



CITY OF SUN PRAIRIE
Wisconsin

2023 Annual
Comprehensive
Financial Report

As of and for the Year
Ended December 31, 2023



City of Sun Prairie, Wisconsin

Annual Comprehensive Financial Report

Year Ended December 31, 2023

Prepared By:

Department of Finance
Kristin Vander Kooi, Finance Director

City of Sun Prairie

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June 20, 2024

Dear Mayor Esser, Members of the Common Council, and Citizens of the City of Sun Prairie:

The City of Sun Prairie's (the City) 2023 Annual Comprehensive Financial Report, including the Independent Auditor's Report is submitted. This report consists of management's representations concerning the finances of the City of Sun Prairie. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City maintains strong budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated operating and capital improvements budget adopted by the Common Council. Annual budgets are adopted for all funds, including the activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Internal Service Funds and Enterprise Funds. Budgetary control is maintained through expenditure limitation at the cost center level (a cost center can be a fund, major program, department or specific activity for which control of expenditures is considered appropriate). Proposed expenditures for which monies were not previously appropriated, or which result in an overrun of budget control balances, may not take place without additional appropriations made available through Common Council approval.

The accounting firm of Baker Tilly US, LLP, an independent certified public accounting firm, has audited the City's financial statements. Baker Tilly US, LLP concluded, based upon its audit procedures, that the City's annual financial report for the fiscal year ended December 31, 2023 was fairly presented in accordance with Generally Accepted Accounting Principles (GAAP). The auditor's opinion is included in the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditors' Report.

CITY OF SUN PRAIRIE PROFILE

History – Sun Prairie’s history dates to 1837 when President Van Buren commissioned a party of 45 men, including August Bird, to build a state capitol in Madison. The group of men left Milwaukee on May 26, 1837, and traveled for days in the rain. On June 9, the group emerged at the edge of the prairie and with the sun shining, carved the words Sun Prairie into a tree. Charles Bird returned to the area 2 years later and became the first settler. The Town of Sun Prairie was created on February 2, 1846, and the City of Sun Prairie, which grew from the town, was incorporated in 1958.

Current Profile –

- The boundaries of Sun Prairie encompass an area approximately 13.1 square miles with an estimated population of 38,387.
- The City of Sun Prairie has historically been one of the fastest growing cities in Wisconsin; a trend that continues today as 700 new residents are welcomed each year. This is also reflected in the fact that the Sun Prairie Area School District is the fastest growing school district in Wisconsin.
- The City is located in Dane County, immediately northeast of the City of Madison, which is home to the capital of the State of Wisconsin and the campus of the University of Wisconsin.
- The City’s location provides residents and businesses fast, easy access to the I-39/90 and I-94 corridors, as well as the Dane County Regional Airport.
- Sun Prairie is the birthplace of Georgia O’Keeffe. She has been described as one of the most significant and intriguing artists of the twentieth century, known internationally for her boldly innovative art and her original contributions to American Modernism.
- Sun Prairie’s Downtown area is home to Cannery Square, a successful redevelopment area in the city which hosts many popular events, including but not limited to the annual Groundhog Day Prognostication, Streets of Sun Prairie, Outdoor Farmers Market, and the Fall Festival.
- The Sun Prairie Business Park, located on U.S. 151 in the northeast corner of the City is one of the oldest and most successful employment centers in Dane County with over 430 acres of development and 1,600 employees.
- The Grand Avenue Interchange on U.S. 151 is one of the fastest growing retail centers in Wisconsin.
- The City’s largest employer is the Sun Prairie Area School District employing approximately 1,501 people.
- Several major employers have their headquarters here in Sun Prairie, including 2G Engineering, Axim Geospatial, Compeer Financial, Hallman Lindsay Paints, ProActive Engineering, Wisconsin Distributors, Trachte Building Systems, Royle Printing, and Quarra Stone.

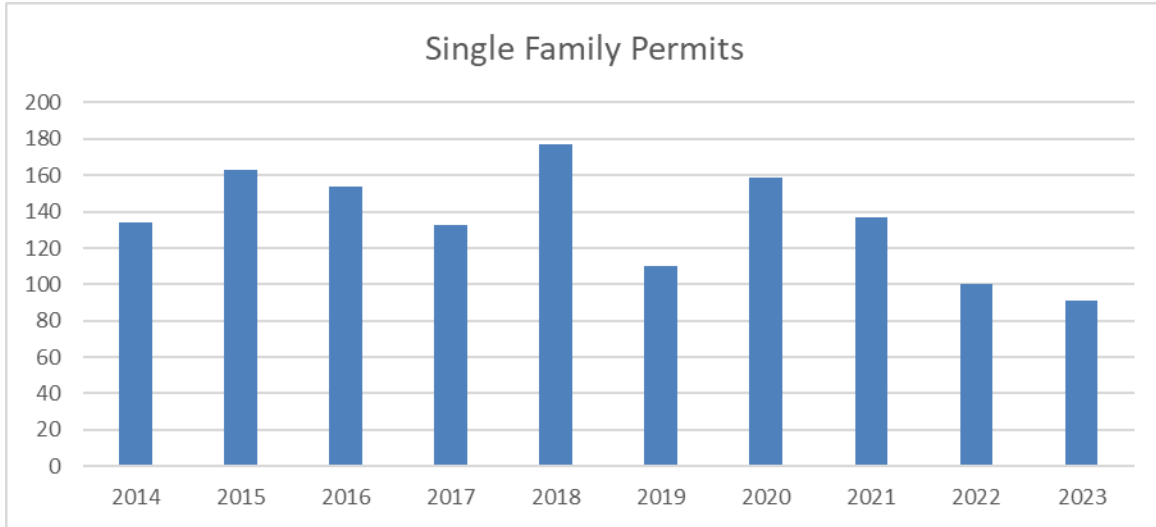
- Sun Prairie's Angell Park Speedway is one of nation's oldest clay oval racetracks, hosting midget auto racing events throughout the summertime. In 2023, Angell Park celebrated being the home to Sun Prairie's annual Sweet Corn Festival for 70 years.

Government and Organization – The City operates under a Mayor-Council form of government. The Mayor is elected at large for two years and eight council members representing four districts are elected for staggered two-year terms. The mayor and council are elected on a non-partisan basis. The City Council appoints the City Administrator who has the responsibility for carrying out Council policies and administering City operations. The City Council appoints the City department heads as specified in the City's ordinances. The City operates its own electric utility and contracts with a non-profit company for fire protection services.

LOCAL ECONOMY

The economy continues to improve from the effects of the recession. The City has experienced significant residential and commercial growth including a thriving retail center in the southwest region of the City. Notable projects for 2023 include:

- 588 multi-family units were brought to market, with an estimated 361 coming to market in 2024.
- Within Park 151, Commerce V completed construction and has full occupancy. This private business park has garnered over \$50 million in value in seven years.
- The citizens passed a referendum in April 2019 to build a new high school among other improvements to existing buildings. Construction on the multi-purpose stadium started in 2019 and was completed in 2020. Construction on the new high school started in 2020 and was completed in time for the 2022-2023 school year.
- The City received approximately \$1.8 million of the allocated \$3.6 million in American Rescue Plan Act (ARPA) funds in 2021 and the remaining \$1.8 million in 2022. City Council approved using these funds to construct a shelter at Wetmore Park, assistance to small businesses, and provide mental health support services. The City Council approved a plan for the execution of the second tranche of ARPA funds in 2022, which included funding to non-profit organizations as well as internal City department requests.



The City of Sun Prairie conducted a revaluation in 2023. Overall property valuation increased by 36.72%, which continues the annual increases the City has seen over the last several years. With these continued increases, the City has regained the losses sustained during the great recession. Over the long-term the City is likely to continue to experience residential and commercial growth due to its proximity to the City of Madison. In 2023, the City had net new construction growth of 3.09% or \$147.3 million.

As a public power community, the City is able to provide its residential customers with electric rates averaging approximately 18% lower than the rates charged by the large investor-owned utilities servicing the surrounding communities.

Unemployment rates remain historically low with extremely high levels of labor force participation. The annual average unemployment rate for Sun Prairie was 2.3% with the labor force participation at 97.6%. This is reflective of the entire Dane County averages and just above the state values with an unemployment rate of 3% and the labor force participation at 96.9%. The per capita and median income of the City is above the state average. We expect the City to continue these trends in the future.

LONG-TERM FINANCIAL PLANNING

The City of Sun Prairie is committed to planning for the future to ensure that both private development and public investment in new infrastructure are coordinated and aimed at a common vision for the community. The City adopted a new Comprehensive Plan in 2019 with several chapters being updated in 2024 to align with the changing economic climate. This plan replaces the existing comprehensive plan that has been guiding development and infrastructure decisions since 2009. The Common Council also endorsed a Strategic Plan in 2019. This plan provides guidance on the priorities of the Council and their long-term vision for the City. An updated Parks and Open Space Plan was adopted in 2017 and will be updated again in 2024. In addition, a community-driven redevelopment plan which provides an implementation strategy for the properties that were destroyed by the gas explosion in July 2018 was finalized in 2019 and approved in 2020. Annually the City prepares a ten-year Capital Improvement Plan to plan and updates its five-year Financial Management Plan. Both plans aid policy makers in long-term decision-making goals. City officials use these plans to guide community development decisions, to assist with community facility budgeting, as well as focus and stimulate private housing, business, and industrial development decisions.

The Common Council approved the creation of the TIF No. 8 district in 2001 to finance the Downtown Revitalization Plan (Phase I and Phase II). This plan provides the framework for the redevelopment and enhancement of the historic Main Street corridor and the South Bristol and Market Street corridors.

The Common Council approved the creation of TIF No. 9 in 2007 and expanded the TID in 2013. This mixed-use TID has developed into a thriving retail center including the completion of the Hilton Garden Inn.

