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.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 8, 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 be designated as "qualified tax-exempt obligations".

New Issue **Rating: Moody's Ratings "Aa3"**

CITY OF BARABOO, WISCONSIN
(Sauk County)

$4,895,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

BID OPENING: October 15, 2026, 11:00 A.M., C.T.
CONSIDERATION: Not later than 11:59 P.M., C.T. on October 15, 2026 (PARAMETERS RESOLUTION)

PURPOSE/AUTHORITY/SECURITY: The $4,895,000* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Baraboo, Wisconsin (the "City"), for public purposes, including financing road, stormwater system and water system improvements, an expansion to the Great Sauk State Trail and an HVAC for public works. 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 29, 2026

MATURITY: August 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	$435,000	2034	$295,000	2041	$190,000
2028	240,000	2035	310,000	2042	200,000
2029	245,000	2036	320,000	2043	210,000
2030	255,000	2037	160,000	2044	215,000
2031	270,000	2038	170,000	2045	225,000
2032	275,000	2039	175,000	2046	235,000
2033	285,000	2040	185,000		

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each, up to a maximum of $150,000 per maturity or mandatory redemption. 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: August 1, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on August 1, 2036 and thereafter are subject to call for prior optional redemption on August 1, 2035 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: $4,833,812.50

MAXIMUM BID: $5,335,550.00

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $97,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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BID FORM

CITY OF BARABOO
COMMON COUNCIL

		Term Expires
Robert Nelson	Mayor	April 2027
Jason Kent	Council President	April 2029
John Ellington	Alderperson	April 2028
Steve Hause	Alderperson	April 2027
Bryant Hazard	Alderperson	April 2028
Andrea Lombard	Alderperson	April 2027
David Olson	Alderperson	April 2029
Ken Schindler	Alderperson	April 2027
Stephen Swallen	Alderperson	April 2029
Brett Topham	Alderperson	April 2028

ADMINISTRATION

John Young, City Administrator
Julie Ostrander, Finance Director
Lori Laux, City Treasurer
Brenda Zeman, City Clerk

PROFESSIONAL SERVICES

Nicholas O'Connor, City Attorney, Baraboo, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

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

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the City of Baraboo, Wisconsin (the "City") and the issuance of its $4,895,000* General Obligation Promissory Notes, Series 2026A (the "Notes"). **The Common Council will adopt a resolution on October 13, 2026 (the "Parameters Resolution"), which authorizes the Finance Director or the City Treasurer (each an "Authorized Officer") to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on October 15, 2026, neither the Finance Director nor the City Treasurer will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Debt Issuance 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 29, 2026. The Notes will mature on August 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on August 1 and February 1 of each year, commencing August 1, 2027, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after August 1, 2036 shall be subject to optional redemption prior to maturity on August 1, 2035 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

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

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

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing road, stormwater system and water system improvements, an expansion to the Great Sauk State Trail and an HVAC for public works.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	$4,895,000	
Estimated Interest Earnings	43,994	
Total Sources		**$4,938,994**
Uses		
Estimated Underwriter's Discount	$61,188	
Costs of Issuance	81,250	
Deposit to Project Construction Fund	4,795,000	
Rounding Amount	1,556	
Total Uses		**$4,938,994**

*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 "Aa3" on the Notes from Moody's Ratings ("Moody's"), and bidders were notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

CONTINUING DISCLOSURE

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

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

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

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

LEGAL OPINION

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

laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

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

TAX EXEMPTION

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

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

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

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

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

ORIGINAL ISSUE DISCOUNT

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

federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

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

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

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

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

BOND PREMIUM

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

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

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

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

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2025 have been audited by Baker Tilly US, LLP, Madison, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

CURRENT PROPERTY VALUATIONS

2026 Equalized Value	$1,639,940,400
2026 Equalized Value Reduced by Tax Increment Valuation	$1,505,298,700
2025 Assessed Value	$1,057,355,600

2026 EQUALIZED VALUE BY CLASSIFICATION

	2026 Equalized Value[1]	Percent of Total Equalized Value
Residential	$1,107,675,300	67.544%
Commercial	451,638,900	27.540%
Manufacturing	78,686,100	4.798%
Agricultural	427,600	0.026%
Undeveloped	142,000	0.009%
Ag Forest	338,000	0.021%
Forest	377,000	0.023%
Other	655,500	0.040%
Total	$1,639,940,400	100.000%

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value[1]	Percent Increase/Decrease in Equalized Value
2022	$992,366,600	$1,154,957,000	16.71%
2023	1,008,852,000	1,291,512,600	11.82%
2024	1,029,251,400	1,432,817,200	10.94%
2025	1,057,355,600	1,578,831,700	10.19%
2026	N/A	1,639,940,400	3.87%

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
1300 BB LLC	Custom Printing	$29,079,290	1.84%
Devils Lake Townhouses LLC	Townhouse Rentals	24,417,783	1.55%
SSM	Healthcare	23,878,030	1.51%
Deppe	Warehouse	21,047,132	1.33%
Greenfield Estates 3 LLC	Apartments	20,943,231	1.33%
Mendards	Retail	17,903,054	1.13%
Fox Point Apartments LLC	Apartments	15,818,086	1.00%
Walmart	Retail	15,518,650	0.98%
JDJE LLC	Hotel	12,876,341	0.82%
TPL Baraboo	Manufacturing	12,401,914	0.79%
Total		$193,883,511	12.28%
City's Total 2025 Equalized Value[2]		$1,578,831,700	

Source: The City.

DEBT

DIRECT DEBT[3]

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	$20,010,000

Revenue Debt (see schedules following)

Total revenue debt secured by sewerage revenues	$2,501,901
Total revenue debt secured by water revenues	$1,776,784

*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] Includes tax increment valuation.

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

CDA Revenue Debt (see schedule following)

Total lease purchase obligations paid by annual appropriations[1]	$15,794,700

Other Debt

Issue Date	Original Amount	Purpose	Final Maturity	Principal Outstanding
4/28/2022	$5,000,000	Note Anticipation Notes[2]	4/28/2027	$5,000,000
4/11/2023	4,600,000	Note Anticipation Notes[2]	4/11/2028	4,600,000

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

In addition to the Notes, the City has plans for additional financing in the approximate amount of $800,000 for the purchase of equipment in the next 12 months. The City may also refund all or a portion of its outstanding Note Anticipation Notes in the next 12 months. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	$1,639,940,400
Multiply by 5%	0.05
Statutory Debt Limit	$81,997,020
Less: General Obligation Debt*	(20,010,000)
Unused Debt Limit*	$61,987,020

*Preliminary, subject to change.

[1] Non-general obligation debt has not been included in the debt ratios.

[2] These Note Anticipation Notes are not general obligations of the City but are secured by a pledge of the proceeds from the issuance of long-term general obligation debt. The City has reserved general obligation debt capacity for the long-term debt.

City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 10/29/2026)

	Refunding Bonds Series 2014A		UW System Campus Bonds Series 2015A		Corporate Purpose Bonds Series 2016A		Corporate Purpose Bonds Series 2018A		Taxable Refunding Bonds Series 2019A	
Dated	08/12/2014		04/01/2015		07/21/2016		02/01/2018		11/14/2019	
Amount	$2,995,000		$3,040,000		$5,295,000		$2,040,000		$1,240,000	
Maturity	09/01		04/01		05/01		02/01		12/01	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	0	0	0	0	0	11,313	0	0	100,000	6,694
2027	125,000	7,348	200,000	45,775	100,000	21,625	100,000	39,250	100,000	11,188
2028	120,000	3,660	200,000	40,275	100,000	19,625	100,000	36,650	125,000	8,938
2029			185,000	34,981	100,000	17,625	100,000	33,650	120,000	6,000
2030			175,000	29,813	125,000	15,313	100,000	30,650	120,000	3,060
2031			175,000	24,563	125,000	12,688	125,000	27,275		
2032			175,000	19,094	125,000	9,938	125,000	23,525		
2033			175,000	13,406	125,000	7,063	125,000	19,775		
2034			175,000	7,719	125,000	4,063	125,000	16,025		
2035			150,000	2,438	100,000	1,250	125,000	12,275		
2036							125,000	8,400		
2037							100,000	4,800		
2038							100,000	1,600		
2039										
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	245,000	11,008	1,610,000	218,063	1,025,000	120,500	1,350,000	253,875	565,000	35,879

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City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/29/2026)

	Corporate Purpose Bonds Series 2020A		Corporate Purpose Bonds Series 2022A		Promissory Note		Promissory Notes Series 2024A		Promissory Note	
Dated	07/16/2020		07/14/2022		10/24/2023		11/12/2024		07/28/2026	
Amount	$2,645,000		$2,555,000		$1,500,000		$3,075,000		$585,000	
Maturity	02/01		05/01		03/24		05/01		04/28 & 10/28	
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	0	0	0	49,141	0	21,992	0	57,469	0	8,409
2027	140,000	39,300	90,000	96,031	1,500,000	21,750	110,000	112,738	0	33,363
2028	140,000	36,500	110,000	91,031			115,000	108,238	8,273	33,455
2029	140,000	33,700	130,000	85,031			120,000	103,538	17,354	32,646
2030	140,000	30,900	135,000	78,406			125,000	98,638	18,358	31,642
2031	145,000	28,050	140,000	71,531			130,000	93,538	18,272	30,580
2032	145,000	25,150	140,000	64,531			135,000	88,238	18,121	30,749
2033	145,000	22,250	145,000	58,584			140,000	82,738	19,341	30,659
2034	145,000	19,350	145,000	53,600			145,000	77,038	20,545	29,455
2035	145,000	16,450	150,000	48,344			155,000	71,038	21,825	28,175
2036	150,000	13,500	150,000	42,813			160,000	64,738	23,107	26,893
2037	150,000	10,500	160,000	36,900			165,000	58,238	24,623	25,377
2038	150,000	7,500	165,000	30,500			170,000	51,538	26,157	23,843
2039	150,000	4,500	170,000	23,800			180,000	44,538	27,786	22,214
2040	150,000	1,500	170,000	17,000			185,000	37,238	29,457	20,543
2041			175,000	10,100			195,000	29,638	311,781	9,536
2042			165,000	3,300			200,000	21,738		
2043							210,000	13,406		
2044							220,000	4,538		
2045										
2046										
	2,035,000	289,150	2,340,000	860,644	1,500,000	43,742	2,860,000	1,218,813	585,000	417,540

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City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 10/29/2026)

	Promissory Note		Promissory Notes Series 2026A							
Dated	09/03/2026		10/29/2026							
Amount	$1,000,000		$4,895,000*							
Maturity	04/28 & 10/28		08/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2026	51,924	5,576	0	0	151,924	160,593	312,517	19,858,076	.76%	**2026**
2027	197,393	33,270	435,000	151,697	3,097,393	613,334	3,710,727	16,760,684	16.24%	**2027**
2028	204,688	25,975	240,000	176,362	1,462,960	580,708	2,043,669	15,297,723	23.55%	**2028**
2029	212,410	18,253	245,000	168,442	1,369,765	533,865	1,903,630	13,927,958	30.40%	**2029**
2030	220,344	10,319	255,000	160,112	1,413,702	488,852	1,902,554	12,514,257	37.46%	**2030**
2031	113,242	2,090	270,000	151,187	1,241,514	441,500	1,683,014	11,272,743	43.66%	**2031**
2032			275,000	141,467	1,138,121	402,691	1,540,813	10,134,621	49.35%	**2032**
2033			285,000	131,292	1,159,341	365,767	1,525,108	8,975,281	55.15%	**2033**
2034			295,000	120,605	1,175,545	327,853	1,503,398	7,799,735	61.02%	**2034**
2035			310,000	109,247	1,156,825	289,216	1,446,041	6,642,911	66.80%	**2035**
2036			320,000	97,002	928,107	253,345	1,181,452	5,714,803	71.44%	**2036**
2037			160,000	84,202	759,623	220,016	979,640	4,955,180	75.24%	**2037**
2038			170,000	77,562	781,157	192,543	973,700	4,174,024	79.14%	**2038**
2039			175,000	70,507	702,786	165,559	868,344	3,471,238	82.65%	**2039**
2040			185,000	63,070	719,457	139,350	858,807	2,751,781	86.25%	**2040**
2041			190,000	55,207	871,781	104,481	976,262	1,880,000	90.60%	**2041**
2042			200,000	47,075	565,000	72,113	637,113	1,315,000	93.43%	**2042**
2043			210,000	38,515	420,000	51,921	471,921	895,000	95.53%	**2043**
2044			215,000	29,485	435,000	34,023	469,023	460,000	97.70%	**2044**
2045			225,000	20,240	225,000	20,240	245,240	235,000	98.83%	**2045**
2046			235,000	10,340	235,000	10,340	245,340	0	100.00%	**2046**
	1,000,000	95,483	4,895,000	1,903,615	20,010,000	5,468,310	25,478,310			

* Preliminary, subject to change.

City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewerage Revenues
(As of 10/29/2026)

	Sewerage System Revenue Bonds (CWFL) Series 2018		Sewerage System Revenue Bonds (CWFL) Series 2024							
Dated	04/11/2018		09/11/2024							
Amount	$2,397,372		$1,094,710							
Maturity	05/01		05/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2026	0	13,152	0	11,912	0	25,064	25,064	2,501,901	.00%	**2026**
2027	124,331	25,210	45,543	23,285	169,874	48,495	218,369	2,332,027	6.79%	**2027**
2028	126,519	23,003	46,620	22,195	173,139	45,198	218,337	2,158,888	13.71%	**2028**
2029	128,746	20,757	47,722	21,079	176,469	41,836	218,304	1,982,420	20.76%	**2029**
2030	131,012	18,471	48,851	19,937	179,863	38,408	218,271	1,802,556	27.95%	**2030**
2031	133,318	16,145	50,006	18,768	183,324	34,913	218,237	1,619,232	35.28%	**2031**
2032	135,664	13,778	51,189	17,572	186,853	31,349	218,203	1,432,379	42.75%	**2032**
2033	138,052	11,369	52,400	16,347	190,452	27,716	218,167	1,241,927	50.36%	**2033**
2034	140,482	8,918	53,639	15,093	194,121	24,011	218,131	1,047,807	58.12%	**2034**
2035	142,954	6,424	54,907	13,809	197,862	20,233	218,094	849,945	66.03%	**2035**
2036	145,470	3,885	56,206	12,495	201,676	16,381	218,057	648,269	74.09%	**2036**
2037	148,030	1,303	57,535	11,150	205,566	12,453	218,019	442,703	82.31%	**2037**
2038			58,896	9,773	58,896	9,773	68,669	383,807	84.66%	**2038**
2039			60,289	8,364	60,289	8,364	68,653	323,518	87.07%	**2039**
2040			61,715	6,921	61,715	6,921	68,636	261,804	89.54%	**2040**
2041			63,174	5,445	63,174	5,445	68,619	198,629	92.06%	**2041**
2042			64,668	3,933	64,668	3,933	68,601	133,961	94.65%	**2042**
2043			66,198	2,385	66,198	2,385	68,583	67,763	97.29%	**2043**
2044			67,763	801	67,763	801	68,565	0	100.00%	**2044**
	1,494,580	162,414	1,007,322	241,265	2,501,901	403,679	2,905,580			

City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 10/29/2026)

	Taxable LSL Loan Revenue Bonds (SDWFL) Series 2024		Water System Revenue Bonds (SDWFL) Series 2024							
Dated	09/11/2024		09/11/2024							
Amount	$469,262		$1,419,501							
Maturity	05/01		05/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2026	0	587	0	15,461	0	16,048	16,048	1,776,784	.00%	**2026**
2027	46,401	1,115	59,115	30,224	105,516	31,339	136,855	1,671,268	5.94%	**2027**
2028	46,517	999	60,513	28,809	107,030	29,808	136,838	1,564,238	11.96%	**2028**
2029	46,633	883	61,945	27,361	108,578	28,244	136,821	1,455,660	18.07%	**2029**
2030	46,750	766	63,410	25,879	110,159	26,645	136,804	1,345,501	24.27%	**2030**
2031	46,866	649	64,909	24,361	111,776	25,010	136,786	1,233,725	30.56%	**2031**
2032	46,984	532	66,444	22,808	113,428	23,340	136,768	1,120,298	36.95%	**2032**
2033	47,101	414	68,016	21,218	115,117	21,632	136,749	1,005,181	43.43%	**2033**
2034	47,219	296	69,624	19,591	116,843	19,887	136,730	888,338	50.00%	**2034**
2035	47,337	178	71,271	17,925	118,608	18,102	136,710	769,730	56.68%	**2035**
2036	47,455	59	72,956	16,219	120,412	16,278	136,690	649,318	63.46%	**2036**
2037			74,682	14,473	74,682	14,473	89,155	574,637	67.66%	**2037**
2038			76,448	12,686	76,448	12,686	89,134	498,189	71.96%	**2038**
2039			78,256	10,857	78,256	10,857	89,113	419,933	76.37%	**2039**
2040			80,107	8,984	80,107	8,984	89,091	339,826	80.87%	**2040**
2041			82,001	7,067	82,001	7,067	89,069	257,824	85.49%	**2041**
2042			83,941	5,105	83,941	5,105	89,046	173,884	90.21%	**2042**
2043			85,926	3,096	85,926	3,096	89,022	87,958	95.05%	**2043**
2044			87,958	1,040	87,958	1,040	88,998	0	100.00%	**2044**
	469,262	6,477	1,307,522	313,166	1,776,784	319,642	2,096,426			

Community Development Authority of the City of Baraboo, Wisconsin
Schedule of Bonded Indebtedness
Non-General Obligation Debt Secured by Annual Appropriation
(As of 10/29/2026)

	Refunding Bonds (USDA) Series 2018A		Refunding Bonds (USDA) Series 2018B		Refunding Bonds USDA							
Dated	06/28/2018		06/28/2018		03/28/2024							
Amount	$3,380,000		$9,000,000		$5,100,000							
Maturity	03/01		03/01		03/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2027	58,600	80,737	156,000	214,962	85,300	103,956	299,900	399,655	699,555	15,494,800	1.90%	**2027**
2028	60,200	79,104	160,400	210,612	87,100	102,124	307,700	391,840	699,540	15,187,100	3.85%	**2028**
2029	61,900	77,425	164,800	206,140	89,000	100,253	315,700	383,818	699,518	14,871,400	5.85%	**2029**
2030	63,700	75,698	169,400	201,545	90,900	98,342	324,000	375,584	699,584	14,547,400	7.90%	**2030**
2031	65,500	73,921	174,100	196,822	92,900	96,389	332,500	367,132	699,632	14,214,900	10.00%	**2031**
2032	67,200	72,097	179,000	191,967	94,900	94,394	341,100	358,457	699,557	13,873,800	12.16%	**2032**
2033	69,100	70,223	184,000	186,975	96,900	92,356	350,000	349,554	699,554	13,523,800	14.38%	**2033**
2034	71,100	68,295	189,100	181,845	99,000	90,274	359,200	340,414	699,614	13,164,600	16.65%	**2034**
2035	73,000	66,314	194,400	176,572	101,100	88,148	368,500	331,034	699,534	12,796,100	18.98%	**2035**
2036	75,100	64,277	199,800	171,152	103,300	85,976	378,200	321,405	699,605	12,417,900	21.38%	**2036**
2037	77,100	62,184	205,400	165,580	105,500	83,758	388,000	311,523	699,523	12,029,900	23.84%	**2037**
2038	79,300	60,034	211,100	159,853	107,800	81,492	398,200	301,379	699,579	11,631,700	26.36%	**2038**
2039	81,500	57,823	217,000	153,967	110,100	79,176	408,600	290,966	699,566	11,223,100	28.94%	**2039**
2040	83,700	55,551	223,100	147,916	112,500	76,811	419,300	280,278	699,578	10,803,800	31.60%	**2040**
2041	86,100	53,217	229,300	141,695	114,900	74,395	430,300	269,307	699,607	10,373,500	34.32%	**2041**
2042	88,500	50,816	235,700	135,301	117,300	71,928	441,500	258,045	699,545	9,932,000	37.12%	**2042**
2043	91,000	48,348	242,200	128,730	119,900	69,408	453,100	246,486	699,586	9,478,900	39.99%	**2043**
2044	93,500	45,811	249,000	121,976	122,400	66,833	464,900	234,621	699,521	9,014,000	42.93%	**2044**
2045	96,200	43,203	255,900	115,034	125,100	64,204	477,200	222,440	699,640	8,536,800	45.95%	**2045**
2046	98,800	40,521	263,100	107,898	127,700	61,518	489,600	209,937	699,537	8,047,200	49.05%	**2046**
2047	101,600	37,766	270,400	100,562	130,500	58,774	502,500	197,102	699,602	7,544,700	52.23%	**2047**
2048	104,400	34,933	278,000	93,022	133,300	55,971	515,700	183,926	699,626	7,029,000	55.50%	**2048**
2049	107,300	32,022	285,700	85,271	136,200	53,108	529,200	170,401	699,601	6,499,800	58.85%	**2049**
2050	110,300	29,030	293,700	77,304	139,100	50,183	543,100	156,517	699,617	5,956,700	62.29%	**2050**
2051	113,300	25,956	301,900	69,114	142,100	47,195	557,300	142,265	699,565	5,399,400	65.82%	**2051**
2052	116,500	22,796	310,300	60,697	145,100	44,144	571,900	127,636	699,536	4,827,500	69.44%	**2052**
2053	119,800	19,547	318,900	52,045	148,200	41,027	586,900	112,620	699,520	4,240,600	73.15%	**2053**
2054	123,200	16,206	327,800	43,153	151,400	37,844	602,400	97,203	699,603	3,638,200	76.97%	**2054**
2055	126,500	12,772	337,000	34,012	154,700	34,592	618,200	81,376	699,576	3,020,000	80.88%	**2055**
2056	130,000	9,246	346,400	24,615	158,000	31,269	634,400	65,130	699,530	2,385,600	84.90%	**2056**
2057	133,700	5,620	356,000	14,957	161,400	27,876	651,100	48,453	699,553	1,734,500	89.02%	**2057**
2058	137,500	1,891	365,900	5,031	164,900	24,409	668,300	31,331	699,631	1,066,200	93.25%	**2058**
2059					168,400	20,868	168,400	20,868	189,268	897,800	94.32%	**2059**
2060					172,000	17,251	172,000	17,251	189,251	725,800	95.40%	**2060**
2061					175,700	13,556	175,700	13,556	189,256	550,100	96.52%	**2061**
2062					179,500	9,782	179,500	9,782	189,282	370,600	97.65%	**2062**
2063					183,300	5,928	183,300	5,928	189,228	187,300	98.81%	**2063**
2064					187,300	1,990	187,300	1,990	189,290	0	100.00%	**2064**
	2,965,200	1,493,382	7,894,800	3,976,324	4,934,700	2,257,503	15,794,700	7,727,210	23,521,910			

OVERLAPPING DEBT[1]

Taxing District	Equalized Value[2]	% In City	Total G.O. Debt[3]	City's Proportionate Share
Sauk County	$13,713,853,100	11.9583%	$38,645,000	$4,621,285
Baraboo School District	3,289,589,273	49.8524%	45,224,999	22,545,747
Madison Area Technical College District	170,076,970,081	0.9642%	179,740,000	1,733,053
City's Share of Total Overlapping Debt				$28,900,086

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value $1,639,940,400	Debt/ Per Capita 13,266[4]
Total General Obligation Debt*	$20,010,000	1.22%	$1,508.37
City's Share of Total Overlapping Debt	28,900,086	1.76%	2,178.51
Total*	$48,910,086	2.98%	$3,686.88

*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] Preliminary estimated 2026 population.

