, the City recognized OPEB expense of $2,611,733. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 3,280,460	$ -
Changes of Assumptions or Other Input	1,251,961	7,785,263
City Contributions Subsequent to the Measurement Date	3,496,383	-
Total	$ 8,028,804	$ 7,785,263

$3,496,383 reported as deferred outflows related to OPEB resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	OPEB Expense Amount
2026	$ (514,616)
2027	(582,130)
2028	(643,065)
2029	(638,316)
2030	(661,574)
Thereafter	(213,141)
Total	$ (3,252,842)

NOTE 13 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. General Information About the Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The City recognized total OPEB expense of $2,708,261 between the single-employer OPEB plan and the multiemployer OPEB plan (in Note 14), $2,611,733 and $96,528 respectively.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN

Plan Description

The LRLIF is a multiemployer 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 members.

Benefits Provided

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

Contributions

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

Employers are required to pay the following contributions based on member 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, 2025, are:

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

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN (CONTINUED)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age banks for those age 70 and over. Participating members must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2020 are as listed below:

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 City's fiscal year, the LRLIF recognized $11,111 in contributions from the City.

A. OPEB Liabilities/Assets, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2025, the City reported a liability of $2,066,732 for its proportionate share of the total OPEB liability. The total OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023 and rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the total 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, 2024, the City's proportion was 0.528271000%, which was a decrease of 0.015525000% from its proportion measured as of December 31, 2023.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN (CONTINUED)

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

For the year ended December 31, 2025, the City recognized OPEB expense of $96,528. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 215,012
Changes of Assumptions or Other Input	507,118	1,159,188
Net Differences Between Projected and Actual Earnings on OPEB Investments	28,382	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	95,719	104,973
Employer Contributions Subsequent to the Measurement Date	11,878	-
Total	$ 643,097	$ 1,479,173

$11,878 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 year ended 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:

Year Ending December 31,	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2026	$ (72,887)
2027	(164,298)
2028	(241,129)
2029	(223,572)
2030	(65,239)
Thereafter	(80,829)
Total	$ (847,954)

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN (CONTINUED)

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

Actuarial Assumptions

The total OPEB liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2024
Measurement Date of Net OPEB Liability (Asset):	December 31, 2024
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield:	4.08%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	4.09%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.10%-5.70%
Mortality:	2020 WRS Experience Mortality Table

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

The actuarial assumptions used were based on an experience study conducted in 2024 that covered a three-year period from January 1, 2011 to December 31, 2023. The total OPEB Liability for December 31, 2024 is based upon a roll-forward of the liability calculated for the January 1, 2024 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 and assets are not adjusted to fair value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN (CONTINUED)

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

Long-Term Expected Return on Plan Assets (Continued)

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	40 %	2.32 %
U.S. Mortgages	Bloomberg US MBS	60	2.52
Inflation			2.30
Long-Term Expected Rate of Return			4.25

Single Discount Rate

A single discount rate of 4.09% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.32% for the prior year. The change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2037.

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.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – COST-SHARING MULTIEMPLOYER PLAN (CONTINUED)

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

Sensitivity of the Village'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 4.09%, 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 (4.09%) or 1-percentage-point higher (5.09%) than the current rate:

		1% Decrease (3.09%)	Current Discount Rate (4.09)%	1% Increase (5.09%)
Proportionate Share of the Net OPEB Liability (Asset)	12/31/25	$ 2,762,477	$ 2,066,732	$ 1,530,598

NOTE 15 RELATED PARTIES

Gateway Industrial Park Corporation (Gateway), a Wisconsin nonstock, nonprofit corporation was organized in 1984 for the purpose of acquiring, owning, and developing industrial and commercial property in Eau Claire County. The board of directors of Gateway is comprised of three members who serve indefinite terms and exercise equal control over the management of the company. The City, Xcel Energy, and the Eau Claire Area Industrial Development Corporation each appoint one director.

In April 1991, the City, Xcel Energy, the Industrial Development Corporation, and Gateway signed an agreement to provide Gateway with loans up to $960,000 (increased to $3,000,000 in 1995) for the acquisition and development of industrial property. As of December 31, 2025, the outstanding loans under the agreement were $500,000, of which $500,000 is due to the City. Total interest earned by the City was $37,500 for the year ended December 31, 2025.

Downtown Eau Claire, Incorporated (DECI), a Wisconsin nonstock, nonprofit corporation was organized in 2002 for the purpose of promoting the development of business, housing and cultural resources and activities with downtown Eau Claire. The board of directors of the corporation consists of 21 individuals, of which 14 are elected directors and seven are perpetual directors. Directors represent downtown business improvement districts, the adjacent neighborhoods, and others that reflect the diverse balance of downtown's major employers, financial institutions, property owners, business, and nonbusiness activities.

NOTE 15 RELATED PARTIES (CONTINUED)

The seven perpetual directors consist of representatives or appointees of the following: Eau Claire City Manager, Eau Claire City Council, University of Wisconsin-Eau Claire, South Barstow Business Improvement District, North Barstow Business Improvement District, Water Street Business Improvement District, and West Grand Business Improvement District. Downtown Eau Claire, Incorporated is funded in part by the City of Eau Claire, the four business improvement districts, memberships, and festival revenue.

NOTE 16 RELATED ORGANIZATIONS

A. Housing Authority

The City's officials are responsible for appointing the board members of the Housing Authority of the City of Eau Claire, but the City's accountability for this organization does not extend beyond making the appointments.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 54,704,599	$ 54,704,599	$ 54,712,226	$ 7,627
Special Assessments	1,241,500	1,241,500	1,707,545	466,045
Intergovernmental	15,878,055	15,929,478	15,657,144	(272,334)
Licenses and Permits	2,049,800	2,049,800	2,241,888	192,088
Fines, Forfeitures, and Penalties	356,700	356,700	454,523	97,823
Charges for Services - Public	4,413,400	4,538,830	5,995,926	1,457,096
Charges for Services - Intergovernmental	7,215,273	7,215,273	7,183,427	(31,846)
Investment Income	1,392,654	2,366,127	4,709,980	2,343,853
Miscellaneous	6,325,520	6,106,758	1,639,481	(4,467,277)
Total Revenues	93,577,501	94,509,065	94,302,140	(206,925)
EXPENDITURES				
Current:				
City Council	143,881	143,881	118,920	24,961
Administrative Services	3,912,902	3,931,902	3,622,392	309,510
City Attorney	707,649	707,649	663,624	44,025
Finance Department	3,599,297	3,506,202	3,450,734	55,468
Human Resources	812,188	812,188	711,836	100,352
Planning and Development	1,870,677	1,709,321	1,693,631	15,690
Police	22,896,739	23,329,540	22,097,534	1,232,006
Fire	15,215,352	15,476,093	15,477,573	(1,480)
Public Works	10,223,913	10,223,913	9,797,601	426,312
Culture and Recreation	5,464,761	5,464,761	5,196,850	267,911
Development	92,000	92,000	92,000	-
Miscellaneous	8,051,325	7,551,325	579,281	6,972,044
Debt Service:				
Principal Payments	-	-	453,254	(453,254)
Interest and Fiscal Charges	-	-	32,006	(32,006)
Total Expenditures	72,990,684	72,948,775	63,987,236	8,961,539
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,586,817	21,560,290	30,314,904	8,754,614
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	337,797	337,797
Transfers from Other Funds	1,980,781	1,980,781	1,998,239	17,458
Transfers to Other Funds	(23,512,598)	(24,486,071)	(22,718,571)	1,767,500
Proceeds from Sale of Capital Assets	25,000	25,000	7,273	(17,727)
Total Other Financing Sources (Uses)	(21,506,817)	(22,480,290)	(20,375,262)	2,105,028
NET CHANGE IN FUND BALANCE	(920,000)	(920,000)	9,939,642	10,859,642
Fund Balances - Beginning of Year	31,807,817	31,807,817	31,807,817	-
FUND BALANCES - END OF YEAR	$ 30,887,817	$ 30,887,817	$ 41,747,459	$ 10,859,642

See accompanying Notes to Required Supplementary Information.

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) AND SCHEDULE OF EMPLOYER CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM (WRS)
YEAR ENDED DECEMBER 31, 2025

WRS Fiscal Year-End Date (Measurement Date)	City's Proportion of the Net Pension (Asset) Liability	City's Proportion Share of the Net Pension (Asset) Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/24	0.003475667 %	$ 5,711,096	$ 48,763,755	11.71 %	98.79 %
12/31/23	0.003445250	5,122,418	46,064,667	11.12	98.85
12/31/22	0.003406156	18,044,803	43,465,517	41.52	95.72
12/31/21	0.003364835	(27,121,189)	41,854,474	64.80	106.02
12/31/20	0.003341236	(20,859,801)	40,413,354	51.62	105.26
12/31/19	0.003326768	(10,727,017)	39,423,483	27.21	102.96
12/31/18	0.003272816	11,643,653	38,213,509	30.47	96.45
12/31/17	0.003246202	(9,638,358)	37,120,165	25.97	102.93
12/31/16	0.003167517	2,610,790	35,995,011	7.25	99.12
12/31/15	0.003167874	5,147,732	36,336,415	14.17	98.20

City Year-End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/25	$ 5,105,124	$ 5,105,124	$ -	$ 50,324,514	10.14 %
12/31/24	5,181,986	5,181,986	-	48,756,387	10.63
12/31/23	4,593,558	4,593,558	-	46,064,668	9.97
12/31/22	4,061,422	4,061,422	-	43,465,518	9.34
12/31/21	3,789,896	3,789,896	-	41,854,475	9.05
12/31/20	3,786,176	3,786,176	-	40,413,355	9.37
12/31/19	3,502,090	3,502,090	-	39,423,485	8.88
12/31/18	3,433,203	3,433,203	-	38,209,333	8.99
12/31/17	3,352,806	3,352,806	-	37,108,480	9.04
12/31/16	3,005,095	3,005,095	-	35,995,011	8.35

* These schedules are presented to illustrate the requirements to show information for 10 years. There are no assets accumulated in a trust.

See accompanying Notes to Required Supplementary Information.

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2025

Measurement Date	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:								
Service Cost	$ 1,727,899	$ 1,539,904	$ 2,146,094	$ 2,080,542	$ 1,944,916	$ 1,713,516	$ 1,954,569	$ 1,783,225
Interest	1,293,134	1,442,414	932,852	969,782	1,268,749	1,871,939	1,571,956	1,683,435
Changes of Benefit Terms	-	-	-	-	(6,006)	-	-	-
Difference Between Expected and Actual Experience	1,109,548	-	2,014,842	-	2,711,142	-	579,231	-
Changes of Assumptions	(2,498,823)	1,329,450	(7,282,655)	206,189	(2,778,735)	689,652	(136,615)	1,125,211
Benefit Payments	(3,466,514)	(3,742,398)	(3,701,712)	(3,861,843)	(3,804,632)	(3,899,583)	(3,643,680)	(3,558,409)
Net Change in Total OPEB Liability	(1,834,756)	569,370	(5,890,579)	(605,330)	(664,566)	375,524	325,461	1,033,462
Total OPEB Liability - Beginning	39,658,138	39,088,768	44,979,347	45,584,677	46,249,243	45,873,719	45,548,258	44,514,796
Total OPEB Liability - Ending	$ 37,823,382	$ 39,658,138	$ 39,088,768	$ 44,979,347	$ 45,584,677	$ 46,249,243	$ 45,873,719	$ 45,548,258
Covered-Employee Payroll	$ 45,740,873	$ 43,962,404	$ 41,296,919	$ 43,465,517	$ 40,413,354	$ 39,423,483	$ 38,213,509	$ 37,120,165
Total OPEB Liability as a Percentage of Covered-Employee Payroll	82.69 %	90.21 %	94.65 %	103.48 %	112.80 %	117.31 %	120.05 %	122.70 %

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the City will continue to present information for the years the information is available.

There are no assets accumulated in a trust.

See accompanying Notes to Required Supplementary Information.

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND SCHEDULE OF EMPLOYER CONTRIBUTIONS – LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)
YEAR ENDED DECEMBER 31, 2025

OPEB Fiscal Year-End Date (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)
12/31/24	0.528271000%	$ 2,066,732	$ 38,320,000	5.39 %	37.20 %
12/31/23	0.543796000%	2,501,817	35,821,000	6.98	33.90
12/31/22	0.538988000%	2,053,451	34,670,000	5.92	38.81
12/31/21	0.513146000%	3,032,883	32,986,000	9.19	29.57
12/31/20	0.527911000%	2,903,892	31,868,000	9.11	31.36
12/31/19	0.519858000%	2,213,657	31,395,000	7.05	37.58
12/31/18	0.532616000%	1,374,329	30,048,000	4.57	48.69
12/31/17	0.548297000%	1,649,595	23,057,457	7.15	44.81

City's Fiscal Year-End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/25	$ 11,111	$ 11,111	$ -	$ 31,362,000	0.04 %
12/31/24	11,084	11,084	-	31,362,000	0.04 %
12/31/23	10,813	10,813	-	31,362,000	0.03 %
12/31/22	12,012	12,012	-	28,523,000	0.04 %
12/31/22	9,126	9,126	-	28,523,000	0.03 %
12/31/21	10,525	10,525	-	34,670,000	0.03 %
12/31/20	9,397	9,397	-	31,868,000	0.03 %
12/31/19	10,261	10,261	-	31,395,000	0.03 %
12/31/18	10,412	10,412	-	30,048,000	0.03 %

* These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the City will continue to present information for the years the information is available.

See accompanying Notes to Required Supplementary Information.

NOTE 1 BUDGETARY INFORMATION

Formal budgets are prepared for governmental and proprietary funds. Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1. The City adopts the budget at the fund-department level.

An annual budget has been adopted for the General Fund, Debt Service, and all Special Revenue funds, except for the Grants and Donations, Community Development Block Grant and Home Grant funds, which have nonlapsing budgets. Flexible, annual budgets are approved for proprietary funds to provide for financial management. Project length budgets are adopted for capital project funds. Although these appropriations are specific for each project, they are reviewed and may be adjusted annually by the City Council. Capital projects are categorized as recurring or nonrecurring projects, and this categorization determines the length of time funds are appropriated for expenditure. Funding for annual, recurring projects lapses at year-end whereas funding for nonrecurring projects lapses at the end of three years. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds. All annual appropriations lapse at year-end.

Purchase orders which are not completed by year end are recorded in the following year.

The following procedures, which comply with legal requirements, are used in establishing the budgetary data reflected in the financial statements:

1. Before October 25, the City Manager must submit to the City Council budget proposals for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the resources to finance them.
2. City Council work sessions are held to review the submitted budget.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is adopted through passage of a resolution in November, public notification is given, showing adopted budgets and the resulting tax levy.
5. During the fiscal year, the director of finance may authorize transfers of budgeted amounts within departments; however, transfers between departments must be approved by City Council resolutions.
6. Formal budgetary integration is employed as a management control device during the year for the general, special revenue and debt service funds. Budgetary control for capital project funds is accomplished through the use of project controls.

The City Council approved proposed 2025 budgets for governmental and proprietary funds on November 12, 2024.

NOTE 2 WISCONSIN RETIREMENT SYSTEM

The amounts determined 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 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

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 post-retirement adjustments from 1.91% 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.

NOTE 3 OTHER POSTEMPLOYMENT BENEFIT PLAN – MULTIPLE-EMPLOYER PLAN

The amounts determined 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 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

Changes of Benefit Terms

There were no recent changes in benefit terms.

NOTE 3 OTHER POSTEMPLOYMENT BENEFIT PLAN – MULTIPLE-EMPLOYER PLAN (CONTINUED)

Changes of Assumptions

In addition to the rate changes, 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.

- 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.

NOTE 4 OTHER POSTEMPLOYMENT BENEFIT PLAN – SINGLE-EMPLOYER PLAN

The amounts determined 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 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

Accumulation of Assets

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

Changes in benefit terms and assumptions. There were no changes in the benefit terms. The discount rate changed from 3.26% in 2024 to 4.08% in 2025.

SUPPLEMENTARY INFORMATION

CITY OF EAU CLAIRE, WISCONSIN
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes:				
Real and Personal Property	$ 54,317,099	$ 54,317,099	$ 54,142,934	$ (174,165)
Mobile Home Fees	55,000	55,000	78,596	23,596
Payment in Lieu of Taxes	327,500	327,500	489,983	162,483
Interest on Delinquent Taxes	5,000	5,000	713	(4,287)
Total Taxes	54,704,599	54,704,599	54,712,226	7,627
Special Assessments:				
Current	910,500	910,500	1,328,484	417,984
Installment	331,000	331,000	379,061	48,061
Total Special Assessments	1,241,500	1,241,500	1,707,545	466,045
Intergovernmental:				
Federal Aid	672,037	672,037	471,405	(200,632)
State Aid:				
Shared Taxes	8,944,541	8,944,541	8,730,724	(213,817)
Municipal Services	475,000	475,000	415,846	(59,154)
Utility Tax	816,246	816,246	870,034	53,788
Local Streets	3,200,000	3,200,000	3,339,318	139,318
Expenditure Restraint Program	1,120,869	1,120,869	1,120,870	1
Fire Insurance	330,000	330,000	379,538	49,538
Underground Tank Inspections	-	-	-	-
Police Training	30,000	30,000	40,047	10,047
Computer Tax Exempt	289,362	289,362	289,362	-
Other	-	51,423	-	(51,423)
Total Intergovernmental	15,878,055	15,929,478	15,657,144	(272,334)
Licenses and Permits:				
Television Franchise	493,000	493,000	420,048	(72,952)
Licenses	378,800	378,800	407,916	29,116
Permits	1,178,000	1,178,000	1,413,924	235,924
Total Licenses and Permits	2,049,800	2,049,800	2,241,888	192,088
Fines, Forfeitures, and Permits:				
Parking Violation Fines	205,000	205,000	299,576	94,576
County Court Fines	145,000	145,000	143,765	(1,235)
Other Fines and Forfeitures	6,700	6,700	11,182	4,482
Total Fines, Forfeitures, and Penalties	356,700	356,700	454,523	97,823

CITY OF EAU CLAIRE, WISCONSIN
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES (CONTINUED)				
Charges for Services - Public:				
General Government	$ 83,000	$ 83,000	$ 89,504	$ 6,504
Public Safety	3,569,100	3,694,530	5,051,915	1,357,385
Public Works	139,500	139,500	233,266	93,766
Parks and Recreation	611,800	611,800	565,501	(46,299)
Development	5,000	5,000	10,070	5,070
Other	5,000	5,000	45,670	40,670
Total Charges for Services - Public	4,413,400	4,538,830	5,995,926	1,457,096
Charges for Services - Intergovernmental:				
Communication Center Reimbursement	2,249,488	2,249,488	2,133,886	(115,602)
Police Liaison	324,544	324,544	326,307	1,763
Departmental Unfunded Pension Charge	149,000	149,000	149,600	600
Storm Water Management Charge	994,900	994,900	1,208,068	213,168
Sewer Utility Charge	737,000	737,000	765,518	28,518
Water Utility Charge	929,200	929,200	1,036,281	107,081
Other Service Charge	1,831,141	1,831,141	1,563,767	(267,374)
Total Charges for Services - Intergovernmental	7,215,273	7,215,273	7,183,427	(31,846)
Investment Income:				
Investment Interest and Gains	1,173,654	2,147,127	4,469,107	2,321,980
Interest on Advance to Other Funds	72,000	72,000	50,181	(21,819)
Interest on Special Assessments	147,000	147,000	190,692	43,692
Total Investment Income	1,392,654	2,366,127	4,709,980	2,343,853
Miscellaneous:				
Rental of Land and Buildings	102,000	102,000	159,457	57,457
Donations	105,000	354,594	138,224	(216,370)
Other Miscellaneous	6,118,520	5,650,164	1,341,800	(4,308,364)
Total Miscellaneous	6,325,520	6,106,758	1,639,481	(4,467,277)
Total Revenues	93,577,501	94,509,065	94,302,140	(206,925)

CITY OF EAU CLAIRE, WISCONSIN
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES				
General Government:				
City Council	$ 143,881	$ 143,881	$ 118,920	$ 24,961
Administrative Services:				
City Manager	697,383	716,383	569,298	147,085
City Clerk and Elections	453,840	453,840	418,702	35,138
Central Duplicating	3,000	3,000	47	2,953
Neighborhood Services	498,981	498,981	486,209	12,772
Information Services	2,259,698	2,259,698	2,148,136	111,562
Total Administrative Services	3,912,902	3,931,902	3,622,392	309,510
City Attorney	707,649	707,649	663,624	44,025
Finance Department:				
Finance Administration	621,287	621,287	616,695	4,592
Accounting Services	962,278	962,278	971,975	(9,697)
Assessing	704,466	611,371	599,465	11,906
Financial Operations	955,086	955,086	911,961	43,125
Purchasing	356,180	356,180	350,638	5,542
Total Finance	3,599,297	3,506,202	3,450,734	55,468
Human Resources:				
Human Resources Administration	812,188	812,188	711,836	100,352
Total Human Resources	812,188	812,188	711,836	100,352
Planning and Development:				
Planning	765,188	736,063	715,490	20,573
Inspection and Zoning	1,105,489	973,258	978,141	(4,883)
Total Planning and Development	1,870,677	1,709,321	1,693,631	15,690
Total General Government	11,046,594	10,811,143	10,261,137	550,006
Public Safety:				
Police:				
Administration	1,812,428	2,057,089	2,064,323	(7,234)
Administrative Services	1,356,589	1,368,339	1,345,136	23,203
Patrol Services	12,399,999	12,523,158	11,763,091	760,067
Investigative Services	4,092,639	4,097,231	4,001,345	95,886
Central Communication	3,235,084	3,283,723	2,923,639	360,084
Total Police	22,896,739	23,329,540	22,097,534	1,232,006
Fire:				
Administration	1,509,537	1,509,537	1,220,644	288,893
Suppression and Rescue	13,253,530	13,514,271	13,802,537	(288,266)
Prevention and Inspection	452,285	452,285	454,392	(2,107)
Total Fire	15,215,352	15,476,093	15,477,573	(1,480)
Total Public Safety	38,112,091	38,805,633	37,575,107	1,230,526

CITY OF EAU CLAIRE, WISCONSIN
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES (CONTINUED)				
Public Works:				
Administration	$ 379,939	$ 379,939	$ 337,058	$ 42,881
Street Fleet:				
Operations	6,500,101	6,500,101	6,164,784	335,317
Engineering	3,343,873	3,343,873	3,295,759	48,114
Total Public Works	10,223,913	10,223,913	9,797,601	426,312
Culture and Recreation:				
Recreation Administration	457,900	457,900	487,941	(30,041)
Parks Maintenance	3,505,772	3,505,772	3,388,352	117,420
Forestry	912,035	912,035	884,655	27,380
Recreation and Playgrounds	589,054	589,054	435,902	153,152
Total Culture and Recreation	5,464,761	5,464,761	5,196,850	267,911
Development:				
Contribution to RDA	92,000	92,000	92,000	-
Miscellaneous:				
Payments to Other Organizations	40,200	40,200	40,200	-
Contractual Services	83,225	83,225	58,192	25,033
Insurance and Retirement	873,100	873,100	308,120	564,980
Special Assessments	100,000	100,000	158,738	(58,738)
Illegal Taxes and Refunds	-	-	9,303	(9,303)
Annexation Rebates	4,800	4,800	4,728	72
Wellness Program	-	-	-	-
Contingency	6,950,000	6,450,000	-	6,450,000
Total Miscellaneous	8,051,325	7,551,325	579,281	6,972,044
Debt Service:				
Principal Payments	$ -	$ -	$ 453,254	$ (453,254)
Interest and Fiscal Charges	-	-	32,006	(32,006)
Total Debt Service	-	-	485,260	(485,260)
Total Expenditures	72,990,684	72,948,775	63,987,236	8,961,539

CITY OF EAU CLAIRE, WISCONSIN
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 20,586,817	$ 21,560,290	$ 30,314,904	$ 8,754,614
OTHER FINANCING SOURCES AND USES				
Transfers from Other Funds	87,681	87,681	39,981	(47,700)
Transfer from Water Utility - Tax Equivalent	1,893,100	1,893,100	1,958,258	65,158
Long-Term Debt Issued	-	-	337,797	337,797
Premium on Long-Term Debt Issued	-	-	-	-
Proceeds from Sale of Capital Assets	25,000	25,000	7,273	(17,727)
Transfers to Other Funds:				
Special Revenue Funds	(7,075,746)	(7,075,746)	(7,036,164)	39,582
Debt Service Funds	(13,629,432)	(13,629,432)	(12,061,023)	1,568,409
Capital Project Funds	(795,000)	(1,768,473)	(1,768,473)	-
Proprietary Funds	(2,012,420)	(2,012,420)	(1,852,911)	159,509
Total Other Financing Sources and Uses	(21,506,817)	(22,480,290)	(20,375,262)	2,105,028
NET CHANGE IN FUND BALANCE	(920,000)	(920,000)	9,939,642	10,859,642
Fund Balance - Beginning of Year	31,807,817	31,807,817	31,807,817	-
FUND BALANCE - END OF YEAR	$ 30,887,817	$ 30,887,817	$ 41,747,459	$ 10,859,642

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – DEBT SERVICE
YEAR ENDED DECEMBER 31, 2025

	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Special Assessments	$ 25	$ 25	$ 27	$ 2
Investment Income	17,500	17,500	27,859	10,359
Total Revenues	17,525	17,525	27,886	10,361
EXPENDITURES				
Current:				
General Government	4,800	4,800	5,094	(294)
Debt Service:				
Principal Retirement	11,000,000	11,000,000	9,699,899	1,300,101
Interest and Fiscal Charges	2,712,856	2,712,856	3,411,080	(698,224)
Total Expenditures	13,717,656	13,717,656	13,116,073	601,583
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,700,131)	(13,700,131)	(13,088,187)	611,944
OTHER FINANCING SOURCES (USES)				
Refunding Long-Term Debt Issued	-	-	1,340,000	1,340,000
Premiums on Long-Term Debt Issued	-	-	714,580	714,580
Payments on Refunding Long-Term Bonds	-	-	(1,237,061)	(1,237,061)
Transfers from Other Funds	13,640,131	13,640,131	12,951,157	(688,974)
Total Other Financing Sources (Uses)	13,640,131	13,640,131	13,768,676	128,545
NET CHANGE IN FUND BALANCE	(60,000)	(60,000)	680,489	740,489
Fund Balances - Beginning of Year	5,629,994	5,629,994	5,629,994	-
FUND BALANCES - END OF YEAR	$ 5,569,994	$ 5,569,994	$ 6,310,483	$ 740,489

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Cemetery Maintenance – to account for the complete operation of two City-owned cemeteries, Lakeview and Forest Hill.