The Common Council approved the creation of TIF No. 11 district in 2014 to facilitate the implementation of the West Main Street Corridor Plan and to encourage the general redevelopment of the central Main Street area of the City.

The City created TIF No. 12 in 2016 and expanded the TID in 2017 and 2021. This industrial TID is in the northeast area of the City aimed to expand the current Business Park.

The Common Council approved the creation of TIF No. 13 in 2017 to facilitate a light industrial park in the southwest area of the City. This TID takes advantage of the close proximity of State Hwy 151. Full buildout was completed in 2023, which will likely allow the TID to close early.

The Common Council approved the creation of TIF No. 14 in 2020. This district is an overlay of TIF No. 8 and was created to implement the objectives of the Sun Prairie Stronger Plan.

The Common Council created TID No. 15 in 2021 to facilitate the affordable multi-family development and redevelopment of far West Main Street.

The City created TIF No. 16 in 2023 to facilitate affordable age-restricted and multi-family developments in partnership with Habitat for Humanity and Northpointe Development.

COMMUNITY SERVICES

The City provides services for its citizens including public safety (police, fire, emergency medical services and building inspection), streets, water, electric, wastewater, recreational programming and general administration. The citizens of Sun Prairie enjoy the 411.6 acres of parks and 49 miles of trails within the City including Sheehan Park which is the City's 147 acre community park. This park includes a skateboard park, shelters, volleyball courts, softball fields, youth baseball complex, basketball courts, soccer field, playgrounds and a forested trail system. Some of the City's more unique services include an aquatic center, a Historical Museum, and a 36,000 square foot library that serves the City as well as the surrounding area.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sun Prairie for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the eighth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

The preparation of this Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service and commitment of each member of the Finance Department staff. They have our sincere appreciation for their individual contribution in preparation of the report. We express our appreciation to all the City staff that assisted and contributed to the preparation of this report.

We also want to recognize Baker Tilly US, LLP audit management team for their dedication and expertise, which contributed significantly to the report quality and adherence to professional accounting standards. Credit also must be given to the Mayor and City Council members for their continued support for maintaining the highest standards of professionalism in the management of the City of Sun Prairie's finances. For all those involved, we express our sincerest appreciation.

Respectfully Submitted,



Aaron O Oppenheimer
City Administrator



Kristin L Vander Kooi
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sun Prairie
Wisconsin**

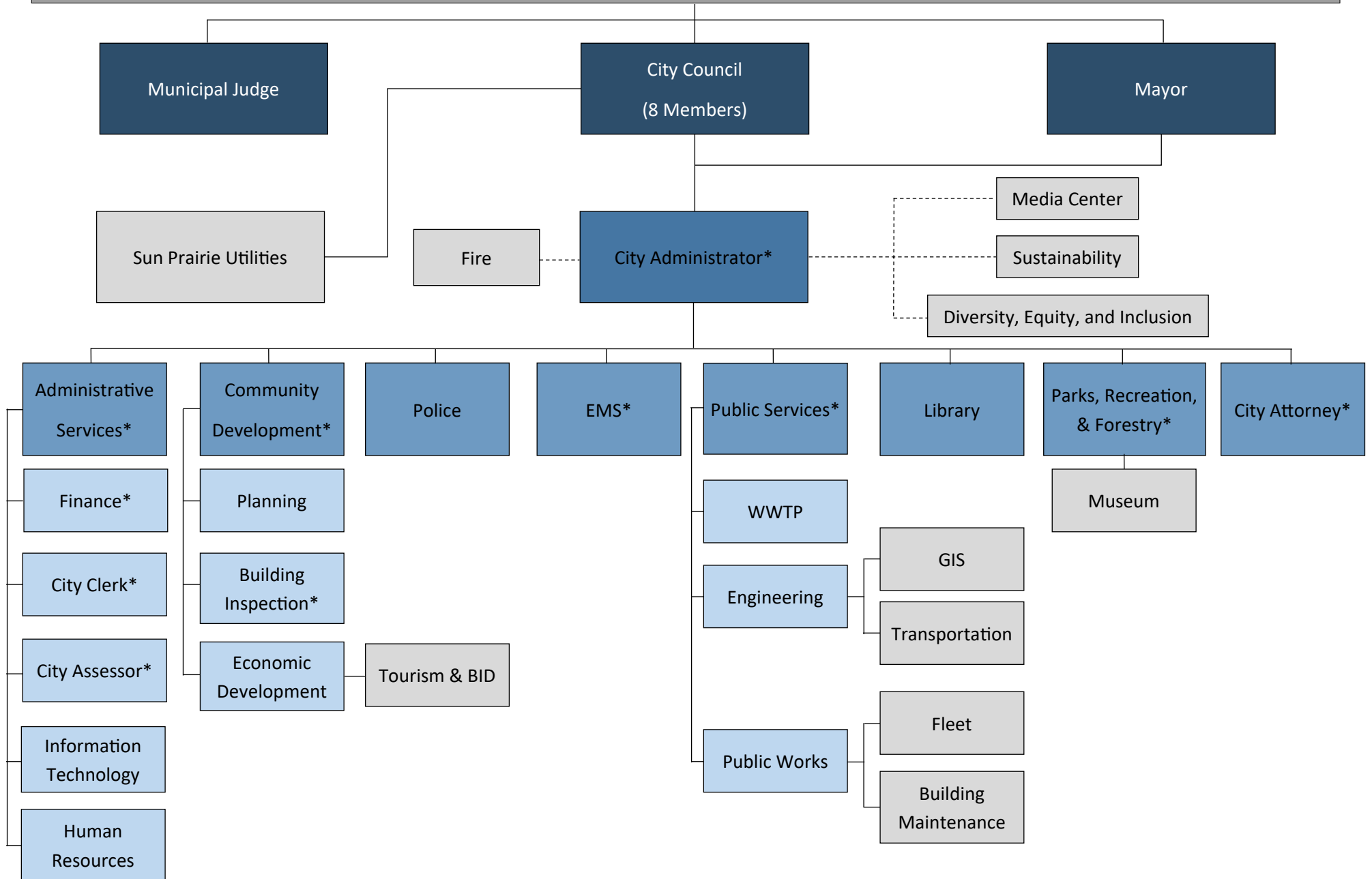
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

Citizens of Sun Prairie
Population: 38,387



*Positions appointed by the Common Council

CITY OF SUN PRAIRIE
DIRECTORY OF OFFICIALS
December 31, 2023

MAYOR

Paul T. Esser

COUNCIL PRESIDENT

Theresa McIlroy

COUNCIL MEMBERS

District 1 – Theresa McIlroy
District 1 – Steve Stocker
District 2 – Bob Jokisch
District 2 – Brent Eisberner

District 3 – Michael Jacobs
District 3 – Maureen Crombie
District 4 – Faustina Bohling
District 4 – David Virgell

ADMINISTRATION

City Administrator
Director of Administrative Services
Finance Director/City Treasurer
City Attorney
City Assessor
City Clerk
Director of Public Services/City Engineer
Engineering Director
Director of Community Development
Planning Director
Sun Prairie Media Center Director
Building Inspection Director
Public Works Operations Manager
Economic Development Director
EMS Director
Human Resources Director
Information Technology Director
Library Director
Director of Parks, Recreation, and Forestry
Police Chief
Wastewater Conveyance & Treatment Director
Sun Prairie Utilities Manager

Aaron Oppenheimer
Caitlin Stene
Kristin Vander Kooi
Kathleen McDaniel
Peter Krystowiak
Elena Hilby
Adam Schleicher
Tom Veith
Scott Kugler
Joshua Clements
Jeffrey Robbins
Brian Flannery
Benjamin John
Taylor Brown
Christopher Garrison (*interim*)
Brenda Sukenik
Donald McDermott
Svetha Hetzler
Kristin Grissom
Michael Steffes
Jeremy Cramer
Rick Wicklund

Independent Auditors' Report

To the City Council of
City of Sun Prairie

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 discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Sun Prairie (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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.

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 Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024 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.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Madison, Wisconsin
June 20, 2024

Management's Discussion and Analysis (Unaudited)

CITY OF SUN PRAIRIE MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) DECEMBER 31, 2023

The following discussion and analysis is intended to provide readers an overview of the financial activities of the City of Sun Prairie (the City) for the fiscal year ended December 31, 2023. The information should be read in conjunction with the City's financial statements, which begin with the following section.

FINANCIAL HIGHLIGHTS

- The combined net position increased by 3.6% in 2022 to \$376.7 million. The City's net investment in capital assets was \$298.6 million at the end of 2023. An additional \$17.1 million was held for restricted purposes with \$61.0 million in unrestricted net position.
- At the end of 2023, the City's governmental activities reported a positive balance in unrestricted net position of \$19.5 million. This is an increase of \$8.4 million from the previous year due primarily to increases in cash and investments and taxes receivable.
- The City's general fund had a decrease in fund balance of \$1,709,573 for 2023. The general fund's unassigned fund balance at the end of 2023 increased by \$1.3 million to \$5.8 million. The unassigned fund balance amount at the end of 2023 is at 19.9% of the prior year's general fund revenue budget. This is within the City's goal for unassigned fund balance of 16.0% to 20.0% of the prior year general fund revenue budget. The primary decrease in non-spendable fund balance is due to a reduction in advances to tax increment financing districts 8, 12, and 13 as well as a decrease in prepaids. These districts are anticipated to repay the general fund in whole in future years.
- The City continues to experience an increase of property values in 2023. Equalized value increased by 14.2% for 2022 following an increase of 8.1% for 2021. The total property tax levy for the 2022-23 tax year was \$34,346,004 an increase of 4.8% compared to the prior year.
- The City issued \$11.0 million in General Obligation Notes. The General Obligation Notes were issued for street improvements, fleet replacement, building improvements, and park improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Management's Discussion and Analysis (Unaudited)

Government-wide Statements

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

The statement of net position presents information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. Evaluation of the overall health of the City should extend to other non-financial factors such as the diversification of the tax base or the condition of City infrastructure, in addition to the financial information provided in this report.