TAX LEVIES, COLLECTIONS AND RATES

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per $1,000
2021/22	$8,999,901	100%	$9.58
2022/23	9,073,020	100%	8.31
2023/24	9,401,925	100%	7.59
2024/25	9,948,515	100%	7.37
2025/26	10,004,131	100%	6.89

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:

Year Levied/ Year Collected	Schools[1]	County	Local	Total
2021/22	$10.38	$3.69	$9.58	$23.65
2022/23	9.01	3.62	8.31	20.94
2023/24	8.38	3.28	7.59	19.25
2024/25	8.16	3.06	7.37	18.59
2025/26	7.65	2.88	6.89	17.42

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

LEVY LIMITS

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

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

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

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

The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

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

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of State programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2026, the City received approximately $2,208,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately $2,129,000 received in 2025. The City is expected to receive approximately $2,226,000 in shared revenue under Chapter 79, Wis. Stats. in 2027. 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 1922 and is governed by a Mayor and a 9-member Common Council. All Council Members are elected to three-year terms. The appointed Administrator, Finance Director, Treasurer and Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 84 full-time, 22 part-time, and 123 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 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 $578,948. $597,716, and $623,026, 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 $718,403 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 0.04372072% 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 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

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

The following bargaining unit represents employees of the City:

Bargaining Unit	Expiration Date of Current Contract
WPPA- Police Union	December 31, 2026

OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent actuarial study shows a total OPEB liability of $692,461 as of December 31, 2024. The City has been funding these obligations on a pay-as-you-go basis.

The City does not pay directly for retirees' post-employment benefits. The City has some obligations for post-employment benefits as mandated by State Statutes. Specifically, the City is required to allow retirees to be covered by the City's health care plan as long as the retiree pays his/her premiums. Retiree membership in a health care plan typically increases costs of the premiums. This increased cost is commonly known as implicit price subsidy.

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[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 plaintiff petitioned the Wisconsin Supreme Court for review, and no guarantee can be made regarding the outcome of the matter.

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

For Fiscal Year 2025, the City's portion of contributions to the LRLIF totaled $2,336. For Fiscal Year 2025, the City reported a liability of $434,499 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 0.11106100% 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 4 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 July 31, 2026)

Fund	**Total Cash and Investments**
General	$9,826,991
General Debt Service	1,395,339
Alma Waite Accounts	1,289,079
CDA	687,656
Fire	600,000
Library	152,026
Parks	154,508
Water	3,906,885
Sewer	3,270,595
Storm Water	469,681
Utilities	1,353,414
Total Funds on Hand	$23,106,174

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	$2,304,995	$2,483,809	$2,480,671
Less: Operating Expenses	(1,580,322)	(1,780,144)	(1,755,965)
Operating Income	$724,673	$703,665	$724,706
Plus: Depreciation	417,776	509,218	547,568
Interest Income	139,925	228,723	169,348
Revenues Available for Debt Service	$1,282,374	$1,441,606	$1,441,622
Sewer			
Total Operating Revenues	$1,542,869	$1,671,561	$1,716,639
Less: Operating Expenses	(2,065,703)	(1,789,773)	(1,590,170)
Operating Income	($522,834)	($118,212)	$126,469
Plus: Depreciation	416,366	438,381	459,748
Interest Income	135,034	113,629	123,982
Revenues Available for Debt Service	$28,566	$433,798	$710,199
Stormwater			
Total Operating Revenues	$671,805	$677,612	$686,507
Less: Operating Expenses	(437,163)	(521,833)	(781,978)
Operating Income	$234,642	$155,779	($95,471)
Plus: Depreciation	173,048	189,363	201,746
Interest Income	15,306	19,433	24,138
Revenues Available for Debt Service	$422,996	$364,575	$130,413

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2025 audited financial statements.

	FISCAL YEAR ENDING DECEMBER 31			
COMBINED STATEMENT				
	2022 Audited	**2023 Audited**	**2024 Audited**	**2025 Audited**
Revenues				
Taxes	$7,301,386	$5,294,411	$5,621,779	$5,786,039
Intergovernmental	3,239,479	2,941,976	3,463,384	3,581,344
Licenses and permits	305,899	306,024	290,555	279,870
Fines, forfeitures and penalities	125,465	109,790	101,751	136,214
Public charges for services	457,268	427,424	433,059	454,102
Intergovernmental charges for services	265,960	225,052	166,207	160,696
Investment income	101,466	420,330	404,833	375,101
Miscellaneous	194,980	154,426	168,979	245,594
Total Revenues	$11,991,903	$9,879,433	$10,650,547	$11,018,960
Expenditures				
Current:				
General government	$1,427,991	$1,344,608	$1,527,219	$1,412,193
Public safety	5,322,738	5,323,837	5,296,193	5,348,867
Public works	2,262,859	2,311,704	2,348,524	2,073,438
Health and human services	30,246	31,947	30,775	36,751
Culture, recreation and education	2,467,184	1,378,783	1,618,520	1,545,793
Conservation and development	156,221	188,134	203,550	152,857
Capital outlay	0	8,481	298,094	250,217
Principal	187,000	203,830	197,700	203,200
Interest & Fiscal Charges	0	305,850	315,385	307,178
Total Expenditures	$11,854,239	$11,097,174	$11,835,960	$11,330,494
Excess of revenues over (under) expenditures	$137,664	($1,217,741)	($1,185,413)	($311,534)
Other Financing Sources (Uses)				
Sale of city property	$5,657	$2,377	$3,570	$9,945
Debt proceeds	510,000	510,000	510,000	510,000
Premium on Debt Issued	0	0	1,166	0
Transfers in - tax equivalent	279,361	267,798	291,040	302,157
Transfers in	19,335	18,020	18,688	963
Transfers (out)	(671,603)	(109,786)	(155,662)	(6,635)
Total Other Financing Sources (Uses)	142,750	688,409	668,802	816,430
Net changes in Fund Balances	$280,414	($529,332)	($516,611)	$504,896
General Fund Balance January 1	$5,996,198	$6,276,612	$5,747,280	$5,230,669
General Fund Balance December 31	$6,276,612	$5,747,280	$5,230,669	$5,735,565
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	$693,288	$551,616	$444,276	$470,164
Committed	626,465	353,677	249,825	510,000
Assigned	991,575	870,640	803,808	989,835
Unassigned	3,965,284	3,971,347	3,732,760	3,765,566
Total	$6,276,612	$5,747,280	$5,230,669	$5,735,565

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget[1]
Revenues	
Taxes	$5,480,226
Integovernmental	3,630,916
Licenses and permits	270,470
Fines, forfeitures and penalties	219,100
Public charges for services	1,000,815
Intergovernmental charges for services	176,017
Investment income	320,000
Miscellaneous	215,565
Total Revenues	$11,313,109
Expenditures	
General government	$1,940,561
Public safety	4,897,629
Public works	2,267,594
Health and human services	38,410
Culture, recreation and education	1,747,490
Conservation and development	179,340
Capital outlay	334,806
Principal	208,800
Interest & Fiscal Charges	(301,521)
Total Expenditures	$11,313,109
Excess of revenues over (under) expenditures	$0
Other Financing Sources (Uses)	
Sale of city property	$70,000
Total Other Financing Sources (Uses)	70,000
Net changes in Fund Balances	$70,000
General Fund Balance January 1	$4,975,396
General Fund Balance December 31	$5,045,396

[1] The 2026 budget was adopted on December 4, 2025.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 12,556 and a current 2026 preliminary estimated population of 13,266 comprises an area of 7.64 square miles and is located approximately 40 miles northwest of Madison.

LARGER EMPLOYERS[1]

Larger employers in the area include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Sauk County	County government	686
Baraboo School District	Elementary & secondary education	608
Flambeau Injection Molding	Plastics manufacturing	500
Teel Plastics	Plastic product manufacturing	467
SSM Healthcare (St. Clare Hospital)	Hospital	410
Seneca Foods Corp.	Metal can manufacturing	350
Sysco Baraboo LLC	Packaged frozen food merchant wholesalers	310
Walmart	Retail	300
The City	Municipal government and services	229
Menards	Home improvement center	191

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

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

BUILDING PERMITS (as of August 25, 2026)

	2022	2023	2024	2025	2026
New Single Family Homes					
No. of building permits	13	12	17	18	9
Valuation	$4,445,000	$3,812,200	$5,863,000	$6,213,616	$4,170,000
New Multiple Family Buildings					
No. of building permits	3	20	7	7	8
Valuation	$1,300,000	$5,037,825	$13,595,000	$3,920,000	$29,776,425
New Commercial/Industrial					
No. of building permits	13	3	3	1	0
Valuation	$14,161,877	$5,037,825	$5,511,872	$1,245,141	$0
All Building Permits *(including additions and remodelings)*					
No. of building permits	413	406	400	401	223
Valuation	$41,091,608	$39,458,322	$38,729,767	$31,085,843	$37,643,084

Source: The City.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census Population	12,048
2020 U.S. Census Population	12,556
Percent of Change 2010 - 2020	4.22%
2026 Preliminary Estimated Population	13,266

Income and Age Statistics

	The City	Sauk County	State of Wisconsin	United States
2024 per capita income	$39,597	$41,246	$43,373	$44,673
2024 median household income	$69,750	$79,541	$77,485	$80,734
2024 median family income	$98,581	$98,301	$100,141	$99,999
2024 median gross rent	$940	$1,018	$1,087	$1,413
2024 median value owner occupied units	$222,100	$258,600	$266,500	$332,700
2024 median age	40.4 yrs.	41.6 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
City % of 2024 per capita income	91.29%	88.64%
City % of 2024 median family income	98.44%	98.58%

Housing Statistics

	The City		
	2020	2024	Percent of Change
All Housing Units	5,776	6,464	11.91%

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

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

	Average Employment	Average Unemployment	
Year	Sauk County	Sauk County	State of Wisconsin
2022	33,621	2.7%	2.8%
2023	34,598	2.5%	2.8%
2024	34,993	2.6%	3.0%
2025[1]	34,712	2.9%	3.2%
2025, August[1]	36,303	2.8%	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 Baraboo, Wisconsin

Financial Statements and
Supplementary Information

December 31, 2025

City of Baraboo

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December 31, 2025

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Independent Auditors' Report

To the City Council of
City of Baraboo

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying 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 Baraboo, 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 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.

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 (*Government Auditing Standards).* 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.

Emphasis of Matter

As discussed in Note 3 to the financial statements, changes in presentation of funds within the financial statements had occurred and adjustments were made to the reporting periods beginning fund balance. Our opinions are not modified with respect to this matter.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
August 24, 2026

City of Baraboo
Statement of Net Position
December 31, 2025

	Primary Government			Component Units	
				Major	Nonmajor
	Governmental Activities	Business-Type Activities	Total	Community Development Authority	Business Improvement District
Assets and Deferred Outflows of Resources					
Cash and investments	$ 15,858,937	$ 6,524,825	$ 22,383,762	$ 703,608	$ 65,411
Receivables (net):					
Taxes	9,593,175	-	9,593,175	-	-
Delinquent personal property taxes	925	-	925	-	-
Accounts	537,042	1,177,516	1,714,558	15,856,264	-
Special assessments	174,732	12,993	187,725	-	9,544
Loans	1,901,436	-	1,901,436	-	-
Lease	646,368	2,275,690	2,922,058	-	-
Accrued interest	92,479	23,105	115,584	-	-
Due from other governmental units	954,597	-	954,597	237	-
Due from component units	52,322	-	52,322	-	-
Due from primary government	-	-	-	174,526	-
Internal balances	54,208	(54,208)	-	-	-
Inventories and prepaid items	211,940	176,461	388,401	-	356
Restricted:					
Cash and investments	-	1,209,247	1,209,247	70,178	-
Investment in mutual insurance company	320,000	-	320,000	-	-
Investment in joint ventures	3,539,008	-	3,539,008	-	-
Capital assets:					
Land and right of way	7,809,915	283,355	8,093,270	1,039,043	-
Construction in progress	562,589	-	562,589	3,880,953	-
Right-to-use asset, net of accumulated amortization	229,385	197,725	427,110	680,000	-
Other capital assets, net of accumulated depreciation	73,448,690	37,166,056	110,614,746	2,419,395	-
Total assets	115,987,748	48,992,765	164,980,513	24,824,204	75,311
Deferred Outflows of Resources					
Unamortized loss on debt refunding	16,725	-	16,725	-	-
Pension related amounts	3,659,503	433,210	4,092,713	83,910	-
OPEB related amounts, health	317,834	26,071	343,905	9,126	-
OPEB related amounts, life	112,722	22,813	135,535	8,987	-
Total deferred outflows of resources	4,106,784	482,094	4,588,878	102,023	-
Liabilities, Deferred Inflows of Resources and Net Position					
Liabilities					
Accounts payable	1,053,715	72,934	1,126,649	1,107,435	1,525
Accrued liabilities	701,187	16,597	717,784	140,462	-
Liabilities payable from restricted assets	-	-	-	47,699	-
Due to other governmental units	155,611	-	155,611	-	-
Due to component units	174,526	-	174,526	-	-
Due to primary government	-	-	-	52,217	105
Unearned revenues	-	67,502	67,502	-	-
Noncurrent liabilities:					
Due within one year	3,617,452	385,404	4,002,856	349,645	-
Due in more than one year	37,895,916	4,215,616	42,111,532	17,415,695	-
Net pension liability	629,680	74,355	704,035	14,368	-
OPEB liability, health	782,444	64,182	846,626	22,465	-
Net OPEB liability, life	338,733	68,832	407,565	26,934	-
Total liabilities	45,349,264	4,965,422	50,314,686	19,176,920	1,630
Deferred Inflows of Resources					
Lease related amounts	573,830	2,111,563	2,685,393	-	-
Pension related amounts	1,840,519	217,330	2,057,849	41,999	-
OPEB related amounts, health	652,532	53,525	706,057	18,735	-
OPEB related amounts, life	257,265	52,276	309,541	20,455	-
Property taxes levied for next period	12,873,310	-	12,873,310	-	-
Total deferred inflows of resources	16,197,456	2,434,694	18,632,150	81,189	-
Net Position					
Net investment in capital assets	49,592,881	33,346,854	77,616,834	6,428,460	-
Restricted for:					
Debt service	-	168,445	168,445	-	-
Grant activities	963,781	-	963,781	-	-
Impact fees	583,077	-	583,077	-	-
Library	799,393	-	799,393	-	-
Facade improvement	18,359	-	18,359	-	-
Street lighting	338,468	-	338,468	-	-
TIF project plans	915,213	-	915,213	-	-
Alma Waite	1,311,303	-	1,311,303	-	-
Kuenzi estate	30,497	-	30,497	-	-
Equipment replacement	-	1,031,914	1,031,914	-	-
Unrestricted (deficit)	3,994,840	7,527,530	16,845,271	(760,342)	73,681
Total net position	$ 58,547,812	$ 42,074,743	$ 100,622,555	$ 5,668,118	$ 73,681

See notes to financial statements

City of Baraboo

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 (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units: Community Development Authority	Component Units: Business Improvement District
Primary Government									
Governmental activities:									
General government	$ 1,806,897	$ 153,954	$ 26,130	$ -	$ (1,626,813)	$ -	$ (1,626,813)	$ -	$ -
Public safety	7,515,267	500,278	340,311	68,515	(6,606,163)	-	(6,606,163)	-	-
Public works	4,832,694	540,460	1,132,927	346,933	(2,812,374)	-	(2,812,374)	-	-
Health and human services	36,751	-	-	-	(36,751)	-	(36,751)	-	-
Culture, recreation and education	3,236,200	360,776	466,509	178,609	(2,230,306)	-	(2,230,306)	-	-
Conservation and development	1,196,935	32,888	229,626	-	(934,421)	-	(934,421)	-	-
Interest and fiscal charges	813,132	-	-	-	(813,132)	-	(813,132)	-	-
Total governmental activities	19,437,876	1,588,356	2,195,503	594,057	(15,059,960)	-	(15,059,960)	-	-
Business-type activities:									
Water	1,800,351	2,480,671	-	19,265	-	699,585	699,585	-	-
Sewer	1,646,095	1,716,639	-	40,733	-	111,277	111,277	-	-
Stormwater	808,418	686,507	-	-	-	(121,911)	(121,911)	-	-
Total business-type activities	4,254,864	4,883,817	-	59,998	-	688,951	688,951	-	-
Total primary government	$ 23,692,740	$ 6,472,173	$ 2,195,503	$ 654,055	(15,059,960)	688,951	(14,371,009)	-	-
Component Units									
Community Development Authority	$ 1,734,428	$ 786,939	$ 276,830	$ 1,700,556	-	-	-	1,029,897	-
Business Improvement District	52,437	52,836	-	-	-	-	-	-	399
Total component units	$ 1,786,865	$ 839,775	$ 276,830	$ 1,700,556	-	-	-	1,029,897	399
General Revenues									
Taxes:									
Property taxes, levied for general purposes					6,544,210	-	6,544,210	-	-
Property taxes, levied for debt service					3,097,667	-	3,097,667	-	-
Property taxes, levied for TIF district					1,479,336	-	1,479,336	-	-
Other taxes					292,380	-	292,380	-	-
Intergovernmental revenues not restricted to specific programs					3,357,786	-	3,357,786	-	-
Investment income					635,078	317,468	952,546	460,776	-
Miscellaneous					578,941	2,211	581,152	-	-
Transfers					301,610	(301,610)	-	-	-
Total general revenues and transfers					16,287,008	18,069	16,305,077	460,776	-
Change in net position					1,227,048	707,020	1,934,068	1,490,673	399
Net Position, Beginning					57,320,764	41,367,723	98,688,487	4,177,445	73,282
Net Position, Ending					$ 58,547,812	$ 42,074,743	$ 100,622,555	$ 5,668,118	$ 73,681

See notes to financial statements

City of Baraboo

Balance Sheet -
Governmental Funds
December 31, 2025

	General Fund	General Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	$ 6,633,574	$ 710,914	$ 8,218,204	$ 15,562,692
Receivables (net):				
Taxes	4,652,957	2,262,305	2,475,854	9,391,116
Delinquent taxes	925	-	-	925
Accounts	204,038	-	300,445	504,483
Special assessments	-	-	174,732	174,732
Loans	-	-	1,901,436	1,901,436
Lease	646,368	-		646,368
Interest	18,544	-	73,935	92,479
Due from other funds	568,331	117	36,385	604,833
Due from component units	52,322	-	-	52,322
Due from other governments	124,454	-	830,143	954,597
Inventories	165,459	-	-	165,459
Prepaid items	21,183	-	25,298	46,481
Advances to other funds	282,597	-	-	282,597
Total assets	$ 13,370,752	$ 2,973,336	$ 14,036,432	$ 30,380,520
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ 207,038	$ -	$ 830,462	$ 1,037,500
Accrued liabilities	544,531	-	-	544,531
Due to other governments	155,611	-	-	155,611
Due to other funds	65,939	-	484,686	550,625
Due to component unit	-	-	174,526	174,526
Advances from other funds	-	-	282,597	282,597
Total liabilities	973,119	-	1,772,271	2,745,390
Deferred Inflows of Resources				
Property taxes levied for next period	6,088,238	3,114,308	3,392,610	12,595,156
Lease	573,830	-	-	573,830
Unavailable revenue	-	-	2,192,871	2,192,871
Total deferred inflows of resources	6,662,068	3,114,308	5,585,481	15,361,857
Fund Balances				
Nonspendable	470,164	-	25,298	495,462
Restricted	-	-	6,003,091	6,003,091
Committed	-	-	604,585	604,585
Assigned	989,835	-	575,639	1,565,474
Unassigned (deficit)	4,275,566	(140,972)	(529,933)	3,604,661
Total fund balances (deficit)	5,735,565	(140,972)	6,678,680	12,273,273
Total liabilities, deferred inflows of resources and fund balances	$ 13,370,752	$ 2,973,336	$ 14,036,432	$ 30,380,520

See notes to financial statements

City of Baraboo

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2025

Total Fund Balances for Governmental Funds	$ 12,273,273
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 (excluding internal service funds).	
Land and right of way	7,809,915
Construction in progress	562,589
Other capital assets, net of accumulated depreciation	73,448,690
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	
Special assessments not yet due	174,732
Receivables not available within 60 days after year-end	116,703
Loans receivable	1,901,436
Deferred outflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds.	4,090,059
Deferred inflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds.	(2,750,316)
The City's equity interest in joint ventures is reported on the Statement of Net Position.	3,539,008
Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses, but these items are amortized over the life of the debt issue on the Statement of Activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds but amortized over the life of the debt issuance on the Statement of Activities.	
Unamortized loss on debt refunding	16,725
Unamortized premium on debt issuance	(216,929)
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.	
Bonds and notes payable	(23,741,904)
Finance purchases	(15,624,349)
Compensated absences	(1,693,517)
Accrued interest	(156,655)
Net pension liability	(629,680)
OPEB liabilities	(1,121,177)
Internal service fund net position is reported in the statement of net position	549,209
Net Position of Governmental Funds	$ 58,547,812

See notes to financial statements

City of Baraboo

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2025

	General Fund	General Debt Service Fund	*(Previous Year Major Fund)* Library Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 5,786,039	$ 3,097,667	$ -	$ 2,529,887	$ 11,413,593
Intergovernmental	3,581,344	-	-	1,435,285	5,016,629
Licenses and permits	279,870	-	-	-	279,870
Fines, forfeitures and penalties	136,214	-	-	211,719	347,933
Public charges for services	454,102	-	-	504,246	958,348
Intergovernmental charges for services	160,696	-	-	68,924	229,620
Special assessments	-	-	-	182,354	182,354
Investment income	375,101	-	-	245,125	620,226
Miscellaneous	245,594	-	-	391,092	636,686
Total revenues	11,018,960	3,097,667	-	5,568,632	19,685,259
Expenditures					
Current:					
General government	1,412,193	-	-	29,835	1,442,028
Public safety	5,348,867	847,400	-	12,293	6,208,560
Public works	2,073,438	-	-	932,953	3,006,391
Health and human services	36,751	-	-	-	36,751
Culture, recreation and education	1,545,793	-	-	1,205,809	2,751,602
Conservation and development	152,857	-	-	1,284,285	1,437,142
Capital outlay	250,217	-	-	3,091,582	3,341,799
Debt service:					
Principal	203,200	2,328,500	-	416,933	2,948,633
Interest and fiscal charges	307,178	392,276	-	492,449	1,191,903
Total expenditures	11,330,494	3,568,176	-	7,466,139	22,364,809
Excess (deficiency) of revenues over expenditures	(311,534)	(470,509)	-	(1,897,507)	(2,679,550)
Other Financing Sources (Uses)					
Sale of capital assets	9,945	-	-	249,055	259,000
Debt issued	510,000	-	-	1,025,920	1,535,920
Transfer in, tax equivalent	302,157	-	-	-	302,157
Transfers in	963	-	-	103,744	104,707
Transfers out	(6,635)	-	-	(98,619)	(105,254)
Total other financing sources (uses)	816,430	-	-	1,280,100	2,096,530
Net change in fund balance	504,896	(470,509)	-	(617,407)	(583,020)
Fund Balances, Beginning, as Previously Reported	5,230,669	329,537	189,604	7,106,483	12,856,293
Accounting change (see note disclosure)	-	-	(189,604)	189,604	-
Fund Balances, Beginning, as Adjusted	5,230,669	329,537	-	7,296,087	12,856,293
Fund Balances (Deficit), Ending	$ 5,735,565	$ (140,972)	$ -	$ 6,678,680	$ 12,273,273