Hazardous Materials Response – accounts for a five-year grant from the state of Wisconsin to provide emergency response for incidents involving hazardous materials to a statewide area – primarily northern and west central Wisconsin.

Community Development – to account for activities attributed to the federal Community Development Block Grant program.

Home Grant – to account for grants designated for affordable housing development, including weatherization, new construction, rental assistance, and down payment assistance.

Police Department K9 – to account for funds bequeathed to the Eau Claire Police Department.

Economic Development – to account for the financial activities of a loan pool established to provide low interest loans for business expansion. It also accounts for promotional activity to encourage area economic growth.

Community Enhancement – to account for the collection and disbursement of hotel/motel room taxes, which are used for projects to encourage tourism and increase convention business.

Public Library – to account for the collection of revenues, primarily a general tax levy set by the city council and the library board, and the operations of the L.E. Phillips Public Library.

City-County Health Department – to account for the collection of revenues, primarily a general tax levy set by the city council and the county board, and the operations of the City-County Health Department for county-wide health services.

Downtown – was created in 2002 as the day-to-day operating fund for Downtown Eau Claire, Inc. (DECI). DECI is the lead organization for issues relating to downtown and is governed by an 18-member board.

Former Landfill Escrow – to account for funds contributed by potential responsible parties (PRP) for an investigation, feasibility study, and possible cleanup operation of the former Blue Valley Landfill site and surrounding area.

Seven Mile Landfill – to account for the activity of the Seven Mile Creek Landfill.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital projects other than those financed by proprietary funds.

TIF #8 Downtown Development – to account for acquisition and infrastructure improvements in the North Barstow Redevelopment District.

TIF #9 Gateway Northwest Business Park Overlay – to account for improvements to the industrial development area on the city's west side, including undeveloped sections of TIF #5.

TIF #10 Confluence Project – to account for assisting the development of the South Barstow Area, including undeveloped sections of TIF #8.

TIF #11 Downtown Mixed Use – to account for acquisition and capital improvements in downtown Eau Claire.

TIF #12 Water Street – to account for acquisition and capital improvements along Eau Claire's Water Street and the surrounding area.

TIF #13 Cannery District – to account for the capital improvements in the area along Eau Claire's west bank of the Chippewa River.

TIF #14 Menomonie Street – to account for the capital improvements in the area along Eau Claire's Menomonie Street and surrounding area.

TIF #15 Gateway West – to account for the capital improvements in the area along Eau Claire's Gateway West and surrounding area.

TIF #16 Shopko Plaza – to account for the capital improvements in the area along Eau Claire's Shopko Plaza and surrounding area.

TIF #17 The Sevens – to account for the capital improvements in the area along Eau Claire's The Sevens and surrounding area.

Capital Projects Funds (Continued)

Transportation Improvements – to account for construction and rebuilding of City streets, bridges, trails, and other transportation-related improvements.

Land, Buildings, and Equipment – to account for acquisition of land for public projects, construction, or renovation of City-owned buildings, and major equipment purchases.

Parks and Recreation Projects – to account for improvements to parks, stadiums, recreational fields, playgrounds, waterways, and trails.

Environmental Improvements – to account for development and implementation of a plan to limit environmental damage from two former landfill sites.

Library Buildings and Equipment – to account for library building improvements and equipment purchases.

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total
ASSETS			
Cash and Investments	$ 9,207,162	$ 11,658,274	$ 20,865,436
Receivables:			
Taxes	24,470	7,196,926	7,221,396
Accounts, Net	539,446	321,659	861,105
Notes, Net	2,820,424	2,070,000	4,890,424
Due from Other Governments	765,528	255,153	1,020,681
Prepaid Supplies and Materials	6,624	1,215,128	1,221,752
Advances to Other Funds	400,000	1,000,000	1,400,000
Restricted Assets:			
Cash and Investments	225,788	-	225,788
Revolving Loan Sequestered Funds	479,063	-	479,063
Debt Payments	-	134,614	134,614
Construction Account	-	36,937,131	36,937,131
Total Assets	$ 14,468,505	$ 60,788,885	$ 75,257,390
LIABILITIES			
Accounts Payable	$ 494,412	$ 2,794,076	$ 3,288,488
Accrued Liabilities	474,091	-	474,091
Deposits	53,489	-	53,489
Due to Other Governments	46,848	-	46,848
Due to Other Funds	62,911	7,880,485	7,943,396
Advances from Other Funds	-	3,238,700	3,238,700
Unearned Revenue	53	4,794	4,847
Total Liabilities	1,131,804	13,918,055	15,049,859
DEFERRED INFLOWS OF RESOURCES			
Subsequent Years Taxes	-	7,196,927	7,196,927
Unavailable Revenues	3,275,288	2,511,305	5,786,593
Total Deferred Inflows of Resources	3,275,288	9,708,232	12,983,520
FUND BALANCES			
Nonspendable	6,624	1,215,128	1,221,752
Restricted	7,452,799	49,415,709	56,868,508
Committed	698,870	-	698,870
Assigned	2,040,518	3,968,808	6,009,326
Unassigned (Deficit)	(137,398)	(17,437,047)	(17,574,445)
Total Fund Balances	10,061,413	37,162,598	47,224,011
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 14,468,505	$ 60,788,885	$ 75,257,390

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total
REVENUES			
Taxes	$ 3,107,470	$ 5,507,702	$ 8,615,172
Intergovernmental	4,035,920	287,752	4,323,672
Licenses and Permits	810,699	-	810,699
Fines and Forfeitures	6,447	-	6,447
Fees and Charges for Services - Public	1,477,603	-	1,477,603
Fees and Charges for Services - Intergovernmental	3,138,146	225	3,138,371
Investment Income	178,740	1,385,428	1,564,168
Miscellaneous:			
Loan Repayments	600,148	-	600,148
Gifts and Donations	68,467	296,425	364,892
Other	581,862	2,220,408	2,802,270
Total Revenues	14,005,502	9,697,940	23,703,442
EXPENDITURES			
Current:			
Public Safety	252,740	-	252,740
Public Works	751,424	87,405	838,829
Health Services	8,786,836	-	8,786,836
Culture and Recreation	5,357,556	-	5,357,556
Development	3,857,578	4,391,632	8,249,210
Capital Outlay	196,870	15,753,876	15,950,746
Debt Service:			
Principal Retirement	-	3,198,109	3,198,109
Interest and Fiscal Charges	-	2,428,346	2,428,346
Total Expenditures	19,203,004	25,859,368	45,062,372
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,197,502)	(16,161,428)	(21,358,930)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	16,805,000	16,805,000
Refunding Long-Term Debt Issued	-	2,800,000	2,800,000
Premiums on Long-Term Debt Issued	-	106,496	106,496
Payments on Refunding Long-Term Bonds	-	(2,834,249)	(2,834,249)
Transfers from Other Funds	7,190,495	4,293,194	11,483,689
Transfers to Other Funds	(1,950,777)	(2,784,772)	(4,735,549)
Sale of Capital Assets	1,144	-	1,144
Total Other Financing Sources (Uses)	5,240,862	18,385,669	23,626,531
NET CHANGE IN FUND BALANCE	43,360	2,224,241	2,267,601
Fund Balances - Beginning of Year	10,018,053	34,938,357	44,956,410
FUND BALANCES - END OF YEAR	$ 10,061,413	$ 37,162,598	$ 47,224,011

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9	Economic Development	Community Enhancement
ASSETS							
Cash and Investments	$ 163,952	$ 62,236	$ 160,583	$ -	$ 225,339	$ 2,559,673	$ 1,172,362
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts, Net	13,590	-	-	-	-	2,843	323,561
Notes, Net	-	-	1,420,886	-	-	1,399,538	-
Due from Other Governments	38,100	42,317	134,485	43,337	-	-	-
Prepaid Supplies and Materials	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	400,000	-
Restricted Assets:							
Cash and Investments	-	-	-	-	-	-	-
Revolving Loan Sequestered Funds	-	-	-	-	-	479,063	-
Total Assets	$ 215,642	$ 104,553	$ 1,715,954	$ 43,337	$ 225,339	$ 4,841,117	$ 1,495,923
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 1,496	$ 32	$ 33,513	$ 4,137	$ 1,682	$ 980	$ 142,456
Accrued Liabilities	14,130	-	7,974	234	675	11,895	-
Deposits	-	-	-	-	-	8,100	-
Due to Other Governments	203	-	12,507	-	-	-	-
Due to Other Funds	-	-	-	62,911	-	-	-
Unearned Revenues	-	-	-	-	-	-	53
Total Liabilities	15,829	32	53,994	67,282	2,357	20,975	142,509
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenues	51,690	42,317	1,462,677	-	-	1,402,380	-
Total Deferred Inflows of Resources	51,690	42,317	1,462,677	-	-	1,402,380	-
FUND BALANCES (DEFICIT)							
Nonspendable	-	-	-	-	-	-	-
Restricted	148,123	62,204	210,918	100,488	222,982	678,374	1,353,414
Committed	-	-	-	-	-	698,870	-
Assigned	-	-	-	-	-	2,040,518	-
Unassigned (Deficit)	-	-	(11,635)	(124,433)	-	-	-
Total Fund Balances (Deficit)	148,123	62,204	199,283	(23,945)	222,982	3,417,762	1,353,414
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 215,642	$ 104,553	$ 1,715,954	$ 43,337	$ 225,339	$ 4,841,117	$ 1,495,923

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2025

	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Seven Mile Creek Landfill	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and Investments	$ 1,057,500	$ 2,897,064	$ -	$ 51,888	$ 856,565	$ 9,207,162
Receivables:						
Taxes	-	24,470	-	-	-	24,470
Accounts, Net	102,267	39,326	-	-	57,859	539,446
Notes, Net	-	-	-	-	-	2,820,424
Due from Other Governments	-	507,289	-	-	-	765,528
Prepaid Supplies and Materials	-	6,624	-	-	-	6,624
Advances to Other Funds	-	-	-	-	-	400,000
Restricted Assets:						
Cash and Investments	225,788	-	-	-	-	225,788
Revolving Loan Sequestered Funds	-	-	-	-	-	479,063
Total Assets	$ 1,385,555	$ 3,474,773	$ -	$ 51,888	$ 914,424	$ 14,468,505
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 75,390	$ 133,846	$ -	$ 7,322	$ 93,558	$ 494,412
Accrued Liabilities	171,524	267,152	-	507	-	474,091
Deposits	-	-	-	45,389	-	53,489
Due to Other Governments	33	34,105	-	-	-	46,848
Due to Other Funds	-	-	-	-	-	62,911
Unearned Revenues	-	-	-	-	-	53
Total Liabilities	246,947	435,103	-	53,218	93,558	1,131,804
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues	96,267	219,957	-	-	-	3,275,288
Total Deferred Inflows of Resources	96,267	219,957	-	-	-	3,275,288
FUND BALANCES (DEFICIT)						
Nonspendable	-	6,624	-	-	-	6,624
Restricted	1,042,341	2,813,089	-	-	820,866	7,452,799
Committed	-	-	-	-	-	698,870
Assigned	-	-	-	-	-	2,040,518
Unassigned (Deficit)	-	-	-	(1,330)	-	(137,398)
Total Fund Balances (Deficit)	1,042,341	2,819,713	-	(1,330)	820,866	10,061,413
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,385,555	$ 3,474,773	$ -	$ 51,888	$ 914,424	$ 14,468,505

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Cemetery Maintenance	Hazardous Materials Response	Community Development	Home Grant	Police Department K9	Economic Development	Community Enhancement
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,107,470
Intergovernmental	-	202,980	452,412	310,733	-	250,000	-
Licenses and Permits	-	-	-	-	-	-	-
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	-
Charges for Services - Public	293,607	-	-	-	-	-	-
Charges for Services - Intergovernmental	-	-	-	-	-	-	-
Investment Income	-	1,350	-	-	5,420	118,930	20,842
Miscellaneous:							
Loan Repayments	-	-	267,644	21,444	-	311,060	-
Gifts and Donations	-	-	-	-	-	-	-
Other	1	-	-	-	-	105	777
Total Revenues	293,608	204,330	720,056	332,177	5,420	680,095	3,129,089
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Public Safety	-	216,813	-	-	35,927	-	-
Public Works	-	-	-	-	-	-	-
Health Services	511,268	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Development	-	-	586,034	306,366	-	781,563	2,183,615
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	511,268	216,813	586,034	306,366	35,927	781,563	2,183,615
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(217,660)	(12,483)	134,022	25,811	(30,507)	(101,468)	945,474
OTHER FINANCING SOURCES (USES)							
Transfers from Other Funds	217,932	-	-	-	-	74,571	-
Transfers to Other Funds	-	-	(79,760)	-	-	-	(906,312)
Sale of Capital Assets	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	217,932	-	(79,760)	-	-	74,571	(906,312)
NET CHANGE IN FUND BALANCE	272	(12,483)	54,262	25,811	(30,507)	(26,897)	39,162
Fund Balances - Beginning of Year	147,851	74,687	145,021	(49,756)	253,489	3,444,659	1,314,252
FUND BALANCES - END OF YEAR	$ 148,123	$ 62,204	$ 199,283	$ (23,945)	$ 222,982	$ 3,417,762	$ 1,353,414

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Public Library	City-County Health Department	Downtown	Former Landfill Escrow	Seven Mile Creek Landfill	Total Nonmajor Special Revenue Funds
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 3,107,470
Intergovernmental	12,000	2,807,795	-	-	-	4,035,920
Licenses and Permits	-	810,699	-	-	-	810,699
Fines, Forfeitures, and Penalties	6,447	-	-	-	-	6,447
Charges for Services - Public	12,766	232,091	-	129,396	809,743	1,477,603
Charges for Services - Intergovernmental	1,081,095	2,057,051	-	-	-	3,138,146
Investment Income	14,463	-	-	1,069	16,666	178,740
Miscellaneous:						
Loan Repayments	-	-	-	-	-	600,148
Gifts and Donations	62,383	6,084	-	-	-	68,467
Other	338,982	241,997	-	-	-	581,862
Total Revenues	1,528,136	6,155,717	-	130,465	826,409	14,005,502
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	252,740
Public Works	-	-	-	130,465	620,959	751,424
Health Services	-	8,275,568	-	-	-	8,786,836
Culture and Recreation	5,357,556	-	-	-	-	5,357,556
Development	-	-	-	-	-	3,857,578
Capital Outlay	31,719	165,151	-	-	-	196,870
Total Expenditures	5,389,275	8,440,719	-	130,465	620,959	19,203,004
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,861,139)	(2,285,002)	-	-	205,450	(5,197,502)
OTHER FINANCING SOURCES (USES)						
Transfers from Other Funds	4,716,574	2,181,418	-	-	-	7,190,495
Transfers to Other Funds	(861,878)	(28,256)	(74,571)	-	-	(1,950,777)
Sale of Capital Assets	-	1,144	-	-	-	1,144
Total Other Financing Sources (Uses)	3,854,696	2,154,306	(74,571)	-	-	5,240,862
NET CHANGE IN FUND BALANCE	(6,443)	(130,696)	(74,571)	-	205,450	43,360
Fund Balances - Beginning of Year	1,048,784	2,950,409	74,571	(1,330)	615,416	10,018,053
FUND BALANCES - END OF YEAR	$ 1,042,341	$ 2,819,713	$ -	$ (1,330)	$ 820,866	$ 10,061,413

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2025

	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street	TIF No. 13 Cannery District	TIF No. 14 Menomonie Street	TIF No. 15 Gateway West
ASSETS								
Cash and Investments	$ -	$ 807,289	$ -	$ 1,058,928	$ 1,456,116	$ -	$ -	$ -
Receivables:								
Taxes	2,555,950	540,712	745,515	684,613	245,887	632,772	637,843	284,213
Accounts	-	-	-	-	-	-	-	-
Notes	-	-	-	-	-	-	2,070,000	-
Due from Other Governments	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-
Restricted Assets:								
Debt Payments	-	-	-	-	-	-	-	112,129
Construction Account	-	-	-	8,699	-	1,898,690	1,688,888	9,142,168
Total Assets	$ 2,555,950	$ 1,348,001	$ 745,515	$ 1,752,240	$ 1,702,003	$ 2,531,462	$ 4,396,731	$ 9,538,510
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	$ 322,377	$ -	$ -	$ -	$ -	$ 1,860	$ -	$ -
Due to Other Funds	3,506,649	-	221,506	-	-	2,008,557	190,460	1,747,238
Advances from Other Funds	3,238,700	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-	-
Total Liabilities	7,067,726	-	221,506	-	-	2,010,417	190,460	1,747,238
DEFERRED INFLOWS OF RESOURCES								
Subsequent Years Taxes	2,555,950	540,712	745,514	684,613	245,887	632,772	637,843	284,213
Unavailable Revenues	-	-	-	-	-	-	2,070,000	-
Total Deferred Inflows of Resources	2,555,950	540,712	745,514	684,613	245,887	632,772	2,707,843	284,213
FUND BALANCE (DEFICIT)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	807,289	150,340	3,734,524	1,456,116	1,898,690	1,718,046	9,886,331
Assigned	-	-	-	-	-	-	-	-
Unassigned (Deficit)	(7,067,726)	-	(371,845)	(2,666,897)	-	(2,010,417)	(219,618)	(2,379,272)
Total Fund Balance (Deficit)	(7,067,726)	807,289	(221,505)	1,067,627	1,456,116	(111,727)	1,498,428	7,507,059
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 2,555,950	$ 1,348,001	$ 745,515	$ 1,752,240	$ 1,702,003	$ 2,531,462	$ 4,396,731	$ 9,538,510

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS (CONTINUED)
DECEMBER 31, 2025

	TIF No. 16 Shopko Plaza	TIF No. 17 The Sevens	Transportation Improvements	Land, Buildings, and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings and Equipment	Total Nonmajor Capital Projects Funds
ASSETS								
Cash and Investments	$ 70,186	$ -	$ 2,467,269	$ 2,632,632	$ 1,669,621	$ 1,496,233	$ -	$ 11,658,274
Receivables:								
Taxes	819,425	49,996	-	-	-	-	-	7,196,926
Accounts	-	-	-	-	-	-	321,659	321,659
Notes	-	-	-	-	-	-	-	2,070,000
Due from Other Governments	-	-	127,393	127,760	-	-	-	255,153
Prepaid Items	-	-	-	1,215,128	-	-	-	1,215,128
Advances to Other Funds	-	-	1,000,000	-	-	-	-	1,000,000
Restricted Assets:								
Debt Payments	-	22,485	-	-	-	-	-	134,614
Construction Account	-	1,421,921	11,407,021	9,896,104	1,473,640	-	-	36,937,131
Total Assets	$ 889,611	$ 1,494,402	$ 15,001,683	$ 13,871,624	$ 3,143,261	$ 1,496,233	$ 321,659	$ 60,788,885
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	$ -	$ -	$ 1,867,982	$ 592,841	$ 6,516	$ 2,500	$ -	$ 2,794,076
Due to Other Funds	-	163,624	-	-	-	-	42,451	7,880,485
Advances from Other Funds	-	-	-	-	-	-	-	3,238,700
Unearned Revenues	-		-	-	4,794	-	-	4,794
Total Liabilities	-	163,624	1,867,982	592,841	11,310	2,500	42,451	13,918,055
DEFERRED INFLOWS OF RESOURCES								
Subsequent Years Taxes	819,425	49,998	-	-	-	-	-	7,196,927
Unavailable Revenues	-	-	34,330	118,176	-	-	288,799	2,511,305
Total Deferred Inflows of Resources	819,425	49,998	34,330	118,176	-	-	288,799	9,708,232
FUND BALANCE (DEFICIT)								
Nonspendable	-	-	-	1,215,128	-	-	-	1,215,128
Restricted	210,865	1,421,921	14,047,067	11,368,879	1,646,411	-	1,069,230	49,415,709
Assigned	-	-	-	576,600	1,622,001	1,493,733	276,474	3,968,808
Unassigned (Deficit)	(140,679)	(141,141)	(947,696)	-	(136,461)	-	(1,355,295)	(17,437,047)
Total Fund Balance (Deficit)	70,186	1,280,780	13,099,371	13,160,607	3,131,951	1,493,733	(9,591)	37,162,598
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 889,611	$ 1,494,402	$ 15,001,683	$ 13,871,624	$ 3,143,261	$ 1,496,233	$ 321,659	$ 60,788,885

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
YEAR ENDED DECEMBER 31, 2025

	TIF No. 8 Downtown Development	TIF No. 9 Gateway NW Business Park Overlay	TIF No. 10 Confluence Project	TIF No. 11 Downtown Mixed Use	TIF No. 12 Water Street	TIF No. 13 Cannery District	TIF No. 14 Menomonie Street	TIF No. 15 Gateway West
REVENUES								
Taxes	$ 2,092,988	$ 526,717	$ 726,978	$ 609,580	$ 234,277	$ 412,333	$ 418,226	$ 266,685
Intergovernmental	145,434	22,126	16,958	57,321	15,510	6,172	8,325	-
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services - Investment Income	-	136,779	-	24,192	31,334	130,895	72,380	256,025
Miscellaneous:								
Gifts and Donations	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	110,000	-
Total Revenues	2,238,422	685,622	743,936	691,093	281,121	549,400	608,931	522,710
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Development	39,023	10,160	10,084	69,794	9,770	2,039,262	67,644	67,724
Capital Outlay	2,886,605	-	-	-	-	919,294	-	-
Debt Service:								
Principal Retirement	786,142	340,000	375,000	452,997	-	561,142	160,000	522,828
Interest and Fiscal Charges	337,735	34,303	234,578	464,949	-	333,155	284,749	470,593
Total Expenditures	4,049,505	384,463	619,662	987,740	9,770	3,852,853	512,393	1,061,145
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,811,083)	301,159	124,274	(296,647)	271,351	(3,303,453)	96,538	(538,435)
OTHER FINANCING SOURCES								
Long-Term Debt Issued	-	-	-	-	-	-	-	-
Refunding Long-Term Debt Issued	840,000	-	1,960,000	-	-	-	-	-
Premium on Long-Term Debt Issued	21,689	-	49,585	-	-	1	-	-
Payments on Refunding Long-Term Bonds	(850,730)	-	(1,983,519)	-	-	-	-	-
Transfers from Other Funds	143,422	-	-	-	-	-	-	2,784,772
Transfers to Other Funds	-	(2,784,772)	-	-	-	-	-	-
Total Other Financing Sources	154,381	(2,784,772)	26,066	-	-	1	-	2,784,772
NET CHANGE IN FUND BALANCES	(1,656,702)	(2,483,613)	150,340	(296,647)	271,351	(3,303,452)	96,538	2,246,337
Fund Balances - Beginning of Year	(5,411,024)	3,290,902	(371,845)	1,364,274	1,184,765	3,191,725	1,401,890	5,260,722
FUND BALANCES - END OF YEAR	$ (7,067,726)	$ 807,289	$ (221,505)	$ 1,067,627	$ 1,456,116	$ (111,727)	$ 1,498,428	$ 7,507,059

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	TIF No. 16 Shopko Plaza	TIF No. 17 The Sevens	Transportation Improvements	Land, Buildings, and Equipment	Parks and Recreation Projects	Environmental Improvements	Library Buildings and Equipment	Total Nonmajor Capital Projects Funds
REVENUES								
Taxes	$ 219,918	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,507,702
Intergovernmental	-	-	-	15,906	-	-	-	287,752
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	225	-	-	-	225
Charges for Services - Investment Income	718	136,662	341,424	200,668	19,467	34,884	-	1,385,428
Miscellaneous:								
Gifts and Donations	-	-	20,081	20,000	-	-	256,344	296,425
Other	-	-	1,994,788	50,173	65,447	-	-	2,220,408
Total Revenues	220,636	136,662	2,356,293	286,972	84,914	34,884	256,344	9,697,940
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	87,405	-	87,405
Development	9,770	2,068,401	-	-	-	-	-	4,391,632
Capital Outlay	-	-	8,119,684	2,996,984	819,000	2,501	9,808	15,753,876
Debt Service:								
Principal Retirement	-	-	-	-	-	-	-	3,198,109
Interest and Fiscal Charges	-	142,009	54,064	53,075	19,136	-	-	2,428,346
Total Expenditures	9,770	2,210,410	8,173,748	3,050,059	838,136	89,906	9,808	25,859,368
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	210,866	(2,073,748)	(5,817,455)	(2,763,087)	(753,222)	(55,022)	246,536	(16,161,428)
OTHER FINANCING SOURCES								
Long-Term Debt Issued	-	-	7,925,000	7,240,000	1,640,000	-	-	16,805,000
Refunding Long-Term Debt Issued	-	-	-	-	-	-	-	2,800,000
Premium on Long-Term Debt Issued	-	-	14,362	14,735	6,124	-	-	106,496
Payments on Refunding Long-Term Bonds	-	-	-	-	-	-	-	(2,834,249)
Transfers from Other Funds	-	-	245,000	640,000	480,000	-	-	4,293,194
Transfers to Other Funds	-	-	-	-	-	-	-	(2,784,772)
Total Other Financing Sources	-	-	8,184,362	7,894,735	2,126,124	-	-	18,385,669
NET CHANGE IN FUND BALANCES	210,866	(2,073,748)	2,366,907	5,131,648	1,372,902	(55,022)	246,536	2,224,241
Fund Balances - Beginning of Year	(140,680)	3,354,528	10,732,464	8,028,959	1,759,049	1,548,755	(256,127)	34,938,357
FUND BALANCES - END OF YEAR	$ 70,186	$ 1,280,780	$ 13,099,371	$ 13,160,607	$ 3,131,951	$ 1,493,733	$ (9,591)	$ 37,162,598