The statement of activities presents information showing how the City's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. An important purpose of the design of the Statement of Activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both of the government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes and intergovernmental revenues, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. Business-type activities include the City's electric, water, wastewater, and storm water utilities. Fiduciary activities, such as tax collection and the Multijurisdictional Public Safety Information System Commission (MPSISC) and the Utilities Pension Trust, are not included in the government-wide statements since these assets are not available to fund City programs.

The government-wide financial statements include the Community Development Authority (CDA). The CDA is a legally separate organization (component unit) that is presented as a discrete column separate from the primary government.

In addition to this City financial report, separate financial reports have been issued for Sun Prairie Utilities and the Sun Prairie Water Pollution Control Facility. These reports provide additional detail on the operation of the City's electric, water, and wastewater utilities.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Sun Prairie can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are reported in governmental funds. These statements, however, focus on near-term inflows and outflows and spendable resources available at the end of the fiscal year. Such information may be useful in determining what

Management's Discussion and Analysis (Unaudited)

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

Other than the General Fund, the City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects, and permanent funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, General Debt Service Fund, and General Capital Projects Fund, which are considered major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – are generally used to account for services provided to customers to whom the City charges user fees that are designed to fully recover the cost of providing the service. Proprietary fund statements provide the same type of information shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds – enterprise and internal service. The City uses enterprise funds to account for its electric and water, wastewater, and storm water utilities. All enterprise funds are considered to be major funds of the City. The City uses an internal service fund for its fleet and healthcare. These distribute charges of fleet and healthcare activities to the City departments.

Fiduciary Funds – are used to account for resources held for the benefit of parties outside the City. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City is the trustee, or fiduciary agent, for collection of property taxes for the City and for all taxing jurisdictions, including the Sun Prairie and Deforest School Districts, Dane County, State of Wisconsin, and Madison College and they are also the fiduciary agent for MPSISC and the Utilities Pension Trust Fund.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Statement of Net Position

The City of Sun Prairie's statement of net position at December 31, 2023 and 2022 are summarized in the table below.

The City's net position increased by \$13.2 million or 3.6% during the current fiscal year primarily due to an increase in investments in capital assets such as land, buildings, building improvements, machinery and

Management's Discussion and Analysis (Unaudited)

equipment, infrastructure, and construction in progress capitalized for both the governmental and business-type activities during the year as well as an increase in unrestricted net position.

The net investment in capital assets accounts for 79.2% of the City's total net position. This represents the City's investment in capital assets less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

The following table provides a summary of the City's net position for 2023 and 2022:

CITY OF SUN PRAIRIE NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 85,761,112	\$ 84,332,886	\$ 58,848,541	\$ 58,915,767	\$ 144,609,653	\$ 143,248,653
Capital assets	<u>179,215,725</u>	<u>174,448,418</u>	<u>220,583,576</u>	<u>216,134,663</u>	<u>399,799,301</u>	<u>390,583,081</u>
Total assets	264,976,837	258,781,304	279,432,117	275,050,430	544,408,954	533,831,734
Deferred outflows	20,176,673	15,048,356	2,684,287	2,362,368	22,860,960	17,410,724
Non-current liabilities	51,305,189	49,812,117	50,865,900	54,602,890	102,171,089	104,415,007
Current liabilities	11,494,484	11,685,905	4,499,860	4,460,640	15,994,344	16,146,545
Other Liabilities	<u>10,403,586</u>	<u>5,418,197</u>	<u>4,203,256</u>	<u>3,188,995</u>	<u>14,606,842</u>	<u>8,607,192</u>
Total Liabilities	73,203,259	66,916,219	59,569,016	62,252,525	132,772,275	129,168,744
Deferred inflows	54,040,658	54,723,177	3,802,376	3,857,051	57,843,034	58,580,228
Net position:						
Net Investments in Capital						
Assets	127,505,574	125,420,724	171,120,446	165,464,842	298,626,020	290,885,566
Restricted	10,876,366	15,625,765	6,190,020	6,203,051	17,066,386	21,828,816
Unrestricted	<u>19,527,653</u>	<u>11,143,775</u>	<u>41,434,546</u>	<u>39,635,329</u>	<u>60,962,199</u>	<u>50,779,104</u>
Total net position	<u>\$ 157,909,593</u>	<u>\$ 152,190,264</u>	<u>\$ 218,745,012</u>	<u>\$ 211,303,222</u>	<u>\$ 376,654,605</u>	<u>\$ 363,493,486</u>

An additional portion of the City's net position represents resources that are subject to external restriction on their usage. The net position subject to external restrictions was \$17.1 million as of December 31, 2023. Restricted net position for governmental activities decreased \$4.7 million primarily due to the value of the City's proportionate share of the Wisconsin Retirement System net pension liability. Additional detail about the Wisconsin Retirement System can be found in Note 4 on pages 55 through 61 of the financial statements.

The remaining balance of net position is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors. The unrestricted portion of the net position was \$61.0 million at the end of the year. It is important to note that \$41.4 million of the unrestricted net position is related to the

Management's Discussion and Analysis (Unaudited)

City's business-type activities. Consequently, they generally may not be used to fund governmental activities.

Governmental activities unrestricted net position increased by \$8.4 million to a balance of \$19.5 million, mainly due to an increase in taxes receivable as well as cash and investments.

Change in Net Position

The City's combined net position increased by \$13.2 million from fiscal year 2022 to 2023, an increase of 3.6%. Of this increase, the net position of the City's governmental activities increased by 3.8%, or \$5.7 million. The net position of the business-type activities increased 3.5%, or \$7.4 million.

Management's Discussion and Analysis (Unaudited)

The following table provides a more detailed analysis of the City's change in net position:

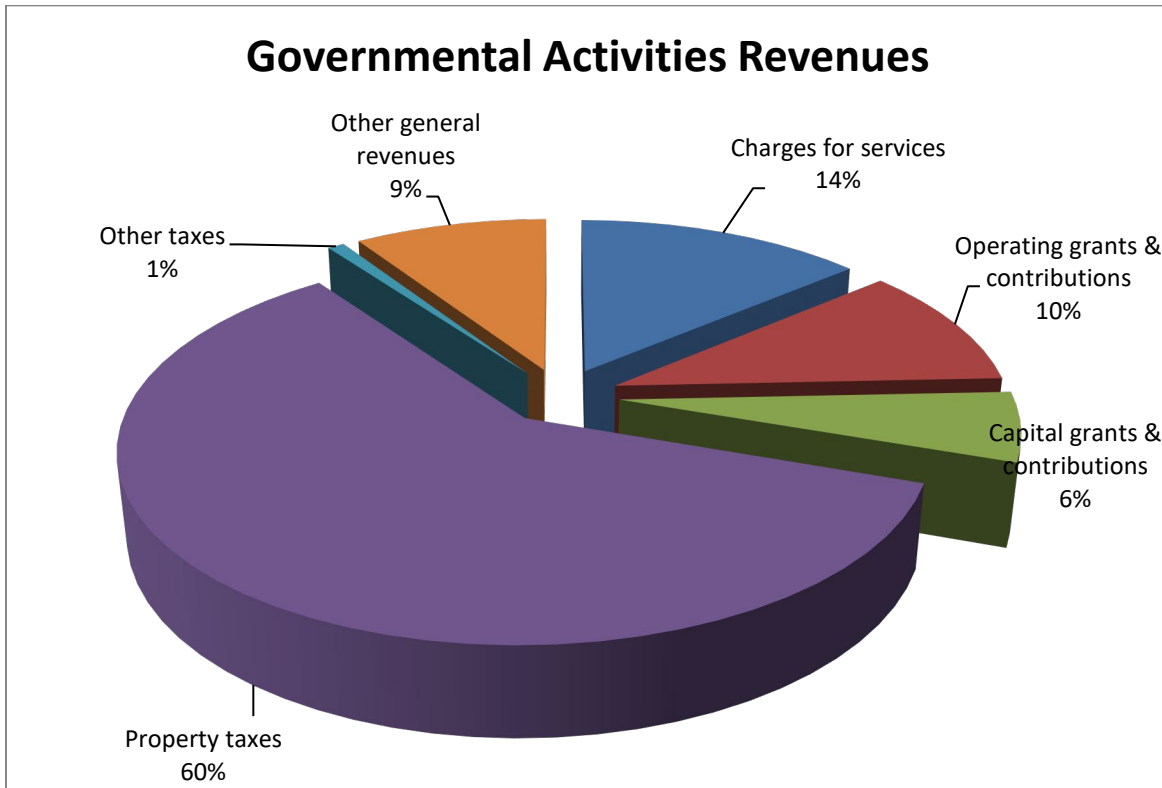
CITY OF SUN PRAIRIE CHANGE IN NET POSITION						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 7,966,138	\$ 7,458,246	\$ 45,343,339	\$ 46,322,072	\$ 53,309,477	\$ 53,780,318
Operating grants & contributions	6,039,989	4,427,753	-	-	6,039,989	4,427,753
Capital grants & contributions	3,421,009	6,015,390	3,527,955	5,448,568	6,948,964	11,463,958
General revenues					-	-
Property taxes	34,346,004	32,774,269	-	-	34,346,004	32,774,269
Other taxes	463,021	480,647	-	-	463,021	480,647
Other general revenues	<u>5,341,831</u>	<u>4,240,367</u>	<u>3,093,181</u>	<u>1,786,858</u>	<u>8,435,012</u>	<u>6,027,225</u>
Total revenues	57,577,992	55,396,672	51,964,475	53,557,498	109,542,467	108,954,170
Expenses						
General government	6,821,238	6,297,943	-	-	6,821,238	6,297,943
Public safety	18,739,288	14,149,050	-	-	18,739,288	14,149,050
Public works	13,594,637	10,336,380	-	-	13,594,637	10,336,380
Health and human services	772,592	973,729	-	-	772,592	973,729
Culture, recreation, and education	8,161,419	6,010,443	-	-	8,161,419	6,010,443
Conservation and development	4,145,963	3,023,458	-	-	4,145,963	3,023,458
Interest and fiscal charges	1,562,932	1,358,653	-	-	1,562,932	1,358,653
Electric Utility	-	-	29,247,919	30,769,633	29,247,919	30,769,633
Water Utility	-	-	3,868,645	3,849,585	3,868,645	3,849,585
Wastewater Utility	-	-	6,290,362	5,524,158	6,290,362	5,524,158
Stormwater Utility	<u>-</u>	<u>-</u>	<u>3,176,353</u>	<u>2,841,097</u>	<u>3,176,353</u>	<u>2,841,097</u>
Total expenses	53,798,069	42,149,656	42,583,279	42,984,473	96,381,348	85,134,129
Increase in net position	3,779,923	13,247,016	9,381,196	10,573,025	13,161,119	23,820,041
Transfers	<u>1,939,406</u>	<u>1,921,103</u>	<u>(1,939,406)</u>	<u>(1,921,103)</u>	<u>-</u>	<u>-</u>
Change in net position	5,719,329	15,168,119	7,441,790	8,651,922	13,161,119	23,820,041
Net position - beginning of the year	<u>152,190,264</u>	<u>137,022,145</u>	<u>211,303,222</u>	<u>202,651,300</u>	<u>363,493,486</u>	<u>339,673,445</u>
Net position - end of the year	<u>\$ 157,909,593</u>	<u>\$ 152,190,264</u>	<u>\$ 218,745,012</u>	<u>\$ 211,303,222</u>	<u>\$ 376,654,605</u>	<u>\$ 363,493,486</u>