See notes to financial statements

City of Baraboo

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds	$ (583,020)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.	
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	3,341,799
Some items reported as capital outlay were not capitalized	(427,756)
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements	35,148
Depreciation is reported in the government-wide statements	(2,069,924)
Contributed capital assets are reported as revenues in the government-wide financial statements	381,803
Net book value of assets retired	(468,599)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements, but are recognized as revenue when earned in the government-wide financial statements.	30,952
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Principal repaid on debt, finance purchase and subscription liability	2,948,633
Debt issued	(1,535,920)
Governmental funds report premiums associated with the issuance of long-term debt as other financing sources and uses, but these items are amortized over the life of the debt issue on the Statement of Activities. Similarly, losses on debt refundings are recorded as expenditures in the governmental funds, but amortized over the life of the debt issue on the Statement of Activities.	
Amortization of losses on debt refunding	(18,579)
Amortization of premium on debt	32,732
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(71,235)
Accrued interest	107,146
Net pension liability	(38,969)
Deferred outflows of resources related to pensions and OPEBs	(1,661,207)
Deferred inflows of resources related to pensions and OPEBs	1,285,851
OPEB liabilities	66,868
Changes in the City's investment in joint ventures.	(83,491)
Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund is reported with governmental activities.	(45,184)
Change in Net Position of Governmental Funds	$ 1,227,048

See notes to financial statements

City of Baraboo

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
Assets and Deferred Outflows of Resources					
Current Assets					
Cash and investments	$ 3,594,057	$ 2,035,628	$ 668,273	$ 6,297,958	$ 296,245
Receivables (net):					
Taxes	-	-	-	-	202,059
Accounts	580,644	428,387	168,485	1,177,516	32,559
Lease	20,811	-	-	20,811	-
Special assessments	-	12,993	-	12,993	-
Interest	10,483	9,481	3,141	23,105	-
Due from other funds	5,084	55,154	2,778	63,016	-
Inventories	86,867	16,330	73,264	176,461	-
Restricted assets:					
Redemption account	55,915	121,418	-	177,333	-
Total current assets	4,353,861	2,679,391	915,941	7,949,193	530,863
Noncurrent Assets					
Restricted assets:					
Replacement account	-	1,031,914	-	1,031,914	-
Lease receivable	2,254,879	-	-	2,254,879	-
Capital assets:					
Land	79,765	72,298	131,292	283,355	-
Right-of-use assets	197,725	-	-	197,725	514,588
Property and equipment	22,770,942	18,598,654	15,957,586	57,327,182	-
Accumulated depreciation/amortization	(8,971,275)	(8,226,825)	(2,963,026)	(20,161,126)	(285,203)
Other assets:					
Depreciation account	-	84,313	-	84,313	-
Replacement account	-	-	142,554	142,554	-
Investment in mutual insurance company	-	-	-	-	320,000
Total noncurrent assets	16,332,036	11,560,354	13,268,406	41,160,796	549,385
Total assets	20,685,897	14,239,745	14,184,347	49,109,989	1,080,248
Deferred Outflows of Resources					
Pension related amounts	206,687	170,249	56,274	433,210	-
OPEB related amounts, health	17,843	8,228	-	26,071	-
OPEB related amounts, life	10,780	11,846	187	22,813	-
Total deferred outflows of resources	235,310	190,323	56,461	482,094	-

See notes to financial statements

City of Baraboo

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
Liabilities, Deferred Inflows of Resources and Net Position					
Liabilities					
Current liabilities:					
Accounts payable	$ 42,752	$ 25,553	$ 4,629	$ 72,934	$ 16,215
Accrued interest	5,381	-	2,328	7,709	-
Due to other funds	34,401	78,228	4,595	117,224	-
Current portion of general obligation debt	-	-	10,000	10,000	-
Current portion of compensated absences	54,930	36,432	2,221	93,583	-
Current portion lease liability	58,515	-	-	58,515	113,031
Liabilities payable from restricted assets:					
Current maturities of revenue bonds	57,750	165,556	-	223,306	-
Accrued interest	-	8,888	-	8,888	-
Total current liabilities	253,729	314,657	23,773	592,159	129,246
Noncurrent liabilities:					
Revenue bonds	1,307,522	2,503,016	-	3,810,538	-
General obligation debt payable	-	-	180,000	180,000	-
Compensated absences	112,933	78,160	16,062	207,155	-
Unamortized premium on debt issuance	-	-	2,324	2,324	-
Lease liability	15,599	-	-	15,599	123,638
Net pension liability	35,777	28,952	9,626	74,355	-
OPEB liability, health	43,927	20,255	-	64,182	-
Net OPEB liability, life	32,546	35,725	561	68,832	-
Unearned revenues	67,502	-	-	67,502	-
Total noncurrent liabilities	1,615,806	2,666,108	208,573	4,490,487	123,638
Total liabilities	1,869,535	2,980,765	232,346	5,082,646	252,884
Deferred Inflows of Resources					
Property tax levied for the next period	-	-	-	-	278,155
Lease related amounts	2,111,563	-	-	2,111,563	-
Pension related amounts	104,570	84,624	28,136	217,330	-
OPEB related amounts, health	36,633	16,892	-	53,525	-
OPEB related amounts, life	24,718	27,132	426	52,276	-
Total deferred inflows of resources	2,277,484	128,648	28,562	2,434,694	278,155
Net Position					
Net investment in capital assets	12,637,771	7,775,555	12,933,528	33,346,854	-
Restricted for:					
Debt service	55,915	112,530	-	168,445	-
Equipment replacement	-	1,031,914	-	1,031,914	-
Unrestricted	4,080,502	2,400,656	1,046,372	7,527,530	549,209
Total net position	$ 16,774,188	$ 11,320,655	$ 13,979,900	$ 42,074,743	$ 549,209

See notes to financial statements

City of Baraboo

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
Operating Revenues					
Charges for service	$ 2,344,944	$ 1,697,594	$ 677,482	$ 4,720,020	$ 116,596
Miscellaneous	135,727	19,045	9,025	163,797	-
Total operating revenues	2,480,671	1,716,639	686,507	4,883,817	116,596
Operating Expenses					
Operation and maintenance	1,208,397	1,130,422	580,232	2,919,051	353,140
Depreciation/Amortization	547,568	459,748	201,746	1,209,062	130,980
Total operating expenses	1,755,965	1,590,170	781,978	4,128,113	484,120
Operating income (loss)	724,706	126,469	(95,471)	755,704	(367,524)
Nonoperating Revenues (Expenses)					
Taxes	-	-	-	-	306,640
Merchandising and jobbing	1,989	-	-	1,989	-
Investment income	169,348	123,982	24,138	317,468	6,299
Interest expense	(44,386)	(55,925)	(6,124)	(106,435)	(33,747)
Insurance recoveries	-	-	-	-	43,148
Amortization of loss on refunding	-	-	388	388	-
Gain (loss) on disposal of assets	-	-	(20,704)	(20,704)	-
Miscellaneous revenues	-	222	-	222	-
Total nonoperating revenues (expenses)	126,951	68,279	(2,302)	192,928	322,340
Income before contributions and transfers	851,657	194,748	(97,773)	948,632	(45,184)
Contribution and Transfers					
Capital contributions	19,265	40,733	-	59,998	-
Transfers in	-	-	547	547	-
Transfers out	(291,513)	(10,644)	-	(302,157)	-
Total contributions and transfers	(272,248)	30,089	547	(241,612)	-
Change in net position	579,409	224,837	(97,226)	707,020	(45,184)
Net Position, Beginning	16,194,779	11,095,818	14,077,126	41,367,723	594,393
Net Position, Ending	$ 16,774,188	$ 11,320,655	$ 13,979,900	$ 42,074,743	$ 549,209

See notes to financial statements

City of Baraboo

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
Cash Flows From Operating Activities					
Received from customers	$ 1,792,644	$ 1,590,389	$ 684,712	$ 4,067,745	$ -
Received from city for services	621,762	-	-	621,762	178,365
Paid to suppliers for goods and services	(740,482)	(764,569)	(401,772)	(1,906,823)	(386,534)
Paid to and on behalf of employees for services	(495,617)	(440,719)	(202,607)	(1,138,943)	-
Net cash flows from operating activities	1,178,307	385,101	80,333	1,643,741	(208,169)
Cash Flows From Investing Activities					
Marketable securities purchased	(1,730,660)	-	-	-	-
Investments sold and matured	431,826	-	-	431,826	-
Investment income	168,253	126,138	25,616	320,007	6,299
Net cash flows from investing activities	(1,130,581)	126,138	25,616	751,833	6,299
Cash Flows From Noncapital Financing Activities					
Transfers to/from other funds	-	(10,644)	547	(10,097)	-
Advances to/from other funds	103,000	-	-	103,000	-
Property taxes received	-	-	-	-	306,640
Paid to municipality for tax equivalent	(291,513)	-	-	(291,513)	-
Net cash flows from noncapital financing activities	(188,513)	(10,644)	547	(198,610)	306,640
Cash Flows From Capital Financing Activities					
Debt retired	(54,229)	(162,966)	(45,000)	(262,195)	-
Debt issued	163,846	26,904	-	190,750	-
Lease liability retired	-	-	-	-	(115,344)
Interest paid	(44,819)	(57,173)	(5,976)	(107,968)	(33,747)
Special assessments received	-	209,970	144	210,114	-
Received on long term advances	-	79,010	-	79,010	-
Acquisition and construction of capital assets	(513,856)	(172,623)	(709,830)	(1,396,309)	-
Capital contributions	-	40,733	-	40,733	-
Net cash flows from capital financing activities	(449,058)	(36,145)	(760,662)	(1,245,865)	(149,091)
Net increase (decrease) in cash and cash equivalents	(589,845)	464,450	(654,166)	(779,561)	(44,321)
Cash and Cash Equivalents, Beginning	2,940,983	2,808,823	1,464,993	7,214,799	340,566
Cash and Cash Equivalents, Ending	$ 2,351,138	$ 3,273,273	$ 810,827	$ 6,435,238	$ 296,245

See notes to financial statements

City of Baraboo

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities					
Operating income (loss)	$ 724,706	$ 126,469	(95,471)	$ 755,704	$ (367,524)
Nonoperating revenue	1,989	222	-	2,211	43,148
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation/Amortization	547,568	459,748	201,746	1,209,062	130,980
Depreciation charged to other funds	43,610	(43,610)	-	-	-
Change in assets, deferred outflows, liabilities and deferred inflows:					
Accounts receivable	112	(30,210)	(1,795)	(31,893)	18,621
Due to/from other funds	3,399	(347)	-	3,052	-
Inventories	(1,199)	(3,881)	(16,847)	(21,927)	-
Accounts payable	(95,157)	(36,631)	-	(131,788)	(33,394)
Compensated absences	43	(53,019)	(435)	(53,411)	-
Pension and OPEB related amounts	(46,764)	(33,640)	(9,081)	(89,485)	-
Other current liabilities	-	-	2,216	2,216	-
Net cash flows from operating activities	$ 1,178,307	$ 385,101	$ 80,333	$ 1,643,741	$ (208,169)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds					
Cash and equivalents	$ 3,594,057	$ 2,035,628	$ 668,273	$ 6,297,958	$ 296,245
Depreciation account	-	84,313	-	84,313	-
Replacement account	-	-	142,554	142,554	-
Restricted cash and investments:					
Redemption account	55,915	121,418	-	177,333	-
Replacement account	-	1,031,914	-	1,031,914	-
Total cash and investments	3,649,972	3,273,273	810,827	7,734,072	296,245
Less noncash equivalents	(1,298,834)	-	-	(1,298,834)	-
Cash and cash equivalents, ending	$ 2,351,138	$ 3,273,273	$ 810,827	$ 6,435,238	$ 296,245
Noncash Investing, Capital and Financing Activities					
Capital contributions	$ 19,265	$ -	$ -		$ -
Amortization of debt premium	$ -	$ -	$ 471		$ -

See notes to financial statements

City of Baraboo

Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2025

	Custodial Funds
Assets	
Cash and investments	$ 4,528,518
Taxes receivable	10,881,489
Prepaid items	34,915
Due from other governments	1,332
Total assets	15,446,254
Liabilities	
Accounts payable	348
Due to other taxing units	15,304,257
Total liabilities	15,304,605
Net Position	
Restricted	$ 141,649

See notes to financial statements

City of Baraboo

Statement of Changes in Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2025

	Custodial Funds
Additions	
Property taxes collected for other governments	$ 7,491,376
Intergovernmental charges for services	210,000
Public charges for services	12,393
Investment income	326
Miscellaneous revenues	41,016
Total additions	7,755,111
Deductions	
Property taxes distributed to other governments	7,491,376
Culture, recreation and education	164,015
Total deductions	7,655,391
Change in fiduciary net position	99,720
Net Position, Beginning	41,929
Net Position, Ending	$ 141,649

See notes to financial statements

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1. Summary of Significant Accounting Policies

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

Reporting Entity

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

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

Discretely Presented Component Units

Community Development Authority

The government-wide financial statements include the Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The CDA's financial statements include transactions of a limited liability company (Corson Square LLC), which is used to promote redevelopment of CDA properties. The information presented is for the fiscal year ended December 31, 2025. The CDA does not issue separate financial statements.

Business Improvement District

The government-wide financial statements include the Business Improvement District (BID) as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BID, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the BID'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. The BID does not issue separate financial statements.

Financial Statement Presentation

The Corson Square LLC (LLC) of the CDA is reported under FASB standards. As such, certain revenue recognition and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the LLC's financial information in the CDA's financial reporting entity for these differences.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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

The City reports the following major governmental funds:

General Fund

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

Debt Service Fund

General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. For report purposes, the City has combined its debt services funds into one fund.

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

Stormwater Utility accounts for operations of the stormwater system

The City reports the following nonmajor governmental funds:

Special Revenue Funds

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

Economic Development
Park Development Impact Fees
Fire Impact Fees
Alma Waite
Library Operating Fund
Library Impact Fees
Facade Improvement Program
Library Segregated
Economic Development Revolving Loan
Lead Service Grant
Wisconsin Community Development Block Grant
Community Development Block Grant
Public Safety Impact Fees
Taxi Grant
Parks
Ochsner Park House
Carbon Reduction Fund
Kuenzi Estate
Capital Catalyst
Flood Aid
Street Lighting
Library Building

Capital Projects Funds

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

Tax Incremental District #7
Tax Incremental District #8
Tax Incremental District #10
Tax Incremental District #11
Tax Incremental District #12
Roads Projects Fund
Park Amenities Fund
Emergency Management Equipment
Special Assessments Projects
Urban Development
Land Development
Police Capital Fund
Public Works Capital Fund
General/IT Capital Fund
Parks Capital Fund
Fire Equipment

In addition, the City reports the following fund types:

Internal Service Funds

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

Liability Insurance Fund
Leased Vehicles Fund

Custodial Funds

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

Tax Collection Fund
Friends of the Library
UW Campus

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.

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

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

Proprietary and Fiduciary Funds

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

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

All Financial Statements

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

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

Deposits and Investments

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

a. Time deposits in any credit union, bank, savings bank or trust company.

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

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

g. Repurchase agreements with public depositories, with certain conditions.

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 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 statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

Receivables

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

Property tax calendar - 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
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, sewer and stormwater utilities because they have the right by law to place substantially all delinquent bills on the tax roll.

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

The City has received federal and state grant funds for economic development 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 not been reduced by an allowance for uncollectible accounts.

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

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expense when used.

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

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $5,000 for general capital assets and $25,000 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.

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

Buildings	30-75 Years
Land improvements	30 Years
Machinery and equipment	3-15 Years
Utility system	15-100 Years
Infrastructure	20-50 Years

Lease assets are typically amortized over the lease term.

Fund Financial Statements

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

Deferred Outflows of Resources

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

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the 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 and proprietary fund financial statements.

Compensated Absences

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

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

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

Long-Term Obligations

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

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

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

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately $3,575,000, made up of one issue.

Leases

The City is a lessor because it leases capital assets to other entities. As a lessor, the City reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The City continues to report and depreciate the capital assets being leased as capital assets of the primary government.

The City is a lessee because it leases capital assets from other entities. As a lessee, the City reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the City recognizes lease proceeds and capital outlay at initiation of the lease and the outflow of resources for the lease liability as a debt service payment.

Subscription-Based Information Technology Arrangements

The City reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements. In the governmental fund financial statements, the City recognizes subscription proceeds and capital outlay at initiation of the subscription and the outflow of resources for the subscription liability as a debt service payment.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets" and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	Governmental Activities	Business-Type Activities	Adjustment	Total
Net investment in capital assets	$ 49,592,881	$ 33,346,854	$ (5,322,901)	$ 77,616,834
Unrestricted	3,994,840	7,527,530	5,322,901	16,845,271

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

Fund Statements

Governmental fund balances are displayed as follows:

a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Director of Finance 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.

See Note 3 for further information.

Pension

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

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

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense information has been determined on the same basis are reported by the City OPEB Plan related to healthcare coverage. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

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 following:

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

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

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin (PSC) on February 4, 2025. In addition, there are new rates effective January 1, 2026 that were approved by the PSC on August 11, 2025.

Sewer Utility

Current sewer rates were approved by the City Council and placed into effect with the first quarter billing of 2019.

Stormwater Utility

Current stormwater rates were approved by the City Council and placed into effect on January 1, 2012.

2. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

The following funds had significant expenditures and other financing uses over budget:

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
General Debt Service	$ 3,098,079	$ 3,568,176	$ 470,097
Fire Impact Fees	120,800	327,807	207,007
Library Operating	1,071,240	1,091,845	20,605
Library Segregated	84,000	116,684	32,684
Parks	37,831	43,489	5,658
Tax Incremental District #7	234,610	235,512	902
Parks Capital	27,000	98,343	71,343
Roads Projects Fund	1,045,000	1,170,361	125,361
Leased Vehicles	152,622	168,387	15,765
Donahue Terrace	467,000	472,843	5,843
Wisconsin Community Development Block Grant	271,500	312,920	41,420

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

Deficit Balances

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

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

Fund	Amount	Reason
Fire Impact Fees	$ 127,413	Excess expenditures over revenues
Tax Incremental District #7	297,672	Excess expenditures over revenues
Tax Incremental District #12	30,736	Excess expenditures over revenues
Urban Development	20,100	Excess expenditures over revenues
Roads Projects Fund	54,012	Excess expenditures over revenues
General Debt Service	140,972	Excess expenditures over revenues
Driftless Lofts LLC	264,779	Excess expenditures over revenues

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

The remaining fund deficits are anticipated to be funded with future contributions, general tax revenues, or long-term borrowing.

Limitations on the City's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

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

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	$ 19,275,551	$ 18,238,873	Custodial credit
U.S. agencies, explicitly guaranteed	498,897	498,897	Custodial credit, interest rate
Mutual funds, other than bond funds	1,519,828	1,519,828	N/A
U.S. agencies, implicitly guaranteed	1,718,828	1,718,828	Custodial credit, interest rate, Credit, Concentration of Credit
LGIP	4,947,200	4,947,200	Credit
Certificates of deposit (negotiable)	160,373	160,373	Custodial credit, interest rate, Credit, Concentration of Credit
Petty cash	850	-	N/A
Total deposits and investments	$ 28,121,527	$ 27,083,999	

Reconciliation to financial statements

Per statement of net position:	
Unrestricted cash and investments	$ 22,383,762
Restricted cash and investments	1,209,247
Per statement of net position, fiduciary funds:	
Custodial funds	4,528,518
Total deposits and investments	$ 28,121,527

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

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

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

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

Investment Type	December 31, 2025 Level 1	Level 2	Level 3	Total
Mutual funds, other than bonds	$ -	$ 1,519,828	$ -	$ 1,519,828
U.S agencies, explicitly guaranteed	-	498,897	-	498,897
U.S agencies, implicitly guaranteed	799,025	919,803	-	1,718,828
Certificates of deposit (negotiable)	-	160,373	-	160,373
Total	$ 799,025	$ 3,098,901	$ -	$ 3,897,926

Custodial Credit Risk

Deposits

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

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

Investments

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

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

Credit Risk

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

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

Investment Type	Standard & Poors	Moody's Investors Services
U.S. agencies, implicitly guaranteed	AA+	Aa1
Certificates of deposit (negotiable)	Not rated	Not rated

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

LGIP

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.

Interest Rate Risk

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

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

Investment Type	Fair Value	Maturity (in Years) Less Than 1	1-5	6-10	More Than 10
Certificates of deposit (negotiable)	$ 160,373	$ 160,373	$ -	$ -	$ -
U.S. agencies, explicitly guaranteed	498,897	-	-	41,918	456,979
U.S. agencies, implicitly guaranteed	1,718,828	-	799,025	40,268	879,535
Total	$ 2,378,098	$ 160,373	$ 799,025	$ 82,186	$ 1,336,514

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year.

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
Property taxes receivable for subsequent year	$ 12,595,156	$ -
Special assessments not yet due	-	51,477
Loans receivable	-	1,901,436
Leases receivable	573,830	-
Other receivable	-	239,958
Total unearned/unavailable revenue for governmental funds	$ 13,168,986	$ 2,192,871

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

Equipment Replacement Account

The 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:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	$ 177,333	$ 8,888	$ 168,445
Equipment replacement account	1,031,914	-	1,031,914
Total	$ 1,209,247	$ 8,888	$ 1,200,359

Capital Assets

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

	Beginning Balance	Adjustments*	Additions	Deletions	Ending Balance
Governmental Activities					
Capital assets not being depreciated / amortized:					
Land	$ 7,747,174	$ -	$ 218,003	$ 155,262	$ 7,809,915
Construction in progress	807,005	-	956,527	1,200,943	562,589
Total capital assets not being depreciated / amortized	8,554,179	-	1,174,530	1,356,205	8,372,504
Capital assets being depreciated / amortized:					
Land improvements	4,297,223	-	229,607	7,403	4,519,427
Building and improvements	39,210,584	-	247,442	-	39,458,026
Machinery and equipment	9,572,695	(79,434)	1,765,955	964,237	10,294,979
Infrastructure	48,173,749	-	1,349,099	307,846	49,215,002
Leased right-to-use	514,588	-	-	-	514,588
Total capital assets being depreciated / amortized	101,768,839	(79,434)	3,592,103	1,279,486	104,002,022
Total capital assets	110,323,018	(79,434)	4,766,633	2,635,691	112,374,526

	Beginning Balance	Adjustments*	Additions	Deletions	Ending Balance
Less accumulated depreciation / amortization for:					
Land improvements	$ (1,634,617)	$ -	$ (117,382)	$ 5,945	$ (1,746,054)
Building and improvements	(7,268,815)	-	(599,335)	-	(7,868,150)
Machinery and equipment	(3,936,685)	-	(512,242)	570,754	(3,878,173)
Infrastructure	(15,939,590)	-	(840,965)	234,188	(16,546,367)
Leased right-to-use	(154,223)	-	(130,980)	-	(285,203)
Total accumulated depreciation / amortization	(28,933,930)	-	(2,200,904)	810,887	(30,323,947)
Net capital assets being depreciated / amortized	72,834,909	(79,434)	1,391,199	468,599	73,678,075
Total governmental activities capital assets, net as reported in the statement of net position	$ 81,389,088	$ (79,434)	$ 2,565,729	$ 1,824,804	$ 82,050,579

* Adjustments were made to reflect correct ending balance.