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS)
YEAR ENDED DECEMBER 31, 2025

	Cemetery Maintenance			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services - Public	$ 207,050	$ 231,207	$ 293,607	$ 62,400
Miscellaneous:				
Other	-	-	1	1
Total Revenues	207,050	231,207	293,608	62,401
EXPENDITURES				
Current:				
Health Services	448,865	473,022	511,268	(38,246)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(241,815)	(241,815)	(217,660)	24,155
OTHER FINANCING SOURCES				
Transfers from Other Funds	241,815	241,815	217,932	(23,883)
NET CHANGE IN FUND BALANCE	-	-	272	272
Fund Balances - Beginning of Year	147,851	147,851	147,851	-
FUND BALANCES - END OF YEAR	$ 147,851	$ 147,851	$ 148,123	$ 272

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Hazardous Materials Response			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 118,000	$ 118,000	$ 202,980	$ 84,980
Investment Income	261	261	1,350	1,089
Total Revenues	118,261	118,261	204,330	86,069
EXPENDITURES				
Current:				
Public Safety	118,261	130,744	216,813	(86,069)
NET CHANGE IN FUND BALANCE	-	(12,483)	(12,483)	-
Fund Balances - Beginning of Year	74,687	74,687	74,687	-
FUND BALANCES - END OF YEAR	$ 74,687	$ 62,204	$ 62,204	$ -

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Police Department K9			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment Income	$ 1,200	$ 1,200	$ 5,420	$ 4,220
EXPENDITURES				
Current:				
Public Safety	44,413	44,413	35,927	8,486
NET CHANGE IN FUND BALANCE	(43,213)	(43,213)	(30,507)	12,706
Fund Balances - Beginning of Year	253,489	253,489	253,489	-
FUND BALANCES - END OF YEAR	$ 210,276	$ 210,276	$ 222,982	$ 12,706

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Economic Development			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ 250,000	$ 250,000	$ -
Investment Income	57,930	57,930	118,930	61,000
Miscellaneous:				
Loan Repayments	246,329	246,329	311,060	64,731
Other	-	47,689	105	(47,584)
Total Revenues	304,259	601,948	680,095	78,147
EXPENDITURES				
Current:				
Development	304,259	703,415	781,563	(78,148)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(101,467)	(101,468)	(1)
OTHER FINANCING SOURCES				
Transfers from Other Funds	-	-	74,571	74,571
Proceeds from Sale of Capital Assets	-	-	-	-
Total Other Financing Sources	-	-	74,571	74,571
NET CHANGE IN FUND BALANCE	-	(101,467)	(26,897)	74,570
Fund Balances - Beginning of Year	3,444,659	3,444,659	3,444,659	-
FUND BALANCES - END OF YEAR	$ 3,444,659	$ 3,343,192	$ 3,417,762	$ 74,570

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Community Enhancement			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 3,060,800	$ 3,060,798	$ 3,107,470	$ 46,672
Investment Income	-	-	20,842	20,842
Miscellaneous:				
Other	-	-	777	777
Total Revenues	3,060,800	3,060,798	3,129,089	68,291
EXPENDITURES				
Current:				
Development	2,146,430	2,146,429	2,183,615	(37,186)
EXCESS OF REVENUES OVER EXPENDITURES	914,370	914,369	945,474	31,105
OTHER FINANCING USES				
Transfers to Other Funds	(914,370)	(914,369)	(906,312)	8,057
Total Other Financing Sources (Uses)	(914,370)	(914,369)	(906,312)	8,057
NET CHANGE IN FUND BALANCE	-	-	39,162	39,162
Fund Balances - Beginning of Year	1,314,252	1,314,252	1,314,252	-
FUND BALANCES - END OF YEAR	$ 1,314,252	$ 1,314,252	$ 1,353,414	$ 39,162

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Public Library			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental:	$ -	$ 12,000	$ 12,000	$ -
Fines, Forfeitures, and Penalties	5,900	5,900	6,447	547
Charges for Services - Public	10,500	10,500	12,766	2,266
Charges for Services - Intergovernmental	1,077,136	1,078,136	1,081,095	2,959
Investment Income	3,300	3,300	14,463	11,163
Miscellaneous:				
Gifts and Donations	15,000	54,393	62,383	7,990
Other	351,200	351,200	338,982	(12,218)
Total Revenues	1,463,036	1,515,429	1,528,136	12,707
EXPENDITURES				
Current:				
Culture and Recreation	5,542,735	5,731,825	5,357,556	374,269
Capital Outlay	-	-	31,719	(31,719)
Total Expenditures	5,542,735	5,731,825	5,389,275	342,550
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,079,699)	(4,216,396)	(3,861,139)	355,257
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	4,716,574	4,716,574	4,716,574	-
Transfers to Other Funds	(861,874)	(861,874)	(861,878)	(4)
Proceeds from Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	3,854,700	3,854,700	3,854,696	(4)
NET CHANGE IN FUND BALANCE	(224,999)	(361,696)	(6,443)	355,253
Fund Balances - Beginning of Year	1,048,784	1,048,784	1,048,784	-
FUND BALANCES - END OF YEAR	$ 823,785	$ 687,088	$ 1,042,341	$ 355,253

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	City-County Health Department			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental:	$ 2,225,500	$ 2,938,100	$ 2,807,795	$ (130,305)
Licenses and Permits	795,000	795,000	810,699	15,699
Charges for Services - Public	201,800	222,600	232,091	9,491
Charges for Services - Intergovernmental	1,968,000	2,030,700	2,057,051	26,351
Miscellaneous:				
Gifts and Donations	9,100	6,100	6,084	(16)
Other	235,000	232,900	241,997	9,097
Total Revenues	5,434,400	6,225,400	6,155,717	(69,683)
EXPENDITURES				
Current:				
Health Services	7,748,500	8,519,100	8,275,568	243,532
Capital Outlay	-	-	165,151	(165,151)
Total Expenditures	7,748,500	8,519,100	8,440,719	78,381
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,314,100)	(2,293,700)	(2,285,002)	8,698
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	2,170,758	2,181,458	2,181,418	(40)
Transfers to Other Funds	(28,300)	(28,300)	(28,256)	44
Sale of Capital Assets	-	-	1,144	1,144
Total Other Financing Sources (Uses)	2,142,458	2,153,158	2,154,306	1,148
NET CHANGE IN FUND BALANCE	(171,642)	(140,542)	(130,696)	9,846
Fund Balances - Beginning of Year	2,950,409	2,950,409	2,950,409	-
FUND BALANCES - END OF YEAR	$ 2,778,767	$ 2,809,867	$ 2,819,713	$ 9,846

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Former Landfill Escrow			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services - Public	$ 150,000	$ 150,000	$ 129,396	$ (20,604)
Investment Income	-	-	1,069	1,069
Total Revenues	150,000	150,000	130,465	(19,535)
EXPENDITURES				
Current:				
Public Works	150,000	150,000	130,465	19,535
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	(1,330)	(1,330)	(1,330)	-
FUND BALANCES - END OF YEAR	$ (1,330)	$ (1,330)	$ (1,330)	$ -

CITY OF EAU CLAIRE, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (WITH ANNUAL BUDGETS) (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Seven Mile Creek Landfill			
	2025			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services - Public	$ 400,000	$ 605,450	$ 809,743	$ 204,293
Investment Income	-	-	16,666	16,666
Total Revenues	400,000	605,450	826,409	220,959
EXPENDITURES				
Current:				
Public Works	400,000	605,450	620,959	(15,509)
NET CHANGE IN FUND BALANCE	-	-	205,450	205,450
Fund Balances - Beginning of Year	615,416	615,416	615,416	-
FUND BALANCES - END OF YEAR	$ 615,416	$ 615,416	$ 820,866	$ 205,450

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Hobbs Ice Center – to account for the construction, operations, and maintenance of the municipal hockey and ice skating facility.

Outdoor Pool – to account for the construction, operations, and maintenance of the outdoor swimming pool.

Parking Fund – to account for the construction, operations, and maintenance of the municipal parking facilities, including ramps and various surface lots.

Public Transit – to account for the operations and maintenance of the municipal mass transit facility and fleet equipment.

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF NET POSITION –
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2025

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Fund	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Investments	$ -	$ 319,734	$ -	$ 1,604,971	$ 1,924,705
Other Accounts Receivables, Net of Allowances	181,811	-	10,841	67,355	260,007
Due from Other Governments	-	-	1,807,429	-	1,807,429
Prepaid Supplies and Materials	-	-	162,828	-	162,828
Total Current Assets	181,811	319,734	1,981,098	1,672,326	4,154,969
Noncurrent Assets:					
Restricted Assets:					
Cash and Investments	-	10,120	404,779	103,072	517,971
Long-Term Receivables	-	-	-	141,615	141,615
Lease Receivable	20,428	11,548	-	112,787	144,763
Capital Assets:					-
Construction in Progress	-	-	133,857	-	133,857
Land	5,000	-	-	526,496	531,496
Capital Assets	11,277,860	4,050,656	19,870,744	29,332,231	64,531,491
Less: Accumulated Depreciation	(7,627,842)	(1,872,636)	(7,914,299)	(8,975,034)	(26,389,811)
Total Capital Assets, Net Accumulated Depreciation	3,655,018	2,178,020	12,090,302	20,883,693	38,807,033
Total Noncurrent Assets	3,675,446	2,199,688	12,495,081	21,241,167	39,611,382
Total Assets	3,857,257	2,519,422	14,476,179	22,913,493	43,766,351
DEFERRED OUTFLOWS OF RESOURCES					
Other Postemployment Benefit Related Amounts	1,264	5,295	234,557	1	241,117
Pension Related Amounts	429,529	39,038	763,401	49,451	1,281,419
Local Retirement Life Insurance - Other Postemployment Benefit Related	247	253	41,251	2,362	- 44,113
Total Deferred Outflows of Resources	431,040	44,586	1,039,209	51,814	1,566,649

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF NET POSITION –
NONMAJOR ENTERPRISE FUNDS (CONTINUED)
DECEMBER 31, 2025

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Fund	Total Nonmajor Enterprise Funds
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 17,626	$ 3,368	$ 234,138	$ 2,769	$ 257,901
Accrued Payroll and Payroll Taxes	17,855	2,322	269,021	10,765	299,963
Accrued Compensated Absences	14,811	15,300	297,167	-	327,278
Accrued Interest	19,718	44	6,937	10,882	37,581
Deposits	-	10,799	-	5,834	16,633
Unearned Revenue	2,000	-	-	-	2,000
Due to Other Governments	1,265	594	-	10,452	12,311
Due to Other Funds	52,167	-	1,318,683	-	1,370,850
Current Portion of Advances from Other Funds	240,000	-	-	-	240,000
Current Portion of General Obligation Debt	85,000	5,000	230,000	101,710	421,710
Total Current Liabilities	450,442	37,427	2,355,946	142,412	2,986,227
Noncurrent Liabilities:					
Advances from Other Funds	1,010,000	-	-	-	1,010,000
Revenue Bonds Payable	-	-	-	-	-
General Obligation Debt	1,360,000	5,187	1,323,035	1,265,349	3,953,571
Other Postemployment Benefits	5,954	24,939	1,104,988	-	1,135,881
Local Retirement Life Insurance Other Postemployment Benefit Related	813	833	136,050	7,791	- 145,487
Pension Liability	73,417	6,672	130,484	8,453	219,026
Total Noncurrent Liabilities	2,450,184	37,631	2,694,557	1,281,593	6,463,965
Total Liabilities	2,900,626	75,058	5,050,503	1,424,005	9,450,192
DEFERRED INFLOWS OF RESOURCES					
Leases	20,594	11,675	-	100,783	133,052
Other Postemployment Benefit Related Amounts	1,225	5,133	227,443	-	233,801
Pension Related Amounts	215,141	19,553	382,371	24,769	641,834
Local Retirement Life Insurance - Other Postemployment Benefit Related	571	585	95,534	5,471	- 102,161
Total Deferred Inflows of Resources	237,531	36,946	705,348	131,023	1,110,848
NET POSITION					
Net Investment in Capital Assets	2,210,018	2,174,647	10,892,721	19,619,704	34,897,090
Unrestricted (Deficit)	(1,059,878)	277,357	(1,133,184)	1,790,575	(125,130)
Total Net Position	$ 1,150,140	$ 2,452,004	$ 9,759,537	$ 21,410,279	$ 34,771,960

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for Services	$ 849,559	$ 290,607	$ 1,179,235	$ 581,738	$ 2,901,139
Other Revenues	74,701	47,048	107,027	15,422	244,198
Total Operating Revenues	924,260	337,655	1,286,262	597,160	3,145,337
OPERATING EXPENSES					
Personal Services	460,292	326,761	3,551,774	108,854	4,447,681
Contractual Services	78,218	30,487	2,005,153	185,603	2,299,461
Supplies and Materials	49,410	90,732	804,811	10,079	955,032
Utilities	266,712	63,851	51,987	69,489	452,039
Depreciation Expense	474,838	98,924	1,169,279	888,419	2,631,460
Administrative	97,153	66,979	212,938	183,100	560,170
Total Operating Expenses	1,426,623	677,734	7,795,942	1,445,544	11,345,843
OPERATING LOSS	(502,363)	(340,079)	(6,509,680)	(848,384)	(8,200,506)
NONOPERATING REVENUES (EXPENSES)					
Operating Grants	-	-	4,556,303	-	4,556,303
Investment Income	-	32	1,221	-	1,253
Gain (Loss) on Sale of Capital Assets	-	-	(13,502)	-	(13,502)
Interest and Fiscal Charges	(82,184)	(112)	(15,330)	(55,454)	(153,080)
Total Nonoperating Revenues (Expenses)	(82,184)	(80)	4,528,692	(55,454)	4,390,974
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(584,547)	(340,159)	(1,980,988)	(903,838)	(3,809,532)
TRANSFERS					
Transfers from Other Funds	256,145	311,331	1,167,389	354,861	2,089,726
Transfers to Other Funds	-	-	-	(143,422)	(143,422)
Total Transfers	256,145	311,331	1,167,389	211,439	1,946,304
LOSS BEFORE CAPITAL CONTRIBUTIONS	(328,402)	(28,828)	(813,599)	(692,399)	(1,863,228)
Capital Contributions	-	-	425,212	-	425,212
CHANGE IN NET POSITION	(328,402)	(28,828)	(388,387)	(692,399)	(1,438,016)
Net Position - Beginning of Year	1,478,542	2,480,832	10,147,924	-	14,107,298
Change within Financial Reporting Entity - Major to Nonmajor Fund	-	-	-	22,102,678	22,102,678
Net Position - Beginning of Year, as Restated	1,478,542	2,480,832	10,147,924	22,102,678	36,209,976
NET POSITION - END OF YEAR	$ 1,150,140	$ 2,452,004	$ 9,759,537	$ 21,410,279	$ 34,771,960

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS –
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ 876,906	$ 314,931	$ 1,285,969	$ 619,424	$ 3,097,230
Cash Payments to Suppliers for Goods and Services	(388,942)	(190,310)	(3,010,705)	(253,065)	(3,843,022)
Cash Payments to Employees for Services	(296,039)	(320,318)	(3,671,937)	(190,981)	(4,479,275)
Administrative Charges	(97,153)	(66,979)	(212,938)	(183,100)	(560,170)
Net Cash Provided (Used) by Operating Activities	94,772	(262,676)	(5,609,611)	(7,722)	(5,785,237)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating Grants Received	-	-	4,198,484		4,198,484
Negative Cash Implicitly Financed	-	-	524,316		524,316
Cash Received (Paid) from Other Funds	49,579	-	-		49,579
Transfers In from Other Funds	256,145	311,331	1,167,389	354,861	2,089,726
Transfers Out to Other Funds	-	-	-	(143,422)	(143,422)
Net Cash Provided by Noncapital Financing Activities	305,724	311,331	5,890,189	211,439	6,718,683
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Debt Issued	-	10,000	385,000	-	395,000
Premium on Debt Issues	-	187	21,185	-	21,372
Debt Retirement	(85,000)	-	(206,916)	(262,510)	(554,426)
Special assessments received	-	-	-	-	-
Interest and Fiscal Charges Paid	(85,496)	(68)	(15,262)	(57,039)	(157,865)
Interest subsidy received	-	-	-	-	-
Capital Related Transfers from Other Funds	-	-	-	-	-
Acquisition and Construction of Capital Assets	-	(64,652)	(61,027)	(18,500)	(144,179)
Principal Paid on Capital Advances from Other Funds	(230,000)	-	-	-	(230,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	(400,496)	(54,533)	122,980	(338,049)	(670,098)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Dividends on Investments	-	32	1,221	-	1,253
Net Cash Provided by Investing Activities	-	32	1,221	-	1,253
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(5,846)	404,779	(134,332)	264,601
Cash, Investments, and Cash Equivalents - Beginning of Year	-	335,700	-	1,842,375	2,178,075
CASH, INVESTMENTS, AND CASH EQUIVALENTS - END OF YEAR	$ -	$ 329,854	$ 404,779	$ 1,708,043	$ 2,442,676
RECONCILIATION OF CASH AND CASH EQUIVALENTS					
Cash and Cash Equivalents per Statement of Net Position	$ -	$ 319,734	$ -	$ 1,604,971	$ 1,924,705
Restricted Cash and Cash Equivalents	-	10,120	404,779	103,072	517,971
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ -	$ 329,854	$ 404,779	$ 1,708,043	$ 2,442,676

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS –
NONMAJOR ENTERPRISE FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Hobbs Ice Center	Outdoor Pool	Public Transit	Parking Fund	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Loss	$ (502,363)	$ (340,079)	$ (6,509,680)	$ (848,384)	$ (8,200,506)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:					
Noncash Items Included in Income:					
Depreciation	474,838	98,924	1,169,279	888,419	2,631,460
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
Accounts Receivable	(49,520)	500	(293)	21,864	(27,449)
Prepaid Supplies and Materials	-	-	11,101	-	11,101
Prepaid Items	-	-	-	-	-
Lease Receivable	(20,428)	(11,548)	-	400	(31,576)
Accounts Payable	5,867	(3,140)	(13,172)	(2,100)	(12,545)
Due to Other Governments	(469)	(109)	(146,683)	8,372	(138,889)
Other Liabilities	(4,311)	(2,540)	66,936	(36,677)	23,408
Deferred Inflow - Lease	20,594	(11,676)	-	(4,382)	4,536
Other Postemployment Benefit Related Deferrals and Liability	(450,820)	(30,589)	(114,733)	(46,087)	(642,229)
State Life Insurance Deferrals and Liability	(1,583)	118	15,128	2,176	15,839
Pension Related Deferrals and Asset/Liability	620,967	39,454	(87,494)	2,843	575,770
Unearned Revenue	2,000	-	-	-	2,000
Deposits	-	(1,991)	-	5,834	3,843
Total Adjustments	597,135	77,403	900,069	840,662	2,415,269
Net Cash Provided (Used) by Operating Activities	$ 94,772	$ (262,676)	$ (5,609,611)	$ (7,722)	$ (5,785,237)

SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL, INVESTING, AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2025:

Public Transit	$ 28,838

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost reimbursement basis.

Risk Management - to account for operations of a self-insurance program, including liability, property, and workers' compensation insurance coverage for all City funds, payment of claims, cost of reinsurance, and safety and resident awareness programs.

Central Equipment - to account for the construction, operations, and maintenance of the central garage facility including the funding for and replacement of all fleet and radio equipment.

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
DECEMBER 31, 2025

	Risk Management	Central Equipment	Totals
ASSETS			
Current Assets:			
Cash and Investments	$ 4,825,741	$ 5,001,298	$ 9,827,039
Other Accounts Receivables, Net of Allowances	42,388	-	42,388
Due from Other Governments	11,757	8,304	20,061
Prepaid Supplies and Materials	-	840,472	840,472
Total Current Assets	4,879,886	5,850,074	10,729,960
Noncurrent Assets:			
Restricted Assets:			
Escrow Account	356,419	-	356,419
Deposit in Insurance Pools	796,527	-	796,527
Advances to Other Funds	1,838,700	-	1,838,700
Capital Assets:			
Construction in Progress	-	1,112,931	1,112,931
Land	-	247,199	247,199
Capital Assets	-	37,682,309	37,682,309
Less: Accumulated Depreciation	-	(23,461,013)	(23,461,013)
Total Capital Assets, Net Accumulated Depreciation	-	15,581,426	15,581,426
Total Noncurrent Assets	2,991,646	15,581,426	18,573,072
Total Assets	7,871,532	21,431,500	29,303,032
DEFERRED OUTFLOWS OF RESOURCES			
Other Postemployment Benefit Related Amounts	2,494	25,985	28,479
Pension Related Amounts	46,170	374,269	420,439
Local Retirement Life Insurance - Other Postemployment Benefit Related	4,019	16,081	20,100
Total Deferred Outflows of Resources	52,683	416,335	469,018

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS (CONTINUED)
DECEMBER 31, 2025

	Risk Management	Central Equipment	Totals
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 130,418	$ 110,943	$ 241,361
Accrued Payroll and Payroll Taxes	9,729	74,836	84,565
Accrued Compensated Absences	45,417	160,154	205,571
Current Portion of Unpaid Claims	220,000	-	220,000
Total Current Liabilities	405,564	345,933	751,497
Noncurrent Liabilities:			
Other Postemployment Benefits	11,757	122,425	134,182
Pension	7,891	63,972	71,863
Local Retirement Life Insurance - Other Postemployment Benefit Related	13,253	53,037	66,290
Unpaid Claims	2,468,365	-	2,468,365
Total Noncurrent Liabilities	2,501,266	239,434	2,740,700
Total Liabilities	2,906,830	585,367	3,492,197
DEFERRED INFLOWS OF RESOURCES			
Other Postemployment Benefit Related Amounts	2,418	25,198	27,616
Pension Related Amounts	23,125	187,464	210,589
Local Retirement Life Insurance - Other Postemployment Benefit Related	9,306	37,243	46,549
Total Deferred Inflows of Resources	34,849	249,905	284,754
NET POSITION			
Net Investment in Capital Assets	-	15,576,540	15,576,540
Restricted for:			
Insurance Deposits	1,152,946	-	1,152,946
Unrestricted	3,829,590	5,436,023	9,265,613
Total Net Position	$ 4,982,536	$ 21,012,563	$ 25,995,099

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Risk Management	Central Equipment	Totals
OPERATING REVENUES			
Charges for Services	$ 2,017,660	$ 4,522,430	$ 6,540,090
Other Revenues	279,613	745,220	1,024,833
Total Operating Revenues	2,297,273	5,267,650	7,564,923
OPERATING EXPENSES			
Personal Services	165,544	1,253,058	1,418,602
Contractual Services	180,361	357,829	538,190
Supplies and Materials	7,668	1,434,020	1,441,688
Utilities	229	231,349	231,578
Depreciation Expense	-	2,002,215	2,002,215
Administrative	897,400	124,679	1,022,079
Claims	3,213,020	-	3,213,020
Total Operating Expenses	4,464,222	5,403,150	9,867,372
OPERATING INCOME (LOSS)	(2,166,949)	(135,500)	(2,302,449)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	95,161	-	95,161
Gain (Loss) on Sale of Capital Assets	-	(28,609)	(28,609)
Insurance Proceeds	-	140,222	140,222
Total Nonoperating Revenues (Expenses)	95,161	111,613	206,774
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(2,071,788)	(23,887)	(2,095,675)
TRANSFERS			
Transfers from Other Funds	973,473	-	973,473
Transfers to Other Funds	(15,000)	-	(15,000)
Total Transfers	958,473	-	958,473
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(1,113,315)	(23,887)	(1,137,202)
Capital Contributions	-	150,226	150,226
CHANGE IN NET POSITION	(1,113,315)	126,339	(986,976)
Net Position - Beginning of Year	6,095,851	20,886,224	26,982,075
NET POSITION - END OF YEAR	$ 4,982,536	$ 21,012,563	$ 25,995,099

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Risk Management	Central Equipment	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 2,375,360	$ 5,267,650	$ 7,643,010
Cash Payments to Suppliers for Goods and Services	(177,657)	(2,174,463)	(2,352,120)
Cash Payments to Employees for Services	(145,338)	(1,237,028)	(1,382,366)
Claims Paid	(3,213,020)	-	(3,213,020)
Repayment of Insurance Claims	821,469	-	821,469
Administrative Charges	(897,400)	(124,679)	(1,022,079)
Net Cash Provided (Used) by Operating Activities	(1,236,586)	1,731,480	494,894
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In from Other Funds	973,595	(1,293)	972,302
Transfers Out to Other Funds	(15,000)	-	(15,000)
Net Cash Provided (Used) by Noncapital Financing Activities	958,595	(1,293)	957,302
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	(2,407,496)	(2,407,496)
Proceeds from Sale of Capital Assets	-	121,625	121,625
Net Cash Used by Capital Financing Activities	-	(2,285,871)	(2,285,871)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends on Investments	95,161	-	95,161
NET CHANGE IN CASH AND CASH EQUIVALENTS	(182,830)	(555,684)	(738,514)
Cash, Investments, and Cash Equivalents - Beginning of Year	5,364,990	5,556,982	10,921,972
CASH, INVESTMENTS, AND CASH EQUIVALENTS - END OF YEAR	$ 5,182,160	$ 5,001,298	$ 10,183,458
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents per Statement of Net Position	$ 4,825,741	$ 5,001,298	$ 9,827,039
Restricted Cash and Cash Equivalents	356,419	10,120	366,539
CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS	$ 5,182,160	$ 5,011,418	$ 10,193,578

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Risk Management	Central Equipment	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ (2,166,949)	$ (135,500)	$ (2,302,449)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Noncash Items Included in Income:			
Difference Between Deferred Outflows Related to Depreciation	-	2,002,215	2,002,215
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:			
Accounts Receivable	78,087	-	78,087
Prepaid Supplies and Materials	-	56,444	56,444
Prepaid Items	15,835	-	15,835
Accounts Payable	(5,234)	(207,709)	(212,943)
Other Liabilities	10,893	11,816	22,709
Other Postemployment Benefit Related Deferrals and Liability	(15,552)	(155,839)	(171,391)
Unpaid Claims	821,469	-	821,469
State Life Insurance Deferrals and Liability	(4,833)	(7,005)	(11,838)
Pension Related Deferrals and Asset/Liability	29,698	167,058	196,756
Total Adjustments	930,363	1,866,980	2,797,343
Net Cash Provided (Used) by Operating Activities	$ (1,236,586)	$ 1,731,480	$ 494,894

SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL, INVESTING, AND FINANCING ACTIVITIES

The following funds had accrued accounts payable for capital assets acquired prior to December 31, 2025:

Central Equipment	$ 4,886

NONMAJOR COMPONENTS UNITS

West Grand Business Improvement District – to account for funds collected and disbursed on behalf of the West Grand Business Improvement District. This district, which includes all commercial properties in a defined area, collects special assessments from its members for promotion within the district.