Governmental Activities

An examination of the statement of activities can provide a concise picture of how the various activities of the City are funded. The following charts draw data from the statement of activities. The City received \$57.6 million in governmental activities revenues in 2023. This was an increase of \$2.2 million from the prior year. The City is highly dependent upon property taxes for funding, and they remain the largest source of governmental activities revenues representing 59.7% of the total in 2023. Property tax revenue is used to finance the City's general fund, debt service, and TIF districts. Intergovernmental revenues and

Management's Discussion and Analysis (Unaudited)

other operating and capital grants comprise 16.4%, while charges for services and all other sources account for 23.9% of total governmental activity resources.

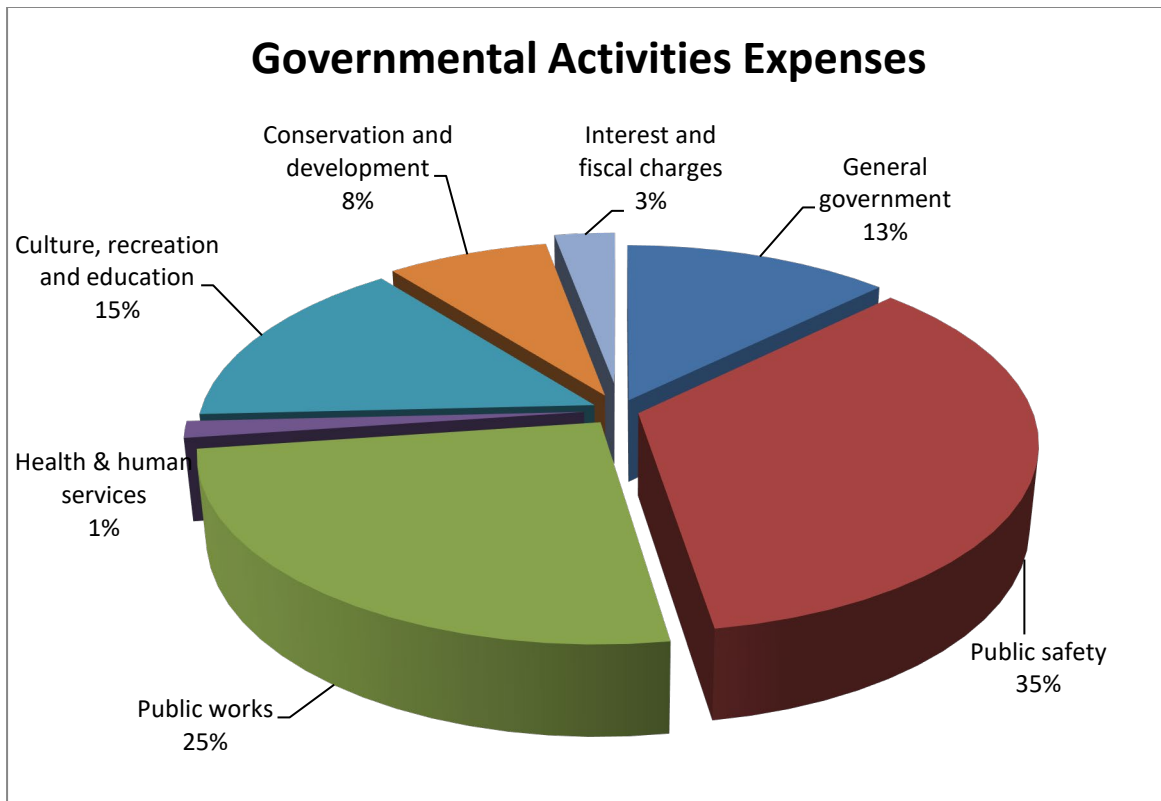


The City experienced a 3.9% increase in revenues from 2022 to 2023. The primary changes are as follows:

- The council approved an increase in the property tax levy (\$1.57 million) largely corresponding to the additional equalized value resulting from increased development in 2022.
- Operating grants and contributions increased 36.4% (\$1.61 million) primarily due to receiving numerous public safety grants.
- Other general revenues increased 26.0% (\$1.1 million) due to increased investment income.

Total governmental activities expenses were \$53.8 million in 2023. Public safety (including police, emergency medical services, building inspection, and fire services) accounts for the largest share of City expenses at 34.8%. This is followed by public works with 25.3%, culture, recreation, and education with 15.2%, general government with 12.7%, conservation and development with 7.7%, and health and human services with 1.4%. Interest & fiscal charges make up the remaining 2.9%.

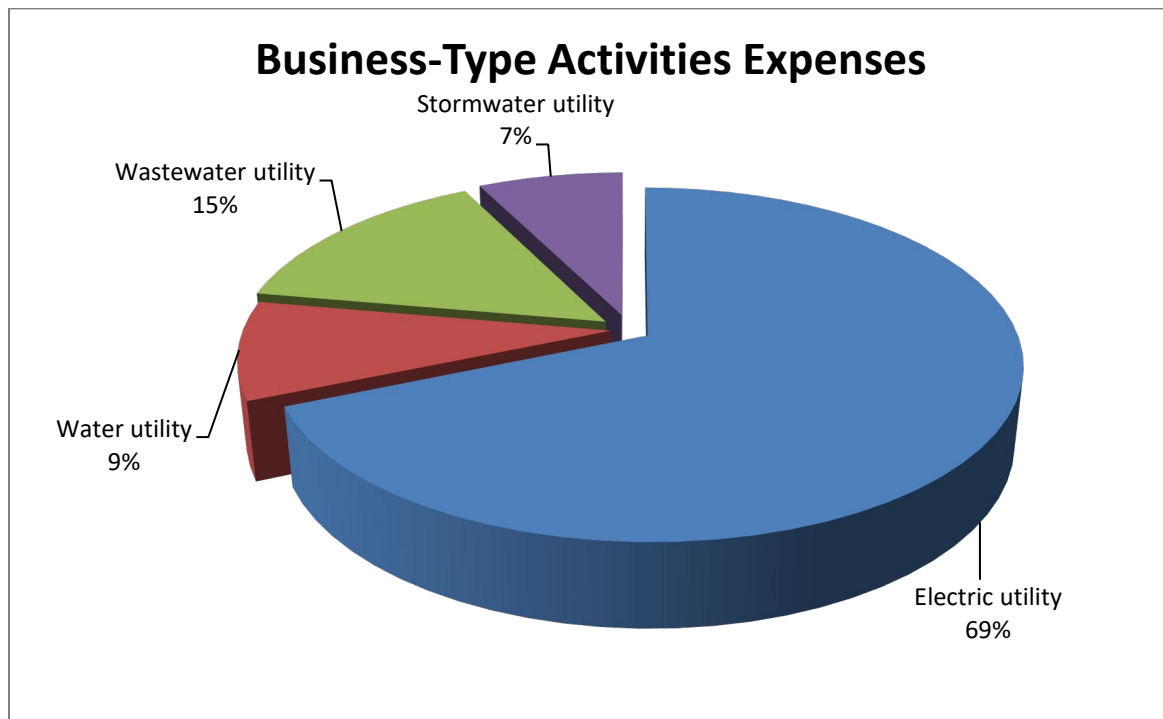
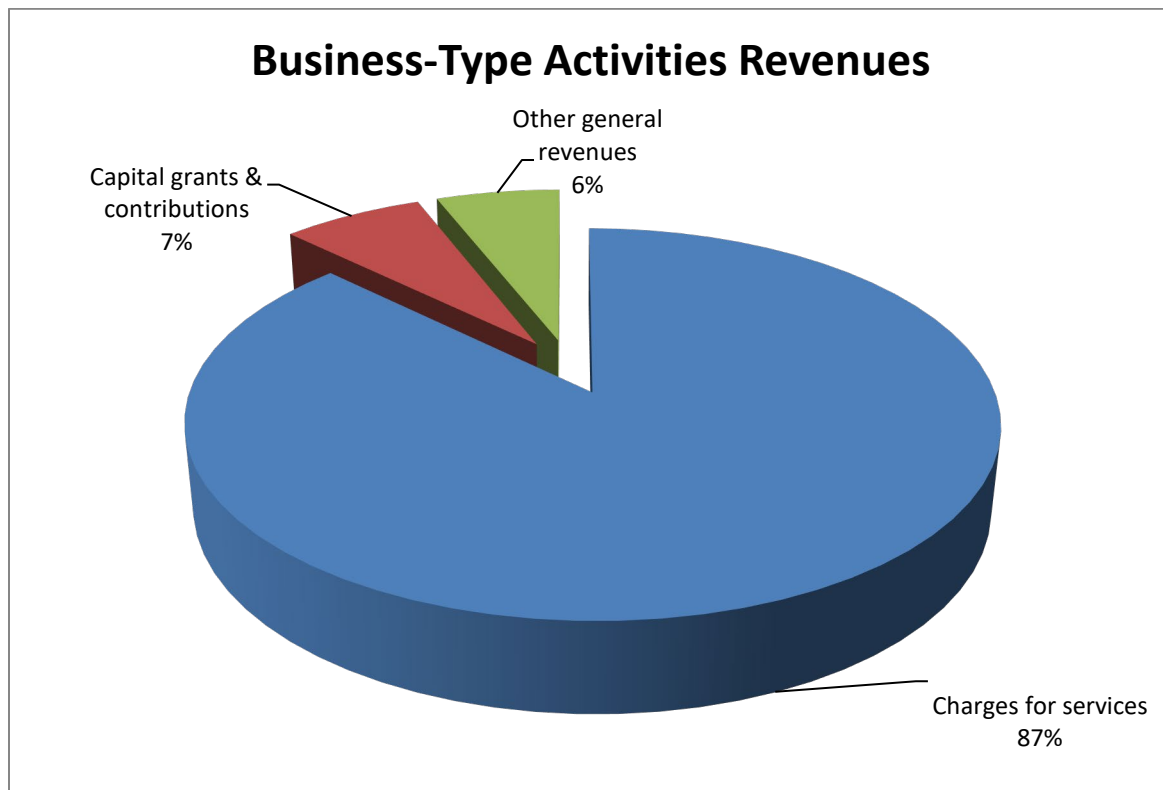
Management's Discussion and Analysis (Unaudited)