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities	
General government	$ 166,562
Public safety	257,110
Public works	1,100,436
Culture, recreation and education	676,796
Total governmental activities depreciation / amortization expense	$ 2,200,904

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated / amortized:				
Land	$ 72,298	$ -	$ -	$ 72,298
Total capital assets not being depreciated / amortized	72,298	-	-	72,298
Capital assets being depreciated/amortized:				
Collecting system	6,690,141	30,555	1,236	6,719,460
Collecting system pumping	1,023,378	112,265	69,729	1,065,914
Treatment and disposal	9,711,305	-	-	9,711,305
General	1,071,488	8,659	10,333	1,069,814
Intangible	18,761	21,197	7,797	32,161
Total capital assets being depreciated / amortized	18,515,073	172,676	89,095	18,598,654
Total capital assets	18,587,371	172,676	89,095	18,670,952
Less accumulated depreciation/amortization for:				
Sewer utility	(7,899,728)	(416,192)	89,095	(8,226,825)
Total accumulated depreciation / amortization	(7,899,728)	(416,192)	89,095	(8,226,825)
Net capital assets being depreciated / amortized	10,615,345	(243,516)	-	10,371,829
Net sewer capital assets	$ 10,687,643	$ (243,516)	$ -	$ 10,444,127

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated / amortized:				
Land	$ 79,765	$ -	$ -	$ 79,765
Total capital assets not being depreciated / amortized	79,765	-	-	79,765
Capital assets being depreciated / amortized:				
Source of supply	517,881	-	-	517,881
Pumping	2,361,648	16,991	6,400	2,372,239
Water treatment	70,181	-	-	70,181
Transmission and distribution	18,711,608	528,667	89,999	19,150,276
General	627,716	5,970	3,274	630,412
Intangible	29,953	-	-	29,953
Leased right-to-use	197,725	-	-	197,725
Total capital assets being depreciated / amortized	22,516,712	551,628	99,673	22,968,667
Total capital assets	22,596,477	551,628	99,673	23,048,432
Less accumulated depreciation/amortization for:				
Water utility	(8,476,243)	(594,705)	99,673	(8,971,275)
Total accumulated depreciation / amortization	(8,476,243)	(594,705)	99,673	(8,971,275)
Net capital assets being depreciated / amortized	14,040,469	(43,077)	-	13,997,392
Net water capital assets	$ 14,120,234	$ (43,077)	$ -	$ 14,077,157

	Beginning Balance	Additions	Deletions	Ending Balance
Stormwater				
Capital assets not being depreciated:				
Land	$ 131,292	$ -	$ -	$ 131,292
Total capital assets not being depreciated	131,292	-	-	131,292
Capital assets being depreciated:				
Equipment	969,901	-	2,648	967,253
Basins	493,854	-	-	493,854
Infrastructure	14,145,344	387,926	36,791	14,496,479
Total capital assets being depreciated	15,609,099	387,926	39,439	15,957,586
Total capital assets	15,740,391	387,926	39,439	16,088,878
Less accumulated depreciation for:				
Stormwater	(2,779,970)	(183,056)	-	(2,963,026)
Total accumulated depreciation	(2,779,970)	(183,056)	-	(2,963,026)
Net capital assets being depreciated	12,829,129	204,870	39,439	12,994,560
Net stormwater capital assets	$ 12,960,421	$ 204,870	$ 39,439	$ 13,125,852
Business-type activities capital assets, net as reported in the statement of net position	$ 37,768,298	$ (81,723)	$ 39,439	$ 37,647,136

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities	
Sewer	$ 459,748
Water	547,568
Stormwater	201,746
Total business-type activities, net as reported in the statement of net position expense	$ 1,209,062

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

	Beginning Balance	Additions	Deletions	Ending Balance
CDA				
Capital assets not being depreciated / amortized:				
Land	$ 1,039,043	$ -	$ -	$ 1,039,043
Construction in progress	1,276,928	376,995	-	1,653,923
Total capital assets not being depreciated / amortized	2,315,971	376,995	-	2,692,966
Capital assets being depreciated / amortized:				
Land improvements	349,661	-	220,009	129,652
Buildings and improvements	6,192,725	-	1,618,032	4,574,693
Machinery and equipment	691,827	-	564,664	127,163
Right-to-use assets: vehicles	42,086	-	18,939	23,147
Total capital assets being depreciated / amortized	7,276,299	-	2,421,644	4,854,655
Total capital assets	9,592,270	376,995	2,421,644	7,547,621
Less accumulated depreciation / amortization for:				
CDA	(4,691,131)	(156,400)	2,389,895	(2,457,636)
Total accumulated depreciation / amortization	(4,691,131)	(156,400)	2,389,895	(2,457,636)
Net capital assets being depreciated / amortized	2,585,168	(156,400)	31,749	2,397,019
Total CDA capital assets, net as reported in the statement of net position	$ 4,901,139	$ 220,595	$ 31,749	$ 5,089,985

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Carbon Reduction Fund	$ 5,214
General Fund	Flood Aid	49,669
General Fund	Tax Incremental District #10	49,881
General Fund	Roads Projects Fund	309,807
General Fund	Library Segregated	36,550
Street Lighting	General Fund	1,428
Sewer Utility	General Fund	55,154
Water Utility	General Fund	4,622
General Fund	Stormwater Utility	4,133
Library Operating Fund	Library Segregated	33,000
Stormwater Utility	General Fund	2,778
Parks	General Fund	1,957
General Fund	Street Lighting	448
Water Utility	Stormwater Utility	462
General Fund	Sewer Utility	78,228
General Fund	Water Utility	34,401
General Debt Service	Economic Development Revolving Loan	117
Total, fund financial statements		667,849
Less fund eliminations		(488,533)
Less government-wide eliminations		(125,108)
Total internal balances, government-wide statement of net position		$ 54,208

Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	$ 116,762
Business-type activities	Governmental activities	(62,554)
Total government-wide financial statements		$ 54,208

All amounts are due within one year.

All interfund 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.

Advances

The General Fund is advancing funds to Tax Incremental District #7 and the Urban Development Fund. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. No repayment schedules have been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Tax Incremental District #7	$ 262,497	$ 262,497
General Fund	Urban Development	20,100	20,100
Total, fund financial statements		282,597	
Less fund eliminations		(282,597)	
Total, interfund advances, government-wide statement of net position		$ -	

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Park Development Impact Fees	$ 963	Impact fees, CSC card access and lighting
Park Amenities Fund	Park Development Impact Fees	30,000	Impact fees
Library Operating Fund	Library Segregated	63,000	Operating contribution
Carbon Reduction Fund	General Fund	1,734	Energy savings to carbon reduction
Public Works Capital Fund	Flood Aid	3,736	FEMA grant fund for equipment
Parks Capital Fund	Flood Aid	373	Grant balance to equipment
Stormwater Utility	Flood Aid	547	Grant balance to equipment
Emergency Management Equipment	General Fund	4,901	Annual emergency management equipment
General Fund	Water Utility	291,513	Tax equivalent
General Fund	Sewer Utility	10,644	Tax equivalent
Total, fund financial statements		407,411	
Less fund eliminations		(104,707)	
Less government-wide eliminations		(1,094)	
Total transfers, government-wide statement of activities		$ 301,610	

Fund Transferred To	Fund Transferred From	Amount
Governmental activities	Business-type activities	$ 302,157
Business-type activities	Governmental activities	(547)
Total government-wide financial statements		$ 301,610

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	$ 14,045,000	$ -	$ 1,145,000	$ 12,900,000	$ 1,150,000
General obligation notes from direct borrowings and direct placements	10,503,360	1,500,000	1,433,500	10,569,860	1,500,000
Revenue bonds from direct borrowings or direct placements	236,124	35,920	-	272,044	-
Lease liability	352,013	-	115,344	236,669	113,031
Subscription liability	15,167	-	15,167	-	-
Financed purchase	15,979,215	-	354,866	15,624,349	362,266
Premium on debt	249,661	-	32,732	216,929	-
Total bonds and notes payable	41,380,540	1,535,920	3,096,609	39,819,851	3,125,297
Other liabilities:					
Compensated absences*	1,622,282	71,235	-	1,693,517	492,155
Total other liabilities	1,622,282	71,235	-	1,693,517	492,155
Total governmental activities long-term liabilities	$ 43,002,822	$ 1,607,155	$ 3,096,609	$ 41,513,368	$ 3,617,452
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	$ 235,000	$ -	$ 45,000	$ 190,000	$ 10,000
Revenue bonds from direct borrowings and direct placements	4,060,289	190,750	217,195	4,033,844	223,306
Lease liability	126,877	-	52,763	74,114	58,515
Premium on debt	2,795	-	471	2,324	-
Total bonds and notes payable	4,424,961	190,750	315,429	4,300,282	291,821
Other liabilities:					
Compensated absences*	351,933	-	51,195	300,738	93,583
Total other liabilities	351,933	-	51,195	300,738	93,583
Total business-type activities long-term liabilities	$ 4,776,894	$ 190,750	$ 366,624	$ 4,601,020	$ 385,404

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
CDA					
General obligation notes from direct borrowings and direct placements	$ 53,715	$ -	$ 26,428	$ 27,287	$ 27,287
Revenue bonds from direct borrowings and direct placements	17,219,100	-	1,132,400	16,086,700	292,300
Lease liability	35,298	-	19,928	15,370	4,066
Total bonds and notes payable	17,308,113	-	1,178,756	16,129,357	323,653
Compensated absences*	53,122	6,642	-	59,764	25,992
Total other liabilities	53,122	6,642	-	59,764	25,992
Total CDA long-term liabilities	$ 17,361,235	$ 6,642	$ 1,178,756	$ 16,189,121	$ 349,645

*The change in the compensated absences liability is presented as a net change.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2025, was $78,941,585. Total general obligation debt outstanding at year end was $23,687,147.

In addition to the liabilities above, information on the net pension liability and OPEB liabilities are provided in Note 4.

General Obligation Debt

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

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
General Obligation Refunding Bonds	04/19/12	04/01/26	2.00 - 2.65%	$ 4,535,000	$ 225,000
General Obligation Corporate Purpose Bonds	08/12/14	09/01/28	0.08 - 3.05	2,795,000	375,000
General Obligation UW System Campus Bonds	04/01/15	04/01/35	2.78	3,040,000	1,810,000
General Obligation Corporate Purpose Bonds	07/21/16	12/01/35	2.00 - 2.50	4,875,000	1,125,000
General Obligation Corporate Purpose Bonds	02/01/18	02/01/38	3.00	1,790,000	1,260,000
General Obligation Refunding Bonds	11/14/19	12/01/30	1.85 - 2.55	1,240,000	565,000
General Obligation Corporate Purpose Bonds	07/16/20	02/01/40	2.00	2,645,000	2,165,000
General Obligation Corporate Purpose Bonds	07/14/22	05/01/42	3.375 - 5.00	2,555,000	2,410,000
Note Anticipation Note*	04/28/22	04/28/27	2.15	5,000,000	5,000,000
Note Anticipation Note*	04/11/23	04/11/28	4.50	4,600,000	4,069,860
General Obligation Promissory Note*	10/24/23	03/24/27	5.80	1,500,000	1,500,000
General Obligation Promissory Note	11/12/24	05/01/44	4.00 - 4.125	3,075,000	2,965,000
Total governmental activities, general obligation debt					$ 23,469,860

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
General Obligation Corporate Purpose Bonds	02/01/18	02/01/38	3.00%	$ 250,000	$ 190,000
Total business-type activities, general obligation debt					$ 190,000

CDA General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
State Trust Fund Loan*	08/31/21	03/15/26	3.5%	$ 130,000	$ 27,287
Total CDA, general obligation debt					$ 27,287

* Denotes direct borrowing and/or direct placement debt.

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt Principal	Governmental Activities General Obligation Debt Interest	Business-Type Activities General Obligation Debt Principal	Business-Type Activities General Obligation Debt Interest
2026	$ 1,150,000	$ 397,360	$ 10,000	$ 5,480
2027	950,000	368,049	15,000	5,205
2028	995,000	340,101	15,000	4,815
2029	880,000	310,160	15,000	4,365
2030	905,000	282,864	15,000	3,915
2031-2035	4,150,000	1,008,697	75,000	12,825
2036-2040	2,705,000	457,440	45,000	2,160
2041-2044	1,165,000	82,719	-	-
Total	$ 12,900,000	$ 3,247,390	$ 190,000	$ 38,765

The CDA's State Trust Fund Loan with has a maturity date of March 15, 2026. As such, it is all shown as short-term and the amount of interest to be paid in 2026 is $887. This debt contains a clause that any delinquent payments are subject to a penalty of one percent per month and that any delinquent amounts shall be deducted from any state payments that are due to the municipality.

The City’s April 28, 2022 $5,000,000 Note Anticipation Note has a maturity date of April 28, 2027. The balance of the Note at December 31, 2025 is $5,000,000.The note carries an interest rate of 2.15%, with interest payable April 28 and October 28 annually.

The City’s April 11, 2023 $4,600,000 Note Anticipation Note has a maturity date of April 11, 2028. The balance of the Note at December 31, 2025 is $4,069,860.The note carries an interest rate of 4.50%, with interest payable April 11 and October 11 annually.

The City’s October 24, 2023 $1,500,000 General Obligation Promissory Note has a maturity date of March 24, 2027. The balance of the Note at December 31, 2025 is $1,500,000.The note carries an interest rate of 4.05%, with interest payable monthly. This Note is setup as a line of credit and was paid off during 2025 but subsequently redrawn upon for the full $1,500,000 later in 2025. The City expects to payoff the Note in 2026.

Revenue Debt

Governmental activities revenue bonds are payable from the revenues derived from the City's Property Owner Loan Program that will generate annually sufficient revenue to pay the principal of and interest on the revenue bonds.

The sewer utility has pledged future sewer revenues to repay revenue bonds issued in 2018 and 2024. Proceeds from the bonds provided financing for the sewer utility. The bonds are payable solely from utility revenues and are payable through 2044. The total principal and interest remaining to be paid on the bonds is $3,098,917. Principal and interest paid for the current year and total customer gross revenues were $220,138 and $1,697,594, respectively.

The water utility has pledged future water revenues, net of specified operating expenses, to repay revenue bonds issued in 2024. Proceeds from the bonds provided financing for the water utility. The bonds are payable solely from utility revenues and are payable through 2044. The total principal and interest remaining to be paid on the bonds is $1,694,581. Principal and interest paid in the current year and total customer gross revenues were $88,330 and $2,344,944 respectively.

Revenue bonds for the CDA are made up of the following:

A bond issue through the USDA, dated June 28, 2018. Original indebtedness of the bonds was $12,380,000 with 2.75% interest rate. Proceeds from the bonds provided financing for the construction of the public safety and administration building. The bonds are payable solely from the financed purchase/sale revenues due from the City and are payable through 2058. The outstanding financed purchase/sale revenue payments follow a future minimum payment schedule that differs from the future debt service requirements of the revenue bonds payable. See Note 8 for more information. The outstanding balance as of December 31, 2025 is $11,068,500.

$6,000,000 Interim Community Development Revenue Bonds, issued on April 28,2022 with an interest rate of 1.95%. On March 28, 2024, the Interim Community Development Revenue Bonds were refunded through Community Development Mortgage Lease Revenue Refunding Bonds, issued through the USDA, in the amount of $5,100,000. The revenue refunding bonds carry an interest rate of 2.125%. Proceeds from the bonds provided financing for the construction of the library building. The bonds are payable solely from the financed purchase/sale revenues due from the City and are payable through 2064. The outstanding financed purchase/sale revenue payments follow a future minimum payment schedule that differs from the future debt service requirements of the revenue bonds payable. See Note 8 for more information. The outstanding balance as of December 31, 2025 is $5,018,200.

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

Governmental Activities Revenue Debt

Revenue Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Safe Drinking Water Loan - Lead service Line Replacement Program (1)	09/11/24	05/01/36	0.25%	$ 469,262	$ 272,044
Total governmental activities, revenue debt					$ 272,044

(1) During 2025, $35,920 additional funds were drawn on this issuance.

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Sewer Utility					
Clean Water Fund Loan	04/11/18	05/01/37	1.76%	$ 2,024,320	$ 1,616,760
Clean Water Fund Loan (2)	09/11/24	05/01/44	2.365	1,876,449	1,051,812
				Total sewer utility	2,668,572

(2) During 2025, $26,904 additional funds were drawn on this issuance.

Water Utility					
Safe Drinking Water Loan (3)	09/11/24	05/01/44	2.365	1,371,097	1,365,272
				Total water utility	1,365,272

(3) During 2025, $163,846 additional funds were drawn on this issuance.

Total business-type activities, revenue debt	$ 4,033,844

CDA Revenue Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Revenue Bond	06/28/18	12/31/58	2.75%	$ 12,800,000	$ 11,068,500
Revenue Refunding Bonds	03/28/24	12/31/64	2.125	5,100,000	5,018,200

Total CDA, revenue debt	$ 16,086,700

Debt service requirements to maturity are as follows:

	Governmental Activities Revenue Debt from Direct Borrowings and Direct Placements		Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements		CDA Revenue Debt from Direct Borrowings and Direct Placements	
Years	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	$ -	$ 677	$ 223,306	$ 83,335	$ 292,300	$ 407,271
2027	26,900	646	228,989	78,719	299,900	399,655
2028	26,967	579	233,653	74,007	307,700	391,840
2029	27,035	512	238,413	69,197	315,700	383,818
2030	27,102	444	243,273	64,287	324,000	375,584
2031-2035	136,531	1,199	1,292,876	229,004	1,751,300	1,746,590
2036-2040	27,509	34	970,591	125,119	1,992,300	1,505,551
2041-2045	-	-	602,743	35,986	2,267,000	1,230,899
2046-2050	-	-	-	-	2,580,100	917,883
2051-2055	-	-	-	-	3,571,100	561,100
2056-2060	-	-	-	-	1,835,500	183,032
2061-2064	-	-	-	-	549,800	31,257
Total	$ 272,044	$ 4,091	$ 4,033,844	$ 759,654	$ 16,086,700	$ 8,134,480

Financed Purchases

The City has entered into a 40-year non-cancelable financed purchase agreement with the CDA for the public safety and administration building. In 2018, the CDA issued lease revenue bonds totaling $12,380,000. In addition, the City entered into a 40-year non-cancelable financed purchase agreement with the CDA for the library building. In 2024, the CDA issued lease revenue bonds totaling $5,100,000.

Financed Purchases at December 31, 2025 consist of the following:

Debt service requirements to maturity are as follows:

	Governmental Activities Financed Purchases - Admin		Governmental Activities Financed Purchases - Library	
Years	Principal	Interest	Principal	Interest
2026	$ 259,836	$ 301,521	$ 102,430	$ 105,750
2027	265,636	295,699	104,230	103,956
2028	246,018	289,715	106,030	102,124
2029	226,700	283,565	107,930	100,253
2030	233,100	277,243	109,830	98,342
2031-2035	1,266,500	1,285,030	550,145	461,560
2036-2040	1,453,100	1,098,338	539,200	407,214
2041-2045	1,667,400	884,131	599,600	346,768
2046-2050	1,913,300	612,021	666,800	279,554
2051-2055	2,195,200	326,114	741,500	204,802
2056-2060	908,675	41,154	824,700	121,672
2061-2064	-	-	536,489	31,257
Total	$ 10,635,465	$ 5,694,531	$ 4,988,884	$ 2,363,252

Lease Liabilities

Refer to Note 3, Lease Disclosures.

Bond Covenant Disclosures

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.10 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2025 as follows:

	Water	Sewer
Operating revenues	$ 2,480,671	$ 1,716,639
Investment income	169,348	123,982
Other income	1,989	222
Less operation and maintenance expenses	(1,208,397)	(1,130,422)
Net defined earnings	$ 1,443,611	$ 710,421
Minimum Required Earnings per Resolution:		
Highest annual debt service	$ 78,920	$ 216,674
Coverage factor	1.10	1.10
Minimum required earnings	$ 86,812	$ 238,341
Actual Debt Coverage	18.29	3.28

Lease Disclosures

The City has entered into non-cancelable lease agreement for the City's fleet of vehicles. The lease agreements expire at various dates through 2029. The City reports $514,588 of capitalized right-to-use assets with accumulated amortization of $285,203 in the internal service – leased vehicles fund's and governmental activities' capital assets as of the year ended December 31, 2025. The City reports $197,725 of capitalized right-to-use assets with accumulated amortization of $120,832 in the water utility and business-type activities as of the year ended December 31, 2025.

Governmental Activities

Lease Liabilities	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Vehicles	$ 352,013	$ -	$ 115,344	$ 236,669	$ 113,031
Total	$ 352,013	$ -	$ 115,344	$ 236,669	$ 113,031

Future minimum lease payments are as follows:

Years	Principal	Interest
2026	$ 113,031	$ 20,327
2027	58,537	10,803
2028	62,356	3,975
2029	2,745	26
Total	$ 236,669	$ 35,131

Business-Type Activities

Lease Liabilities	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Vehicles	$ 126,877	$ -	$ 52,763	$ 74,114	$ 58,515
Total	$ 126,877	$ -	$ 52,763	$ 74,114	$ 58,515

Future minimum lease payments are as follows:

Years	Principal	Interest
2026	$ 58,515	$ 4,966
2027	15,599	271
Total	$ 74,114	$ 5,237

Lessor - Lease Receivables

The City, acting as lessor, leases a communication site under a long-term, non-cancelable lease agreement. The lease expires in September 2058. During the year ended December 31, 2025, the City recognized $207 and $19,347 in lease revenue and interest revenue, respectively, pursuant to this contract. The City has used an estimated incremental borrowing rate of 3.00% in calculating the lease receivable and deferred inflow of resources as the lease agreement does not include an explicit interest rate. As of December 31, 2025 the balance of the lease receivable was $646,368.