Water Street Business Improvement District – to account for funds collected and disbursed on behalf of the Water Street Business Improvement District. This district, which includes all commercial properties in a defined area, collects special assessments from its members for promotion within the district.

CITY OF EAU CLAIRE, WISCONSIN
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL COMPONENTS UNITS
DECEMBER 31, 2025

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
ASSETS			
Cash and Investments	$ 55,045	$ 41,679	$ 96,724
Receivables:			
Special Assessments	16,000	11,000	27,000
Total Assets	$ 71,045	$ 52,679	$ 123,724
LIABILITIES			
Accounts Payable	$ -	$ -	$ -
Total Liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unearned Revenues - Time Requirements	16,000	11,000	27,000
Total Deferred Inflows of Resources	16,000	11,000	27,000
FUND BALANCE			
Restricted	55,045	41,679	96,724
Total Fund Balance	55,045	41,679	96,724
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 71,045	$ 52,679	$ 123,724
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:			
Fund Balance at Year-End	$ 55,045	$ 41,679	$ 96,724
Notes receivable are long-term assets that are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.	-	-	-
NET POSITION AT YEAR-END	$ 55,045	$ 41,679	$ 96,724

CITY OF EAU CLAIRE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL COMPONENTS UNITS
YEAR ENDED DECEMBER 31, 2025

	West Grand Business Improvement District	Water Street Business Improvement District	Totals
REVENUES			
Special Assessments	$ 15,000	$ 11,000	$ 26,000
Investment Income	1,452	1,036	2,488
Total Revenues	16,452	12,036	28,488
EXPENDITURES			
Current:			
Contractual Services	14,635	8,431	23,066
Supplies and Materials	5,663	2,900	8,563
Total Expenditures	20,298	11,331	31,629
NET CHANGE IN FUND BALANCE	(3,846)	705	(3,141)
Fund Balance - Beginning of Year	58,891	40,974	99,865
FUND BALANCE - END OF YEAR	$ 55,045	$ 41,679	$ 96,724
RECONCILIATION OF NET CHANGE IN FUND BALANCES TO CHANGE IN NET POSITION			
Net Change in Fund Balance	$ (3,846)	$ 705	$ (3,141)
Governmental funds report repayments of loans receivable as revenue and issuing of new loans as expenditures. However, in the Statement of Activities, these amounts are not reported as revenues and expenses:			
Repayment of Principal on Loans Recognized as Revenue on Fund Statements	-	-	-
CHANGE IN NET POSITION	$ (3,846)	$ 705	$ (3,141)

STATISTICAL SECTION

CITY OF EAU CLAIRE, WISCONSIN
STATISTICAL SECTION

This part of the City of Eau Claire's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends **Tables 1-4**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity **Tables 5-21**

These schedules contain information to help the reader assess the factors effecting the city's ability to generate its gross tax.

Debt Capacity **Tables 22-28**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and City's ability to issue additional debt in the future.

Demographic and Economic Information **Tables 29-30**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information **Tables 31-36**

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF EAU CLAIRE

TABLE 1
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	$ 111,378,582	$ 112,128,763	$ 121,416,308	$ 122,278,868	$ 111,472,573	$ 106,742,019	$ 106,088,381	$ 107,877,841	$ 108,081,249	$ 106,818,444
Restricted	26,872,512	25,694,036	24,978,257	42,272,769	40,948,221	33,308,773	20,692,157	25,221,878	16,147,710	20,826,392
Unrestricted	18,585,919	15,754,766	19,086,829	(7,349,691)	(5,965,147)	(7,869,307)	2,489,288	1,652,859	6,608,975	21,304,621
Total governmental activities net position	156,837,013	153,577,565	165,481,394	157,201,946	146,455,647	132,181,485	129,269,826	134,752,578	130,837,934	148,949,457
Business-type activities										
Net investment in capital assets	254,574,326	241,765,246	228,269,233	212,733,339	206,878,439	200,437,382	197,414,859	194,167,440	189,245,423	186,039,230
Restricted	26,561,452	26,394,124	21,680,345	20,009,475	16,498,431	14,368,705	10,166,455	9,839,779	7,045,463	6,236,620
Unrestricted	41,186,173	34,169,241	35,579,769	33,422,702	25,722,503	18,830,227	19,524,640	17,408,821	18,312,890	19,057,783
Total business-type activities net position	322,321,951	302,328,611	285,529,347	266,165,516	249,099,373	233,636,314	227,105,954	221,416,040	214,603,776	211,333,633
Primary government										
Net investment in capital assets (1)	365,964,030	353,894,009	349,685,541	335,012,207	311,503,457	299,913,213	295,757,933	293,490,686	287,970,103	282,585,357
Restricted	53,433,964	52,088,160	46,658,602	62,282,244	57,446,652	47,677,478	30,858,612	35,061,657	23,193,173	27,063,012
Unrestricted (1)	59,760,970	49,924,007	54,666,598	26,073,011	26,604,911	18,227,108	29,759,235	27,616,275	34,278,434	50,634,721
Total primary government net position	$ 479,158,964	$ 455,906,176	$ 451,010,741	$ 423,367,462	$ 395,555,020	$ 365,817,799	$ 356,375,780	$ 356,168,618	$ 345,441,710	$ 360,283,090

(1) Primary government totals may not match the combined totals for governmental and business-type activities due to a reclassification of debt.

Source: City of Eau Claire Annual Comprehensive Financial Reports

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Expenses	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities:										
General government	$ 12,633,032	$ 10,315,405	$ 9,000,659	$ 9,628,059	$ 8,905,481	$ 10,217,143	$ 8,262,240	$ 9,249,124	$ 8,302,415	$ 8,488,859
Public safety	40,273,141	34,930,035	34,385,974	27,763,184	26,397,529	31,926,340	33,297,119	31,792,969	29,988,626	32,848,940
Public works	27,634,207	21,581,177	17,816,187	18,561,099	18,150,974	20,092,285	23,338,353	15,984,033	17,212,553	16,989,105
Health services	11,355,207	11,033,679	10,741,411	8,242,817	8,507,371	8,801,391	6,729,618	6,372,757	6,336,338	6,604,167
Development	8,795,260	10,738,300	11,301,392	5,579,474	9,487,000	9,663,274	10,072,427	9,995,611	10,158,159	9,717,841
Culture and recreation	11,609,474	14,417,538	14,357,130	8,479,811	4,012,152	1,534,629	3,231,879	5,494,366	6,802,760	3,489,797
Interest and fiscal charges	6,365,098	4,635,549	4,603,233	3,744,033	3,235,245	3,280,040	4,292,117	3,445,326	3,307,915	3,140,230
Total governmental activities expenses	118,665,419	107,651,683	102,205,986	81,998,477	78,695,752	85,515,102	89,223,753	82,334,186	82,108,766	81,278,939
Business-type activities										
Water Utility	10,574,436	11,804,974	10,363,475	9,988,641	8,225,403	7,941,117	6,795,340	6,856,005	6,966,768	6,458,676
Sewer Utility	10,342,849	10,025,340	9,796,409	9,284,561	9,154,974	9,325,416	9,696,843	9,165,896	9,731,121	8,185,254
Storm Water Utility	4,525,279	3,908,555	3,811,096	3,586,480	3,600,616	3,608,274	3,514,211	3,519,018	3,298,068	3,398,280
Public Transit	7,942,363	7,606,697	7,210,191	6,505,257	5,592,230	5,937,968	6,791,197	5,936,953	6,138,377	6,017,649
Parking Utility	1,509,552	1,219,815	1,049,810	939,254	857,032	978,366	965,719	816,753	663,853	534,105
Hobbs Ice Center	1,514,448	1,309,940	1,125,809	1,466,374	1,279,590	1,383,581	1,348,172	1,229,614	1,234,173	1,201,063
Outdoor Pool	681,300	841,119	627,966	558,491	474,360	352,090	583,387	481,879	443,666	560,575
Total business-type activities expenses	37,090,227	36,716,440	33,984,756	32,329,058	29,184,205	29,526,812	29,694,869	28,006,118	28,476,026	26,355,602
Total primary government expenses	$ 155,755,646	$ 144,368,123	$ 136,190,742	$ 114,327,535	$ 107,879,957	$ 115,041,914	$ 118,918,622	$ 110,340,304	$ 110,584,792	$ 107,634,541

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Program Revenues	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities:										
Charges for services										
General government	$ 6,764,584	$ 4,971,448	$ 6,149,871	$ 4,249,548	$ 4,677,601	$ 4,323,916	$ 4,954,408	$ 3,836,505	$ 3,872,997	$ 3,777,404
Public safety	9,290,370	7,468,440	6,977,241	9,315,187	7,070,364	5,646,434	5,460,524	5,460,252	5,291,466	5,240,453
Public works	1,168,216	1,061,532	1,096,843	927,278	698,870	202,529	215,943	493,506	404,999	345,341
Health services	3,460,154	3,192,575	3,155,177	2,710,900	2,507,153	2,456,689	2,687,581	2,425,274	2,298,715	2,351,774
Development	885,101	540,983	577,609	318,359	1,923,772	2,831,244	2,360,712	1,595,498	1,566,513	1,563,919
Culture and recreation	2,005,007	2,150,779	2,077,658	1,881,141	698,849	622,476	261,623	419,060	378,370	278,881
Operating grants and contributions										
General government	301,392	352,612	124,243	141,365	73,356	122,234	100,153	192,556	82,194	211,463
Public safety	1,878,276	1,002,872	991,265	663,365	568,165	773,680	592,588	568,043	540,282	543,599
Public works	1,099,587	-	11,499	613,838	620,475	191,173	221,896	4,826	-	35,049
Health services	2,895,616	3,704,429	3,986,481	4,273,121	3,975,267	5,201,507	1,767,991	1,763,511	2,002,217	1,435,871
Development	5,058,372	3,890,437	4,535,104	1,349,869	3,322,475	1,232,662	308,539	86,866	47,455	131,521
Culture and recreation	368,556	1,171,176	1,170,315	737,363	1,405,196	1,256,616	1,073,594	785,434	690,384	1,165,839
Interest and fiscal charges	-	-	-	-	-	-	-	168,650	176,885	184,590
Capital grants and contributions										
General government	383	383	504	-	18,313	-	-	308,105	187,327	-
Public safety	151,554	255	1,137	38,117	278,437	6,200	40,296	13,254	349,736	392,960
Public works	5,027,125	562,356	4,928,364	4,418,364	4,940,095	4,967,899	5,093,437	8,226,690	5,042,902	13,114,212
Health services	-	-	-	-	-	-	-	-	-	-
Development	-	-	-	-	-	-	28,700	436,280	100,273	979,963
Culture and recreation	-	-	1,569,312	-	-	-	-	-	-	-
Total governmental activities program revenues	40,354,293	30,070,277	37,352,623	31,637,815	32,778,388	29,835,259	25,167,985	26,784,310	23,032,715	31,752,839
Business-type activities										
Charges for services										
Water Utility	15,405,361	13,170,150	12,984,671	12,487,756	11,482,924	9,796,386	9,702,953	9,916,024	9,647,682	9,731,499
Sewer Utility	15,223,135	15,495,752	15,834,831	15,062,919	13,208,959	11,625,997	11,638,510	10,771,781	10,483,196	9,781,687
Storm Water Utility	6,824,230	5,930,832	5,583,462	5,618,106	5,091,601	5,023,386	4,848,522	4,675,233	4,530,613	4,500,514
Public Transit	1,286,262	1,150,354	1,011,030	915,778	850,629	675,336	1,228,103	1,205,752	1,100,817	1,091,397
Parking Utility	597,160	620,437	572,744	497,175	449,646	376,215	668,492	654,043	627,623	312,313
Hobbs Ice Center	924,260	848,398	788,473	702,962	559,732	377,359	743,151	712,446	721,781	698,789
Outdoor Pool	337,655	345,244	397,574	331,512	301,558	14,226	303,228	286,312	275,429	294,208
Operating grants and contributions										
Water Utility	-	-	-	-	-	-	-	-	-	-
Sewer Utility	-	-	-	-	-	-	-	-	3,230	3,230
Storm Water Utility	-	-	-	-		45,185	32,272	38,737	39,545	41,085
Public Transit	4,556,303	3,834,043	6,802,805	8,080,590	7,204,523	6,041,576	4,758,866	3,387,460	3,377,676	3,311,823
Capital grants and contributions										
Water Utility	9,543,588	345,562	4,242,671	2,183,260	1,958,013	674,944	594,922	1,436,521	307,508	378,348
Sewer Utility	15,354	21,058	1,908,950	1,656,813	1,169,462	311,125	229,284	751,700	190,153	226,918
Storm Water Utility	64,800	7,709	1,301,096	820,567	1,681,084	301,651	195,053	751,904	37,793	244,105
Public Transit	425,212	11,413	-	9,697	-	-	-	-	-	-
Parking Utility	-	-	-	-	-	359,148	-	-	-	110,000
Hobbs Ice Center	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	55,203,320	41,780,952	51,428,307	48,367,135	43,958,131	35,622,534	34,943,356	34,587,913	31,343,046	30,725,916
Total primary government program revenues	95,557,613	71,851,229	88,780,930	80,004,950	76,736,519	65,457,793	60,111,341	61,372,223	54,375,761	62,478,755
Net (Expense) Revenue										
Governmental activities	(78,311,126)	(77,581,406)	(64,853,363)	(50,360,662)	(45,917,364)	(55,679,843)	(64,055,768)	(55,549,876)	(59,076,051)	(49,526,100)
Business-type activities	18,113,093	5,064,512	17,443,551	16,038,077	14,773,926	6,095,722	5,248,487	6,581,795	2,867,020	4,370,314
Total primary government net expenses	$ (60,198,033)	$ (72,516,894)	$ (47,409,812)	$ (34,322,585)	$ (31,143,438)	$ (49,584,121)	$ (58,807,281)	$ (48,968,081)	$ (56,209,031)	$ (45,155,786)

CITY OF EAU CLAIRE

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

General Revenues and Other Changes in Net Position	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Taxes	$ 64,577,108	$ 61,435,004	$ 57,267,540	$ 52,667,877	$ 50,477,319	$ 47,826,243	$ 47,848,792	$ 48,202,857	$ 45,956,354	$ 43,188,274
Intergovernmental revenues	11,512,229	10,654,287	9,177,008	8,955,247	9,029,678	9,068,398	7,209,327	8,703,519	8,636,848	8,592,189
Investment income	6,850,547	6,669,676	6,236,547	(806,619)	329,724	1,817,608	2,864,423	1,926,995	1,185,182	699,230
Gain on disposal of capital assets	-	-	4,750	550,680	674,950	12,197	(971,278)	9,595	82,605	47,216
Miscellaneous	474,849	570,822	438,930	215,814	175,097	125,890	1,632,692	267,018	503,737	117,443
Transfers	(62,563)	(10,114,109)	8,037	(506,038)	(495,242)	(258,836)	(10,940)	354,536	(424,403)	(9,523,442)
Total governmental activities	83,352,170	69,215,680	73,132,812	61,076,961	60,191,526	58,591,500	58,573,016	59,464,520	55,940,323	43,120,910
Business-type activities										
Investment income	1,817,684	2,212,221	1,928,317	522,028	41,937	141,080	422,069	297,630	169,025	85,104
Gain on sale of capital assets	-	-	-	-	151,954	34,722	(21,954)	-	627,835	-
Miscellaneous	-	172	-	-	-	-	30,372	287,375	292,285	242,079
Transfers	62,562	10,114,109	(8,037)	506,038	495,242	258,836	10,940	(354,536)	424,403	9,523,442
Total business-type activities	1,880,246	12,326,502	1,920,280	1,028,066	689,133	434,638	441,427	230,469	1,513,548	9,850,625
Total primary government	85,232,416	81,542,182	75,053,092	62,105,027	60,880,659	59,026,138	59,014,443	59,694,989	57,453,871	52,971,535
Change in Net Position										
Governmental activities	5,041,044	(8,365,726)	8,279,449	10,716,299	14,274,162	2,911,657	(5,482,752)	3,914,644	(3,135,728)	(6,405,190)
Business-type activities	19,993,339	17,391,014	19,363,831	17,066,143	15,463,059	6,530,360	5,689,914	6,812,264	4,380,568	14,220,939
Total primary government	$ 25,034,383	$ 9,025,288	$ 27,643,280	$ 27,782,442	$ 29,737,221	$ 9,442,017	$ 207,162	$ 10,726,908	$ 1,244,840	$ 7,815,749

Source: City of Eau Claire Annual Comprehensive Financial Reports

CITY OF EAU CLAIRE

TABLE 3
FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable	$ 1,080,489	$ 1,587,308	$ 2,477,326	$ 2,021,990	$ 3,029,950	$ 3,183,669	$ 3,418,753	$ 3,713,801	$ 3,785,171	$ 4,221,466
Restricted		-	-	-	-	-	-	-	-	-
Assigned	1,523,262	2,325,232	3,306,460	7,098,276	4,899,620	5,044,399	5,197,358	7,467,060	4,828,248	5,442,677
Unassigned	39,143,708	27,895,276	21,079,526	13,284,187	18,867,056	19,420,775	18,669,615	18,525,450	20,212,904	18,804,559
Total General Fund	41,747,459	31,807,816	26,863,312	22,404,453	26,796,626	27,648,843	27,285,726	29,706,311	28,826,323	28,468,702
All Other Governmental Funds										
Nonspendable										
Special revenue funds	6,624	126,860	157,109	143,612	150,501	136,085	164,972	145,763	140,216	126,597
Capital projects funds	1,215,128	-	633,393	633,393	978,764	-	-	508,919	697	-
Restricted										
Special revenue funds	7,452,799	7,072,717	6,267,382	5,693,412	5,512,759	6,280,032	3,556,683	3,546,126	3,742,695	3,372,897
Debt service funds	6,310,483	5,629,993	5,125,964	5,255,111	4,689,092	5,393,949	7,204,496	7,353,463	6,651,225	6,551,687
Grants and donation fund	1,788,956	901,221	372,988	-	-	-	-	-	-	-
Capital projects funds	49,415,709	41,347,910	37,380,802	27,993,804	26,324,026	12,880,681	8,151,943	5,004,130	10,815,184	13,885,769
Committed										
Special revenue funds	698,870	602,448	971,394	981,118	869,908	403,608	582,888	602,348	254,586	1,248,997
Assigned										
Special revenue funds	2,040,518	2,267,113	1,938,266	2,116,423	2,141,146	1,964,355	1,356,606	1,303,687	1,733,470	283,908
Capital projects funds	3,968,808	5,286,894	6,562,900	3,595,834	5,289,801	7,952,475	9,866,517	10,487,371	8,002,894	4,895,101
Unassigned (deficit)										
Special revenue funds	(137,398)	(51,086)	(137,402)	(48,796)	(1,779)	-	(165,040)	-	-	-
Debt service funds	-	-	-	-	-	(63,795)	(191,716)	-	(412,414)	(397,464)
Grants and donation fund	(281,544)	-	-	-	-	-	-	-	-	-
Capital projects funds	(17,437,047)	(11,696,447)	(8,554,497)	(8,434,488)	(4,698,920)	(3,930,563)	(3,691,742)	(4,193,275)	(4,004,025)	(3,963,282)
Total All Other Governmental Funds	55,041,906	51,487,623	50,718,299	37,929,423	41,255,298	31,016,827	26,835,607	24,758,532	26,924,528	26,004,210
Total All Governmental Funds	$ 96,789,365	$ 83,295,439	$ 77,581,611	$ 60,333,876	$ 68,051,924	$ 58,665,670	$ 54,121,333	$ 54,464,843	$ 55,750,851	$ 54,472,912

Source: City of Eau Claire Annual Comprehensive Financial Reports

CITY OF EAU CLAIRE

TABLE 4
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)

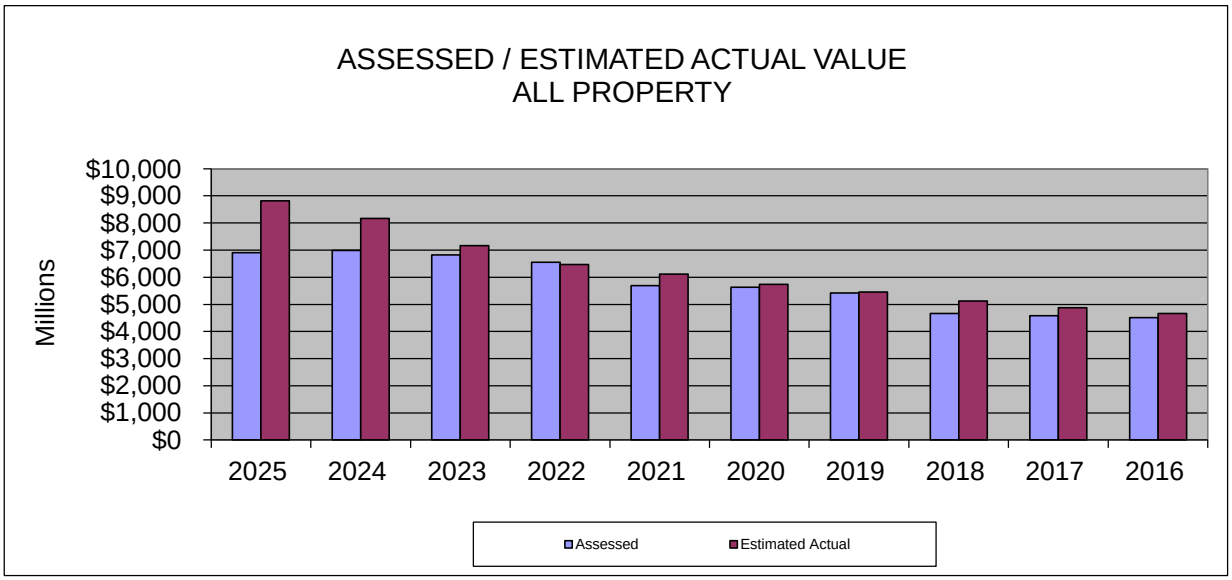
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	$ 63,327	$ 60,220	$ 57,026	$ 52,730	$ 50,579	$ 47,852	$ 47,704	$ 48,157	$ 46,223	$ 43,210
Special assessments	1,707	1,424	1,614	1,406	2,122	2,192	2,171	2,822	2,553	2,180
Intergovernmental	24,646	23,045	21,468	18,818	19,252	19,447	15,536	15,074	14,265	15,305
Licenses and permits	3,053	2,835	2,724	2,830	2,636	2,291	2,629	2,573	2,536	2,456
Fines, forfeitures and penalties	461	428	377	300	631	546	770	569	529	605
Charges for services	17,795	14,566	14,101	12,432	11,980	10,260	10,654	10,685	10,003	9,937
Investment income	6,516	6,366	6,053	(903)	233	1,828	2,543	1,797	1,090	564
Miscellaneous	5,407	4,715	3,362	2,784	6,479	2,618	1,738	2,016	2,307	1,885
Total revenues	122,912	113,599	106,725	90,397	93,912	87,034	83,745	83,693	79,506	76,142
Expenditures										
General government	10,266	9,962	8,687	9,042	8,624	9,207	7,527	7,584	6,771	7,071
Public safety	37,828	35,845	34,009	32,255	31,306	29,845	30,268	29,852	28,794	27,916
Public works	10,637	10,046	10,409	9,926	9,382	8,779	9,618	9,994	10,152	8,798
Health services	11,007	10,828	10,083	9,058	9,322	8,507	6,419	6,303	6,096	5,719
Culture and recreation	10,554	10,279	10,360	10,078	9,560	8,542	9,214	8,500	8,096	8,062
Development	8,516	10,641	11,336	5,638	4,566	3,379	3,334	5,226	6,733	3,686
Miscellaneous	579	670	354	720	761	789	899	786	455	369
Capital outlay	17,829	17,606	18,250	29,835	23,612	14,644	18,405	20,284	14,046	14,439
Debt service										
Principal	13,351	13,054	20,433	17,695	12,009	11,412	13,430	18,842	12,732	9,506
Interest	5,871	5,536	4,550	4,061	3,541	3,634	3,635	3,635	3,354	3,248
Total expenditures	126,438	124,467	128,471	128,308	112,683	98,738	102,749	111,006	97,229	88,814
Other financing sources (uses)										
Debt issued	17,212	16,407	37,034	29,570	26,385	15,410	17,660	24,780	18,045	22,360
Premium on debt issued	821	722	1,918	631	1,655	696	888	971	803	321
Transfers in	26,433	23,544	23,890	23,871	22,512	23,540	24,312	22,479	20,478	11,954
Transfers out	(27,454)	(24,290)	(23,910)	(24,432)	(23,070)	(23,842)	(24,344)	(22,213)	(20,409)	(12,281)
Proceeds from sale of capital assets	8	198	62	551	675	444	144	10	84	118
Total other financing sources (uses)	17,020	16,581	38,994	30,191	28,157	16,248	18,660	26,027	19,001	22,472
Net change in fund balances	$ 13,494	$ 5,713	$ 17,248	$ (7,720)	$ 9,386	$ 4,544	$ (344)	$ (1,286)	$ 1,278	$ 9,800
Debt service as a percentage of noncapital expenditures	16.8%	15.5%	23.3%	21.7%	18.4%	17.6%	19.0%	24.8%	19.3%	17.1%

Source: City of Eau Claire Annual Comprehensive Financial Reports

CITY OF EAU CLAIRE

TABLE 5
ASSESSED AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
ALL PROPERTY										
Real property:										
Assessed value	$6,910,647	$6,862,353	$6,698,435	$6,419,494	$5,562,262	$5,499,850	$5,288,369	$4,501,005	$4,418,314	$4,341,114
Estimated actual value (1)	8,820,474	8,020,928	7,021,707	6,336,373	5,983,254	5,602,604	5,337,440	4,935,157	4,694,709	4,489,828
Personal property:										
Assessed value	$0	$120,223	$127,446	$137,580	$123,757	$127,389	$125,956	$166,467	$167,290	$169,474
Estimated actual value	0	144,860	138,227	134,455	136,173	129,769	116,522	184,559	178,013	174,624
Total:										
Assessed value	$6,910,647	$6,982,576	$6,825,880	$6,557,074	$5,686,019	$5,627,239	$5,414,325	$4,667,472	$4,585,604	$4,510,587
Estimated actual value	$8,820,474	$8,165,788	$7,159,934	$6,470,829	$6,119,427	$5,732,373	$5,453,961	$5,119,716	$4,872,722	$4,664,452
Ratio of total assessed to total estimated actual value	78.35%	85.51%	95.33%	101.33%	92.92%	98.17%	99.27%	91.17%	94.11%	96.70%
Direct tax rate:										
Eau Claire County	$8.22	$7.86	$7.66	$7.29	$8.24	$8.19	$8.03	$9.26	$9.08	$8.73
Chippewa County	$7.22	$8.94	$7.82	$6.93	$8.21	$7.89	$8.18	$9.27	$9.04	$8.77



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included. Tax rates are per $1,000 of assessed value.