Business-type Activities

Business-type activities include the City's water and electric, wastewater, and storm water utilities. In 2023, revenue for business-type activities totaled \$52.0 million. Charges for services were the largest revenue source for these operations, representing 87.2% of business-type activity revenues. Capital grants and contributions accounted for 6.8% of revenues with other general revenues representing 6.0%.

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Management's Discussion and Analysis (Unaudited)

The net position of Sun Prairie Utilities increased by \$3.7 million, which represents a 4.0% increase over 2022. Combined operating revenues for the utility decreased by -3.6%, or \$1.4 million. Operating expenses for the utility decreased by \$1.5 million, or -4.3% from 2022.

The net position of the wastewater utility increased by \$2.4 million, which represents a 3.9% increase from 2022. Wastewater utility operating revenues increased by \$412,500 or 7.2% in 2022. Operating expenses of the utility increased by \$793,000 or 15.6%, from 2022.

The net position of the storm water utility increased by \$1.3 million during 2023, an increase of 2.3%. Storm water utility operating revenues decreased by \$37,000 or -1.2% while operating expenses increased by \$353,500, or 14.2%.

The increase in net position for the enterprise funds is primarily due to development in the City during 2023 and the resulting contributed assets as an outcome of that development.

The last approved rate increases for the electric, water, wastewater, and storm water utilities were effective as follows:

- Electric rates were effective as of December 2, 2023
- Water rates were effective as of December 31, 2021 with new rates coming effective January 1, 2024
- Wastewater rates were effective as of January 1, 2023
- Storm water rates were effective as of February 25, 2020

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information regarding near-term inflows, outflows, and spendable resources. Such information can be useful in addressing the City's financing requirements. In particular, the level of unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of 2023, the combined fund balances for the City's governmental funds were \$28.2 million, as detailed below:

**Management's Discussion and Analysis
(Unaudited)**

CITY OF SUN PRAIRIE GOVERNMENTAL FUND BALANCE

	<u>2023</u>	<u>2022</u>
Nonspendable, reported in:		
General Fund	\$ 1,843,923	\$ 3,209,903
Special revenue funds	10,902	10,240
Debt service funds	851	-
Permanent Funds	1,000	1,000
Restricted, reported in:		
General Fund	1,015,142	1,313,028
Special revenue funds	6,862,625	6,002,127
Debt service funds	552,866	310,425
Capital project funds	6,339,376	4,120,957
Permanent funds	-	-
Committed to:		
Special revenue funds	531,378	623,493
Assigned, reported in:		
General Fund	3,890,737	5,209,279
Capital project funds	2,803,767	2,199,267
Unassigned, reported in:		
General Fund	5,821,158	4,548,323
Special revenue funds	-	-
Debt service funds	-	-
Capital project funds	<u>(1,448,072)</u>	<u>(1,587,001)</u>
 Total Fund Balance	 <u>\$ 28,225,653</u>	 <u>\$ 25,961,041</u>

Fund balance is reported in classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The classifications of fund balance are *Non-spendable*, *Restricted*, *Committed*, *Assigned*, and *Unassigned*. The amount that represents available resources for spending is the total of Committed, Assigned, and Unassigned. The unrestricted fund balance, less the non-spendable portion, may serve as a useful measure of a government's net resources available for spending at each fiscal year end.

General Fund: The general fund is the primary operating fund of the City. Total fund balance as of December 31, 2023, was \$12.6 million, of which \$1.8 million was non-spendable. Included in this amount is \$1.1 million representing advances to TIF District funds, which is a decrease of \$911,500 from 2022. The decrease is primarily due to TID 8 repaying the full advance from the general fund. Assigned fund balance comprised another \$3.9 million of the total fund balance. The 2023 payment in lieu of taxes due to the general fund from the electric and water utility represents \$1.9 million of the assigned fund balance. The decrease in the general fund assigned fund balance is primarily due to a decrease in fund balance applied to the subsequent year budget. Unassigned fund balance in the general fund at the end of 2023 was \$5.8 million, which represents 19.9% of the total prior year general fund revenue budget. The City

Management's Discussion and Analysis (Unaudited)

modified the fund balance policy in 2018 moving the target range of general fund balance from 12% to 18% in prior years to 16% to 20% in 2018. This was done to provide sufficient cash flow, stabilization, and emergency reserves for the City.

General Debt Service Fund: The general debt service fund accounts for the accumulation of funds for the payment of long-term debt principal, interest, and related costs. The annual revenue budget for the debt service fund is set to meet the current year obligations. As such, the City is not required to maintain a large ongoing fund balance.

General Capital Projects Fund: The general capital projects fund is used to account for major capital improvement projects relating to City-owned capital assets. The fund balance at the end of 2023 was \$6.3 million, which will be used to pay for current and future capital projects. This is an increase of \$2.6 million over 2022. The increase in fund balance is due to 2023 budgeted capital projects being carried over into 2024 for completion while the funds borrowed to complete these projects were received in 2023.

Proprietary Funds

Sun Prairie Utilities (SPU) (Electric and Water): The SPU's operating income was \$3.6 million in 2023, with net income before transfers and contributions of \$5.0 million. This is an increase of \$905,000 (22.1%) over 2022.

Water Pollution Control Facility (WPCF): The WPCF's operating income was \$280,000 in 2023, with net income before transfers and contributions of \$618,000. This is an increase of \$114,500 or 22.7% over 2022.

Storm Water Utility: The Storm Water Utility had operating income of \$120,800 in 2023, with a net income before contributions and transfers of \$241,600 and an increase in net position of \$1.3 million. The Storm Water Utility continues to require significant infrastructure improvements. Future rate increases will be implemented as needed to fund the infrastructure improvements.

GENERAL FUND BUDGETARY ANALYSIS

The general fund budget is adopted at the function level of expenditure. In 2023, the general fund experienced a net decrease in fund balance of \$1,709,573.

Total general fund revenues were greater than budget by \$261,002. Significant revenue variances for 2023 are noted below:

- **Licenses and Permits: Deficit \$159,322**

General fund licenses and permits include fees for licenses and permits from our City Clerk and Building Inspection division. These licenses and permits allow others to sell, operate, and build within city limits. This variance is a result of lower than anticipated applications being submitted.

- **Public Charges for Services: Deficit \$115,156**

Public charges for services represent fees charged for various city services including ambulance calls, miscellaneous park fees, inspections, and fees from the Family Aquatic Center. Much of the deficit is found under recreation, including the family aquatic center. Recreation and the family aquatic center

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experienced a deficit of \$101,406 in fee revenue due to lower turnouts than expected as well as cancellations/closures due to air quality issues over the summer months.

- **Fines, Forfeitures, and Penalties: Deficit \$51,870**

Revenue from parking violations and court penalties were less than budgeted due to lower than average citations in 2023.

- **Investment Income: Surplus \$428,416**

Investment income was greater than budgeted by \$428,416 due to increasing interest rates during the second half of the year.

- **Miscellaneous Revenues: Surplus \$132,361**

The surplus of miscellaneous revenues is due to higher-than-expected insurance dividends and recoveries. The City received final settlement from the Bear Communications lawsuit in 2023. The increased insurance dividends and recoveries was offset by lower than expected other miscellaneous revenues.

Total general fund expenditures and other financing uses were \$1,839,289 under budget in 2023. Areas that experienced significant variances from the budget are noted below:

- **General Government Operations: Surplus \$623,197**

The 2023 budget also included allocations for large professional service projects that span multiple years, which represent a surplus of approximately \$528,500. The balance of the savings was from \$89,745 of unspent contingency funds included as part of the finance operating budget as well as other minor savings across departments.