The Water Utility, acting as lessor, leases communication sites under long-term, noncancelable lease agreements. The leases expire at various dates through October 2056. During the year ended December 31, 2025, the City recognized $19,095 and $50,726 in lease revenue and interest revenue, respectively, pursuant to these contracts. The City has used an estimated incremental borrowing rate of 5.00% in calculating the lease receivables and deferred inflows of resources as the lease agreements do not include an explicit interest rate. As of December 31, 2025 the balance of the lease receivable was $2,275,690.

Net Position/Fund Balances

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

Governmental Activities

Net investment in capital assets:	
Land	$ 7,809,915
Construction in progress	562,589
Other capital assets, net of accumulated depreciation/amortization	73,678,075
Less long-term debt outstanding	(23,741,904)
Plus unspent capital related debt proceeds	2,022,427
Plus noncapital debt proceeds	5,323,001
Less unamortized debt premium	(216,929)
Less lease liability	(236,669)
Less financed purchase	(15,624,349)
Plus loss on refunding	16,725
Total net investment in capital assets	$ 49,592,881

Governmental Funds

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

	General Fund	General Debt Service Fund	Nonmajor Funds	Total
Fund Balances				
Nonspendable:				
Prepaid items	$ 21,183	$ -	$ 25,298	$ 46,481
Inventories	165,459	-	-	165,459
Delinquent taxes	925	-	-	925
Advances	282,597	-	-	282,597
Subtotal	470,164	-	25,298	495,462
Restricted for:				
Capital Projects	-	-	1,512,427	1,512,427
Library	-	-	610,393	610,393
Park development impact fees	-	-	280,760	280,760
Library impact fees	-	-	52,524	52,524
Public safety impact fees	-	-	249,793	249,793
Facade improvement program	-	-	18,359	18,359
Street lighting	-	-	58,041	58,041
Lead service grant	-	-	131,383	131,383
Carbon reduction	-	-	3,903	3,903
TIF activities	-	-	915,213	915,213
CDBG	-	-	5	5
Wisconsin community development block grant	-	-	153,991	153,991
Taxi activities	-	-	60	60
Capital catalyst	-	-	12,113	12,113
Economic development revolving loan	-	-	662,326	662,326
Kuenzi estate	-	-	30,497	30,497
Alma Waite	-	-	1,311,303	1,311,303
Subtotal	-	-	6,003,091	6,003,091
Committed to:				
Parks	-	-	90,694	90,694
Park amenities	-	-	293,913	293,913
Oschner park house	-	-	2,435	2,435
Carryforwards - open contracts	-	-	45,750	45,750
Economic development	-	-	171,793	171,793
Subtotal	-	-	604,585	604,585
Assigned to:				
Subsequent years' budget	101,273	-	-	101,273
Employee benefits	315,723	-	-	315,723
Bicycle safety	91	-	-	91
Police	33,863	-	-	33,863
Economic development	28,885	-	-	28,885
Administration lease	510,000	-	-	510,000
Land development	-	-	93,849	93,849
Capital projects and equipment	-	-	481,790	481,790
Subtotal	989,835	-	575,639	1,565,474
Unassigned (deficit):	4,275,566	(140,972)	(529,933)	3,604,661
Total fund balances (deficit)	$ 5,735,565	$ (140,972)	$ 6,678,680	$ 12,273,273

Business-Type Activities	
Net investment in capital assets:	
Land	$ 283,355
Other capital assets, net of accumulated depreciation/amortization	37,363,781
Less capital related long-term debt outstanding	(4,223,844)
Less unamortized debt premium	(2,324)
Less lease liability	(74,114)
Total net investment in capital assets	33,346,854
Restricted:	
Debt service	168,445
Equipment replacement	1,031,914
Total restricted	1,200,359
Unrestricted	7,527,530
Total business-type activities net position	$ 42,074,743

Accounting Changes

Changes to or within the Financial Reporting Entity (See Adjustments Below)

The City has determined that the Library Building Fund no longer meets the criteria of a major governmental fund and has been reclassified to that of a nonmajor governmental fund in 2025.

Adjustments to Beginning Balances

During fiscal year 2025, changes to or within the financial reporting entity resulted in adjustments to beginning fund balance as follows:

	December 31, 2024 As Previously Reported	Change to or Within the Financial Reporting Entity	December 31, 2024 As Adjusted
Governmental funds			
Major funds:			
Library Building Fund	$ 189,604	$ (189,604)	$ -
Nonmajor funds	7,106,483	189,604	7,296,087
Total:	$ 7,296,087	$ -	$ 7,296,087

Component Units

Community Development Authority

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

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

a. Basis of Accounting/Measurement Focus

The CDA follows the modified accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

	Carrying Value	Statement Balances	Associated Risks
Deposits	$ 242,459	$ 308,084	Custodial Credit
LGIP	478,510	478,510	Credit
Petty cash	350	-	N/A
Total deposits and investments	$ 721,319	$ 786,594	

Custodial Credit Risk

Deposits

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

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

Investments

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

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

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

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

c. Restricted Assets

As of December 31, 2025, the CDA had a total of $28,740 of restricted cash and investments which consisted of tenant security deposits.

d. Net Position

Net Investment in Capital Assets:	
Land	$ 1,039,043
Construction in progress	1,653,923
Other capital assets	4,854,655
Less accumulated depreciation/amortization	(2,457,636)
Less capital-related debt	(27,287)
Net investment in capital assets	$ 5,062,698

Community Development Authority Component Unit – Corson Square, LLC

Nature of Operations and Significant Accounting Policies

Nature of Operations

Corson Square, LLC (the Company) was organized on May 20, 2024, as a limited liability company formed under the Wisconsin Limited Liability Company Act, to acquire, rehabilitate and operate a 40 unit low income housing project known as Corson Square (the Project), located in Baraboo, Wisconsin. The Project is regulated by the Wisconsin Housing and Economic Development Authority (WHEDA). The Project qualifies for low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code (IRC).

The project also qualifies as a certified historic structure under Section 47(c)(1) of the IRC. The state and federal historic tax credits will be allocated among the members in accordance with their respective shares of the Company.

Pursuant to Section 8 of Title II of the United States Housing Act of 1937, as amended, rents are subsidized by governmental payments through a housing assistance contract between the Sauk County Housing Authority (Housing Authority) and the Company. Maximum annual assistance payments as of November 1, 2025, the effective date of the contract, were $512,640. At each annual anniversary during the contract term, the Housing Authority shall approve rent adjustments, upon request by the owner, in accordance with law and HUD requirements. Payments received under these contracts are a significant portion of the Company's rental revenue. Housing assistance payments received totaled $39,638 for the period from October 14, 2025 through December 31, 2025.

Expiration date:	November 1, 2045
Renewal options:	Options to expand anytime prior to expiration of the contract

Reporting Period

The accompanying financial statements are shown as of December 31, 2025 and for the period from October 14, 2025 (investor member admission date) through December 31, 2025.

Cash and Cash Equivalents

The Company considers depository accounts, money market accounts and investments with a maturity at the date of acquisition and expected usage of three months or less to be cash and cash equivalents.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the balance sheets that sum to the total of the same such amounts shown in the statement of cash flows at December 31, 2025:

Cash and cash equivalents	$	11,029
Tenant security deposits		13,471
Rent up reserve		24,899
Construction cash		3,068
Total cash, cash equivalents and restricted cash	$	52,467

Accounts Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for doubtful accounts is considered necessary as of December 31, 2025. If amounts are deemed uncollectible, they are written off in accordance with the applicable guidance. Under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, uncollectible amounts are derecognized as a reduction of lease income (net rental revenue).

Property and Equipment

Property and equipment are being depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	15
Buildings and improvements	30
Furnishings and equipment	5

Property and equipment are stated at cost. Major expenditures for property and equipment are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income or loss.

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including property and equipment, right-of-use assets and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Intangible Assets

Intangible assets consist of tax credit fees of $17,438 as of December 31, 2025, which have been capitalized and will be amortized using the straight-line method over the tax credit compliance period (15 years), beginning in 2026.

Leases

At lease inception, leases are classified as either finance leases or operating leases with the associated right-of-use asset capitalized at the estimated present value of future lease payments. Operating leases are expensed as lease expense over the estimated useful life of the asset. Finance leases are expensed as interest expense and amortization expense over the estimated useful life of the asset.

The standard provides for several accounting policy elections, as follows:

- The Company has elected the policy not to separate lease and nonlease components for all asset classes.
- When the rate implicit in the lease is not determinable, rather than use the Company's incremental borrowing rate, the Company elected to use a risk-free discount rate for the initial and subsequent measurement of lease liabilities for all asset classes.
- The Company elected not to apply the recognition requirements to all leases with an original term of 12 months or less, for which the Company is not likely to exercise a renewal option or purchase the asset at the end of the lease; rather, short-term leases will continue to be recorded on a straight-line basis over the lease term.

Additional required disclosures for Topic 842 are contained in the Ground Lease note.

Rental Revenues

The rental property is generally leased to tenants under one year noncancelable rental leases. Rental revenue is recognized on a straight-line basis over the terms of the leases.

The Company recognizes revenue for lease related income not included as components of a lease such as utilities, pet, storage and parking fees, as well as for nonlease related income, such as application fees, late fees and nonsufficient fund fees, as earned at a moment in time.

Advertising

Advertising costs are charged to operations when incurred.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As such, the Company's income, losses and credits are included in the income tax returns of its members. Accordingly, no provision or benefit has been made for income taxes in the accompanying financial statements. While the Company is not taxed for federal or state income tax purposes, the Company's policy is to evaluate and review its tax positions on an ongoing basis to ensure compliance with the applicable portions of the IRC and the respective state laws and regulations.

Estimates

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

Subsequent Events

The Company has evaluated subsequent events occurring through August 18, 2026, the date that the financial statements were available to be issued, for events requiring recording or disclosure in the Company's financial statements. No events requiring recording or disclosure were noted.

Tenant Security Deposits

The tenant security deposits are maintained in an interest bearing savings account separate from the operating account of the Project. Withdrawals are restricted to reimbursements of tenants' security deposits.

Restricted Cash

Operating Reserve

The Company is required to fund an operating reserve in order to fund operating deficits incurred by the Company. As defined in the operating agreement, an initial deposit of $223,899 shall be funded into a segregated bank account upon receipt of the third installment of the investor member's capital contribution. Any payments not made when due shall bear interest at an annual rate of 2% over the prime rate. The managing member shall be entitled to withdraw funds from the company operating reserve and any amounts requested in excess of $10,000 shall be approved by the investor member. Pursuant to the operating deficit reserve and security agreement, the Company shall notify WHEDA of any operating deficit and shall be accompanied by a written request for WHEDA to release the amount of the operating deficit from the reserve. The unused portion of the reserve will remain in place until the maturity date of the WHEDA loan. Beginning in the thirteenth year, an amount equal to one-third of the balance shall be disbursed annually to the managing member subject to available cash flow, as described in Note 11. Upon disposition of the Company or the investor member's interest, all unused funds will be released to the Company to pay the investor member's exit taxes and then be distributed to the members. As of December 31, 2025, the third equity installment was not received and the operating reserve had not been funded.

Reserve for Replacement

The Company is required to fund a replacement reserve to fund major repairs, capital expenditures and replacement of capital items of the Company. As defined in the operating agreement, an initial deposit of $120,000 shall be funded into a segregated bank account upon receipt of the third installment of the investor member's capital contribution. Commencing upon the later of completion of construction or qualified occupancy, but no later than one year following delivery of 100% of the certificates of occupancy, the Company shall deposit $300 per unit per year into a segregated account. This amount shall be increased 3% per year. Pursuant to the replacement reserve and security agreement, the Company shall submit a written request to WHEDA to release the amount of the replacement project from the reserve. Any amounts withdrawn in excess of $5,000 on an aggregate annual basis requires approval of the investor member. As of December 31, 2025, the third equity installment was not received and the replacement reserve had not been funded.

Rent-Up Reserve

The Company is required to fund a rent-up reserve for initial rent-up and marketing expenses. As defined in the operating agreement, an initial deposit of $156,460 shall be funded into a segregated bank account upon receipt of the second installment of the investor member's capital contribution. Any payments not made when due shall bear interest at an annual rate of 2% over the prime rate. The reserve may be used to fund operating deficits during the initial rent-up period. Upon achievement of underwritten operations, any remaining balance shall be used to pay any deferred development fee and then distributed to the managing member. As of December 31, 2025, the second equity installment was not received and the full initial deposit has not been funded. The rent-up reserve balance was $24,899 as of December 31, 2025.

Construction Cash

The Company had construction cash of $3,068 as of December 31, 2025, which will be used to pay expenses resulting from construction including construction loan payable and development fee payable.

Property and Equipment

The change in the major categories of property and equipment for the period from October 14, 2025 through December 31, 2025 is summarized as follows:

	Cost			
Assets	Balance 10/14/2025	Additions	Reductions	Balance 12/31/2025
Construction in progress	$ -	$ 2,226,179	$ -	$ 2,226,179

Long-Term Debt

Long-term debt consists of the following at December 31, 2025:

Note payable to WHEDA, dated October 14, 2025 in the maximum principal amount of $1,686,812. The note bears interest at a fixed rate of 6.65%. Monthly installments of interest are payable the first day of each month commencing November 1, 2025. Monthly installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance of the note are payable commencing November 1, 2027. The note matures October 14, 2062, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property and is guaranteed by an affiliate of the managing member.	$ 975,755
Note payable to the Community Development Authority of the City of Baraboo (CDA) (Seller Loan), an affiliate of the managing member, dated October 14, 2025 in the original principal amount of $680,000. The note bears interest at a fixed rate of 4.73%, compounded annually. Annual payments of principal and interest are payable no later than 120 days following the end of the year subject to cash flow as described in the Company Profits, Losses and Distributions note. The note matures December 31, 2080, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property.	680,000
Total long-term debt	1,655,755
Less unamortized debt issuance costs	(98,812)
Long-term portion	$ 1,556,943

Principal requirements on long-term debt for years ending after December 31, 2025 are as follows:

Years Ending December 31:	
2027	$ 9,943
2028	62,025
2029	66,278
2030	70,822
2031 and thereafter	1,446,687
Total	$ 1,655,755

The Company entered into an agreement for a construction loan payable to WHEDA, dated October 14, 2025 with a maximum amount of $2,588,412. The note is expected to bear interest at a fixed rate of 4.05%. Monthly installments of interest will be payable the first day of each month. The note will mature October 14, 2027, at which time all remaining principal and interest shall be due. The note will secured by a mortgage on the rental property and will be guaranteed by an affiliate of the managing member.

The Company entered into an agreement for a note payable to WHEDA (HTF Loan), dated October 14, 2025 in the maximum principal amount of $764,726. The note is expected to be non-interest-bearing. The note matures October 14, 2062, at which time all principal shall be due. The note will be secured by a mortgage on the rental property.

The Company entered into an agreement for a note payable to the Wisconsin Department of Administration (HOME Loan), dated October 14, 2025 in the maximum principal amount of $1,000,000. The note is expected to be non-interest-bearing. Annual payments of principal are payable commencing April 1, 2028, subject to cash flow as described in the Company Profits, Losses and Distributions note. The note matures April 1, 2054, at which time all remaining principal and interest shall be due. The note will be secured by a mortgage on the rental property.

The Company entered into an agreement for a note payable to the CDA, an affiliate of the managing member, (AHP Loan), dated October 14, 2025 in the maximum principal amount of $2,000,000. The note is expected to be non-interest-bearing. The note matures November 30, 2065, at which time all principal and interest shall be due. The note will be secured by a mortgage on the rental property.

Management Fees

The Company entered into a management agreement with the CDA (the Manager), an affiliate of the managing member. The agreement requires that a management fee of 6% of gross income be payable on a monthly basis to the Manager. The fee shall be deferred at any time an operating deficit exists and any deferred amounts shall be due and payable from cash flow, as described in the Company Profits, Losses and Distributions note. Management fees incurred under this agreement were $3,702 for the period from October 14, 2025 through December 31, 2025. Accrued management fees payable to the Manager were $0 as of December 31, 2025.

Related-Party Transactions

Long-Term Debt

The Company has entered into an agreement for a note payable to an affiliate of the managing member as discussed in the Long-Term Debt note previously.

Management Fees

An affiliate of the managing member manages the Company's rental property. Management fees were incurred as discussed in the Management Fees note previously.

Development Fee

Pursuant to the development services agreement, the Company shall pay a development fee totaling $790,000 to the developers, Gorman & Company, LLC (Gorman) and the CDA, affiliates of the managing member. The development fee shall be earned and paid according to the schedules provided in the development agreement. Any deferred development fee shall be payable from available cash flow, as defined in the Company Profits, Losses and Distributions note and shall be non-interest-bearing. If any development fee remains unpaid by the end of the fourteenth anniversary of the construction completion date, the managing member is required to make a capital contribution to the Company in an amount sufficient to enable the Company to pay the outstanding amount of the developer fee. The development fee shall be paid 25% to the CDA and 75% to Gorman. Development fees payable were $370,906 as of December 31, 2025.

Operating Deficit Loan

Pursuant to the operating agreement, the managing member is obligated to fund operating deficits in excess of funds available from the operating reserve up to a maximum amount of $223,899. The loan will accrue interest at the prime rate and is payable from available cash flow, as defined in the Company Profits, Losses and Distributions note. The managing member's obligation to fund operating deficits under this operating deficit guaranty shall expire four years from the date the Project achieves underwritten operations provided the following conditions are met: a) 95% occupancy; b) 1.15 debt service coverage ratio for a period of 12 consecutive months; and c) the Project has no unpaid credit adjusters. No operating deficit loans have been made as of December 31, 2025.

Incentive Management Fee

Pursuant to the incentive management fee agreement, the Company is obligated to pay an annual, noncumulative incentive management fee to the managing member for their services in maximizing the efficiency of operations. The incentive management fee shall be 90% of available cash flow as described in the Company Profits, Losses and Distributions note. No incentive management fees were incurred for the period from October 14, 2025 through December 31, 2025.

Investor Services Fee

Pursuant to the investor services agreement, the Company is obligated to pay an annual investor services fee to the investor member in the amount of $4,000 beginning in 2027 and increasing 3% annually thereafter. The fee shall be payable only to the extent of available cash flow and unpaid fees accrue without interest until there is sufficient cash flow.

Relocation Services Fee

Pursuant to the relocation services agreement, the Company is obligated to pay Gorman, an affiliate of the managing member, for relocation services in the amount of $90,000. The fee will be earned in full upon the approval to commence the relocation execution services, which began in October 2025. The term of this agreement terminates 30-60 days after substantial completion. Relocation services fees incurred for the period from October 14, 2025 through December 31, 2025 totaled $90,000 and were capitalized into property and equipment.

Construction Contract

The Company entered into a construction contract agreement with Gorman General Contractors, LLC, an affiliate of the managing member, dated September 19, 2025, in the amount of $4,669,573, including change orders, for construction services in connection with the Project. As of December 31, 2025, construction in the amount of $600,858 has been completed and billed. The Company had construction payables, including retainage, of $457,925 as of December 31, 2025.

Architect Agreement

The Company entered into an architect agreement with Gorman Architectural, LLC, an affiliate of the managing member, dated August 2, 2025, in the amount of $260,500, including change orders, for architect services in connection with the Project. As of December 31, 2025, services in the amount of $195,000 have been completed and paid in full.

Ground Lease

The Company entered into a ground lease agreement with the CDA, an affiliate of the managing member, commencing October 14, 2025 for the land and existing building. The lease is for a term of 55 years expiring on October 14, 2080. The lease agreement required an initial payment of $680,000 for the existing improvements, which is paid with delivery of the Seller Loan of $680,000, as described in the Long-Term Debt note previously. Annual rent payments of $1 are due for the land for the entire lease term ($55) at lease commencement. The Company is also responsible for paying as additional rent other costs including expenditures to operate, repair and maintain the property. Upon expiration or termination of the ground lease, the Company will surrender the premises and improvements to the CDA.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term. Right-of-use assets are recognized at the commencement date of a lease based on the payments to the lessor at inception.

Right-of-use assets are assessed for impairment in accordance with the Company's long-lived asset policy. The Company reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

The Company made significant assumptions and judgments in applying the requirements of Topic 842.

In particular:

- Evaluating whether a contract contains a lease, by considering factors such as whether the Company obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights.

The finance lease is being amortized over the economic useful life of the existing building and improvements of 30 years.

The following table summarizes the lease right-of-use asset, net as of December 31, 2025:

Financed lease right-of-use assets	$ 680,000
Accumulated amortization expense	(5,667)
Total finance right-of-use asset, net	$ 674,333

Below is a summary of expenses incurred pertaining to the finance lease during the period from October 14, 2025 through December 31, 2025:

Amortization expense	$ 5,667

As of December 31, 2025, the weighted-average remaining lease term was 29.7 years.

Concentrations, Commitments and Contingencies

Land Use Restriction

The Company has signed land use restriction agreements with the WHEDA as a condition to receiving an allocation of low-income housing tax credits, Wisconsin low-income housing tax credits and financing sourced from tax-exempt bonds. Under these agreements, the Company must continuously comply with Section 42 and other applicable sections of the IRC. The agreements place occupancy restrictions on rents and the minimum percent of units which shall be occupied by individuals or families whose income meets the requirements set under IRC Section 42. If the Company fails to comply with these agreements or with the IRC, it may be ineligible for low-income housing tax credits and the partners may be required to recapture a portion of the tax credits previously claimed on their income tax returns.

HOME Loan

The Company entered into an agreement with the State of Wisconsin (the State) to receive funds provided to the State through the federal Home Investment Partnerships Program (HOME program). As part of the agreement, the Company will designate twenty units at the Project as HOME-assisted units. Proceeds furnished to the Company from the State shall be used for the purpose of assisting low-income persons and families in obtaining affordable homeownership opportunities. Under this agreement, housing provided through HOME program funding assistance must be secured for low-income households for a period of 15 years. If the Company fails to comply with this agreement, it will be required to repay all of the funds previously provided.

AHP Loan

The Company entered into an agreement with the CDA to receive funds provided to the CDA through the federal AHP program. Under this agreement, housing provided through AHP program funding assistance must be secured for low-income households for a period of 15 years. If the Company fails to comply with this agreement, it will be required to repay all of the funds previously provided.

Cash Concentration

The Company maintains its cash accounts in a federally insured institution where the maximum insurable amount of customers' deposits is $250,000. At certain times during the year, the account balances may exceed the federally insured limit. The Company has not incurred any losses in these accounts and management has determined that the risk of loss is minimal.

Operating Environment

The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by any of these authorities. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Right of First Refusal

The Company has entered into a right of first refusal agreement with Baraboo CDA Properties, Inc.(Nonprofit) which grants the Nonprofit the right of first refusal to purchase the apartment complex on the terms and conditions set forth in the agreement. The right of first refusal shall commence one day after the 15 year compliance period and continues for one year.

Buyout Option

Commencing the expiration date of the 10 year tax credit compliance period, the managing member shall have the right and option to purchase the interest of the investor member for a purchase price equal to fair market value. As of the effective date of the closing, the investor member shall have no further interest in the Company.