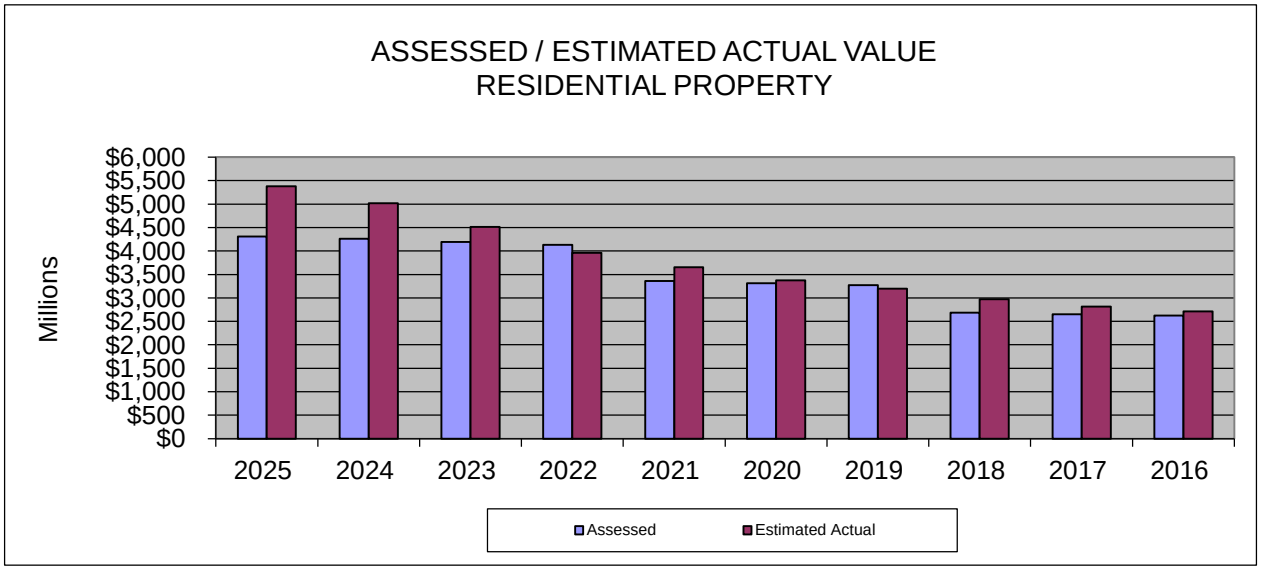
(1) NOTE: Equalized valuation (est. market value) is set by the Wisconsin Department of Revenue.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 6
ASSESSED AND ESTIMATED ACTUAL VALUE
OF RESIDENTIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
RESIDENTIAL										
Real property:										
Assessed value	$4,310,985	$4,263,276	$4,193,265	$4,130,036	$3,362,379	$3,314,614	$3,271,059	$2,682,003	$2,649,404	$2,622,135
Estimated actual value	5,380,014	5,017,791	4,511,213	3,961,409	3,655,845	3,376,541	3,196,627	2,971,571	2,814,296	2,710,764
Personal property: (1)										
Assessed value	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Estimated actual value	0	0	0	0	0	0	0	0	0	0
Total residential:										
Assessed value	$4,310,985	$4,263,276	$4,193,265	$4,130,036	$3,362,379	$3,314,614	$3,271,059	$2,682,003	$2,649,404	$2,622,135
Estimated actual value	5,380,014	5,017,791	4,511,213	3,961,409	3,655,845	3,376,541	3,196,627	2,971,571	2,814,296	2,710,764
Total all classes:										
Assessed value	$6,910,647	$6,982,576	$6,825,880	$6,557,074	$5,686,019	$5,627,239	$5,414,325	$4,585,604	$4,585,604	$4,510,587
Estimated actual value	8,820,474	8,165,788	7,159,934	6,470,829	6,119,427	5,732,373	5,453,961	4,872,722	4,872,722	4,664,452
Residential property as a percentage of total:										
Assessed value	62.38%	61.06%	61.43%	62.99%	59.13%	58.90%	60.41%	58.49%	57.78%	58.13%
Estimated actual value	60.99%	61.45%	63.01%	61.22%	59.74%	58.90%	58.61%	60.98%	57.76%	58.12%
Number of parcels	21,335	21,275	21,275	21,086	20,669	20,563	20,328	20,204	20,167	20,056
Number of parcels with improvements	20,073	19,966	19,966	19,802	19,666	19,528	19,262	19,145	19,050	18,953



NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal years listed. Values are for both Eau Claire and Chippewa counties. Tax incremental districts have been included.

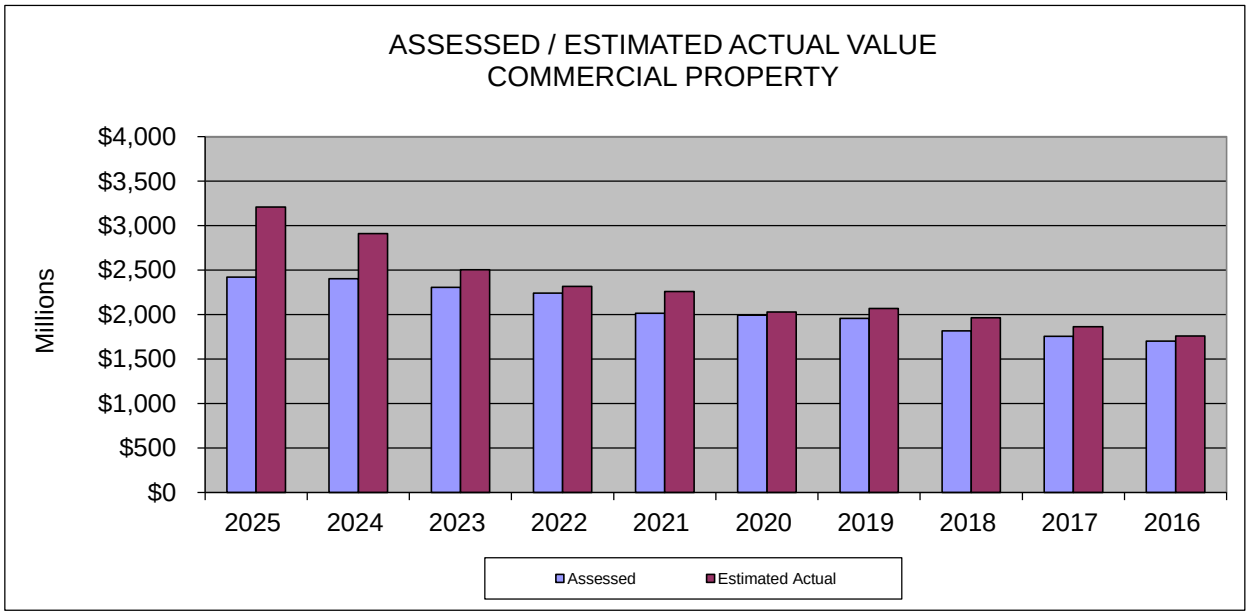
(1) NOTE: Chapter 70 of the Wisconsin State Statutes exempts residential personal property from taxation.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue

CITY OF EAU CLAIRE

TABLE 7
ASSESSED AND ESTIMATED ACTUAL VALUE
OF COMMERCIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
COMMERCIAL										
Real property:										
Assessed value	$2,419,109	$2,304,957	$2,204,104	$2,134,220	$1,916,048	$1,893,802	$1,861,384	$1,678,227	$1,617,932	$1,564,450
Estimated actual value	3,209,458	2,790,761	2,393,647	2,213,133	2,151,140	1,929,184	1,983,229	1,810,392	1,718,628	1,617,532
Personal property:										
Assessed value	$0	$97,379	$100,636	$105,178	$96,790	$98,706	$95,471	$137,673	$135,708	$135,265
Estimated actual value	0	117,324	109,889	102,348	106,454	100,550	85,784	152,971	144,155	139,781
Total commercial:										
Assessed value	$2,419,109	$2,402,336	$2,304,740	$2,239,398	$2,012,838	$1,992,508	$1,956,854	$1,815,901	$1,753,640	$1,699,715
Estimated actual value	3,209,458	2,908,085	2,503,537	2,315,482	2,257,595	2,029,734	2,069,013	1,963,363	1,862,783	1,757,313
Total all classes:										
Assessed value	$6,910,647	$6,982,576	$6,825,880	$6,557,074	$5,686,019	$5,627,239	$5,414,325	$4,585,604	$4,585,604	$4,510,587
Estimated actual value	8,820,474	8,165,788	7,159,934	6,470,829	6,119,427	5,732,373	5,453,961	4,872,722	4,872,722	4,664,452
Commercial property as a percentage of total:										
Assessed value	35.01%	34.40%	33.76%	34.15%	35.40%	35.41%	36.14%	39.60%	38.24%	37.68%
Estimated actual value	36.39%	35.61%	34.97%	35.78%	36.89%	35.41%	37.94%	40.29%	38.23%	37.67%
Number of parcels	2,349	2,335	2,335	2,309	2,298	2,275	2,232	2,218	2,203	2,199
Number of parcels with improvements	2,119	2,100	2,100	2,081	2,068	2,043	2,002	1,968	1,966	1,958



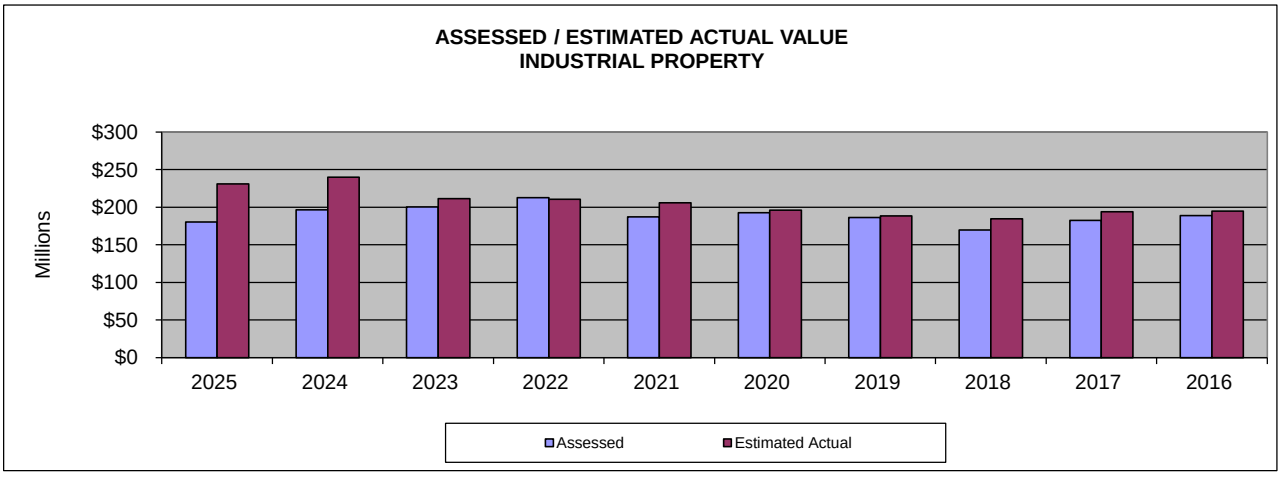
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 8
ASSESSED AND ESTIMATED ACTUAL VALUE
OF INDUSTRIAL PROPERTY
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
INDUSTRIAL										
Real property:										
Assessed value	$180,451	$173,795	$173,555	$180,427	$160,093	$163,988	$155,926	$140,775	$150,978	$154,529
Estimated actual value	230,867	212,252	183,087	178,531	176,269	167,051	157,584	153,194	160,375	159,337
Personal property:										
Assessed value	$0	$22,843	$26,809	$32,402	$26,967	$28,682	$30,486	$28,794	$31,582	$34,209
Estimated actual value	0	27,535	28,337	32,107	29,719	29,218	30,738	31,589	33,547	35,349
Total industrial:										
Assessed value	$180,451	$196,638	$200,365	$212,829	$187,060	$192,670	$186,412	$169,568	$182,560	$188,738
Estimated actual value	230,867	239,787	211,425	210,638	205,988	196,270	188,322	184,783	193,922	194,686
Total all classes:										
Assessed value	$6,910,647	$6,982,576	$6,825,880	$6,557,074	$5,686,019	$5,627,239	$5,414,325	$4,585,604	$4,585,604	$4,510,587
Estimated actual value	8,820,474	8,165,788	7,159,934	6,470,829	6,119,427	5,732,373	5,453,961	4,872,722	4,872,722	4,664,452
Industrial property as a percentage of total:										
Assessed value	2.61%	2.82%	2.94%	3.25%	3.29%	3.42%	3.44%	3.70%	3.98%	4.18%
Estimated actual value	2.62%	2.94%	2.95%	3.26%	3.37%	3.42%	3.45%	3.79%	3.98%	4.17%
Number of parcels	87	84	84	85	85	86	83	84	91	91
Number of parcels with improvements	74	71	71	72	72	73	70	71	77	77



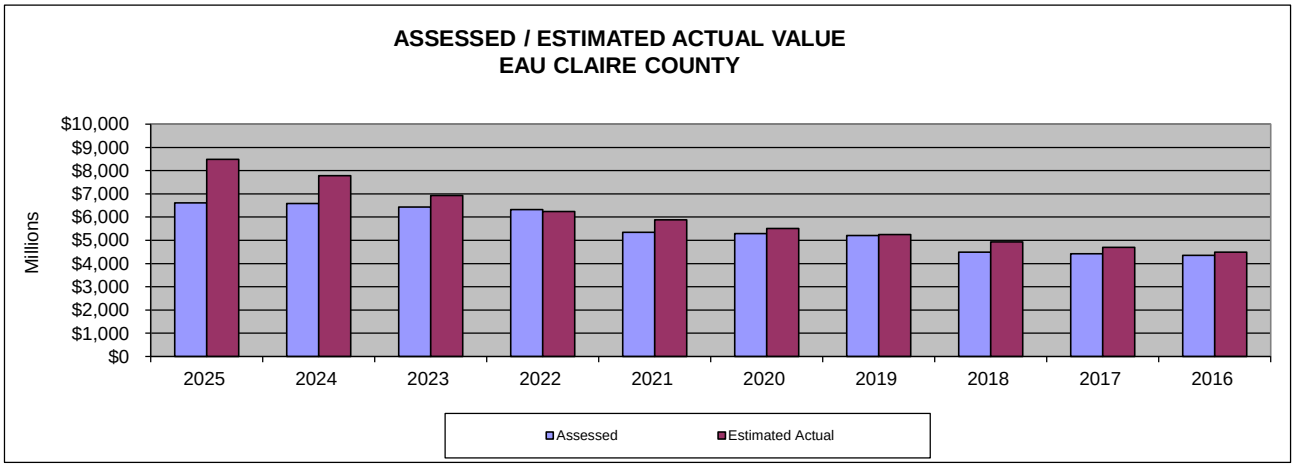
NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

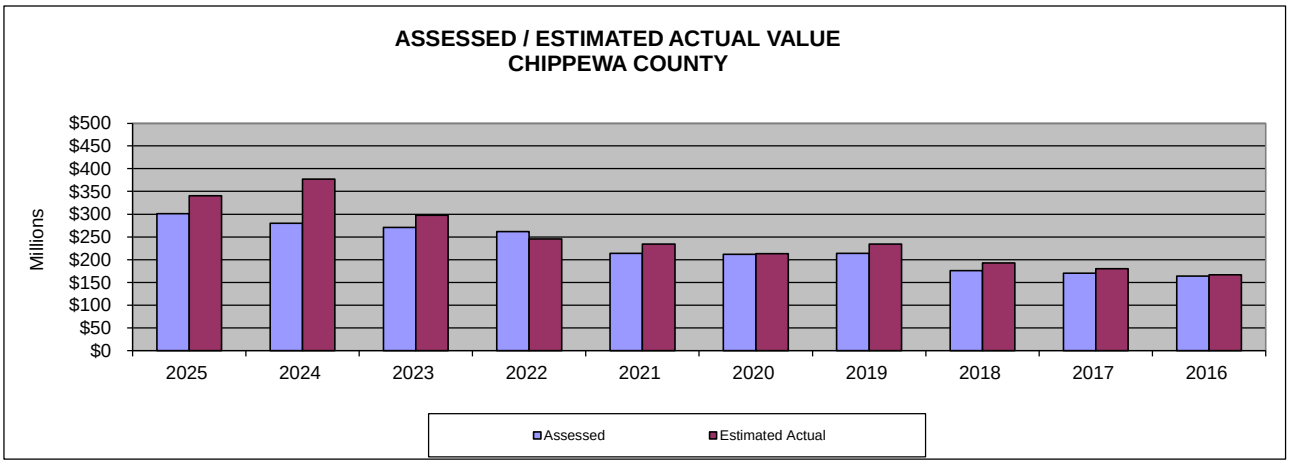
Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 9
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY BY COUNTY
Last Ten Fiscal Years
(Dollars in Thousands)

PORTION OF CITY IN:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EAU CLAIRE COUNTY										
Assessed value	$6,609,817	$6,582,100	$6,427,919	$6,320,896	$5,348,533	$5,288,439	$5,210,920	$4,491,967	$4,415,228	$4,346,679
Estimated actual value	8,479,857	7,788,456	6,928,643	6,241,944	5,885,066	5,511,782	5,245,506	4,927,011	4,690,667	4,495,853
Ratio of assessment	77.95%	84.51%	92.77%	101.26%	90.88%	95.95%	99.34%	91.17%	94.13%	96.68%
CHIPPEWA COUNTY										
Assessed value	$300,830	$280,253	$270,516	$261,425	$213,730	$211,411	$213,730	$175,504	$170,376	$163,908
Estimated actual value	340,617	377,332	297,600	245,645	234,362	212,770	234,362	192,705	180,333	166,910
Ratio of assessment	88.32%	74.27%	90.90%	106.42%	91.20%	99.36%	91.20%	91.07%	94.48%	98.20%





NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa Counties. Tax incremental districts have been included.

CITY OF EAU CLAIRE

TABLE 10
EQUALIZED VALUE OF
TAX INCREMENT DISTRICTS
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TID #5 equalized valuation:										
Base	$0	$0	$0	$0	$0	$0	$0	$1,000	$1,000	$1,000
Increment	0	0	0	0	0	0	0	60,475	58,803	45,968
Total TID #5	$0	$0	$0	$0	$0	$0	$0	$61,475	$59,803	$46,968
TID #6 equalized valuation:										
Base	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Increment	0	0	0	0	0	0	0	0	0	0
Total TID #6	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TID #7 equalized valuation:										
Base	$0	$0	$0	$329	$329	$329	$329	$329	$329	$329
Increment	0	0	0	6,218	6,511	6,362	5,921	6,599	5,946	5,631
Total TID #7	$0	$0	$0	$6,547	$6,840	$6,691	$6,250	$6,928	$6,275	$5,960
TID #8 equalized valuation:										
Base	$11,430	$12,418	$12,418	$12,418	$12,418	$12,418	$12,418	$12,418	$12,418	$12,418
Increment	124,449	103,132	80,304	65,788	68,549	59,443	63,420	64,322	58,659	57,174
Total TID #8	$135,879	$115,550	$92,722	$78,206	$80,967	$71,861	$75,838	$76,740	$71,077	$69,592
TID #9 equalized valuation:										
Base	$13,261	$13,650	$13,595	$13,595	$13,595	$11,184	$11,239	$11,239	$11,239	$11,239
Increment	31,319	28,937	23,155	17,647	18,086	9,711	3,226	3,145	2,326	1,476
Total TID #9	$44,580	$42,587	$36,750	$31,242	$31,681	$20,895	$14,465	$14,384	$13,565	$12,715
TID #10 equalized valuation:										
Base	$9,675	$9,794	$9,794	$9,794	$9,794	$9,794	$9,794	$9,794	$9,794	$0
Increment	43,226	39,669	37,464	29,962	31,317	25,467	29,913	31,190	15,293	0
Total TID #10	$52,901	$49,463	$47,258	$39,756	$41,111	$35,261	$39,707	$40,984	$25,087	$0
TID #11 equalized valuation:										
Base	$15,658	$16,625	$16,625	$16,625	$16,625	$16,625	$16,625	$16,625	$16,625	$0
Increment	36,246	33,786	23,998	17,437	18,784	12,140	14,149	15,036	10,553	0
Total TID #11	$51,904	$50,411	$40,623	$34,062	$35,409	$28,765	$30,774	$31,661	$27,178	$0
TID #12 equalized valuation:										
Base	$21,642	$22,282	$22,282	$22,282	$22,282	$22,282	$22,282	$0	$0	$0
Increment	13,930	11,558	10,984	2,769	0	8,825	17,719	0	0	0
Total TID #12	$35,572	$33,840	$33,266	$25,051	$22,282	$31,107	$40,001	$0	$0	$0
TID #13 equalized valuation:										
Base	$2,944	$3,029	$3,029	$3,029	$0	$0	$0	$0	$0	$0
Increment	24,517	18,142	13,548	11,394	0	0	0	0	0	0
Total TID #13	$27,461	$21,171	$16,577	$14,423	$0	$0	$0	$0	$0	$0
TID #14 equalized valuation:										
Base	$1,282	$1,935	$1,935	$0	$0	$0	$0	$0	$0	$0
Increment	24,868	16,145	15,082	0	0	0	0	0	0	0
Total TID #14	$26,150	$18,080	$17,017	$0	$0	$0	$0	$0	$0	$0
TID #15 equalized valuation:										
Base	$172	$172	$0	$0	$0	$0	$0	$0	$0	$0
Increment	16,431	3,371	0	0	0	0	0	0	0	0
Total TID #15	$16,603	$3,543	$0	$0	$0	$0	$0	$0	$0	$0
TID #16 equalized valuation:										
Base	$30,244	$0	$0	$0	$0	$0	$0	$0	$0	$0
Increment	13,076	0	0	0	0	0	0	0	0	0
Total TID #15	$43,320	$0	$0	$0	$0	$0	$0	$0	$0	$0
ALL PROPERTY										
All property - w/o TIDs	$8,386,104	$7,831,142	$6,644,429	$6,012,656	$5,662,191	$5,317,203	$5,246,926	$4,887,544	$4,669,737	$4,529,217
Base valuation - TIDs	106,308	79,905	79,678	78,072	75,043	72,632	72,687	51,405	51,405	24,986
All property - w/o TID increment	8,492,412	7,911,047	6,724,107	6,090,728	5,737,234	5,389,835	5,319,613	4,938,949	4,721,142	4,554,203
Increment valuation - TIDs	328,062	254,740	204,535	151,215	143,247	121,948	134,348	180,767	151,580	110,249
Equalized valuation - all property	$8,820,474	$8,165,787	$6,928,642	$6,241,943	$5,880,481	$5,511,783	$5,453,961	$5,119,716	$4,872,722	$4,664,452

NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties.