- **Police Department: Surplus \$359,597**

The Police Department experienced savings due to significant vacancies throughout the year. These vacancies were due to retirement and change of career.

- **Public Works: Surplus \$58,621**

Multiple departments within the public works functional area experienced minor surpluses due to operating expenses like supplies and meetings and training coming in below budget.

- **Culture, Recreation, and Education: Surplus \$502,822**

The Library experienced a savings of \$320,719 primarily due to lower-than-expected professional services and replacement of machinery and equipment. Parks and Recreation experienced a savings of \$131,100 due to staff vacancies and lower than expected youth programming. The remaining savings are due to minor operating savings in the Historical Museum and Family Aquatic Center.

- **Conservation and Development: Surplus \$307,616**

The Planning division experienced savings due to a delayed start to their zoning code update while the Economic Development division saw savings in marketing and the delayed implementation of the City's new branding program. The remaining savings are due to minor operational savings in the other divisions.

Management's Discussion and Analysis (Unaudited)

BUDGETARY ANALYSIS

The City's 2023 General Fund adopted expenditure budget including other financing uses totaled \$36,371,758. The Common Council approved departmental 2022 carryover requests of 2022 unspent operating funds of \$486,493.

The City ended 2023 with a total fund balance decrease of \$1,709,573 and an unassigned fund balance increase from 2022 of \$1,272,835. Statements highlighting budget versus actual variances can be found on pages 69 through 72.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the City of Sun Prairie had investments in capital assets of \$399.8 million, net of accumulated depreciation, for all governmental and business-type activities of the City. This represents an increase of 2.4% from the end of 2022.

Major capital asset improvements within the City's governmental activities included \$3.3 million for street additions and reconstruction. This includes new streets dedicated to the City from developers and the reconstruction of existing streets. \$1.9 million for the addition and reconstruction of bike paths and sidewalks. The City purchased \$837,000 in machinery and equipment assets. The purchases included park playground equipment and pedestrian safety equipment.

In the City's business-type activities, major capital additions (prior to depreciation) include \$1.6 million for electric distribution plant, \$2.0 million for water infrastructure, \$2.3 million for wastewater infrastructure, and \$1.5 million for the storm water infrastructure. These additions include dedications in new developments as well as finalization of the wastewater plan expansion project. The following table provides a summary of the City's changes in capital assets:

Management's Discussion and Analysis (Unaudited)

CITY OF SUN PRAIRIE CAPITAL ASSETS

	Governmental		Business-Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land/right-of-ways	\$ 50,613,394	\$ 50,237,886	\$ 19,835,609	\$ 19,805,734	\$ 70,449,003	\$ 70,043,620
Land improvements	7,854,230	7,828,872	-	-	7,854,230	7,828,872
Buildings	36,376,529	36,216,042	-	-	36,376,529	36,216,042
Equipment	22,631,063	21,793,722	-	-	22,631,063	21,793,722
Infrastructure	141,339,546	136,201,748	-	-	141,339,546	136,201,748
Electric system	-	-	57,843,302	56,214,284	57,843,302	56,214,284
Water system	-	-	68,656,651	66,622,439	68,656,651	66,622,439
Wastewater system	-	-	93,346,755	91,029,784	93,346,755	91,029,784
Stormwater system	-	-	62,201,141	60,740,985	62,201,141	60,740,985
Construction in progress	2,348,630	1,022,142	4,262,890	1,655,902	6,611,520	2,678,044
Total capital assets	261,163,392	253,300,412	306,146,348	296,069,128	567,309,740	549,369,540
Less: Accumulated depreciation	(81,947,667)	(78,851,994)	(85,562,872)	(79,934,465)	(167,510,539)	(158,786,459)
Capital assets net of depreciation	<u>\$ 179,215,725</u>	<u>\$ 174,448,418</u>	<u>\$ 220,583,476</u>	<u>\$ 216,134,663</u>	<u>\$ 399,799,201</u>	<u>\$ 390,583,081</u>

Additional detail about the changes in capital assets can be found in Note 3 on pages 38 through 39 of the financial statements.

Long Term Debt

The City's outstanding general obligation debt as of December 31, 2023, totaled \$85.7 million. In addition, the City had revenue debt outstanding of \$25.4 million that is guaranteed by revenues generated from the City's electric, water, and wastewater utilities. There were also outstanding financed purchases in the amount of \$17,485 which represents the last year of a financed purchase for computer equipment.

The City issued \$11.0 million of long-term debt in 2023 in the form of general obligation notes to finance 2023 capital project expenditures.

City Capital Projects	\$9,690,000
Fleet Purchases	<u>1,340,000</u>
Total	\$11,030,000

The City's outstanding general obligation bonds are rated Aa2 by Moody's Investors Service. Moody's defines an Aa2 rating as representing "high quality and very low credit risk." In its July 13, 2023 rating analysis, Moody's stated that factors contributing to the City's high rating include "large tax base, located within commuting distance of Madison (Aaa stable), sound financial operations with healthy reserves and

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modest pension burden". Revenue bonds of the City's water and electric utility are rated A1. Debt issued by the Sun Prairie Community Development Authority carries an A1 bond rating.

Wisconsin state statutes limit the amount of general obligation debt that a governmental entity may issue to 5.0% of its total equalized valuation. Based on the City's 2023 equalized valuation of \$5.5 billion the City's statutory debt limit is \$274,084,110. The City was at 31.3% of its legal debt limit as of December 31, 2023.

The following table provides a summary of all outstanding debt and other long-term obligations:

CITY OF SUN PRAIRIE OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds and notes	\$ 58,557,381	\$ 56,472,785	\$ 27,120,000	\$ 28,550,000	\$ 85,677,381	\$ 85,022,785
Revenue bonds	-	-	25,449,814	27,712,854	25,449,814	27,712,854
Other long-term debt	-	-	354,167	404,167	354,167	404,167
Financed purchases	17,485	1,507,553	-	-	17,485	1,507,553
Total	\$ 58,574,866	\$ 57,980,338	\$ 52,923,981	\$ 56,667,021	\$ 111,498,847	\$ 114,647,359

More detail regarding the City's outstanding debt can be found in Note 3 on Pages 43 through 48 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of Sun Prairie is an economically stable community located in northeastern Dane County and shares a border with the City of Madison, which is the state capital. This location has contributed to the City's rapid growth and strong economic position. As of January 1, 2023, the population is estimated at 38,387. This is an increase of 7,987 since 2013. During this period, the City's population has grown by 26.3% making it one of the fastest growing municipalities in the State of Wisconsin. Major development projects in the city include a new light industrial business park, redevelopment of the downtown area, a new Westside commercial center, and a mixed-use TIF district that has become a retail destination center. The redevelopment of the downtown area includes the construction of new apartment complexes and a retail center. The Westside commercial center continues to grow with the completion of a Hilton Gardens Hotel, Menards retail store, apartment complexes, and TJ Maxx & Home Goods.

From 2000 to 2008, Sun Prairie's tax base experienced average growth of 12.8% per year. From 2008 to 2014, the growth in Sun Prairie leveled off. Since 2014, the City has experienced a 127% increase in equalized property valuation (\$3.07 billion). 2023 saw an increase of 15.0% or \$714.2 million.

The local economy remains strong compared to state and national averages. Unemployment in the Madison area is consistently below the state average and national average, while Sun Prairie's adjusted gross income per return continues to average above the state as a whole. The Dane County unemployment rate is 2.3% in 2023, below the state and federal rates of 3.0% and 3.7% respectively.

Management's Discussion and Analysis (Unaudited)

The Sun Prairie City Council approved the 2024 budget, which authorized general fund expenditures of \$41,442,174. The combined property tax levy was \$40,031,826, which is an increase of 16.6%. The City's portion of the mill rate decreased by 15.6%. The current mill rate is \$6.341778 per \$1,000 of assessed value.

Beginning with the 2006 budget, the City has been subject to state-imposed property tax limits which restrict the growth of the tax levy to the greater of the percentage of net new construction growth plus the increase in debt service or a state valuation factor.

Locally assessed real estate value increased by approximately 36.7% in 2023 due to a city-wide revaluation as well as market increases. Commercial property increased by 47.3% and residential property increased by 32.6%. New construction increased from \$138.6 million in 2022 to \$147.3 million in 2023.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, of China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City. The City's evaluation of the effects of these events is ongoing. The City does not have a health department and the public safety response to the pandemic is minimal. The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions. In March 2021, the Federal Government passed the American Rescue Plan Act in response to the COVID-19 pandemic. This act will provide funds to units of local government to mitigate the fiscal effects stemming from the public health emergency. The City of Sun Prairie's award was \$3,627,917, and received 50% of the funds in 2021, and the remaining 50% in 2022. The City has contracted with a grant administrator to assist with the use and disbursement of these funds to enable the City and community to respond to the COVID-19 public health emergency and its negative impacts.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is intended to provide a general overview of the City's finances and to demonstrate the City's accountability for the funds it receives. Requests for additional information regarding the City's finances or questions concerning any of the information found in this report should be addressed to the City of Sun Prairie Finance Director at 300 E Main Street, Sun Prairie, Wisconsin 53590. Other information related to the City can be found on the City's website at www.cityofsunprairie.com.