Put Option

Commencing the expiration date of the 10 year credit period, the investor member shall have the right and option to require the managing member to purchase the interest of the investor member for a purchase price of $100 plus all amounts then due and owing to the investor member. As of the effective date of the closing, the investor member shall have no further interest in the Company.

Members

As of December 31, 2025, the managing member is Corson Square MM, LLC and the investor member is Cinnaire Fund for Housing Limited Partnership 39 with interests in the Company of 0.01% and 99.99%, respectively.

Company Profits, Losses and Distributions

All profits and losses are allocated to the members based on their ownership interest as described in the Members note previously.

Net operating cash flow as defined in the operating agreement is to be distributed as follows:

1. To pay the investor services fee;
2. To developer in the amount of any unpaid development fee payable;
3. To the investor member in the amount equal to any unpaid loans or any other payments due to the investor member;
4. To repay the HOME loan;
5. To pay the Seller Loan until repaid in full;
6. To the managing member for any outstanding operating deficit loans or any other loans made by the managing member with the approval of the investor member; and
7. 90% of the balance, if any, to the managing member as a noncumulative incentive management fee and the remaining balance to be distributed to the managing member and investor member based on their ownership interest.

Gains or losses from a sale, exchange or other disposition of the property owned by the Company is allocable per the operating agreement.

e. Cash and Cash Equivalents

Business Improvement District

This report contains the Business Improvement District (BID), which is included as a component unit.

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

a. Basis of Accounting/Measurement Focus

The BID follows the modified accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

At year end, the carrying amount of the BID's deposits was $65,411 and is part of the City's commingled cash. See Note 3.

4. Other Information

Employees' Retirement System

Plan Description

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

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

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 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 period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

The WRS also provides death and disability benefits for employees.

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	Core Fund Adjustment %	Variable Fund Adjustment %
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

Contributions

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

During the reporting period, the WRS recognized $597,311 in contributions from the City and CDA.

For the purpose of the Employees' Retirement System footnote, when the City is referenced it is intended to include the CDA.

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

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.90 %	6.90 %
Protective with Social Security	6.90	14.30
Protective without Social Security	6.90	19.10

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

At December 31, 2025, the City reported a liability of $718,403 for its proportionate share of the 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 0.04372072%, which was a decrease of 0.00240380% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized pension expense (revenue) of $944,110.

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	$ 2,231,036	$ 2,096,474
Changes in assumptions	213,164	-
Net differences between projected and actual earnings on pension plan investments	1,091,653	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,744	3,374
Employer contributions subsequent to the measurement date	623,026	-
Total	$ 4,176,623	$ 2,099,848

$623,026 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 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:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2026	$ 437,172
2027	1,494,353
2028	(364,964)
2029	(112,812)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 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. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.*

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. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. 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 geometric real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns* as of December 31, 2024

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	20	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

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.6%*

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

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City's proportionate share of the net pension liability (asset)	$ 6,739,565	$ 718,403	$ (3,559,458)

Pension Plan Fiduciary Net Position

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

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

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called to provide coverage for losses from (torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees). However, other risks, such as (torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the City in the general fund.

Public Entity Risk Pool

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

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

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

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

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

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

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of $320,000 in the liability insurance internal service fund

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to $5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to $125,000 per occurrence and an annual aggregate limit of $500,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2025. A total liability of approximately $16,215 at December 31, 2025, was recorded as claims payable in the liability insurance internal service fund. Changes in the fund's claims loss liability follow:

Years	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2024	$ 28,487	$ 371,826	$ 350,704	$ 49,609
2025	49,609	349,480	382,874	16,215

Commitments and Contingencies

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

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

The City, through Tax Incremental District #10, has entered into a development agreement with Rapid River Apartments LLC (the Developer). The agreement guarantees that the City shall pay the developer TIF incentives that shall not exceed 90% of the available TIF increment based on the guaranteed minimum of $6,100,000. During 2025, a development incentive payment was made in an amount of $159,713. Cumulative developer payments made to the Developer as of December 31, 2025, are $394,226.

The City, through Tax Incremental District #11, has entered into a development agreement with JDJE, LLC (the Developer). As part of the agreement, the City agreed to issue a municipal revenue obligation (MRO) in the amount of $2,566,722. MRO payments are calculated by 75% of the tax increment received by the City in each year until the MRO is paid in full. As of December 31, 2025, cumulative developer payments made to the Developer are $154,290.

The City, through Tax Incremental District #11, has entered into a development agreement with Premier Baraboo, LLC (the Developer). As part of the agreement, the City agreed to issue a municipal revenue obligation (MRO) in the amount of $2,059,200. MRO payments are calculated by 75% of the tax increment received by the City in each year until the MRO is paid in full. As of December 31, 2025, no payments have been made to the Developer.

The City, through Tax Incremental District #12, has entered into a development agreement with Cornerstone Village, LLC (the Developer). As part of the agreement, the City agreed to issue a municipal revenue obligation (MRO). The total amount of principal to be paid shall not exceed the lesser of 22% of the value of all improvements on the developer property and $10,714,000. During 2025, a payment of $298,492 was made to the Developer. As of December 31, 2025, cumulative developer payments made to the Developer are $359,124.

Joint Ventures

Baraboo Area Joint Fire and Emergency Medical Services District

The City of Baraboo, Village of West Baraboo and Towns of Baraboo, Fairfield and Greenfield jointly operate the local Fire and Emergency Medical Services District, which is called the Baraboo Area Joint Fire and Emergency Medical Services District (the District). The communities share in the annual operation of the District. The 2025 share of operations was approximately:

City of Baraboo	63 %
Other municipalities	37 %

The District adopts its own budget. Net operating costs, including debt service are shared by these communities based on the ratio of population. The department is governed by the Joint District Commission. The Commission consists of eight voting commissioners and one nonvoting commissioner. Four commissioners are appointed by the City of Baraboo. One commissioner is appointed by each of the other member municipalities. The nonvoting Commissioner shall be appointed by St. Clare Hospital, or its designee. The City of Baraboo representatives are appointed by the mayor with council approval. The City incurred public safety expenditures/expenses in 2025 in the amount of $1,131,187 for the City’s share of the District operational and capital funding. As of December 31, 2025, the City reports payables to the District in the amount of $94,515 for their remaining share of the 2023 capital allocation.

Financial information of the District is available directly from the District's office.

The City's equity interest in the District is equal to its percentage share of participation. The equity interest is reported in the governmental activities column of the government-wide statement of net position. Changes in the equity interest are reported on the statement of activities.

UW Campus

The City of Baraboo and Sauk County jointly own and maintain the buildings of the UW Campus. They share the cost on an annual basis, respectively. The buildings purchased by the City of Baraboo are reported at historical cost as part of the City's capital assets on the statement of net position. The debt outstanding on the purchase of the assets is included in the City's long-term liabilities on the statement of net position. Summary financial information of the joint operation is not available. Total expenditures incurred by the City to support the UW Campus in 2025 were $105,000, recorded in the general fund.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

RBP provides healthcare coverage to active employees and retirees at blended premium rates. This results in another postemployment benefit for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age adjusted premium towards retiree benefits.

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	17
Active plan members	85
Total	102

Total OPEB Liability

The City's total OPEB liability of $869,091 was measured as of December 31, 2025, and was determined by an actuarial valuation as of December 31, 2023.

For the purpose of the Other Postemployment Benefits footnote, when the City is referenced is it intended to include the CDA.

Actuarial Assumptions and Other Inputs

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

Inflation	2.50%
Salary increases	3.1-8.6% (includes inflation and merit)
Healthcare cost trend rates	7.00% decreasing to 6.50% then decreasing 0.10% per year to an ultimate rate of 4.50%, and thereafter

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date. Mortality rates are based on the Wisconsin 2018 Mortality Table.

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

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period 2018-2020 conducted in 2021 using Wisconsin Retirement System (WRS) experience.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2024	$ 826,957
Changes for the year:	
Service cost	66,986
Interest	36,170
Differences between expected and actual experience	(19,083)
Changes in assumptions or other inputs	(11,616)
Benefit payments	(30,323)
Net changes	42,134
Balances at December 31, 2025	$ 869,091

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.43%) or 1-percentage-point higher (5.43%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 958,913	$ 869,091	$ 787,919

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 (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 755,333	$ 869,091	$ 1,005,350

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 negative OPEB expense of $21,045. 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	$ 277,772	$ 129,397
Changes of assumptions or other inputs	75,259	595,395
Total	$ 353,031	$ 724,792

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Amount
2026	$ (82,111)
2027	(82,111)
2028	(82,111)
2029	(82,111)
2030	(20,751)
Thereafter	(22,566)
Total	$ (371,761)

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

OPEB Plan Fiduciary Net Position.

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

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

Benefits Provided

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

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

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

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of member contribution
25% Postretirement Coverage	20% of member contribution

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

Life Insurance Member Contribution Rates* for the Plan Year

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

*Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized $2,336 in contributions from the employer.

OPEB Liabilities, 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 $434,499 for its proportionate share of the net OPEB liability. The net 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 January 1, 2024 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 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 0.11106100%, which was a decrease of 0.00837100% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized OPEB expense (revenue) of $25,977.

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	$ -	$ 45,203
Net differences between projected and actual earnings on plan investments	5,966	-
Changes in actuarial assumptions	106,615	243,701
Changes in proportion and differences between employer contributions and proportionate share of contributions	29,602	41,092
Employer contributions subsequent to the measurement date	2,339	-
Total	$ 144,522	$ 329,996

$2,339 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2026	$ (10,098)
2027	(31,331)
2028	(53,426)
2029	(53,767)
2030	(18,865)
Thereafter	(20,326)

Actuarial Assumptions

The total OPEB liability in the 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
Experience Study:	January 1, 2021-December 31, 2023. Published November 19, 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%-5.7%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO 20-Bond Municipal index

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 OPEB Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from 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 for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

State OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2024

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	40.00%	2.41%
U.S. Mortgages	Bloomberg U.S. MBS	60.00	2.71
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 significant 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 projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

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

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 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 (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	1% Decrease to Discount Rate (3.09%)	Current Discount Rate (4.09%)	1% Increase to Discount Rate (5.09%)
City's proportionate share of the net OPEB liability (asset)	$ 580,769	$ 434,499	$ 321,785

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

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Baraboo

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
Property taxes	$ 5,510,044	$ 5,510,044	$ 5,510,046	$ 2
Managed forest land taxes	132	132	123	(9)
Mobile home fees	72,017	72,017	71,434	(583)
Room tax	83,000	83,000	116,461	33,461
Payment in lieu of taxes	65,000	65,000	72,838	7,838
Omitted taxes	19,920	19,920	15,073	(4,847)
Interest on penalties on taxes	300	300	64	(236)
Total taxes	5,750,413	5,750,413	5,786,039	35,626
Intergovernmental				
Shared taxes	2,128,239	2,128,239	2,128,584	345
Exempt computer aid	54,433	54,433	54,433	-
Personal property aid	169,171	169,171	169,172	1
Video service provider aid	31,997	31,997	31,997	-
Fire insurance dues	-	-	62,675	62,675
Municpal services	94,726	94,726	94,719	(7)
Federal aid, police grant	-	-	1,097	1,097
State aid, police grant	115,500	115,500	104,289	(11,211)
General transportation aid	776,145	776,145	775,468	(677)
Connecting highways	100,162	100,162	100,162	-
Recycling grant	35,000	35,000	35,206	206
Other state payments	-	-	1,016	1,016
Other local government grants	22,831	24,831	22,526	(2,305)
Total intergovernmental	3,528,204	3,530,204	3,581,344	51,140
Licenses and Permits				
Beverage licenses	22,610	22,610	22,039	(571)
Television licenses	110,000	110,000	98,596	(11,404)
Nonbusiness licenses	30,900	30,900	29,358	(1,542)
Dog and cat licenses	14,100	14,100	12,303	(1,797)
Building permits	90,000	90,000	88,503	(1,497)
Landfill permits	5,000	5,000	16,400	11,400
Other permits	9,000	9,000	12,671	3,671
Total licenses and permits	281,610	281,610	279,870	(1,740)
Fines, Forfeitures and Penalties				
Court fines and penalties	58,000	58,000	53,768	(4,232)
Parking violations	75,000	75,000	82,446	7,446
Total fines, forfeitures and penalties	133,000	133,000	136,214	3,214
Public Charges for Services				
General government	22,675	22,675	33,071	10,396
Publication fees	800	800	865	65
Police	500	500	2,072	1,572
Transportation	223,000	224,870	234,485	9,615
Museum	7,000	7,000	7,739	739
Refuse and garbage collection	3,000	7,343	7,912	569
Parks	15,000	15,000	14,097	(903)
Zoo	18,500	18,500	24,856	6,356
Development review fees	-	-	380	380
Trees	6,000	6,000	3,043	(2,957)
Recreation programs	158,450	128,450	125,582	(2,868)
Total public charges for services	454,925	431,138	454,102	22,964

See notes to required supplementary information

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Intergovernmental Charges for Services				
Fire services	$ 37,000	$ 37,000	$ 37,000	$ -
Business improvement district	1,700	1,700	1,700	-
Streetlighting	3,993	3,993	3,945	(48)
School district	77,384	77,384	74,404	(2,980)
Water utility	14,693	14,693	14,549	(144)
Sewer utility	14,693	14,693	14,549	(144)
Stormwater utility	14,693	14,693	14,549	(144)
Total intergovernmental charges for services	164,156	164,156	160,696	(3,460)
Investment Income				
Interest on investments	346,300	346,300	350,995	4,695
Interest on special assessments	200	200	22	(178)
Interest on advances to other funds	1,000	1,000	4,737	3,737
Interest on leases	-	-	19,347	19,347
Total investment income	347,500	347,500	375,101	27,601
Miscellaneous				
Rent	107,579	107,579	106,416	(1,163)
Donations	13,250	55,700	64,379	8,679
Other miscellaneous	24,000	34,508	37,265	2,757
Refund of prior year expenditures	-	-	37,534	37,534
Total miscellaneous	144,829	197,787	245,594	47,807
Total revenues	10,804,637	10,835,808	11,018,960	183,152
Expenditures				
General Government				
Common council	39,557	39,557	36,830	2,727
Mayor	13,225	13,225	11,145	2,080
Attorney	97,000	97,000	85,602	11,398
City clerk	123,900	123,900	120,971	2,929
Administrator	225,184	224,684	204,693	19,991
Personnel	5,850	5,850	5,545	305
Elections	42,450	39,220	35,482	3,738
Data processing	133,263	133,263	83,525	49,738
Independent auditing	43,280	43,280	49,126	(5,846)
Treasurer	128,563	142,644	144,795	(2,151)
Finance Director	390,034	379,183	371,274	7,909
Assessment of property	40,405	40,405	43,752	(3,347)
Municipal buildings	225,872	225,872	207,922	17,950
Illegal taxes	4,464	4,464	6,524	(2,060)
Other	75,006	75,006	5,007	69,999
Total general government	1,588,053	1,587,553	1,412,193	175,360
Public Safety				
Police department	3,188,116	3,220,637	3,133,440	87,197
Fire protection	439,735	439,735	502,410	(62,675)
Administration	886,201	886,201	894,477	(8,276)
Patrol	232,667	232,667	233,187	(520)
Hydrant rental	-	-	146	(146)
Ambulance	491,423	491,423	491,423	-
Inspection	50,573	51,373	84,250	(32,877)
Sealer of weights and measures	6,000	6,000	6,000	-
Emergency government	3,435	3,435	3,534	(99)
Total public safety	5,298,150	5,331,471	5,348,867	(17,396)

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
General Fund
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Public Works				
Highway administration	$ 178,950	$ 178,150	$ 149,652	$ 28,498
Shop operations	298,824	419,297	419,689	(392)
Machinery operation and maintenance	209,416	240,716	229,959	10,757
Buildings	109,400	116,250	111,920	4,330
Street maintenance	263,126	183,226	165,328	17,898
Tree and brush removal	204,060	186,060	104,399	81,661
Snow and ice control	241,576	198,426	159,759	38,667
Garages and sheds	68,472	52,972	35,824	17,148
Sidewalks, without street reconstruction	82,056	87,906	93,354	(5,448)
Parking facilities	3,443	3,443	2,806	637
Compost	19,252	19,252	16,844	2,408
Refuse and garbage collection	3,000	7,343	7,599	(256)
Solid waste disposal	559,800	416,097	417,955	(1,858)
Recycling	-	143,703	145,954	(2,251)
Weed and nuisance control	11,260	14,130	12,396	1,734
Total public works	2,252,635	2,266,971	2,073,438	193,533
Health and Human Services				
Animal control	2,910	2,910	1,751	1,159
Cemetery	35,000	35,000	35,000	-
Total health and human services	37,910	37,910	36,751	1,159
Culture, Recreation and Education				
Education	105,000	105,000	105,000	-
Civic center	310,493	309,093	314,152	(5,059)
Parks	591,199	585,626	526,548	59,078
Recreation	193,805	193,805	180,061	13,744
Zoo	283,049	290,909	285,685	5,224
Pool	144,767	141,187	132,879	8,308
Celebration and entertainment	1,400	1,400	1,468	(68)
Total culture, recreation and education	1,629,713	1,627,020	1,545,793	81,227
Conservation and Development				
Forestry	128,931	130,551	122,243	8,308
Zoning	802	802	838	(36)
Economic development	32,672	32,672	26,018	6,654
Public Housing	-	500	500	-
Planning	6,865	6,865	3,258	3,607
Total conservation and development	169,270	171,390	152,857	18,533
Capital Outlay				
Highway and street construction	10,953	5,103	4,195	908
Ambulance	316,111	316,111	246,022	70,089
Sidewalk construction	4,782	4,782	-	4,782
Total capital outlay	331,846	325,996	250,217	75,779
Debt Service				
Principal	203,100	203,100	203,200	(100)
Interest and fiscal charges	(202,815)	(202,815)	307,178	(509,993)
Total debt service	285	285	510,378	(510,093)
Total expenditures	11,307,862	11,348,596	11,330,494	18,102
Excess (deficiency) of revenues over expenditures	(503,225)	(512,788)	(311,534)	201,254

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
General Fund
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Other Financing Sources (Uses)				
Sales of capital assets	$ 2,000	$ 11,115	$ 9,945	$ (1,170)
Debt issued	-	-	510,000	510,000
Transfer in, tax equivalent	250,000	250,000	302,157	52,157
Transfers in	1,400	1,400	963	(437)
Transfer out	(5,000)	(5,000)	(6,635)	(1,635)
Total other financing sources (uses)	248,400	257,515	816,430	558,915
Net change in fund balance	(254,825)	(255,273)	504,896	760,169
Fund Balances, Beginning	5,230,669	5,230,669	5,230,669	-
Fund Balances, Ending	$ 4,975,844	$ 4,975,396	$ 5,735,565	$ 760,169

See notes to required supplementary information

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
Wisconsin Retirement System
Year Ended December 31, 2025

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/25	0.04372072%	$ 718,403	$ 6,255,501	11.48%	98.79%
12/31/24	0.04612452%	685,782	6,451,559	10.63%	98.85%
12/31/23	0.04751945%	2,517,439	6,531,934	38.54%	95.72%
12/31/22	0.04795994%	(3,865,659)	6,427,885	-60.14%	106.02%
12/31/21	0.04734677%	(2,955,924)	6,340,290	-46.62%	105.26%
12/31/20	0.04677210%	(1,480,191)	6,403,603	-23.11%	102.96%
12/31/19	0.04512594%	1,605,439	5,821,833	27.58%	96.45%
12/31/18	0.04436090%	(1,316,391)	5,710,373	-23.05%	102.93%
12/31/17	0.04351969%	358,706	5,490,903	6.53%	99.12%
12/31/16	0.04372699%	710,555	5,420,907	13.11%	98.20%

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2025

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/25	$ 623,026	$ 623,026	$ -	$ 6,310,240	9.87%
12/31/24	597,716	597,716	-	6,255,502	9.56%
12/31/23	579,952	579,952	-	6,451,559	8.99%
12/31/22	557,530	557,530	-	6,531,934	8.54%
12/31/21	554,861	554,861	-	6,427,885	8.63%
12/31/20	538,331	538,331	-	6,340,290	8.49%
12/31/19	495,985	495,985	-	6,403,603	7.75%
12/31/18	479,299	479,299	-	5,821,834	8.23%
12/31/17	474,123	474,123	-	5,710,374	8.30%
12/31/16	434,001	434,001	-	5,490,903	7.90%

See notes to required supplementary information

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
Local Retiree Life Insurance Fund
Year Ended December 31, 2025

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/25	0.11106100%	$ 434,499	$ 5,006,000	8.68%	37.20%
12/31/24	0.11943200%	549,465	5,290,000	10.39%	33.90%
12/31/23	0.12030400%	458,337	5,233,000	8.76%	29.57%
12/31/22	1.17162000%	692,472	5,296,000	13.08%	29.57%
12/31/21	0.11314700%	622,390	5,227,000	11.91%	31.36%
12/31/20	0.09873700%	420,441	4,849,000	8.67%	37.58%
12/31/19	0.09661700%	249,304	4,572,000	5.45%	48.69%
12/31/18	0.09656500%	290,524	4,060,834	7.15%	44.81%

Schedule of Employer Contributions - Local Retiree Life Insurance Fund
Year Ended December 31, 2025

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/25	$ 2,339	$ 2,339	$ -	$ 5,336,505	0.04%
12/31/24	2,323	2,323	-	5,300,000	0.04%
12/31/23	2,455	2,455	-	5,290,000	0.05%
12/31/22	2,432	2,432	-	5,233,000	0.05%
12/31/21	2,358	2,358	-	5,296,000	0.04%
12/31/20	2,256	2,256	-	5,227,000	0.04%
12/31/19	1,994	1,994	-	4,849,000	0.04%
12/31/18	1,862	1,862	-	4,572,000	0.04%

See notes to required supplementary information

City of Baraboo

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios -
Health Insurance
December 31, 2025

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability								
Service cost	$ 88,481	$ 83,044	$ 85,328	$ 79,611	$ 84,241	$ 51,558	$ 55,760	$ 66,986
Interest	36,586	44,957	37,342	19,160	18,690	27,831	28,510	36,170
Differences between expected and actual experience	-	-	(155,591)	-	(59,315)	(20,570)	347,215	(19,083)
Changes of assumptions	(54,776)	127,866	(434,721)	17,486	(276,621)	14,900	(281,809)	(11,616)
Benefit payments	(34,374)	(37,124)	(40,314)	(31,396)	(39,871)	(20,673)	(15,180)	(30,323)
Net change in total OPEB liability	35,917	218,743	(507,956)	84,861	(272,876)	53,046	134,496	42,134
Total OPEB Liability, Beginning	1,080,726	1,116,643	1,335,386	827,430	912,291	639,415	692,461	826,957
Total OPEB liability, ending (a)	$ 1,116,643	$ 1,335,386	$ 827,430	$ 912,291	$ 639,415	$ 692,461	$ 826,957	$ 869,091
Covered payroll	$ 5,062,791	$ 5,239,979	$ 6,084,238	$ 6,084,238	$ 6,271,593	$ 6,271,593	$ 5,798,869	$ 5,798,869
Net OPEB liability as a Percentage of Covered Payroll	22.06%	25.48%	13.60%	14.99%	10.20%	11.04%	14.26%	14.99%

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

Changes in benefit terms. There were no changes of benefit terms.