Source: City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 11
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per $1,000 Assessed Valuation)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City Property Located in Eau Claire County (Eau Claire Area School District)										
City	$7.148	$6.838	$6.619	$6.278	$7.204	$7.149	$7.035	$8.160	$7.989	$7.652
Library	0.754	0.703	0.725	0.695	0.674	0.677	0.641	0.690	0.685	0.679
Health	0.317	0.315	0.317	0.313	0.363	0.361	0.359	0.409	0.406	0.401
Total Direct Rate	8.220	7.857	7.662	7.285	8.242	8.186	8.035	9.259	9.080	8.732
Eau Claire School Dist.	9.020	7.480	6.819	6.932	8.190	8.647	8.580	10.263	10.383	9.715
Vocational District	0.850	0.784	0.767	0.801	0.996	0.856	0.852	0.947	0.933	0.916
Eau Claire County	3.487	3.639	3.752	3.710	4.116	4.033	3.872	4.253	4.108	3.927
State Forestry	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.180	0.175
Gross Tax Rate	21.576	19.761	19.001	18.729	21.543	21.722	21.339	24.722	24.684	23.465
Less State Credit	(1.538)	(1.428)	(1.188)	(1.248)	(1.537)	(1.591)	(1.598)	(1.834)	(1.640)	(1.677)
Net Tax Rate	$ 20.038	$ 18.332	$ 17.813	$ 17.481	$ 20.006	$ 20.131	$ 19.742	$ 22.888	$ 23.044	$ 21.788
City Property Located in Eau Claire County (Altoona School District)										
City	$7.148	$6.838	$6.619	$6.278	$7.204	$7.149	$7.035	$8.160	$7.989	$7.652
Library	0.754	0.703	0.725	0.695	0.674	0.677	0.641	0.690	0.685	0.679
Health	0.317	0.315	0.317	0.313	0.363	0.361	0.359	0.409	0.406	0.401
Total Direct Rate	8.220	7.857	7.662	7.285	8.242	8.186	8.035	9.259	9.080	8.732
Altoona School Dist.	8.853	8.169	8.942				10.323	11.652	12.055	12.609
Vocational District	0.850	0.784	0.767	0.801	0.996	0.856	0.852	0.947	0.933	0.916
Eau Claire County	3.487	3.639	3.752	3.710	4.116	4.033	3.872	4.253	4.108	3.927
State Forestry	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.180	0.175
Gross Tax Rate	21.409	20.450	21.124	11.796	13.353	13.075	23.082	26.111	26.356	26.359
Less State Credit	(1.538)	(1.428)	(1.188)	(1.248)	(1.537)	(1.591)	(1.598)	(1.834)	(1.640)	(1.677)
Net Tax Rate	$ 19.871	$ 19.022	$ 19.935	$ 10.548	$ 11.817	$ 11.484	$ 21.484	$ 24.277	$ 24.716	$ 24.682

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 11 (cont.)
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per $1,000 Assessed Valuation)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City Property Located in Chippewa County (Eau Claire Area School District)										
City	$6.307	$7.780	$6.755	$5.973	$7.179	$6.888	$7.160	$8.167	$7.956	$7.682
Library	0.629	0.800	0.740	0.661	0.671	0.652	0.652	0.691	0.682	0.683
Health	0.280	0.359	0.323	0.297	0.362	0.348	0.366	0.410	0.404	0.402
Total Direct Rate	7.217	8.939	7.819	6.931	8.213	7.888	8.178	9.268	9.042	8.767
Eau Claire School Dist.	7.957	8.511	6.961	6.585	8.162	8.331	8.712	10.274	10.341	9.755
Vocational District	0.750	0.893	0.783	0.762	0.993	0.825	0.867	0.948	0.929	0.920
Chippewa County	2.450	3.075	2.826	2.746	3.430	3.301	3.527	3.846	3.697	3.686
State Forestry	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.179	0.176
Gross Tax Rate	18.373	21.417	18.390	17.024	20.797	20.345	21.285	24.336	24.188	23.304
Less State Credit	(1.516)	(1.402)	(1.136)	(1.220)	(1.548)	(1.600)	(1.620)	(1.850)	(1.677)	(1.769)
Net Tax Rate	$ 16.857	$ 20.014	$ 17.253	$ 15.804	$ 19.248	$ 18.745	$ 19.665	$ 22.486	$ 22.511	$ 21.535
City Property Located in Chippewa County (Chippewa Falls Area School District)										
City	$6.307	$7.780	$6.755	$5.973	$7.179	$6.888	$7.160	$8.167	$7.956	$7.682
Library	0.629	0.800	0.740	0.661	0.671	0.652	0.652	0.691	0.682	0.683
Health	0.280	0.359	0.323	0.297	0.362	0.348	0.366	0.410	0.404	0.402
Total Direct Rate	7.217	8.939	7.819	6.931	8.213	7.888	8.178	9.268	9.042	8.767
Chippewa Falls School Dist.	6.975	7.993	6.647				10.343	9.013	9.119	9.408
Vocational District	0.750	0.893	0.783	0.762	0.993	0.825	0.867	0.948	0.929	0.920
Chippewa County	2.450	3.075	2.826	2.746	3.430	3.301	3.527	3.846	3.697	3.686
State Forestry	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.179	0.176
Gross Tax Rate	17.392	20.899	18.076	10.439	12.635	12.014	22.915	23.075	22.966	22.957
Less State Credit	(1.516)	(1.402)	(1.136)	(1.220)	(1.548)	(1.600)	(1.620)	(1.850)	(1.677)	(1.769)
Net Tax Rate	$ 15.876	$ 19.497	$ 16.939	$ 9.219	$ 11.087	$ 10.414	$ 21.295	$ 21.225	$ 21.289	$ 21.188

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 12
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Dollars in Thousands)

Taxpayer	2025 Equalized Value	2025 Rank	2025 Percentage of Total Equalized Value	2016 Equalized Value	2016 Rank	2016 Percentage of Total Equalized Value
Mayo Clinic Health System	$ 92,082	1	1.04%	$ 74,642	3	1.60%
Menard Inc.	82,935	2	0.94%	40,594	5	0.87%
Marshfield Clinic	72,637	3	0.82%	35,455	6	0.76%
Oakwood Hills Mall	67,631	4	0.77%	75,230	1	1.61%
Keystone Corporation	63,111	5	0.72%	48,208	4	1.03%
Prairie Park Property LLC	35,483	6	0.40%			0.00%
Haymarket Concepts	35,215	7	0.40%			
Perrigo Wisconsin LLC	34,359	8	0.39%			0.00%
JCAP Campus Housing LLC	30,567	9	0.35%			
Royal Credit Union	28,901	10	0.33%	22,466	7	0.48%
Gerber Products	-			74,712	2	1.60%
Hutchinson Technology, Inc.	-			21,121	8	0.45%
Phillips Properties	-			16,241	9	0.35%
Ch Valley Partners	-			15,880	10	0.34%
Principal Taxpayers total	$ 542,921			$ 424,549		
TOTAL CITY EQUALIZED VALUE	$ 8,820,474			$ 4,662,763		

NOTE: Property values shown are established at January 1 of the year preceding the fiscal years listed. They are the basis of the taxes collected and applied to the fiscal year. Values are for both Eau Claire and Chippewa counties.

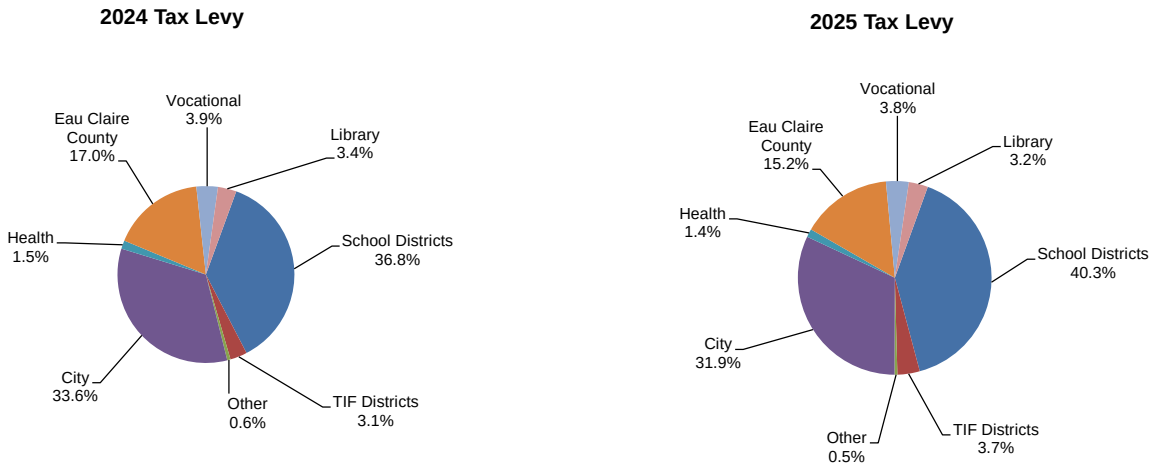
Sources: City of Eau Claire Assessor's Office, Clerk's Statement of Assessments, Statistical Report: Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 13
GROSS TAX LEVY BY TAXING ENTITY
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City	$ 47,309	$ 45,712	$ 43,116	$ 40,278	$ 39,097	$ 38,345	$ 37,164	$ 36,738	$ 35,487	$ 33,701
TIF Districts	5,508	4,251	3,606	2,868	2,894	2,536	2,847	4,074	3,495	2,484
Library	4,717	4,702	4,726	4,458	3,657	3,631	3,387	3,107	3,041	2,995
Health	2,102	2,107	2,065	2,006	1,972	1,935	1,899	1,843	1,804	1,765
Eau Claire School District	59,466	49,798	44,235	44,288	44,264	46,193	45,137	46,011	45,925	42,603
Chippewa Falls School District	43	49	43	48	53	51	59	48	47	49
Altoona School District	187	172	189	161	174	169	171	169	171	178
Vocational District	5,629	5,244	5,000	5,138	5,406	4,592	4,503	4,263	4,144	4,037
Eau Claire County	22,471	23,190	23,412	22,888	21,463	20,816	19,659	18,409	17,553	16,654
Chippewa County	701	854	764	718	733	698	717	675	630	604
State Forestry-Eau Claire County	0	0	0	0	0	0	0	0	796	763
State Forestry-Chippewa County	0	0	0	0	0	0	0	0	31	29
Total tax levy	$ 148,133	$ 136,079	$ 127,156	$ 122,851	$ 119,713	$ 118,966	$ 115,543	$ 115,337	$ 113,124	$ 105,862
City percent of total levy	31.94%	33.59%	33.91%	32.79%	32.66%	32.23%	32.16%	31.85%	31.37%	31.83%

CHANGES IN PROPORTIONS - TAX LEVIES BY ENTITY



Sources: City of Eau Claire Annual Operating Budget, Annual Tax Levy Certification Forms from the Board of Education, Vocational School and Counties.

CITY OF EAU CLAIRE

TABLE 14
REAL AND PERSONAL PROPERTY TAX
LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Tax Levy	$ 59,635	$ 56,773	$ 53,523	$ 49,609	$ 47,620	$ 46,447	$ 45,297	$ 45,762	$ 43,827	$ 40,945
Current tax collections	$ 59,635	$ 56,493	$ 53,366	$ 49,452	$ 47,477	$ 46,304	$ 45,076	$ 45,437	$ 43,581	$ 40,766
Percentage of Levy	100.0%	99.5%	99.7%	99.7%	99.7%	99.7%	99.5%	99.3%	99.4%	99.6%
Collection of delinquent personal property taxes	$ -	$ 238	$ 115	$ 115	$ 101	$ 101	$ 179	$ 257	$ 169	$ 152
Total tax collections (1)	$ 59,635	$ 56,731	$ 53,481	$ 49,567	$ 47,578	$ 46,405	$ 45,255	$ 45,694	$ 43,750	$ 40,918
Percentage of Levy	100.0%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.8%	99.9%

(1) NOTE: Does not include mobile home fees or payment in lieu of taxes.

Source: City of Eau Claire Annual Comprehensive Financial Reports

CITY OF EAU CLAIRE

TABLE 15
SPECIAL ASSESSMENT COLLECTIONS
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total assessments levied each fiscal period: (1)										
General fund	$951	$921	$1,141	$1,030	$1,101	$1,175	$1,418	$1,247	$1,276	$1,110
Business Improvement Districts	324	357	300	273	284	282	236	175	175	150
Debt Service	1	2	1	1	1	1	1	78	164	292
Water Utility	37	40	43	38	21	21	24	25	28	42
Sewer Utility	27	27	29	27	15	17	20	22	20	29
Storm Water Utility	0	1	1	1	1	1	1	1	1	1
Health	20	33	29	31	20	33	33	4	5	7
Delinquent utility bills	1,180	1,003	826	575	740	778	810	763	780	801
Total assessments levied	$2,540	$2,384	$2,370	$1,976	$2,183	$2,308	$2,543	$2,315	$2,449	$2,432
Current collections	$2,541	$2,383	$2,372	$1,976	$2,183	$2,307	$2,543	$2,315	$2,449	$2,432
Total collections	$2,541	$2,383	$2,372	$1,976	$2,183	$2,307	$2,543	$2,315	$2,449	$2,432

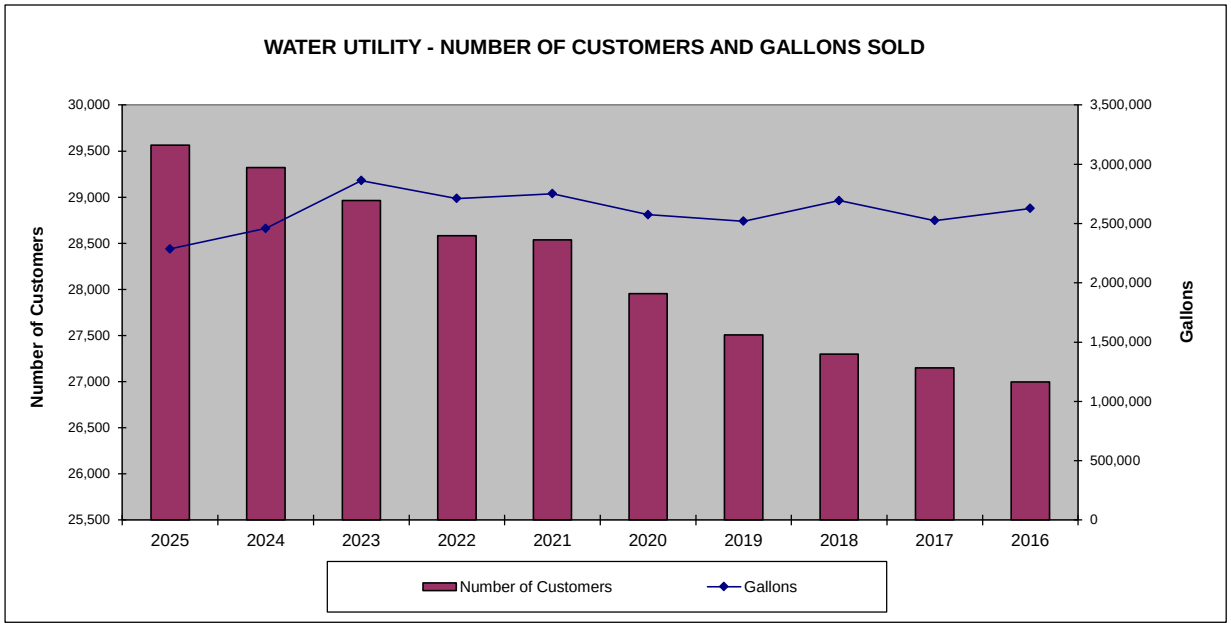
(1) NOTE: Includes current interest due on installment special assessments.

Sources: City of Eau Claire Annual Comprehensive Financial Report; Statement of Taxes

CITY OF EAU CLAIRE

TABLE 16
WATER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Number of customers										
Residential	26,560	26,339	26,031	25,699	25,682	25,099	24,659	24,466	24,825	24,589
Commercial	2,666	2,643	2,596	2,546	2,520	2,523	2,516	2,503	1,997	2,079
Industrial	105	105	107	108	106	106	105	104	104	104
Public	232	235	231	231	228	228	226	225	224	225
Total	29,563	29,322	28,965	28,584	28,536	27,956	27,506	27,298	27,150	26,997
Gallons (thousands)										
Residential	1,005,162	1,105,233	1,306,559	1,190,918	1,290,934	1,233,065	1,103,454	1,330,806	1,243,196	1,260,199
Commercial	628,389	644,825	687,991	650,023	640,704	600,063	637,359	506,931	483,572	537,566
Industrial	480,376	527,604	656,819	699,645	625,148	562,543	587,594	648,667	585,756	593,008
Public	171,909	181,333	210,367	170,308	194,627	179,238	190,753	207,631	212,693	236,506
Total	2,285,836	2,458,995	2,861,736	2,710,894	2,751,413	2,574,909	2,519,160	2,694,035	2,525,217	2,627,279



Sources: Wisconsin Public Service Commission Annual Reports
Financial Operations - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 17
WATER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Metered Service											
	Quarterly Service Charge										
5/8	inch meter	$ 23.61	$ 22.68	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00
3/4	inch meter	23.61	22.68	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
1	inch meter	33.73	32.40	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
1 1/4	inch meter	43.85	42.12	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00
1 1/2	inch meter	57.34	55.08	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00
2	inch meter	84.32	81.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
3	inch meter	134.91	129.60	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00
4	inch meter	202.37	194.40	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00
6	inch meter	350.78	336.96	312.00	312.00	312.00	312.00	312.00	312.00	312.00	312.00
8	inch meter	532.91	511.92	474.00	474.00	474.00	474.00	474.00	474.00	474.00	474.00
10	inch meter	742.02	712.80	660.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00
12	inch meter	927.53	891.00	825.00	825.00	825.00	825.00	825.00	825.00	825.00	825.00
	Volume rate (per 100 cubic feet)										
	First 7,500 cubic feet	$ 2.56	$ 2.46	$ 2.28	$ 2.28	$ 2.18	$ 1.70	$ 1.70	$ 1.70	$ 1.70	$ 1.70
	Next 742,500 cubic feet	2.13	2.05	1.90	1.90	1.80	1.45	1.45	1.45	1.45	1.45
	Over 750,000 cubic feet	1.81	1.74	1.61	1.61	1.53	1.10	1.10	1.10	1.10	1.10
Public Fire Protection											
	Quarterly Service Charge										
5/8	inch meter	$ 13.74	$ 13.20	$ 12.21	$ 12.21	$ 11.97	$ 10.80	$ 10.80	$ 10.80	$ 10.80	$ 10.80
3/4	inch meter	13.74	13.20	12.21	12.21	11.97	10.80	10.80	10.80	10.80	10.80
1	inch meter	33.73	32.40	30.00	30.00	30.00	27.00	27.00	27.00	27.00	27.00
1 1/4	inch meter	50.59	48.60	45.00	45.00	45.00	39.00	39.00	39.00	39.00	39.00
1 1/2	inch meter	69.14	66.42	61.50	61.50	60.00	54.00	54.00	54.00	54.00	54.00
2	inch meter	109.62	105.30	97.50	97.50	96.00	87.00	87.00	87.00	87.00	87.00
3	inch meter	205.74	197.64	183.00	183.00	180.00	165.00	165.00	165.00	165.00	165.00
4	inch meter	344.03	330.48	306.00	306.00	300.00	270.00	270.00	270.00	270.00	270.00
6	inch meter	688.06	660.96	612.00	612.00	600.00	540.00	540.00	540.00	540.00	540.00
8	inch meter	1,096.17	1,053.00	975.00	975.00	960.00	870.00	870.00	870.00	870.00	870.00
10	inch meter	1,645.95	1,581.12	1,464.00	1,464.00	1,440.00	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
12	inch meter	2,192.35	2,106.00	1,950.00	1,950.00	1,920.00	1,740.00	1,740.00	1,740.00	1,740.00	1,740.00

Source: Financial Operations - City of Eau Claire

Note: Increases in water rates must be approved by the Public Service Commission of Wisconsin.

CITY OF EAU CLAIRE

TABLE 18
WATER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2025		
Customer	Gallons Billed	Amount Billed	% of Total
Nestle USA Inc	197,912,572	$ 510,190	8.4%
Cascade Tissue of WI Inc	130,695,048	337,141	5.5%
American Phoenix	64,728,180	164,643	2.7%
University of Wisconsin - Eau Claire	42,686,864	124,336	1.8%
Mayo Clinic Health System	40,390,504	115,318	1.7%
Perrigo Company	37,512,948	104,129	1.6%
Silver Springs Foods	24,956,272	69,697	1.1%
Kwik Trip, Inc	22,479,644	66,651	1.0%
Eau Claire Area School District	19,128,604	57,259	0.8%
Home City Ice	19,115,888	53,367	0.8%
Subtotal (ten largest)	599,606,524	1,602,731	25.4%
All other customers	1,762,442,836	10,090,195	74.6%
Grand Totals	2,362,049,360	$ 11,692,926	100.0%

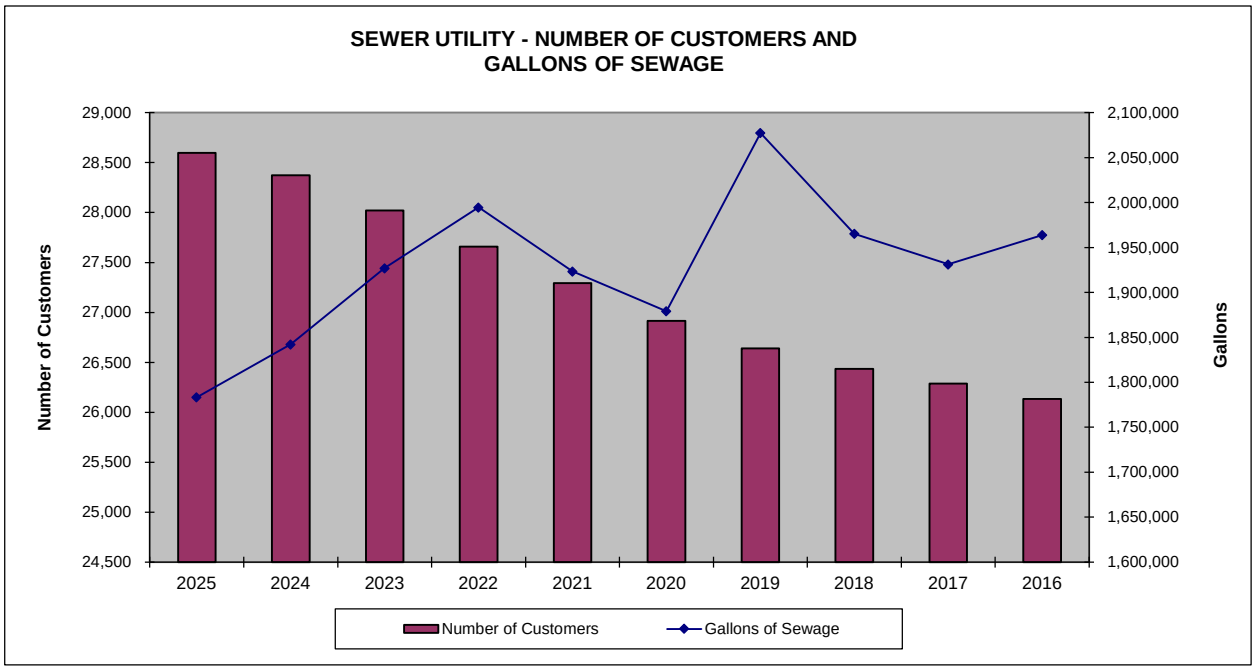
	2016		
Customer	Gallons Billed	Amount Billed	% of Total
Nestle USA	232,061,016	$ 409,966	8.8%
Cascade Tissue	124,231,580	125,417	4.7%
American Phoenix	101,098,932	161,050	3.8%
Hutchinson Technology	84,627,972	190,925	3.2%
University of Wisconsin-Eau Claire	57,767,292	114,587	2.2%
Mayo Clinic Health System	53,980,916	126,255	2.1%
Sacred Heart Hospital	32,065,264	44,141	1.2%
Eau Claire School District	30,866,220	83,815	1.2%
Silver Springs Foods	25,333,264	48,680	1.0%
Landmark Company	13,920,280	28,705	0.5%
Subtotal (ten largest)	755,952,736	1,333,541	28.7%
All other customers	1,871,326,264	8,003,297	71.3%
Grand Totals	2,627,279,000	$ 9,336,838	100.0%

Source: Financial Operations - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 19
SEWER UTILITY CUSTOMER SUMMARY
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Number of customers										
Residential	25,872	25,665	25,352	25,028	24,697	24,294	24,021	23,828	24,185	23,951
Commercial	2,462	2,442	2,404	2,365	2,333	2,358	2,357	2,346	1,842	1,924
Industrial	94	95	96	97	95	95	95	93	93	93
Public	168	172	170	168	169	168	168	167	167	167
Total	28,596	28,374	28,022	27,658	27,294	26,915	26,641	26,434	26,287	26,135
Gallons (thousands)										
Residential	981,821	1,019,626	1,038,632	1,039,804	1,045,667	1,134,169	1,209,869	1,121,051	1,137,083	1,122,278
Commercial	547,729	544,193	564,986	583,032	535,994	416,448	494,117	463,060	447,873	497,141
Industrial	176,123	199,130	242,017	288,692	261,148	257,062	268,477	286,281	249,516	245,028
Public	77,656	79,302	81,359	83,079	80,601	71,458	104,909	94,883	96,898	99,496
Total	1,783,329	1,842,251	1,926,994	1,994,607	1,923,410	1,879,137	2,077,372	1,965,275	1,931,370	1,963,943



Sources: Financial Operations - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 20
SEWER UTILITY CUSTOMER RATES
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Metered Service										
Quarterly Minimum Charge *	$ 10.04	$ 9.54	$ 9.54	$ 9.00	$ 9.30	$ 8.34	$ 7.01	$ 5.80	$ 5.60	$ 5.50
Volume rate (per 100 cubic feet)	$ 5.31	$ 5.63	$ 5.63	$ 5.00	$ 4.38	$ 4.06	$ 3.81	$ 3.49	$ 3.34	$ 3.20

* Prior to 2013 the Quarterly Minimum charge was 8 CCF x volume rate, in 2013 the pricing structure was changed to a minimum flat fee of $5.19 per quarterly billing.