City of Sun Prairie

Statement of Net Position
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
Assets				
Cash and investments	\$ 32,623,016	\$ 26,764,400	\$ 59,387,416	\$ -
Receivables (net):				
Taxes	41,802,164	-	41,802,164	-
Delinquent personal property taxes	28,645	-	28,645	-
Accounts	2,371,099	3,599,098	5,970,197	-
Special assessments	79,254	2,000	81,254	-
Delinquent special assessments	6,001	-	6,001	-
Accrued interest	-	17,176	17,176	-
Others	-	716,636	716,636	-
Leases	895,240	2,415,655	3,310,895	-
Internal balances	1,139,573	(1,139,573)	-	-
Due from component unit	22,616	-	22,616	-
Inventories and prepaid items	645,712	1,603,313	2,249,025	-
Land held for resale	5,199,050	-	5,199,050	-
Investment in mutual insurance company	68,748	-	68,748	-
Restricted cash and investments:				
Cash and investments	879,994	10,821,926	11,701,920	1,593,646
Net pension asset	-	323,590	323,590	-
Other assets	-	13,724,320	13,724,320	-
Capital assets:				
Land	48,947,214	19,835,609	68,782,823	-
Construction in progress	2,348,630	4,262,890	6,611,520	-
Easements	1,666,180	-	1,666,180	-
Other capital assets, net of depreciation	126,253,701	196,485,077	322,738,778	-
Total assets	<u>264,976,837</u>	<u>279,432,117</u>	<u>544,408,954</u>	<u>1,593,646</u>
Deferred Outflows of Resources				
Pension related amounts	<u>20,176,673</u>	<u>2,684,287</u>	<u>22,860,960</u>	<u>-</u>
Liabilities				
Accounts payable and accrued expenses	2,988,431	3,540,511	6,528,942	15,150
Deposits	128,062	3,396	131,458	-
Due to other governments	438,909	-	438,909	-
Due to primary government	-	-	-	22,616
Unearned revenue	1,609,920	-	1,609,920	-
Noncurrent liabilities:				
Due within one year	11,494,484	4,499,860	15,994,344	1,515,000
Due in more than one year	51,305,189	50,865,900	102,171,089	-
Net pension liability	<u>5,238,264</u>	<u>659,349</u>	<u>5,897,613</u>	<u>-</u>
Total liabilities	<u>73,203,259</u>	<u>59,569,016</u>	<u>132,772,275</u>	<u>1,552,766</u>
Deferred Inflows of Resources				
Property taxes levied for next period and other deferred revenues	41,849,437	-	41,849,437	-
Pension related amounts	11,295,981	1,386,721	12,682,702	-
Lease related amounts	<u>895,240</u>	<u>2,415,655</u>	<u>3,310,895</u>	<u>-</u>
Total deferred inflows of resources	<u>54,040,658</u>	<u>3,802,376</u>	<u>57,843,034</u>	<u>-</u>

See notes to financial statements

City of Sun Prairie

Statement of Net Position

December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
Net Position				
Net investment in capital assets	\$ 127,505,574	\$ 171,120,446	\$298,626,020	\$ -
Restricted for:				
Park improvement	2,302,730	-	2,302,730	-
Economic development	2,806,675	-	2,806,675	-
Transportation improvement	3,705,613	-	3,705,613	-
Grants	412,316	-	412,316	-
Library	433,202	-	433,202	-
Pension	-	323,590	323,590	-
Tourism	419,362	-	419,362	-
Housing	140,878	-	140,878	-
Trusts	1,000	-	1,000	-
Equipment replacement	-	4,114,374	4,114,374	-
Debt service	654,590	1,752,056	2,406,646	-
Unrestricted	19,527,653	41,434,546	60,962,199	40,880
 Total net position	<u>\$ 157,909,593</u>	<u>\$ 218,745,012</u>	<u>\$376,654,605</u>	<u>\$ 40,880</u>

See notes to financial statements

City of Sun Prairie

Statement of Activities

Year Ended December 31, 2023

		Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
						Primary Government			Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	CDA	
Primary Government									
Governmental activities:									
General government	\$ 6,821,238	\$ 288,773	\$ 64,742	\$ -	\$ (6,467,723)	\$ -	\$ (6,467,723)	\$ -	
Public safety	18,739,288	3,760,086	1,865,929	-	(13,113,273)	-	(13,113,273)	-	
Public works	13,594,637	2,538,649	3,233,292	3,302,137	(4,520,559)	-	(4,520,559)	-	
Health and human services	772,592	-	-	-	(772,592)	-	(772,592)	-	
Culture, recreation and education	8,161,419	1,257,488	876,026	118,872	(5,909,033)	-	(5,909,033)	-	
Conservation and development	4,145,963	121,142	-	-	(4,024,821)	-	(4,024,821)	-	
Interest and fiscal charges	1,562,932	-	-	-	(1,562,932)	-	(1,562,932)	-	
Total governmental activities	53,798,069	7,966,138	6,039,989	3,421,009	(36,370,933)	-	(36,370,933)	-	
Business-type activities:									
Electric	29,247,919	31,026,387	-	188,962	-	1,967,430	1,967,430	-	
Water	3,868,645	5,185,206	-	478,213	-	1,794,774	1,794,774	-	
Wastewater	6,290,362	6,167,888	-	1,779,373	-	1,656,899	1,656,899	-	
Stormwater	3,176,353	2,963,858	-	1,081,407	-	868,912	868,912	-	
Total business-type activities	42,583,279	45,343,339	-	3,527,955	-	6,288,015	6,288,015	-	
Total primary government	\$ 96,381,348	\$ 53,309,477	\$ 6,039,989	\$ 6,948,964	(36,370,933)	6,288,015	(30,082,918)	-	
Component Unit									
Community development authority	\$ 55,720	\$ -	\$ -	\$ -	-	-	-	(55,720)	
General Revenues									
Taxes:									
Property taxes, levied for general purposes					21,405,139	-	21,405,139	-	
Property taxes, levied for debt service					6,796,436	-	6,796,436	-	
Property taxes, levied for TIF districts					6,144,429	-	6,144,429	-	
Other taxes					463,021	-	463,021	-	
Intergovernmental revenues not restricted to specific programs					2,245,948	-	2,245,948	-	
Investment income					1,959,626	3,066,340	5,025,966	81,460	
Miscellaneous					1,136,257	26,841	1,163,098	-	
Total general revenues					40,150,856	3,093,181	43,244,037	81,460	
Transfers					1,939,406	(1,939,406)	-	-	
Total general revenues and transfers					42,090,262	1,153,775	43,244,037	81,460	
Change in net position					5,719,329	7,441,790	13,161,119	25,740	
Net Position, Beginning					152,190,264	211,303,222	363,493,486	15,140	
Net Position, Ending					\$ 157,909,593	\$ 218,745,012	\$ 376,654,605	\$ 40,880	

See notes to financial statements

City of Sun Prairie

Balance Sheet -
Governmental Funds
December 31, 2023

	<u>General Fund</u>	<u>General Debt Service Fund</u>	<u>General Capital Projects Fund</u>
Assets			
Cash and investments	\$ 21,147,920	\$ 746,394	\$ 3,885,700
Receivables (net):			
Taxes	24,960,608	7,275,474	-
Delinquent personal property taxes	28,645	-	-
Accounts	1,334,032	1,599	442,973
Special assessments	-	17,467	61,787
Delinquent special assessments	1,111	-	-
Accrued interest	23,233	-	-
Leases	-	895,240	-
Due from component units	22,616	-	-
Due from other funds	2,968,446	-	2,476,805
Prepaid items and inventories	633,959	851	-
Investment in mutual insurance company	68,748	-	-
Advances to other funds	1,111,460	-	-
Restricted cash and investments	86,590	-	-
	<u>\$ 52,387,368</u>	<u>\$ 8,937,025</u>	<u>\$ 6,867,265</u>
Total assets			

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 6,670,679	\$ 32,450,693
9,566,082	41,802,164
-	28,645
560,709	2,339,313
-	79,254
4,890	6,001
2,714	25,947
-	895,240
-	22,616
5,982,879	11,428,130
10,902	645,712
-	68,748
-	1,111,460
-	86,590
<u>\$ 22,798,855</u>	<u>\$ 90,990,513</u>

City of Sun Prairie

Balance Sheet -
Governmental Funds
December 31, 2023

	<u>General Fund</u>	<u>General Debt Service Fund</u>	<u>General Capital Projects Fund</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 647,325	\$ -	\$ 183,431
Accrued liabilities	841,361	-	-
Deposits	19,621	-	1,833
Unearned revenues	-	-	-
Due to other governments	438,909	-	-
Due to other funds	12,157,162	195,127	-
Advances from other funds	-	-	-
Total liabilities	<u>14,104,378</u>	<u>195,127</u>	<u>185,264</u>
Deferred Inflows of Resources			
Property taxes levied for next period and other deferred revenues	25,008,041	7,275,474	-
Unavailable revenues	703,989	17,467	348,291
Lease related amounts	-	895,240	-
Total deferred inflows of resources	<u>25,712,030</u>	<u>8,188,181</u>	<u>348,291</u>
Fund Balances			
Nonspendable	1,843,923	851	-
Restricted	1,015,142	552,866	3,532,701
Committed	-	-	-
Assigned	3,890,737	-	2,801,009
Unassigned (deficit)	5,821,158	-	-
Total fund balances	<u>12,570,960</u>	<u>553,717</u>	<u>6,333,710</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 52,387,368</u>	<u>\$ 8,937,025</u>	<u>\$ 6,867,265</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 552,769	\$ 1,383,525
28,414	869,775
106,608	128,062
1,609,920	1,609,920
-	438,909
706,184	13,058,473
<u>1,244,460</u>	<u>1,244,460</u>
<u>4,248,355</u>	<u>18,733,124</u>
9,565,922	41,849,437
217,312	1,287,059
<u>-</u>	<u>895,240</u>
<u>9,783,234</u>	<u>44,031,736</u>
11,902	1,856,676
9,669,300	14,770,009
531,378	531,378
2,758	6,694,504
<u>(1,448,072)</u>	<u>4,373,086</u>
<u>8,767,266</u>	<u>28,225,653</u>
<u>\$ 22,798,855</u>	<u>\$ 90,990,513</u>