Changes in assumptions. The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index to 4.43%

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

Budgetary Information

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

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The City Council may authorize transfer of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action.

Appropriations lapse at year end unless specifically carried over. There was one carryover within the general fund in the amount of $10,932.51 related to the Campbell Park outdoor swimming pool. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

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

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

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

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

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

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

Local Retiree Life Insurance Fund

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

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

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

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

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

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

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

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

SUPPLEMENTARY INFORMATION

City of Baraboo

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds									
	Economic Development	Community Development Block Grant	Park Development Impact Fees	Public Safety Impact Fees	Lead Service Grant	Taxi Grant	Alma Waite	Library Segregated	Parks	Fire Impact Fees
Assets										
Cash and investments	$ 170,460	$ 5	$ 280,760	$ 249,793	$ 131,383	$ 1,290	$ 1,298,841	$ 673,990	$ 83,171	$ 47,113
Receivables (net):										
Taxes	-	-	-	-	20,513	-	-	-	-	-
Accounts	-	-	8,356	11,580	-	-	-	-	-	10,440
Special assessments	-	-	-	-	123,255	-	-	-	-	-
Loans	138,318	-	-	-	-	-	-	-	-	-
Interest	1,333	-	-	-	-	-	12,462	-	100	-
Due from other funds	-	-	-	-	-	-	-	-	1,957	-
Due from other governments	-	-	-	-	-	59,684	-	-	5,950	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
Total assets	$ 310,111	$ 5	$ 289,116	$ 261,373	$ 275,151	$ 60,974	$ 1,311,303	$ 673,990	$ 91,178	$ 57,553
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)										
Liabilities										
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 60,914	$ -	$ 13	$ 484	$ -
Due to other funds	-	-	-	-	-	-	-	69,550	-	-
Due to component unit	-	-	-	-	-	-	-	-	-	174,526
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	60,914	-	69,563	484	174,526
Deferred Inflows of Resources										
Property taxes levied for next period	-	-	-	-	20,513	-	-	-	-	-
Unavailable revenue	138,318	-	8,356	11,580	123,255	-	-	-	-	10,440
Total deferred inflows of resources	138,318	-	8,356	11,580	143,768	-	-	-	-	10,440
Fund Balances (Deficit)										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	5	280,760	249,793	131,383	60	1,311,303	604,427	-	-
Committed	171,793	-	-	-	-	-	-	-	90,694	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	(127,413)
Total fund balances (deficit)	171,793	5	280,760	249,793	131,383	60	1,311,303	604,427	90,694	(127,413)
Total liabilities, deferred inflows of resources and fund balances	$ 310,111	$ 5	$ 289,116	$ 261,373	$ 275,151	$ 60,974	$ 1,311,303	$ 673,990	$ 91,178	$ 57,553

City of Baraboo

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds									
	Ochsner Park House	Library Impact Fees	Façade Improvement Program	Carbon Reduction Fund	Kuenzi Estate	Library Building	Capital Catalyst	Economic Development Revolving Loan	Wisconsin Community Development Block Grant	Street Lighting
Assets										
Cash and investments	$ 2,435	$ 52,524	$ 17,021	$ -	$ 30,440	$ 190,869	$ 2,276	$ 621,726	$ 181,431	$ 349,335
Receivables (net):										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	-	4,980	-	-	-	-	-	-	-	54,626
Special assessments	-	-	-	-	-	-	-	-	-	-
Loans	-	-	23,971	-	-	-	30,737	665,805	1,042,605	-
Interest	-	-	1,338	-	57	-	9,837	40,717	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	1,428
Due from other governments	-	-	-	9,117	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
Total assets	$ 2,435	$ 57,504	$ 42,330	$ 9,117	$ 30,497	$ 190,869	$ 42,850	$ 1,328,248	$ 1,224,036	$ 405,389
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)										
Liabilities										
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,440	$ 66,473
Due to other funds	-	-	-	5,214	-	-	-	117	-	448
Due to component unit	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	5,214	-	-	-	117	27,440	66,921
Deferred Inflows of Resources										
Property taxes levied for next period	-	-	-	-	-	-	-	-	-	-
Unavailable revenue	-	4,980	23,971	-	-	-	30,737	665,805	1,042,605	-
Total deferred inflows of resources	-	4,980	23,971	-	-	-	30,737	665,805	1,042,605	-
Fund Balances (Deficit)										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	52,524	18,359	3,903	30,497	190,869	12,113	662,326	153,991	338,468
Committed	2,435	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	2,435	52,524	18,359	3,903	30,497	190,869	12,113	662,326	153,991	338,468
Total liabilities, deferred inflows of resources and fund balances	$ 2,435	$ 57,504	$ 42,330	$ 9,117	$ 30,497	$ 190,869	$ 42,850	$ 1,328,248	$ 1,224,036	$ 405,389

City of Baraboo

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds		Capital Project Funds							
	Library Operating Fund	Flood Aid	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #10	Tax Incremental District #11	Tax Incremental District #12	Fire Equipment	Emergency Management Equipment	Special Assessment Projects
Assets										
Cash and investments	$ 164,454	$ -	$ 14,510	$ 759,474	$ -	$ 260,132	$ 205,978	$ 602,252	$ 34,384	$ 92,602
Receivables (net):										
Taxes	493,199	-	131,927	157,372	145,796	548,703	628,542	-	-	21,095
Accounts	-	-	81,347	-	-	125,516	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	51,477
Loans	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	8,091	-	-
Due from other funds	33,000	-	-	-	-	-	-	-	-	-
Due from other governments	-	49,669	-	-	221,918	-	-	-	-	-
Prepaid items	9,911	-	-	-	-	-	-	-	-	-
Total assets	$ 700,564	$ 49,669	$ 227,784	$ 916,846	$ 367,714	$ 934,351	$ 834,520	$ 610,343	$ 34,384	$ 165,174
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)										
Liabilities										
Accounts payable	$ 7,614	$ -	$ -	$ 141	$ 90	$ 80,894	$ -	$ -	$ -	$ -
Due to other funds	-	49,669	-	-	49,881	-	-	-	-	-
Due to component unit	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	262,497	-	-	-	-	-	-	-
Total liabilities	7,614	49,669	262,497	141	49,971	80,894	-	-	-	-
Deferred Inflows of Resources										
Property taxes levied for next period	678,942	-	181,612	216,639	200,704	755,349	865,256	-	-	21,095
Unavailable revenue	-	-	81,347	-	-	-	-	-	-	51,477
Total deferred inflows of resources	678,942	-	262,959	216,639	200,704	755,349	865,256	-	-	72,572
Fund Balances (Deficit)										
Nonspendable	9,911	-	-	-	-	-	-	-	-	-
Restricted	4,097	-	-	700,066	117,039	98,108	-	600,000	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	10,343	34,384	92,602
Unassigned (deficit)	-	-	(297,672)	-	-	-	(30,736)	-	-	-
Total fund balances (deficit)	14,008	-	(297,672)	700,066	117,039	98,108	(30,736)	610,343	34,384	92,602
Total liabilities, deferred inflows of resources and fund balances	$ 700,564	$ 49,669	$ 227,784	$ 916,846	$ 367,714	$ 934,351	$ 834,520	$ 610,343	$ 34,384	$ 165,174

City of Baraboo

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Capital Project Funds								
	Urban Development	Land Development	Public Works Capital Fund	General/IT Capital Fund	Parks Capital Fund	Park Amenities Fund	Road Projects Fund	Police Capital Fund	Total Nonmajor Governmental Funds
Assets									
Cash and investments	$ -	$ 93,861	$ 1,179,214	$ 82,154	$ 25,631	$ 232,853	$ -	$ 85,842	$ 8,218,204
Receivables (net):									
Taxes	-	-	171,436	39,808	32,326	50,850	-	34,287	2,475,854
Accounts	-	-	3,600	-	-	-	-	-	300,445
Special assessments	-	-	-	-	-	-	-	-	174,732
Loans	-	-	-	-	-	-	-	-	1,901,436
Interest	-	-	-	-	-	-	-	-	73,935
Due from other funds	-	-	-	-	-	-	-	-	36,385
Due from other governments	-	-	-	376	-	83,429	400,000	-	830,143
Prepaid items	-	-	-	15,387	-	-	-	-	25,298
Total assets	$ -	$ 93,861	$ 1,354,250	$ 137,725	$ 57,957	$ 367,132	$ 400,000	$ 120,129	$ 14,036,432
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)									
Liabilities									
Accounts payable	$ -	$ 12	$ 438,963	$ -	$ -	$ 3,219	$ 144,205	$ -	$ 830,462
Due to other funds	-	-	-	-	-	-	309,807	-	484,686
Due to component unit	-	-	-	-	-	-	-	-	174,526
Advances from other funds	20,100	-	-	-	-	-	-	-	282,597
Total liabilities	20,100	12	438,963	-	-	3,219	454,012	-	1,772,271
Deferred Inflows of Resources									
Property taxes levied for next period	-	-	236,000	54,800	44,500	70,000	-	47,200	3,392,610
Unavailable revenue	-	-	-	-	-	-	-	-	2,192,871
Total deferred inflows of resources	-	-	236,000	54,800	44,500	70,000	-	47,200	5,585,481
Fund Balances (Deficit)									
Nonspendable	-	-	-	15,387	-	-	-	-	25,298
Restricted	-	-	388,000	-	-	-	-	55,000	6,003,091
Committed	-	-	45,750	-	-	293,913	-	-	604,585
Assigned	-	93,849	245,537	67,538	13,457	-	-	17,929	575,639
Unassigned (deficit)	(20,100)	-	-	-	-	-	(54,012)	-	(529,933)
Total fund balances (deficit)	(20,100)	93,849	679,287	82,925	13,457	293,913	(54,012)	72,929	6,678,680
Total liabilities, deferred inflows of resources and fund balances	$ -	$ 93,861	$ 1,354,250	$ 137,725	$ 57,957	$ 367,132	$ 400,000	$ 120,129	$ 14,036,432

City of Baraboo

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds									
	Economic Development	Community Development Block Grant	Park Development Impact Fees	Public Safety Impact Fees	Lead Service Grant	Taxi Grant	Alma Waite	Library Segregated	Parks	Fire Impact Fees
Revenues										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	11,970	212,591	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-
Public charges for services	-	-	70,113	68,515	-	254,590	-	-	-	61,770
Intergovernmental charges for services	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	27,073	-	-	-	-	-
Investment income	4,527	-	556	474	211	-	57,241	73,895	3,182	270
Miscellaneous	8,553	-	-	-	-	7,055	-	138,284	35,935	-
Total revenues	13,080	-	70,669	68,989	39,254	474,236	57,241	212,179	39,117	62,040
Expenditures										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	-	-	269	-	47,840	474,176	-	-	-	-
Culture, recreation and education	-	-	-	-	-	-	16,608	53,684	43,489	-
Conservation and development	56,268	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	327,807
Debt service:										
Principal	-	-	-	51,036	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	645	-	-	-	-	-
Total expenditures	56,268	-	269	51,036	48,485	474,176	16,608	53,684	43,489	327,807
Excess (deficiency) of revenues over expenditures	(43,188)	-	70,400	17,953	(9,231)	60	40,633	158,495	(4,372)	(265,767)
Other Financing Sources (Uses)										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	35,920	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(30,963)	-	-	-	-	(63,000)	-	-
Total other financing sources (uses)	-	-	(30,963)	-	35,920	-	-	(63,000)	-	-
Net change in fund balances	(43,188)	-	39,437	17,953	26,689	60	40,633	95,495	(4,372)	(265,767)
Fund Balances (Deficit), Beginning, as Previously Reported	214,981	5	241,323	231,840	104,694	-	1,270,670	508,932	95,066	138,354
Accounting change (see note disclosure)	-	-	-	-	-	-	-	-	-	-
Fund Balances (Deficit), Beginning, as Adjusted	214,981	5	241,323	231,840	104,694	-	1,270,670	508,932	95,066	138,354
Fund Balances (Deficit), Ending	$ 171,793	$ 5	$ 280,760	$ 249,793	$ 131,383	$ 60	$ 1,311,303	$ 604,427	$ 90,694	$ (127,413)

City of Baraboo

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds									
	Ochsner Park House	Library Impact Fees	Façade Improvement Program	Carbon Reduction Fund	Kuenzi Estate	Library Building	Capital Catalyst	Economic Development Revolving Loan	Wisconsin Community Development Block Grant	Street Lighting
Revenues										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	74,983	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	211,719
Public charges for services	-	29,465	-	-	-	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-
Investment income	12	90	976	-	1,002	128	1,231	30,016	6,044	883
Miscellaneous	-	-	-	-	-	1,350	-	36,526	70,167	1,156
Total revenues	12	29,555	976	74,983	1,002	1,478	1,231	66,542	76,211	213,758
Expenditures										
Current:										
General government	-	-	-	-	-	-	-	-	23,885	-
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	74,983	-	-	-	-	-	290,672
Culture, recreation and education	79	-	-	-	14	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	880	289,035	-
Capital outlay	-	-	-	-	-	-	-	-	-	2,491
Debt service:										
Principal	-	18,930	-	-	-	81,800	-	-	-	30,000
Interest and fiscal charges	-	-	-	-	-	107,506	-	-	-	32,925
Total expenditures	79	18,930	-	74,983	14	189,306	-	880	312,920	356,088
Excess (deficiency) of revenues over expenditures	(67)	10,625	976	-	988	(187,828)	1,231	65,662	(236,709)	(142,330)
Other Financing Sources (Uses)										
Sale of capital assets	-	-	-	-	-	93	-	-	-	-
Debt issued	-	-	-	-	-	189,000	-	-	-	-
Transfers in	-	-	-	1,734	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	1,734	-	189,093	-	-	-	-
Net change in fund balances	(67)	10,625	976	1,734	988	1,265	1,231	65,662	(236,709)	(142,330)
Fund Balances (Deficit), Beginning, as Previously Reported	2,502	41,899	17,383	2,169	29,509	-	10,882	596,664	390,700	480,798
Accounting change (see note disclosure)	-	-	-	-	-	189,604	-	-	-	-
Fund Balances (Deficit), Beginning, as Adjusted	2,502	41,899	17,383	2,169	29,509	189,604	10,882	596,664	390,700	480,798
Fund Balances (Deficit), Ending	$ 2,435	$ 52,524	$ 18,359	$ 3,903	$ 30,497	$ 190,869	$ 12,113	$ 662,326	$ 153,991	$ 338,468

City of Baraboo

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds		Capital Project Funds							
	Library Operating Fund	Flood Aid	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #10	Tax Incremental District #11	Tax Incremental District #12	Fire Equipment	Emergency Management Equipment	Special Assessment Projects
Revenues										
Taxes	$ 637,314	$ -	$ 193,850	$ 205,065	$ 211,398	$ 383,766	$ 501,644	$ -	$ -	$ -
Intergovernmental	290,940	49,669	8,960	9,553	222,388	49,859	1,943	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-
Public charges for services	19,793	-	-	-	-	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	107,022	-	-	-	-	-	-	47,862
Investment income	-	-	-	34,043	-	7,536	7,207	10,432	62	2,761
Miscellaneous	23,408	-	-	-	2,400	-	-	-	-	-
Total revenues	971,455	49,669	309,832	248,661	436,186	441,161	510,794	10,432	62	50,623
Expenditures										
Current:										
General government	-	-	990	990	990	990	1,990	-	-	-
Public safety	-	-	-	-	-	-	-	-	12,293	-
Public works	-	45,013	-	-	-	-	-	-	-	-
Culture, recreation and education	1,091,845	-	-	-	90	-	-	-	-	-
Conservation and development	-	-	1,889	161,874	165,121	165,502	336,574	-	-	-
Capital outlay	-	-	-	-	-	8,307	12,500	70,089	-	28,187
Debt service:										
Principal	-	-	220,000	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	12,633	-	44,994	151,929	141,817	-	-	-
Total expenditures	1,091,845	45,013	235,512	162,864	211,195	326,728	492,881	70,089	12,293	28,187
Excess (deficiency) of revenues over expenditures	(120,390)	4,656	74,320	85,797	224,991	114,433	17,913	(59,657)	(12,231)	22,436
Other Financing Sources (Uses)										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Debt issued	-	-	-	-	-	-	-	300,000	-	-
Transfers in	63,000	-	-	-	-	-	-	-	4,901	-
Transfers out	-	(4,656)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	63,000	(4,656)	-	-	-	-	-	300,000	4,901	-
Net change in fund balances	(57,390)	-	74,320	85,797	224,991	114,433	17,913	240,343	(7,330)	22,436
Fund Balances (Deficit), Beginning, as Previously Reported	71,398	-	(371,992)	614,269	(107,952)	(16,325)	(48,649)	370,000	41,714	70,166
Accounting change (see note disclosure)	-	-	-	-	-	-	-	-	-	-
Fund Balances (Deficit), Beginning, as Adjusted	71,398	-	(371,992)	614,269	(107,952)	(16,325)	(48,649)	370,000	41,714	70,166
Fund Balances (Deficit), Ending	$ 14,008	$ -	$ (297,672)	$ 700,066	$ 117,039	$ 98,108	$ (30,736)	$ 610,343	$ 34,384	$ 92,602

City of Baraboo

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Capital Project Funds								
	Urban Development	Land Development	Public Works Capital Fund	General/IT Capital Fund	Parks Capital Fund	Park Amenities Fund	Road Projects Fund	Police Capital Fund	Total Nonmajor Governmental Funds
Revenues									
Taxes	$ -	$ -	$ 236,000	$ 53,650	$ 10,000	$ 70,000	$ -	$ 27,200	$ 2,529,887
Intergovernmental	-	-	-	-	-	83,429	400,000	19,000	1,435,285
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	211,719
Public charges for services	-	-	-	-	-	-	-	-	504,246
Intergovernmental charges for services	-	-	68,924	-	-	-	-	-	68,924
Special assessments	397	-	-	-	-	-	-	-	182,354
Investment income	31	189	1,665	97	(50)	389	-	25	245,125
Miscellaneous	-	-	6,208	-	50	60,000	-	-	391,092
Total revenues	428	189	312,797	53,747	10,000	213,818	400,000	46,225	5,568,632
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	29,835
Public safety	-	-	-	-	-	-	-	-	12,293
Public works	-	-	-	-	-	-	-	-	932,953
Culture, recreation and education	-	-	-	-	-	-	-	-	1,205,809
Conservation and development	-	49	-	-	-	107,093	-	-	1,284,285
Capital outlay	-	-	1,208,608	16,176	98,343	-	1,170,361	148,713	3,091,582
Debt service:									
Principal	-	-	-	15,167	-	-	-	-	416,933
Interest and fiscal charges	-	-	-	-	-	-	-	-	492,449
Total expenditures	-	49	1,208,608	31,343	98,343	107,093	1,170,361	148,713	7,466,139
Excess (deficiency) of revenues over expenditures	428	140	(895,811)	22,404	(88,343)	106,725	(770,361)	(102,488)	(1,897,507)
Other Financing Sources (Uses)									
Sale of capital assets	-	-	211,785	-	24,574	125	-	12,478	249,055
Debt issued	-	-	388,000	-	58,000	-	-	55,000	1,025,920
Transfers in	-	-	3,736	-	373	30,000	-	-	103,744
Transfers out	-	-	-	-	-	-	-	-	(98,619)
Total other financing sources (uses)	-	-	603,521	-	82,947	30,125	-	67,478	1,280,100
Net change in fund balances	428	140	(292,290)	22,404	(5,396)	136,850	(770,361)	(35,010)	(617,407)
Fund Balances (Deficit), Beginning, as Previously Reported	(20,528)	93,709	971,577	60,521	18,853	157,063	716,349	107,939	7,106,483
Accounting change (see note disclosure)	-	-	-	-	-	-	-	-	189,604
Fund Balances (Deficit), Beginning, as Adjusted	(20,528)	93,709	971,577	60,521	18,853	157,063	716,349	107,939	7,296,087
Fund Balances (Deficit), Ending	$ (20,100)	$ 93,849	$ 679,287	$ 82,925	$ 13,457	$ 293,913	$ (54,012)	$ 72,929	$ 6,678,680

City of Baraboo

Combining Statement of Net Position -
Internal Service Funds
December 31, 2025

	Liability Insurance Fund	Leased Vehicles Fund	Total
Assets			
Current Assets			
Cash and investments	$ 196,153	$ 100,092	$ 296,245
Receivables (net):			
Taxes	151,209	50,850	202,059
Accounts	32,559	-	32,559
Total current assets	379,921	150,942	530,863
Noncurrent Assets			
Capital assets:			
Right-to-use asset	-	514,588	514,588
Less accumulated amortization	-	(285,203)	(285,203)
Investment in mutual insurance company	320,000	-	320,000
Total noncurrent assets	320,000	229,385	549,385
Total assets	699,921	380,327	1,080,248
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	16,215	-	16,215
Current portion of lease liability	-	113,031	113,031
Total current liabilities	16,215	113,031	129,246
Noncurrent Liabilities			
Lease liability	-	123,638	123,638
Total noncurrent liabilities	-	123,638	123,638
Total liabilities	16,215	236,669	252,884
Deferred Inflows of Resources			
Property tax levied for the next period	208,155	70,000	278,155
Total deferred inflows of resources	208,155	70,000	278,155
Net Position			
Unrestricted	475,551	73,658	549,209
Total net position	$ 475,551	$ 73,658	$ 549,209

City of Baraboo

Combining Statement of Revenues, Expenses and Changes in Net Position -
Internal Service Funds
Year Ended December 31, 2025

	Liability Insurance Fund	Leased Vehicles Fund	Total
Operating Revenues			
Charges for service	$ 116,596	$ -	$ 116,596
Operating Expenses			
Operation and maintenance	349,480	3,660	353,140
Amortization	-	130,980	130,980
Total operating expenses	349,480	134,640	484,120
Operating income (loss)	(232,884)	(134,640)	(367,524)
Nonoperating Revenues (Expenses)			
Taxes	216,640	90,000	306,640
Investment income	6,299	-	6,299
Interest expense	-	(33,747)	(33,747)
Insurance recoveries	43,148	-	43,148
Total nonoperating revenues (expenses)	266,087	56,253	322,340
Change in net position	33,203	(78,387)	(45,184)
Net Position, Beginning	442,348	152,045	594,393
Net Position, Ending	$ 475,551	$ 73,658	$ 549,209

City of Baraboo

Combining Statement of Cash Flows -
Internal Service Funds
Year Ended December 31, 2025

	Liability Insurance Fund	Leased Vehicles Fund	Total
Cash Flows From Operating Activities			
Received from other funds	$ 168,686	$ 9,679	$ 178,365
Payments to suppliers for goods and services	(382,874)	(3,660)	(386,534)
Net cash flows from operating activities	(214,188)	6,019	(208,169)
Cash Flows From Investing Activities			
Investment income	6,299	-	6,299
Cash Flows From Noncapital Financing Activities			
Property taxes received	216,640	90,000	306,640
Cash Flows From Capital Financing Activities			
Lease liability retired	-	(115,344)	(115,344)
Interest paid	-	(33,747)	(33,747)
Net cash flows from capital financing activities	-	(149,091)	(149,091)
Net change in cash and cash equivalents	8,751	(53,072)	(44,321)
Cash and Cash Equivalents, Beginning	187,402	153,164	340,566
Cash and Cash Equivalents, Ending	$ 196,153	$ 100,092	$ 296,245
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities			
Operating income (loss)	$ (232,884)	$ (134,640)	$ (367,524)
Nonoperating income	43,148	-	43,148
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Amortization expense	-	130,980	130,980
Change in assets, deferred outflows, liabilities and deferred inflows:			
Accounts receivable	8,942	9,679	18,621
Accounts payable	(33,394)	-	(33,394)
Net cash provided by operating activities	$ (214,188)	$ 6,019	$ (208,169)

Noncash Capital and Financing Activities

None.