Sources: Financial Operations - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 21
SEWER UTILITY - TEN LARGEST CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2025		
Customer	Gallons Billed	Amount Billed	% of Total
Nestle USA Inc	102,754,256	$ 729,445	6.2%
University of Wisconsin - Eau Claire	33,407,924	238,241	2.0%
Perrigo Company	32,988,296	234,182	2.0%
Mayo Clinic Health Systems	32,315,844	229,408	2.0%
Kwik Trip Inc	20,922,308	149,402	1.3%
Silver Springs Gardens	17,886,176	126,973	1.1%
Oak Ridge Village	17,182,308	122,600	1.0%
Eau Claire Area School District	10,802,616	77,160	0.7%
Marshfield Clinic Health Systems	9,807,028	69,682	0.6%
Clean N Classy LLC	9,034,344	64,675	0.5%
Subtotal (ten largest)	287,101,100	2,041,768	17.4%
All other customers	1,364,674,388	11,833,116	82.6%
Grand Totals	1,651,775,488	$ 13,874,884	100.0%

	2016		
Customer	Gallons Billed	Amount Billed	% of Total
Nestles Food Company	150,006,164	$ 641,979	7.6%
Hutchinson Technology	52,107,176	223,028	2.7%
University of Wisconsin-Eau Claire	45,760,471	196,536	2.3%
Mayo Clinic Health System	41,473,608	177,602	2.1%
Sacred Heart Hospital	25,727,364	110,239	1.3%
Silver Spring Foods	18,488,316	79,116	0.9%
Eau Claire Area School District	13,042,156	56,366	0.7%
Oak Ridge Village	12,654,930	54,161	0.6%
John Mogenson	11,656,407	52,476	0.6%
Landmark Company	11,050,667	49,105	0.6%
Subtotal (ten largest)	381,967,259	1,640,608	20.2%
All other customers	1,581,975,741	6,350,741	79.8%
Grand Totals	1,963,943,000	$ 7,991,349	100.0%

Source: Financial Operations - City of Eau Claire

CITY OF EAU CLAIRE

TABLE 22
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, except per capita)

	Governmental Activities				Business-Type Activities					
Fiscal Year	General Obligation Bonds/Notes	State Trust Fund Loans	Revenue Bonds	SBITA Liability	General Obligation Bonds/Notes	State Trust Fund Loans	Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2025	$ 148,844	$ 11,222	$ 1,045	$ 606	$ 26,274	$ -	$ 36,717	$ 224,708	7.99%	$ 3,035
2024	$ 144,666	$ 11,553	$ 1,080	$ 722	$ 23,938	$ -	$ 37,542	$ 219,501	4.56%	$ 3,006
2023	140,914	12,050	1,100	736	26,162	-	38,907	219,869	5.14%	$ 3,084
2022	144,135	-	-	-	27,751	-	36,132	208,018	4.72%	3,019
2021	137,138	-	-	-	26,840	-	38,639	202,617	5.11%	2,961
2020	121,518	-	-	-	23,304	-	39,219	184,041	5.17%	2,690
2019	117,138	-	-	-	24,464	-	32,473	174,075	5.22%	2,558
2018	112,255	-	-	-	18,485	-	37,269	168,009	5.26%	2,473
2017	105,547	-	-	-	17,749	-	39,353	162,649	5.49%	2,414
2016	99,659	-	-	-	17,941	-	42,347	159,947	5.57%	2,393

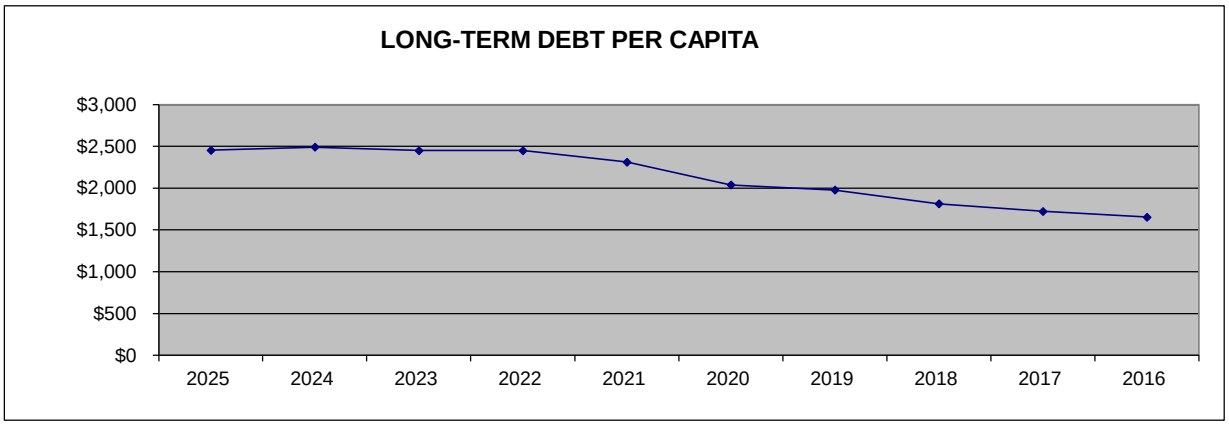
Source: City of Eau Claire Annual Comprehensive Financial Reports

Note: Personal income data and population data can be found on Table 29.

CITY OF EAU CLAIRE

TABLE 23
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Population	74,039	73,011	71,304	70,587	68,912	68,429	68,057	68,043	67,926	67,381
Equalized valuation	$9,248,253	$8,820,474	$8,165,788	$7,226,243	$6,487,589	$6,119,427	$5,724,551	$5,453,961	$5,119,716	$4,872,722
General obligation bonds/notes	176,163	175,118	167,076	178,021	163,978	144,822	141,602	130,740	123,296	117,600
Subscription Based Liability	606	722	736	-	-	-	-	-	-	-
State trust fund loans	11,222	11,553	12,050	-	-	-	-	-	-	-
Total long-term debt (1)	187,991	187,393	179,862	178,021	163,978	144,822	141,602	130,740	123,296	117,600
Resources on hand for payment of debt	(6,310)	(5,630)	(5,126)	(5,154)	(4,689)	(5,330)	(7,013)	(7,353)	(6,239)	(6,154)
Net long-term debt	$ 181,681	$ 181,763	$ 174,736	$ 172,867	$ 159,289	$ 139,492	$ 134,589	$ 123,387	$ 117,057	$ 111,446
Percent of net long-term debt to equalized value	1.96%	2.06%	2.14%	2.39%	2.46%	2.28%	2.35%	2.26%	2.29%	2.29%
Net long-term debt per capita (not in thousands)	$2,454	$2,490	$2,451	$2,449	$2,311	$2,038	$1,978	$1,813	$1,723	$1,654



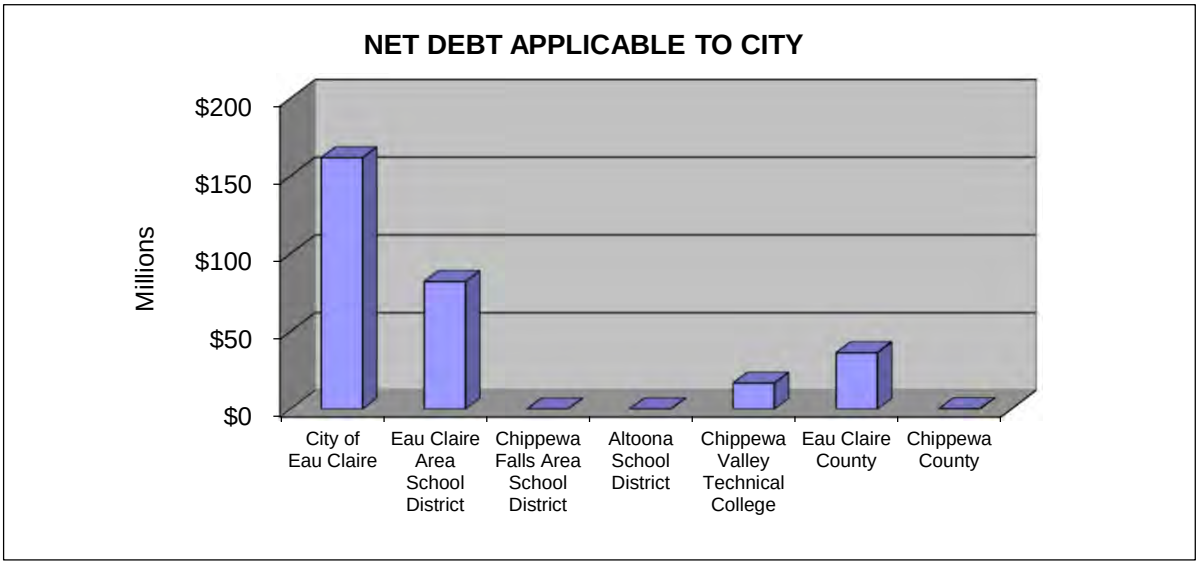
(1) NOTE: Includes General Long-Term Debt and Enterprise General Obligation Debt. Other enterprise debt and accrued employee absences are not included.

Sources: State of Wisconsin, Department of Administration, Demographic Services Center (population)
City of Eau Claire Assessor's Office, Statement of Changes in Equalized Values by Class & Item, as compiled by the Wisconsin Department of Revenue.

CITY OF EAU CLAIRE

TABLE 24
SCHEDULE OF DIRECT AND INDIRECT
GOVERNMENTAL ACTIVITIES GENERAL OBLIGATION DEBT
December 31, 2025

Governmental Unit	Total Debt	Estimated Percentage Applicable To City (1)	Net Debt Applicable To City
Direct debt:			
City of Eau Claire	$ 161,717,000	100.00%	$ 161,717,000
Indirect debt:			
Eau Claire Area School District	114,045,000	71.92%	82,015,550
Chippewa Falls Area School District	49,560,000	0.14%	69,068
Altoona School District	11,892,111	1.72%	205,121
Chippewa Valley Technical College	87,020,000	19.23%	16,730,533
Eau Claire County	64,350,000	56.41%	36,302,098
Chippewa County	8,510,000	3.72%	316,673
Total indirect debt	335,377,111		135,639,043
Total direct and indirect debt	$ 497,094,111		$ 297,356,043
Indirect debt per capita			$ 1,832
Indirect debt as a % of equalized value			1.47%
Total direct and indirect debt per capita			$ 4,016.21
Total direct and indirect debt as a % of equalized value			3.22%



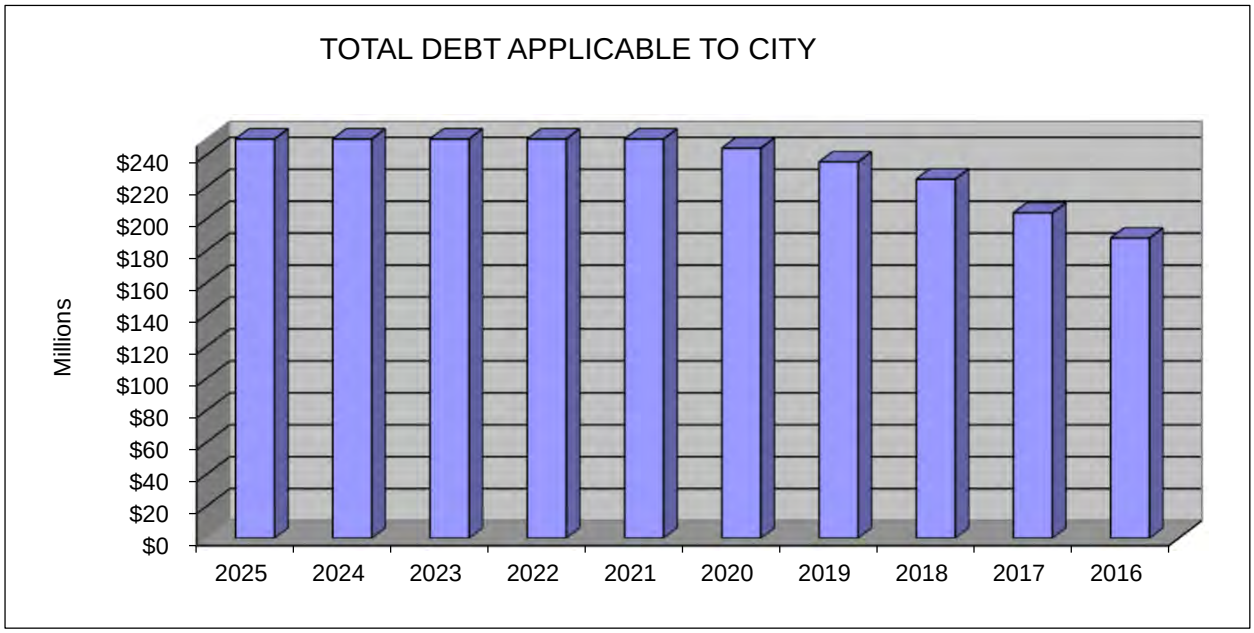
(1) NOTE: The percentage of debt applicable to the City is based on the most recent equalized value of the taxing districts within the City as compared to the entire district.

Sources: City of Eau Claire Annual Comprehensive Financial Report
Financial Officers of the overlapping School Districts and Counties

CITY OF EAU CLAIRE

TABLE 25
SCHEDULE OF DIRECT AND INDIRECT
GENERAL OBLIGATION DEBT
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total debt applicable to City	$364,100	$376,862	$392,476	$293,274	$279,557	$244,259	$235,648	$224,895	$203,752	$187,935
Direct debt:										
General City	$187,991	$176,399	$179,862	$178,021	$163,978	$144,822	$141,602	$130,740	$123,296	$117,600
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Indirect debt:										
Eau Claire Area School District	$114,045	$119,660	$137,230	$33,472	$37,216	$41,271	$45,259	$48,907	$34,096	$36,850
Percent	71.92%	72.41%	72.94%	72.94%	73.43%	73.99%	73.87%	73.87%	70.72%	71.19%
Chippewa Falls Area School District	$317	$353	$312	$370	$112	$117	$143	$121	$0	$0
Percent	0.14%	14.00%	0.18%	0.18%	0.19%	19.00%	0.22%	0.22%	0.21%	0.21%
Altoona School District	$205	$304	$412	$476	$505	$518	$591	$604	$566	$606
Percent	1.72%	2.35%	2.43%	2.43%	2.58%	2.53%	2.76%	2.76%	2.70%	2.72%
CVTC	$16,731	$27,541	$15,844	$12,588	$14,203	$14,474	$7,549	$6,731	$5,004	$5,917
Percent	19.23%	28.40%	18.69%	18.69%	19.97%	20.07%	20.25%	21.52%	20.11%	20.09%
Eau Claire County	$36,302	$42,225	$50,367	$58,307	$63,213	$51,664	$52,758	$51,784	$46,916	$45,282
Percent	56.41%	60.13%	60.13%	60.13%	60.70%	60.92%	61.04%	61.04%	57.21%	57.84%
Chippewa County	$8,510	$10,380	$8,450	$10,040	$330	$380	$346	$408	$206	$251
Percent	3.72%	3.69%	3.69%	3.69%	3.83%	3.74%	3.97%	3.97%	3.62%	3.50%



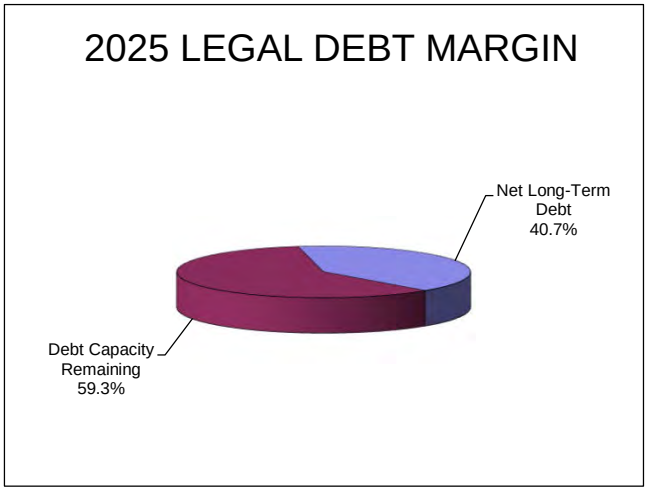
Source: City of Eau Claire Schedule of Long-Term Debt

Note: The information on this table differs from Table 24 as all general obligation debt is reported, including debt from business-type activities.

CITY OF EAU CLAIRE

TABLE 26
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Equalized valuation	$9,248,253	$8,820,474	$8,165,788	$7,226,243	$6,487,589	$6,119,427	$5,724,551	$5,453,961	$5,119,716	$4,872,722
Legal debt percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal debt limit	$462,413	$441,024	$408,289	$361,312	$324,379	$286,228	$272,698	$255,986	$243,636	$233,223
Resources on hand for payment of debt	($6,310)	($5,630)	($5,126)	($5,154)	($4,689)	($5,330)	($7,013)	($7,353)	($6,239)	($6,154)
Net long-term debt	$188,030	$183,537	$182,315	$168,184	$154,821	$136,835	$130,657	$120,432	$114,921	$109,981
Legal debt margin	$274,383	$257,487	$225,974	$193,128	$169,558	$149,393	$142,041	$135,554	$128,715	$123,242
Legal debt margin as a percentage of the debt limit	59%	58%	55%	53%	52%	52%	52%	53%	53%	53%



Sources: City of Eau Claire Annual Comprehensive Financial Report
City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 27
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
WATER UTILITY										
Operating revenue	$13,112	$12,645	$12,768	$12,246	$11,483	$9,796	$9,703	$9,926	$9,650	$9,739
Operating expense (1)	$6,729	$8,199	$6,528	$6,714	$5,439	$5,641	$4,505	$4,604	$4,315	$4,446
Income available for debt service	$6,383	$4,446	$6,240	$5,532	$6,044	$4,155	$5,198	$5,322	$5,335	$5,293
Debt service current year (2)	$1,262	$1,108	$629	$538	$172	$61	$369	$368	$500	$413
Coverage	5.06	4.01	9.92	10.28	35.14	68.11	14.09	14.46	10.67	12.82
Debt service for highest principal and interest year in retirement schedule	$1,262	$1,127	$1,107	$885	$627	$369	$369	$369	$369	$557
Coverage on highest year	5.06	3.94	5.64	6.25	9.64	11.26	14.09	14.42	14.46	9.50
SEWER UTILITY										
Operating revenue	$15,037	$15,495	$15,834	$15,063	$13,209	$11,626	$11,638	$10,884	$10,625	$9,875
Operating expense (1)	$6,321	$6,673	$6,183	$5,524	$5,449	$5,456	$5,708	$5,192	$5,304	$5,565
Income available for debt service	$8,716	$8,822	$9,651	$9,539	$7,760	$6,170	$5,930	$5,692	$5,321	$4,310
Debt service current year (2)	$2,770	$2,771	$2,774	$2,764	$2,765	$2,775	$2,775	$2,776	$2,775	$2,741
Coverage	3.15	3.18	3.48	3.45	2.81	2.22	2.14	2.05	1.92	1.57
Debt service for highest principal and interest year in retirement schedule	$2,770	$2,771	$2,773	$2,773	$2,774	$2,775	$2,775	$2,775	$2,776	$2,775
Coverage on highest year	3.15	3.18	3.48	3.44	2.80	2.22	2.14	2.05	1.92	1.55

(1) NOTE: Operating expense does not include depreciation or property tax equivalent.

(2) NOTE: Includes only revenue bond principal and interest.

Sources: City of Eau Claire Annual Comprehensive Financial Report
City of Eau Claire Schedule of Long Term Debt annual report

CITY OF EAU CLAIRE

TABLE 28
RATIO OF ANNUAL GENERAL FUND DEBT PAYMENTS
TO TOTAL GENERAL FUND EXPENDITURES AND
OTHER FINANCING USES
Last Ten Fiscal Years
(Dollars in Thousands)

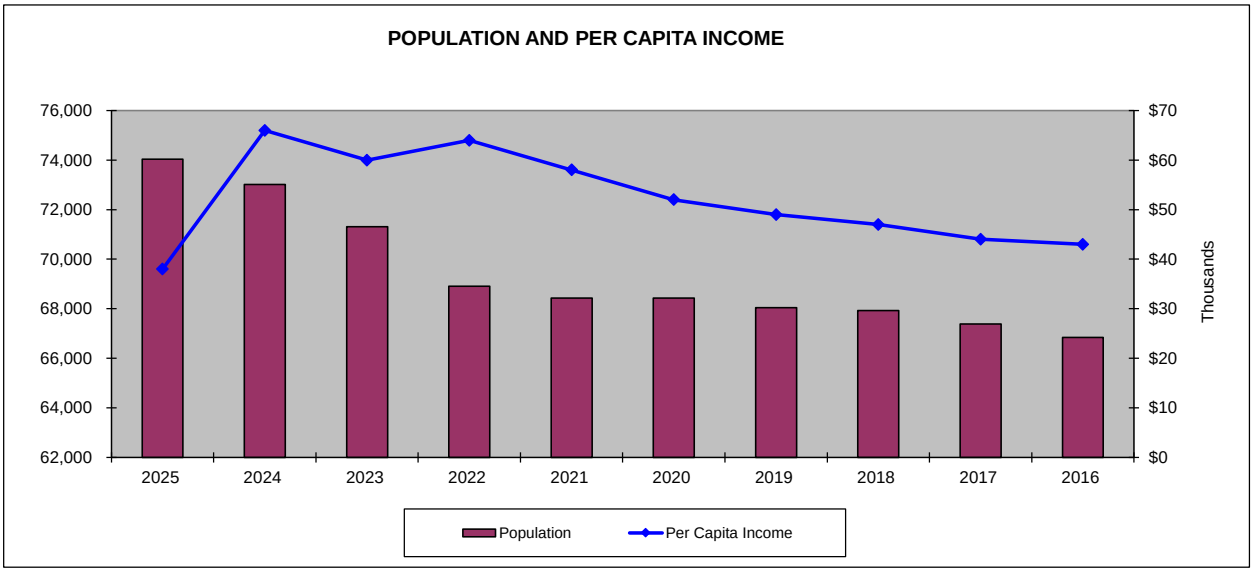
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Transfers to Debt Service fund	$12,061	$11,198	$12,588	$11,981	$10,252	$10,028	$9,521	$9,405	$8,695	$7,607
Total expenditures and other financing uses	$84,362	$82,929	$78,946	$78,376	$75,774	$72,870	$75,388	$71,424	$67,584	$59,272
Percent of debt transfers to expenditures and other financing uses	14.3%	13.5%	15.9%	15.3%	13.5%	13.8%	12.6%	13.2%	12.9%	12.8%

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 29
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Population	74,039	73,011	71,304	68,912	68,429	68,429	68,043	67,926	67,381	66,834
Consumer price index (1)	321.9	317.7	306.7	296.8	278.8	260.5	257.0	251.2	246.5	241.4
Per capita income (2)	$38	$66	$60	$64	$58	$52	$49	$47	$44	$43
Personal income	$2,813,482	$4,818,726	$4,278,240	$4,410,368	$3,968,882	$3,558,308	$3,334,107	$3,192,522	$2,964,764	$2,873,862
Unemployment rate E.C. Metro Area	3.2%	3.0%	2.8%	2.3%	2.2%	3.9%	3.0%	3.0%	2.8%	3.8%
Area in square miles	36.30	36.25	36.19	36.43	35.02	34.85	34.69	34.55	34.37	34.35
Number of residential parcels	21,335	21,275	21,275	21,086	20,669	20,563	20,328	20,204	20,167	20,056
Number of business parcels (3)	2,150	2,198	2,204	2,328	1,525	1,530	1,535	1,543	1,542	1,540
Acres devoted to business	4,398	4,459	4,478	4,485	3,200	3,210	3,320	3,329	3,350	3,342
Miles of street	356.5	356.0	356.3	352.9	347.3	346.6	345.3	342.7	340.0	346.0



(1) U.S. All Cities Consumer Price Index for all urban consumers (CPU-U), annual average.

(2) Through 2009, U.S. Bureau of Economic Analysis; 2024 is estimated.

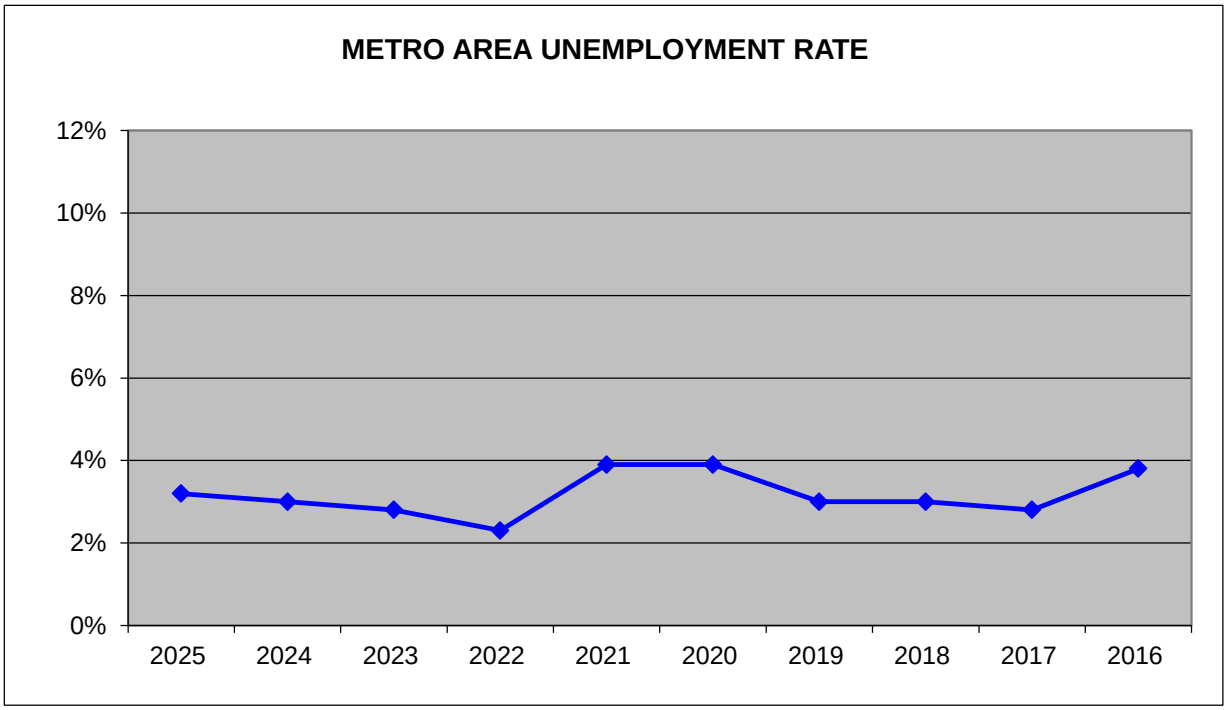
(3) In 2019 Number of Business Properties was changed to Number of Business Parcels per the request of Community Development. It is a more accurate description.

Sources: City of Eau Claire Department of Community Development
City of Eau Claire Public Works Department
WI Dept. of Labor, Bureau of Workforce Information
Statistical Report of Property Values - Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 29 (cont.)
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Number of residential parcels	21,335	21,275	21,275	21,086	20,669	20,563	20,328	20,204	20,167	20,056
Vacancy rates (percent):										
Residential	4.95	4.70	4.00	4.50	4.50	4.60	4.72	4.82	4.88	4.50
Commercial	9.98	10.00	7.97	8.11	14.80	15.43	14.65	10.84	11.43	8.35
Industrial	6.45	7.30	1.86	0.72	2.60	4.16	2.75	2.33	1.85	9.00
Unemployment rate E.C. Metro Area	3.2%	3.0%	2.8%	2.3%	3.9%	3.9%	3.0%	3.0%	2.8%	3.8%



Sources: Department of Community Development
WI Dept. of Labor, Bureau of Workforce Information
Statistical Report of Property Values - Eau Claire and Chippewa Counties

CITY OF EAU CLAIRE

TABLE 30
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2025		2016	
Employer	Employees	Rank	Employees	Rank
Mayo Clinic Health System	5,500	1	3000+	1
Menard's Inc.	4500+	2	3000+	2
Eau Claire Area School District	1,400	3	1000+	4
University of Wisconsin - Eau Claire	1,275	4	1000+	5
Marshfield Clinic - Eau Claire	1,026	5	500-999	7
Nestle Foods	999	6	500-999	8
City of Eau Claire	650	7	500-999	9
Eau Claire County	645	8		
CVTC	592	9	250-499	10
Market & Johnson	350	10		
Sacred Heart Hospital	-		1000+	3
United Health Group	-		1000+	6
TOTAL EMPLOYEES	48,132		54,256	

Sources : Wisconsin Department of Workforce Development, Office of Economic Advisors
eauclairedevelopment.com/doing-business/major-industries

CITY OF EAU CLAIRE

TABLE 31
EMPLOYEE SUMMARY -
NUMBER OF MUNICIPAL EMPLOYEES
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government	57.0	57.0	56.3	53.8	51.8	49.8	49.8	49.8	48.8	48.8
Public Safety	258.8	258.8	248.8	239.0	235.8	232.8	232.8	232.8	232.8	232.8
Public Works	62.0	61.0	66.0	66.0	66.0	64.0	62.0	62.0	62.0	63.0
Culture and Recreation	31.0	31.0	31.0	31.0	28.0	28.0	30.0	30.0	30.0	29.0
Development	21.0	18.0	16.0	16.0	16.0	15.0	15.0	15.0	15.0	15.0
Cemetery	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Library	50.4	48.3	38.9	38.9	38.9	38.9	38.9	36.2	36.1	36.1
Health Services	62.5	61.3	36.9	36.9	36.9	36.9	36.9	36.5	36.6	34.8
Water Utility	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0	29.0
Sewer Utility	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Storm Water Utility	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Transit	38.5	38.0	38.0	38.0	38.0	38.0	38.0	38.0	38.0	38.0
Parking Utility	1.0	1.0	-	-	-	-	-	-	-	-
Hobbs Ice Center	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Outdoor Pool	-	-	-	-	-	-	-	-	-	-
Central Equipment	9.0	8.0	10.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Employees	646.7	637.8	599.3	586.1	577.8	569.8	569.8	566.7	565.7	563.9

NOTES: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Source: City of Eau Claire Annual Operating Budget

CITY OF EAU CLAIRE

TABLE 32
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

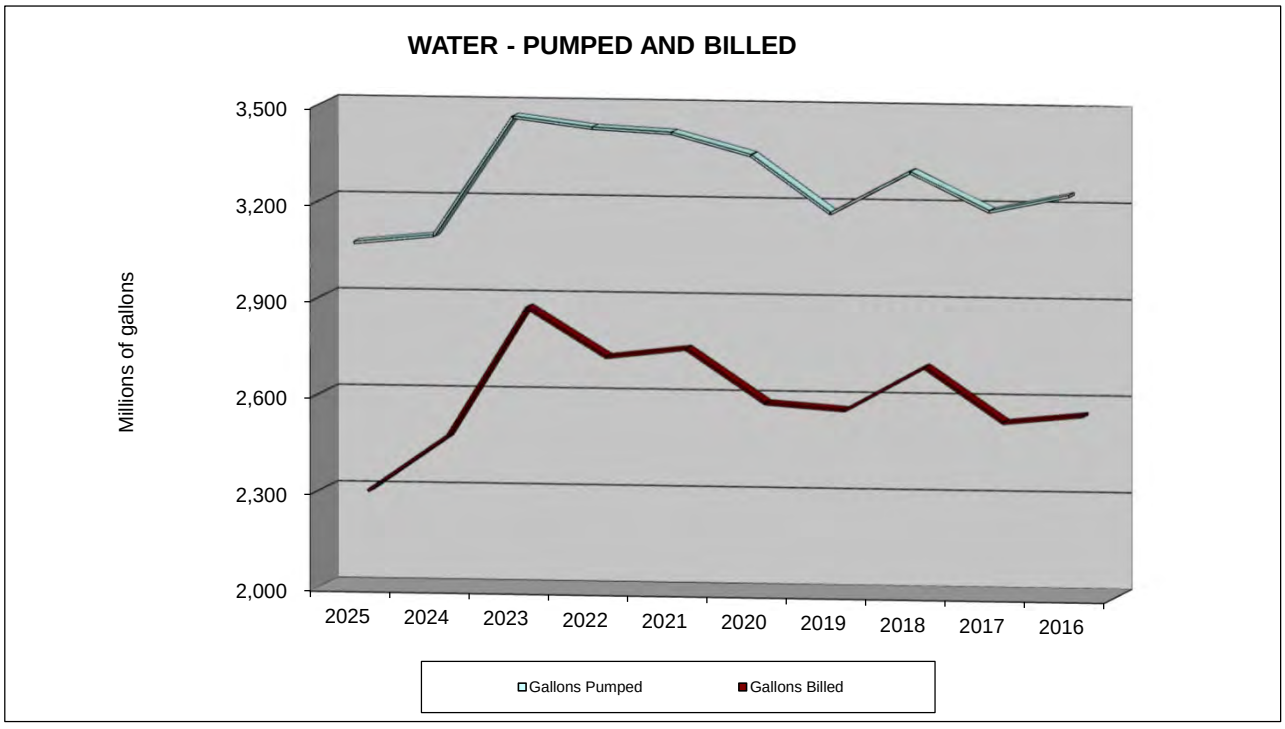
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government										
Size of the City in square miles	36.30	36.25	36.19	36.43	36.43	35.02	34.85	34.69	34.55	34.37
Population	74,039	73,011	71,304	70,587	68,912	68,429	68,057	68,043	67,926	67,381
Number of City employees*	646.7	637.8	523.5	495.0	495.0	495.0	495.0	495.0	493.0	492.0
Community Development										
Building permits issued	850	752	752	907	975	977	843	864	995	980
Police										
Demands for Service	54,993	50,995	49,563	48,124	48,213	48,430	53,902	51,138	n/a	n/a
Group A Offenses	4,380	4,225	4,215	4,206	4,678	5,044	5,104	4,966	n/a	n/a
Total Arrests	3,765	3,896	3,380	3,135	3,262	3,749	5,268	4,893	n/a	n/a
Calls for service	n/a	n/a	n/a	n/a	n/a	n/a	28,138	28,227	27,891	27,103
Adult arrests	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3,663	4,736	3,925
Part 1 Crimes	n/a	n/a	n/a	n/a	n/a	n/a	1,986	2,161	1,964	1,851
Fire										
EMS responses	10,129	9,493	9,273	9,244	8,544	7,922	8,113	7,973	7,508	7,332
Fire responses	126	95	146	108	146	115	112	108	144	109
Fire inspections	5,987	5,907	5,262	5,377	5,836	5,955	5,076	4,989	4,850	4,903
Public Works										
Miles of street plowed/maintained	361	360	360	358	347	347	347	343	340	346
Vehicles and equipment in fleet	319	319	319	319	318	318	318	309	308	304
Parks & Recreation										
Neighborhood playground program attendance	-	-	-	-	-	-	-	-	-	-
Hobbs Ice Arena - rented hours	7,356	7,732	7,357	7,331	5,790	3,250	7,791	7,451	7,869	7,132
Outdoor Pool attendance	54,534	53,137	62,929	54,561	61,336	-	54,002	65,574	59,611	70,252
Library										
Volumes in collection	123,894	125,223	120,918	124,328	139,088	163,885	182,819	192,555	211,431	241,670
Circulation	644,071	646,284	630,853	573,270	436,366	357,570	951,468	1,011,983	977,094	979,431
Health Department										
Environmental Health Inspections	3,817	4,091	4,106	3,500	3,687	2,675	4,061	4,305	4,180	4,381
Number of lab analysis	19,125	19,097	14,100	15,161	13,347	10,350	16,584	24,059	18,210	21,239
Public Health Nurse visits	1,988	2,357	2,646	1,588	1,530	1,501	3,099	2,283	1,827	1,937
Water										
Meters in service	29,943	29,455	28,900	28,783	28,109	27,882	27,628	27,275	27,111	27,075
Average daily consumption (1,000 gallons)	6,263	6,737	9,661	7,427	7,508	7,055	7,005	7,381	6,918	7,198
Sewer										
Sewer customers	28,596	28,374	28,022	27,658	27,294	26,915	26,641	26,434	26,287	26,007
Stormwater										
ERU rate	$ 124.00	$ 108.00	$ 104.00	$ 107.00	$ 97.00	$ 97.00	$ 94.00	$ 92.00	$ 90.00	$ 90.00
Transit										
Total route miles	824,857	1,006,676	722,846	964,113	859,825	891,230	1,086,870	1,130,065	1,153,085	1,280,029
Passengers	714,001	710,539	661,697	597,627	450,550	458,780	911,440	962,451	909,359	937,560

Source: Various City Department records and Annual Operating Budget
A transition to new Police Department catagories was made in 2018 as dictated by the FBI.
The Hobbs facility was closed for public use 3/17/2020-9/20/2020 and 11/18/2020-12/21/2020. The O'Brien Rink was also utilized by Catholic Charities for homelessness that is not reflected in reserved hours.
*Excludes Library and Health Services employees

CITY OF EAU CLAIRE

TABLE 33
WATER UTILITY - PRODUCTION STATISTICS
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Average number of water customers	29,563	29,322	28,965	28,584	28,536	27,956	27,506	27,298	27,150	26,870
Total gallons pumped (in thousands)	3,079,132	3,103,496	3,476,286	3,445,395	3,433,189	3,367,584	3,191,056	3,322,591	3,204,101	3,255,365
Total gallons billed (in thousands)	2,285,836	2,458,995	2,861,736	2,710,894	2,740,446	2,574,909	2,556,858	2,694,035	2,525,217	2,550,167
Percent of water billed	74.24%	79.23%	82.32%	78.68%	79.82%	76.46%	80.13%	81.08%	78.81%	78.34%
Miles of main	405	396	394	399	407	394	393	392	380	380
Number of fire hydrants	4,140	4,129	4,106	4,048	3,877	3,712	3,696	3,692	3,673	3,670
Residential customer 's average quarterly water bill	$74.12	$74.12	$68.57	$68.57	$62.39	$58.20	$56.55	$56.55	$56.55	$56.55



Source: Public Service Commission Reports

CITY OF EAU CLAIRE

TABLE 34
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Patrol units	32	32	29	29	28	31	31	31	26	25
Unmarked vehicles	20	20	23	23	23	19	19	19	19	19
Fire										
Number of fire stations	6	6	6	6	6	6	6	6	6	6
Firefighting vehicles	10	10	10	10	10	10	10	10	10	10
Ambulances	8	8	8	7	7	7	7	7	6	6
Public Works										
Miles of streets	356.5	356.0	356.3	352.9	347.3	346.6	345.3	342.7	340.0	346.0
Number of traffic signs installed/straightened	450	600	600	1452	610	739	827	869	854	803
Vehicles and equipment in fleet	319	319	319	319	319	318	318	318	309	308
Parks & Recreation										
Number of parks	50	50	49	49	49	49	36	36	36	36
Number of playgrounds	28	28	27	27	27	27	21	21	21	20
Outdoor pool	1	1	1	1	1	1	1	1	1	1
Indoor ice skating facilities	3	3	3	3	3	3	3	3	3	3
Water										
Fire hydrants	4,140	4,129	4,106	4,048	3,877	3,712	3,696	3696	3673	3670
Storage capacity (1)	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.1	16.1
Sewer										
Miles of sewers	356	353	352	352	350	352	348	348	343	341
Treatment capacity (1)	12	12	12	12	12	12	12	12	12	12
Parking Utility										
Parking structures	4	4	3	3	3	3	3	3	3	3
Surface lots	11	11	12	12	12	12	12	12	12	12
Transit										
Number of buses	22	22	22	22	22	22	22	22	22	22

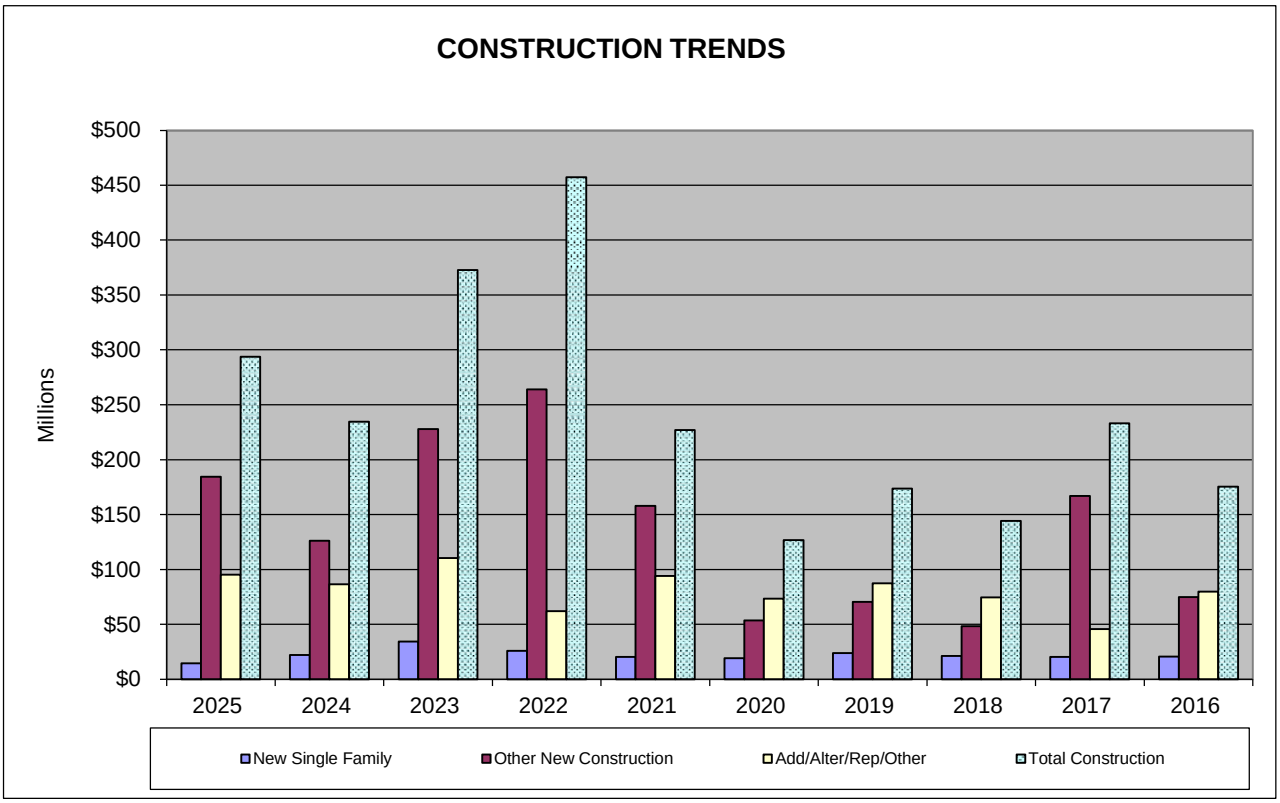
NOTES (1) - Numbers are in millions of gallons.

Sources: City department records
City of Eau Claire Annual Operating Budget
City of Eau Claire Annual Comprehensive Financial Report

CITY OF EAU CLAIRE

TABLE 35
PROPERTY VALUE AND CONSTRUCTION
Last Ten Fiscal Years
(Dollars in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
New single family dwellings:										
# of units	38	65	82	75	72	77	102	82	79	75
Value	$14,636	$22,020	$34,387	$25,896	$20,303	$19,266	$23,739	$21,300	$20,337	$20,754
Other new construction	$184,520	$126,164	$227,794	$264,002	$157,800	$53,509	$70,380	$48,470	$167,000	$74,875
Additions/alterations/repairs										
& all other types of const.	$95,158	$86,403	$110,407	$61,923	$94,020	$73,381	$87,375	$74,565	$45,716	$79,716
Total construction valuation	$293,853	$234,587	$372,589	$457,289	$226,900	$126,890	$173,615	$144,335	$233,000	$175,345
Number of permits	850	785	752	907	975	977	843	864	995	980



Source: City of Eau Claire Inspections Division , "Fee Summary Report".

CITY OF EAU CLAIRE

TABLE 36
INSURANCE COVERAGES
December 31, 2025

	Coverage Limits	Deductible or Self-Insured Retention (SIR)
Worker's Compensation	Statutory	$550,000 per occurrence
Commercial general liability:		
Bodily injury and property damage liability	$15,000,000	$200,000 (SIR) per occurrence $600,000 (SIR) annual aggregate
Property including Equipment Breakdown	$437,843,600	$25,000
Inland marine - all risks (contractor's equipment)	$7,860,312	$5,000
Inland marine - valued under $25,000 (contractor's equipment)	$1,063,892	$5,000
Money and securities - broad form coverage	$10,000	$1,000
Crime Policy	$1,000,000	$100,000
Cyber Liability coverage	$2,000,000	$50,000
Public official liability insurance (includes police)	$15,000,000	$200,000 (SIR) per occurrence $600,000 (SIR) annual aggregate
Auto Liability (excluding Transit):		
Bodily injury and property damage liability	$15,000,000	$200,000 (SIR) per occurrence $600,000 (SIR) annual aggregate
Uninsured motorists	$50,000	$0
Comprehensive	$6,538,799 $17,355,250	$10,000 - value less than $100,000 $25,000 - value greater than $100,000
Collision	$6,538,799 $17,355,250	$10,000 - less than $100,000 $25,000 - greater than $100,000
Transit		
Bodily injury and property damage liability	$7,000,000	$0
	$7,276,902	$1,000

Source: City of Eau Claire Risk Manager

APPENDIX B

FORM OF LEGAL OPINION

(See following pages)

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

October 13, 2026

Re: City of Eau Claire, Wisconsin ("Issuer")
$12,645,000 General Obligation Promissory Notes, Series 2026A,
dated October 13, 2026 ("Notes")

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

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

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

Year	Principal Amount	Interest Rate
2027	$ 810,000	___%
2028	825,000	___
2029	860,000	___
2030	890,000	___
2031	915,000	___
2032	950,000	___
2033	995,000	___
2034	1,035,000	___
2035	1,075,000	___
2036	1,115,000	___
2037	255,000	___
2038	270,000	___
2039	280,000	___
2040	290,000	___
2041	310,000	___
2042	325,000	___
2043	340,000	___
2044	350,000	___
2045	370,000	___
2046	385,000	___

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

The Notes maturing on April 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 1, 2034 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

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

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

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

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

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

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

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

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

QUARLES & BRADY LLP

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX D

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 Eau Claire, Eau Claire and Chippewa Counties, Wisconsin (the "Issuer") in connection with the issuance of $12,645,000 General Obligation Promissory Notes, Series 2026A, dated October 13, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on September 22, 2026 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated September 22, 2026 delivered in connection with the Securities, which is available from the MSRB.

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

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

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

"Issuer" means the City of Eau Claire, Eau Claire and Chippewa Counties, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director of the Issuer who can be contacted at City Hall, 203 South Farwell Street, Eau Claire, Wisconsin 54701, phone (715) 839-4915, fax (715) 839-6177.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2026, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

1. DEBT - DIRECT DEBT
2. DEBT - DEBT LIMIT
3. VALUATIONS - CURRENT PROPERTY VALUATIONS
4. TAX LEVIES AND COLLECTIONS - TAX LEVIES AND COLLECTIONS

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

Section 5. Reporting of Listed Events.

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

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;

7. Modification to rights of holders of the Securities, if material;

8. Securities calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Securities, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 13th day of October, 2026.

_____
Dave Solberg
City Manager

(SEAL)

_____
Nicholas L. Koerner
City Clerk

APPENDIX E

NOTICE OF SALE

$12,645,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A
CITY OF EAU CLAIRE, WISCONSIN

Bids for the purchase of $12,645,000* General Obligation Promissory Notes, Series 2026A (the "Notes") of the City of Eau Claire, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on September 22, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the City Council for consideration for award by resolution at a meeting to be held at 4:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of storm water, street, sidewalk, park, and fire station improvement projects, lead service replacement costs and acquiring vehicles and equipment. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated October 13, 2026, will be issued as fully registered Notes in the denomination of $5,000 each, or any integral multiple thereof, and will mature on April 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	$810,000	2034	$1,035,000	2041	$310,000
2028	825,000	2035	1,075,000	2042	325,000
2029	860,000	2036	1,115,000	2043	340,000
2030	890,000	2037	255,000	2044	350,000
2031	915,000	2038	270,000	2045	370,000
2032	950,000	2039	280,000	2046	385,000
2033	995,000	2040	290,000		

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 April 1 and October 1 of each year, commencing April 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 April 1, 2035 shall be subject to optional redemption prior to maturity on April 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

DELIVERY

On or about October 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

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

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

SUBMISSION OF BIDS

Bids must not be for less than $12,486,937.50 plus accrued interest on the principal sum of $12,645,000 from date of original issue of the Notes to date of delivery. **The maximum proposal allowed will be $13,656,600.00.** Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

1) Electronically to bondsale@ehlers-inc.com; or

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

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

A good faith deposit ("Deposit") in the amount of $252,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

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

BOND INSURANCE

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

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

CUSIP NUMBERS

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

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

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

NEW ISSUE PRICING

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

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

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

(1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;

(2) all bidders shall have an equal opportunity to bid;

(3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

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

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

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

(1) the close of the fifth (5^{th}) 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^{th}) 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 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 City Council

Nicholas L. Koerner, City Clerk
City of Eau Claire, Wisconsin

BID FORM

The City Council **September 22, 2026**
City of Eau Claire, Wisconsin (the "City")

RE: $12,645,000* General Obligation Promissory Notes, Series 2026A (the "Notes")
DATED: October 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 $12,486,937.50, ***and not more than $13,656,600.00***) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____	% due	2027	_____	% due	2034	_____	% due	2041
_____	% due	2028	_____	% due	2035	_____	% due	2042
_____	% due	2029	_____	% due	2036	_____	% due	2043
_____	% due	2030	_____	% due	2037	_____	% due	2044
_____	% due	2031	_____	% due	2038	_____	% due	2045
_____	% due	2032	_____	% due	2039	_____	% due	2046
_____	% due	2033	_____	% due	2040			

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each. 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 $252,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about October 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 Official Statement for the Notes.

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

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

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

If the competitive sale requirements are not met, we elect to use either the: _____10% test, or the _____hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from October 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 City Council of the City of Eau Claire, Wisconsin, on September 22, 2026.

By: _____ By: _____

Title: _____ Title: _____