City of Baraboo

Combining Statement of Changes in Fiduciary Net Position -
Custodial Funds
December 31, 2025

	Tax Collection Fund	UW Campus	Friends of the Library	Total Custodial Funds
Assets				
Cash and investments	$ 4,422,859	$ 85,290	$ 20,369	$ 4,528,518
Taxes receivable	10,881,489	-	-	10,881,489
Prepaid items	-	34,915	-	34,915
Due from other governments	-	1,332	-	1,332
Total assets	15,304,348	121,537	20,369	15,446,254
Liabilities				
Accounts payable	91	-	257	348
Due to other taxing units	15,304,257	-	-	15,304,257
Total liabilities	15,304,348	-	257	15,304,605
Net Position				
Restricted	$ -	$ 121,537	$ 20,112	$ 141,649

City of Baraboo

Combining Statement of Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2025

	Tax Collection Fund	UW Campus	Friends of the Library	Total Custodial Funds
Additions				
Property taxes collected to taxing jurisdictions	$ 7,491,376	$ -	$ -	$ 7,491,376
Intergovernmental charges for services	-	210,000	-	210,000
Public charges for services	-	-	12,393	12,393
Investment income	-	292	34	326
Miscellaneous revenues	-	36,596	4,420	41,016
Total additions	7,491,376	246,888	16,847	7,755,111
Deductions				
Property taxes disbursed to taxing jurisdictions	7,491,376	-	-	7,491,376
Culture, recreation and education	-	148,965	15,050	164,015
Total deductions	7,491,376	148,965	15,050	7,655,391
Change in fiduciary net position	-	97,923	1,797	99,720
Net Position, Beginning	-	23,614	18,315	41,929
Net Position, Ending	$ -	$ 121,537	$ 20,112	$ 141,649

City of Baraboo

Combining Statement of Cash Flows -
Component Units
Year Ended December 31, 2025

	Primary Government		
	Business Improvement District	Community Development Authority	Total
Cash Flows From Operating Activities			
Received from customers	$ 52,836	$ 604,322	$ 657,158
Payments to suppliers for goods and services	(55,866)	(590,388)	(646,254)
Paid to employees for services	-	(199,635)	(199,635)
Paid to municipality for tax equivalent	-	(38,410)	(38,410)
Net cash flows from operating activities	(3,030)	(224,111)	(227,141)
Cash Flows From Investing Activities			
Investment income	-	459,307	459,307
Net cash flows from investing activities	-	459,307	459,307
Cash Flows From Capital and Related Financing Activities			
Debt retired	-	(1,158,828)	(1,158,828)
Interest paid on long term debt and issuance costs	-	(461,153)	(461,153)
Lease receivable issued	-	371,525	371,525
Special assessments	(2,298)	-	(2,298)
Capital contributions	-	1,173,609	1,173,609
Acquisition and construction of capital assets	-	(222,597)	(222,597)
Net cash flows from capital and related financing activities	(2,298)	(297,444)	(299,742)
Net change in cash and cash equivalents	(5,328)	(62,248)	(67,576)
Cash and Cash Equivalents, Beginning	70,739	783,567	854,306
Cash and Cash Equivalents, Ending	$ 65,411	$ 721,319	$ 786,730

City of Baraboo

Combining Statement of Cash Flows -
Component Units
Year Ended December 31, 2025

	Primary Government		
	Business Improvement District	Community Development Authority	Total
Reconciliation of Operating Loss to Net Cash Flows From Operating Activities			
Operating loss	$ (5,537)	$ (345,463)	$ (351,000)
Adjustments to reconcile operating loss to net cash			
Non-operating income	5,936	276,830	282,766
flows from operating activities:			
Depreciation	-	162,157	162,157
Changes in assets, deferred outflows, liabilities and deferred inflows:			
Accounts receivable	-	(53,618)	(53,618)
Prepaid items	1,804	-	1,804
Accounts payable	(5,200)	(37,413)	(42,613)
Deposits	-	(15,002)	(15,002)
Due to/from primary government	(33)	(216,540)	(216,573)
Pension related deferrals and liabilities	-	2,106	2,106
Postemployment retirement benefit	-	16,120	16,120
Other liabilities	-	(13,288)	(13,288)
Net cash flows from operating activities	$ (3,030)	$ (224,111)	$ (227,141)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and investments	$ 65,411	$ 692,579	$ 757,990
Restricted cash and investments	-	28,740	28,740
Total cash and cash equivalents	$ 65,411	$ 721,319	$ 786,730

Noncash Capital and Related Financing Activities

None

City of Baraboo

Combining Statement of Net Position -
Community Development Authority
December 31, 2025

	Primary Government							Component Unit		
	Major	Major	Major	Major	Major	Major	Total			
	Donahue Terrace Apartments	Corson Square	Library Building	Fire/EMS Building	Admin Building	Driftless Lofts LLC	Community Development Authority	Corson Square LLC	Eliminations	Totals
Assets										
Current Assets										
Cash and investments	$ 170,042	$ 43,527	$ 29,817	$ -	$ 449,193	$ -	$ 692,579	$ 11,029	$ -	$ 703,608
Accounts receivable	91,439	20,764	5,023,293	-	10,720,768	-	15,856,264	-	-	15,856,264
Due from other funds	300	264,779	-	-	-	-	265,079	-	(265,079)	-
Due from Corson Square LLC	-	64,383	-	-	-	-	64,383	-	(64,383)	-
Due from primary government	-	-	-	174,526	-	-	174,526	-	-	174,526
Due from other governments	-	237	-	-	-	-	237	-	-	237
Total current assets	261,781	393,690	5,053,110	174,526	11,169,961	-	17,053,068	11,029	(329,462)	16,734,635
Noncurrent Assets										
Restricted assets:										
Cash and investments	22,481	6,259	-	-	-	-	28,740	41,438	-	70,178
Capital assets:										
Land	44,000	157,364	-	837,679	-	-	1,039,043	-	-	1,039,043
Construction in progress	-	-	-	1,653,923	-	-	1,653,923	2,227,030	-	3,880,953
Leased assets	-	-	-	-	-	-	-	680,000	-	680,000
Other capital assets being depreciated/amortized	2,895,614	1,959,041	-	-	-	-	4,854,655	28,043	-	4,882,698
Less accumulated depreciation/amortization	(2,390,045)	(67,591)	-	-	-	-	(2,457,636)	(5,667)	-	(2,463,303)
Total noncurrent assets	572,050	2,055,073	-	2,491,602	-	-	5,118,725	2,970,844	-	8,089,569
Total assets	833,831	2,448,763	5,053,110	2,666,128	11,169,961	-	22,171,793	2,981,873	(329,462)	24,824,204
Deferred Outflows of Resources										
Pension related amounts	39,094	44,816	-	-	-	-	83,910	-	-	83,910
OPEB related amounts, health	3,672	5,454	-	-	-	-	9,126	-	-	9,126
OPEB related amounts, life	4,494	4,493	-	-	-	-	8,987	-	-	8,987
Total deferred outflows of resources	47,260	54,763	-	-	-	-	102,023	-	-	102,023
Liabilities										
Current Liabilities										
Accounts payable	13,200	3,327	-	174,526	-	-	191,053	916,382	-	1,107,435
Accrued interest	702	-	34,910	-	101,461	-	137,073	3,389	-	140,462
Due to primary government	25,503	26,714	-	-	-	-	52,217	64,383	(64,383)	52,217
Due to other funds	-	300	-	-	-	264,779	265,079	-	(265,079)	-
Current portion general obligation debt payable	27,287	-	-	-	-	-	27,287	-	-	27,287
Current portion revenue bonds payable	-	-	83,500	-	208,800	-	292,300	-	-	292,300
Current portion of compensated absences	12,996	12,996	-	-	-	-	25,992	-	-	25,992
Current portion of lease liability	4,066	-	-	-	-	-	4,066	-	-	4,066
Liabilities payable from restricted assets accrued interest	-	-	-	-	-	-	-	5,386	-	5,386
Total current liabilities	83,754	43,337	118,410	174,526	310,261	264,779	995,067	989,540	(329,462)	1,655,145
Noncurrent Liabilities										
Liabilities Payable from Restricted Assets:										
Deposits	22,883	5,959	-	-	-	-	28,842	13,471	-	42,313
General obligation debt payable	-	-	-	-	-	-	-	1,563,644	-	1,563,644
Revenue bonds payable	-	-	4,934,700	-	10,859,700	-	15,794,400	-	-	15,794,400
Compensated absences	16,886	16,886	-	-	-	-	33,772	-	-	33,772
Lease liability	9,906	1,398	-	-	-	-	11,304	-	-	11,304
Net pension liability	6,681	7,687	-	-	-	-	14,368	-	-	14,368
OPEB liability, health	9,039	13,426	-	-	-	-	22,465	-	-	22,465
Net OPEB liability, life	13,467	13,467	-	-	-	-	26,934	-	-	26,934
Other noncurrent liablilities	-	-	-	-	-	-	-	12,575	-	12,575
Total noncurrent liabilities	78,862	58,823	4,934,700	-	10,859,700	-	15,932,085	1,589,690	-	17,521,775
Total liabilities	162,616	102,160	5,053,110	174,526	11,169,961	264,779	16,927,152	2,579,230	(329,462)	19,176,920
Deferred Inflows of Resources										
Pension related amounts	19,529	22,470	-	-	-	-	41,999	-	-	41,999
OPEB related amounts, health	7,538	11,197	-	-	-	-	18,735	-	-	18,735
OPEB related amounts, life	10,227	10,228	-	-	-	-	20,455	-	-	20,455
Total deferred inflows of resources	37,294	43,895	-	-	-	-	81,189	-	-	81,189
Net Position										
Net investment in capital assets	522,282	2,048,814	-	2,491,602	-	-	5,062,698	1,365,762	-	6,428,460
Unrestricted (deficit)	158,899	308,657	-	-	-	(264,779)	202,777	(963,119)	-	(760,342)
Total net position	$ 681,181	$ 2,357,471	$ -	$ 2,491,602	$ -	$ (264,779)	$ 5,265,475	$ 402,643	$ -	$ 5,668,118

City of Baraboo

Statement of Revenues, Expenses and Changes in Net Position -
Community Development Authority
Year Ended December 31, 2025

	Primary Government						Total	Component Unit		
	Major	Major	Major	Major	Major	Major				
	Donahue Terrace Apartments	Corson Square	Library Building	Fire/EMS Building	Admin Building	Driftless Lofts LLC	Community Development Authority	Corson Square LLC	Eliminations	Totals
Operating Revenues										
Charges for service	$ 285,627	$ 221,142	$ -	$ -	$ -	$ -	$ 506,769	$ 68,654	$ -	$ 575,423
Miscellaneous	10,684	200,256	-	-	-	-	210,940	576	-	211,516
Total operating revenues	296,311	421,398	-	-	-	-	717,709	69,230	-	786,939
Operating Expenses										
Legal and administrative	169,010	183,472	-	-	-	264,779	617,261	150,930	-	768,191
Operating expenses	140,931	30,361	-	-	-	-	171,292	34,571	-	205,863
Maintenance	40,583	33,469	-	-	-	-	74,052	-	-	74,052
Taxes	19,409	19,001	-	-	-	-	38,410	2,095	-	40,505
Depreciation and amortization	100,229	61,928	-	-	-	-	162,157	5,667	-	167,824
Total operating expenses	470,162	328,231	-	-	-	264,779	1,063,172	193,263	-	1,256,435
Operating income (loss)	(173,851)	93,167	-	-	-	(264,779)	(345,463)	(124,033)	-	(469,496)
Nonoperating Revenues (Expenses)										
Intergovernmental revenues	156,155	120,675	-	-	-	-	276,830	-	-	276,830
Investment income	1,410	457	110,808	42,755	305,314	-	460,744	32	-	460,776
Interest expense	(2,681)	-	(110,808)	(42,755)	(305,314)	-	(461,558)	(303)	-	(461,861)
Gain (loss) on disposal of asset	(16,132)	-	-	-	-	-	(16,132)	-	-	(16,132)
Total nonoperating revenues (expense	138,752	121,132	-	-	-	-	259,884	(271)	-	259,613
Income (loss) before contributions	(35,099)	214,299	-	-	-	(264,779)	(85,579)	(124,304)	-	(209,883)
Contributions										
Capital contributions, municipality	-	-	-	1,173,609	-	-	1,173,609	526,947	-	1,700,556
Net change in net position	(35,099)	214,299	-	1,173,609	-	(264,779)	1,088,030	402,643	-	1,490,673
Total Net Position, Beginning	716,280	2,143,172	-	1,317,993	-	-	4,177,445	-	-	4,177,445
Total Net Position (Deficit), Ending	$ 681,181	$ 2,357,471	$ -	$ 2,491,602	$ -	$ (264,779)	$ 5,265,475	$ 402,643	$ -	$ 5,668,118

City of Baraboo

Combining Statement of Cash Flows -
Community Development Authority
Year Ended December 31, 2025

	Primary Government						Total
	Donahue Terrace Apartments	Corson Square	Library Building	Fire/EMS Building	Admin Building	Driftless Lofts LLC	Community Development Authority
Cash Flows From Operating Activities							
Received from customers/agencies	$ 365,560	$ 238,762	$ -	$ -	$ -	$ -	$ 604,322
Payments to suppliers for goods and services	(250,895)	(208,719)	(2,000)	(126,774)	(2,000)	-	(590,388)
Paid to employees for services	(94,808)	(104,827)	-	-	-	-	(199,635)
Paid to municipality for tax equivalent	(19,409)	(19,001)	-	-	-	-	(38,410)
Net cash flows from operating activities	448	(93,785)	(2,000)	(126,774)	(2,000)	-	(224,111)
Cash Flows From Investing Activities							
Investment income	1,410	457	107,506	42,755	307,179	-	459,307
Net cash flows from investing activities	1,410	457	107,506	42,755	307,179	-	459,307
Cash Flows From Capital and Related Financing Activities							
Debt retired	(26,428)	-	(81,800)	(847,400)	(203,200)	-	(1,158,828)
Interest paid on long-term debt and issuance costs	(3,361)	-	(107,506)	(43,107)	(307,179)	-	(461,153)
Lease payments received	-	-	101,231	-	270,294	-	371,525
Capital contributions	-	-	-	1,173,609	-	-	1,173,609
Acquisition and construction of capital assets	(2,960)	9,859	-	(229,496)	-	-	(222,597)
Net cash flows from capital and related financing activiti	(32,749)	9,859	(88,075)	53,606	(240,085)	-	(297,444)
Net change in cash and cash equivalents	(30,891)	(83,469)	17,431	(30,413)	65,094	-	(62,248)
Cash and Cash Equivalents, Beginning	223,414	133,255	12,386	30,413	384,099	-	783,567
Cash and Cash Equivalents, Ending	$ 192,523	$ 49,786	$ 29,817	$ -	$ 449,193	$ -	$ 721,319

City of Baraboo

Combining Statement of Cash Flows -
Community Development Authority
Year Ended December 31, 2025

	Primary Government						Total
	Donahue Terrace Apartments	Corson Square	Library Building	Fire/EMS Building	Admin Building	Driftless Lofts LLC	Community Development Authority
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities							
Operating income (loss)	$ (173,851)	$ 93,167	$ -	$ -	$ -	$ (264,779)	$ (345,463)
Adjustments to reconcile operating income (loss) to net cash: flows from operating activities:							
Nonoperating income	156,155	120,675	-	-	-	-	276,830
Depreciation	100,229	61,928	-	-	-	-	162,157
Changes in assets, deferred outflows, liabilities and deferred inflows:							
Accounts receivable	(89,377)	35,759	-	-	-	-	(53,618)
Accounts payable	(1,341)	(32,072)	(2,000)	-	(2,000)	-	(37,413)
Deposits	1,287	(16,289)	-	-	-	-	(15,002)
Due to/from primary government	(300)	(354,245)	-	(126,774)	-	264,779	(216,540)
Pension related deferrals and liabilities/assets	4,502	(2,396)	-	-	-	-	2,106
OPEB related amounts	3,501	12,619	-	-	-	-	16,120
Other current liabilities	(357)	(12,931)	-	-	-	-	(13,288)
Net cash flows from operating activities	$ 448	$ (93,785)	$ (2,000)	$ (126,774)	$ (2,000)	$ -	$ (224,111)
Reconciliation of Cash and Cash Euqivalents to the Statement of Net Position							
Cash and investments	$ 170,042	$ 43,527	$ 29,817	$ -	$ 449,193	$ -	$ 692,579
Restricted cash and investments	22,481	6,259	-	-	-	-	28,740
Cash and cash equivalents	$ 192,523	$ 49,786	$ 29,817	$ -	$ 449,193	$ -	$ 721,319

Noncash Capital and Related Financing Activities

None

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

To the City Council of
City of Baraboo

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Baraboo, 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, and have issued our report thereon dated August 24, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001, that we consider to be a material weakness.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Report on Compliance and Other Matters

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

The City's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Madison, Wisconsin
August 24, 2026

Finding 2025-001: Internal Control Over Financial Reporting

Repeat of Prior Year Finding 2024-001

Criteria: Auditing standards require us to report a material weakness for the City of Baraboo if material journal entries are detected as part of the financial audit or the auditor prepares the annual financial statements and footnotes.

Condition: Material journal entries were discovered during the course of the audit and we, as your auditors, prepared the annual financial statements.

Cause: The City does not have the resources required to identify and correct all misstatements in the financial records or to prepare the annual financial statements or the schedule of expenditures of federal and state awards in conformity with generally accepted accounting principles (GAAP).

Effect: A financial statement prepared in accordance with GAAP is not available until the conclusion of the audit.

Recommendation: We recommend that the City put in place procedures to continue to reduce the number of material audit journal entries as well as determine if resources would be available to prepare a complete set of financial statements without material changes.

Management Response: Management will review and evaluate opportunities to include additional compensating controls during 2026 over financial reporting.

APPENDIX B

FORM OF LEGAL OPINION

(See following pages)

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

October 29, 2026

Re: City of Baraboo, Wisconsin ("Issuer")
$4,895,000 General Obligation Promissory Notes, Series 2026A,
dated October 29, 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 August 1 of each year, in the years and principal amounts as follows:

Year	Principal Amount	Interest Rate
2027	$435,000	___%
2028	240,000	___
2029	245,000	___
2030	255,000	___
2031	270,000	___
2032	275,000	___
2033	285,000	___
2034	295,000	___
2035	310,000	___
2036	320,000	___
2037	160,000	___
2038	170,000	___
2039	175,000	___
2040	185,000	___
2041	190,000	___
2042	200,000	___
2043	210,000	___
2044	215,000	___
2045	225,000	___
2046	235,000	___

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

The Notes maturing on August 1, 2036 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on August 1, 2035 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 Baraboo, Sauk County, Wisconsin (the "Issuer") in connection with the issuance of $4,895,000 General Obligation Promissory Notes, Series 2026A, dated October 29, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on October 13, 2026, as supplemented by an Approving Certificate, dated _____, 2026 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated _____, 2026 delivered in connection with the Securities, which is available from the MSRB.

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

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

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

"Issuer" means the City of Baraboo, Sauk County, 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 101 South Blvd., Baraboo, Wisconsin 53913, phone (608) 355-2700, fax (608) 356-9666.

"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, COLLECTIONS and RATES - 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 29th day of October, 2026.

_____
Robert Nelson
Mayor

(SEAL)

_____
Brenda M. Zeman
City Clerk

APPENDIX E

NOTICE OF SALE

$4,895,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A
CITY OF BARABOO, WISCONSIN

Bids for the purchase of $4,895,000* General Obligation Promissory Notes, Series 2026A (the "Notes") of the City of Baraboo, 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 11:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 11:00 A.M., Central Time, on October 15, 2026, at which time they will be opened, read and tabulated. **The Common Council will adopt a resolution on October 13, 2026 (the "Parameters Resolution"), which authorizes the Finance Director or the City Treasurer (each an "Authorized Officer") to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on October 15, 2026, neither the Finance Director nor the City Treasurer will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing road, stormwater system and water system improvements, an expansion to the Great Sauk State Trail and an HVAC for public works. 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 29, 2026, will be issued as fully registered Notes in the denomination of $5,000 each, or any integral multiple thereof, and will mature on August 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	$435,000	2034	$295,000	2041	$190,000
2028	240,000	2035	310,000	2042	200,000
2029	245,000	2036	320,000	2043	210,000
2030	255,000	2037	160,000	2044	215,000
2031	270,000	2038	170,000	2045	225,000
2032	275,000	2039	175,000	2046	235,000
2033	285,000	2040	185,000		

ADJUSTMENT OPTION

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of $5,000 each, up to a maximum of $150,000 per maturity or mandatory redemption. 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 August 1 and February 1 of each year, commencing August 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 August 1, 2036 shall be subject to optional redemption prior to maturity on August 1, 2035 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 29, 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 OPINION

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

STATEMENT REGARDING COUNSEL PARTICIPATION

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

SUBMISSION OF BIDS

Bids must not be for less than $4,833,812.50, nor more than $5,335,550.00, plus accrued interest on the principal sum of $4,895,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

1) Electronically to bondsale@ehlers-inc.com; or

2) Electronically via **PARITY** in accordance with this Notice of Sale until 11:00 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 $97,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid. **The Notes will not be awarded if the TIC (computed taking the purchaser's compensation into account) exceeds 5.50% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

BOND INSURANCE

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

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

CUSIP NUMBERS

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

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

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate 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 (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

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

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-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) <u>If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test</u>, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

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

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

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

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

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

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

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

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

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),

(iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

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

Information for bidders and bid forms may be obtained from Ehlers at 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Common Council

Brenda Zeman, City Clerk
City of Baraboo, Wisconsin

BID FORM

City of Baraboo, Wisconsin (the "City") **October 15, 2026**

RE: $4,895,000* General Obligation Promissory Notes, Series 2026A (the "Notes")
DATED: October 29, 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 $4,833,812.50, nor more than $5,335,550.00) 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, up to a maximum of $150,000 per maturity or mandatory redemption. 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 $97,900 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 29, 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 29, 2026 of the above bid is $_____and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted on behalf of the City of Baraboo, Wisconsin, on October 15, 2026.

By: _____

Title: _____