See notes to financial statements

City of Sun Prairie

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

Total Fund Balances, Governmental Funds \$ 28,225,653

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note 3.	171,888,040
Special assessments 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. See Note 3.	79,254
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. See Note 3.	1,207,805
The net pension asset (liability) does not relate to current financial resources and is not reported in the governmental funds.	(5,189,895)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	20,017,785
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(11,201,116)
Land held for resale used in governmental funds are not financial resources and, therefore, are not reported in the funds.	5,199,050
Internal service funds are reported in the Statement of Net Position as governmental activities.	6,786,044
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(54,472,381)
Compensated absences	(2,376,830)
Accrued interest	(620,761)
Unamortized debt premium	(1,615,570)
Financed purchases	<u>(17,485)</u>

Net Position of Governmental Activities \$ 157,909,593

City of Sun Prairie

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

	<u>General Fund</u>	<u>General Debt Service Fund</u>	<u>General Capital Projects Fund</u>
Revenues			
Taxes	\$ 21,534,136	\$ 6,796,436	\$ -
Intergovernmental	4,027,640	-	1,808,572
Licenses and permits	1,039,563	-	20,136
Fines, forfeitures and penalties	158,030	-	-
Public charges for services	3,404,688	-	-
Special assessments	29	-	-
Investment income	1,023,598	47,314	307,468
Miscellaneous	970,934	31,745	54,163
	<u>32,158,618</u>	<u>6,875,495</u>	<u>2,190,339</u>
Total revenues			
Expenditures			
Current:			
General government	6,354,187	-	-
Public safety	17,527,496	-	-
Public works	4,084,171	-	-
Health and human services	453,777	-	-
Culture, recreation and education	5,667,583	-	-
Conservation and development	1,421,175	-	-
Capital outlay	-	-	8,682,518
Debt service:			
Principal	-	6,263,658	-
Interest and fiscal charges	-	1,061,922	132,357
	<u>35,508,389</u>	<u>7,325,580</u>	<u>8,814,875</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(3,349,771)</u>	<u>(450,085)</u>	<u>(6,624,536)</u>
Other Financing Sources (Uses)			
Debt issued	-	-	9,140,000
Premium on debt issued	-	-	642,578
Transfers in	2,460,118	693,377	72,665
Transfers out	(819,920)	-	(623,762)
	<u>1,640,198</u>	<u>693,377</u>	<u>9,231,481</u>
Total other financing sources (uses)			
Net change in fund balances	(1,709,573)	243,292	2,606,945
Fund Balances, Beginning	<u>14,280,533</u>	<u>310,425</u>	<u>3,726,765</u>
Fund Balances, Ending	<u>\$ 12,570,960</u>	<u>\$ 553,717</u>	<u>\$ 6,333,710</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 6,476,265	\$ 34,806,837
2,385,717	8,221,929
313,113	1,372,812
-	158,030
3,129,448	6,534,136
3,517	3,546
469,039	1,847,419
436,641	1,493,483
<u>13,213,740</u>	<u>54,438,192</u>
20,154	6,374,341
273,644	17,801,140
3,846,436	7,930,607
318,815	772,592
1,439,258	7,106,841
2,087,506	3,508,681
461,475	9,143,993
3,256,814	9,520,472
489,802	1,684,081
<u>12,193,904</u>	<u>63,842,748</u>
<u>1,019,836</u>	<u>(9,404,556)</u>
145,000	9,285,000
1,813	644,391
486,996	3,713,156
<u>(529,697)</u>	<u>(1,973,379)</u>
<u>104,112</u>	<u>11,669,168</u>
1,123,948	2,264,612
<u>7,643,318</u>	<u>25,961,041</u>
<u>\$ 8,767,266</u>	<u>\$ 28,225,653</u>

See notes to financial statements

City of Sun Prairie

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

Net Change in Fund Balances, Total Governmental Funds	\$ 2,264,612
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.	9,143,993
Some items reported as capital outlay were not capitalized	(1,448,859)
Depreciation is reported in the government-wide financial statements	(6,045,155)
Net book value of assets retired.	(2,000)

Contributed capital assets are reported as revenues in the government-wide financial statements.	3,021,570
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(80,540)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Debt issued	(9,285,000)
Principal repaid	9,520,472

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the Statement of Net Position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.	
Amortization of premium on debt	380,949
Current year premium	(644,391)

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	(380,700)
Accrued interest on debt	(157,231)
Net pension asset/liability	(12,662,622)
Deferred outflows of resources related to pensions	5,115,445
Deferred inflows of resources related to pensions	6,502,751

Internal service funds are used by management to charge fleet and health insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities.	476,035
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Change in Net Position of Governmental Activities	\$ 5,719,329
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City of Sun Prairie

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sun Prairie Utilities	Wastewater Utility	Stormwater Utility	Total	
Assets					
Current assets:					
Cash and investments	\$ 14,142,630	\$ -	\$ 6,162,056	\$ 20,304,686	\$ 172,323
Receivables:					
Accounts	2,859,307	517,662	222,129	3,599,098	5,839
Accrued interest	12,765	-	4,411	17,176	-
Other	685,710	15,224	15,702	716,636	-
Lease receivable, current portion	176,821	-	-	176,821	-
Due from other funds	31,096	1,584,556	273,729	1,889,381	2,902,916
Prepaid items	75,051	560	2,313	77,924	-
Inventories	1,525,389	-	-	1,525,389	-
Restricted assets:					
Cash and investments	534,457	1,286,970	2,335,328	4,156,755	793,404
Total current assets	<u>20,043,226</u>	<u>3,404,972</u>	<u>9,015,668</u>	<u>32,463,866</u>	<u>3,874,482</u>
Noncurrent assets:					
Restricted assets:					
Cash and investments	815,228	5,849,943	-	6,665,171	-
Net pension asset	323,590	-	-	323,590	-
Lease receivable	2,238,834	-	-	2,238,834	-
Capital assets:					
Land	1,782,854	1,415,016	16,637,739	19,835,609	-
Construction in progress	3,237,565	759,070	266,255	4,262,890	709,710
Other capital assets	126,499,953	93,346,755	62,201,141	282,047,849	13,422,082
Less accumulated depreciation	(44,177,317)	(25,077,010)	(16,308,445)	(85,562,772)	(6,804,107)
Other assets:					
Cash and investments	-	6,459,714	-	6,459,714	-
Property held for future use	16,854	-	-	16,854	-
Preliminary survey and investigation	341,198	-	-	341,198	-
Lift station fees receivable	-	79,984	-	79,984	-
Special assessments receivable	-	2,000	-	2,000	-
Advances to other funds	-	133,000	-	133,000	-
Nonutility property	45,090	-	-	45,090	-
Investment in ATC	13,241,194	-	-	13,241,194	-
Total noncurrent assets	<u>104,365,043</u>	<u>82,968,472</u>	<u>62,796,690</u>	<u>250,130,205</u>	<u>7,327,685</u>
Total assets	<u>124,408,269</u>	<u>86,373,444</u>	<u>71,812,358</u>	<u>282,594,071</u>	<u>11,202,167</u>
Deferred Outflows of Resources					
Pension related amounts	<u>1,271,718</u>	<u>844,107</u>	<u>568,462</u>	<u>2,684,287</u>	<u>158,888</u>

See notes to financial statements

City of Sun Prairie

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sun Prairie Utilities	Wastewater Utility	Stormwater Utility	Total	
Liabilities					
Current liabilities:					
Accounts payable	\$ 2,644,714	\$ 182,874	\$ 29,187	\$ 2,856,775	\$ 47,512
Other accrued liabilities	337,494	107,906	130,848	576,248	66,858
Deposits	3,396	-	-	3,396	-
Due to other funds	3,142,506	19,448	-	3,161,954	-
General obligation debt, current portion	435,000	450,000	890,000	1,775,000	625,000
Other long-term debt, current portion	50,000	-	-	50,000	-
Compensated absences, current portion	326,491	20,737	10,718	357,946	-
Liabilities payable from restricted assets:					
Revenue bonds payable	580,000	1,736,914	-	2,316,914	-
Accrued interest	64,479	43,009	-	107,488	-
Total current liabilities	<u>7,584,080</u>	<u>2,560,888</u>	<u>1,060,753</u>	<u>11,205,721</u>	<u>739,370</u>
Noncurrent liabilities:					
Revenue bonds payable	9,061,915	14,442,900	-	23,504,815	-
General obligation debt	7,904,371	5,866,503	12,589,368	26,360,242	3,635,893
Other long-term debt	304,167	-	-	304,167	-
Net pension liability	249,872	240,214	169,263	659,349	48,369
Compensated absences	548,601	115,502	32,573	696,676	56,514
Total noncurrent liabilities	<u>18,068,926</u>	<u>20,665,119</u>	<u>12,791,204</u>	<u>51,525,249</u>	<u>3,740,776</u>
Total liabilities	<u>25,653,006</u>	<u>23,226,007</u>	<u>13,851,957</u>	<u>62,730,970</u>	<u>4,480,146</u>
Deferred Inflows of Resources					
Pension related amounts	642,648	417,239	326,834	1,386,721	94,865
Lease related amounts	2,415,655	-	-	2,415,655	-
Total deferred inflows of resources	<u>3,058,303</u>	<u>417,239</u>	<u>326,834</u>	<u>3,802,376</u>	<u>94,865</u>
Net Position					
Net investment in capital assets	69,784,713	49,683,083	51,652,650	171,120,446	3,860,196
Restricted for:					
Pension	323,590	-	-	323,590	-
Debt service	508,095	1,243,961	-	1,752,056	-
Equipment replacement	-	4,114,374	-	4,114,374	-
Unrestricted	26,352,280	8,532,887	6,549,379	41,434,546	2,925,848
Total net position	<u>\$ 96,968,678</u>	<u>\$ 63,574,305</u>	<u>\$ 58,202,029</u>	<u>\$218,745,012</u>	<u>\$ 6,786,044</u>

See notes to financial statements

City of Sun Prairie

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sun Prairie Utilities	Wastewater Utility	Stormwater Utility	Total	
Operating Revenues	<u>\$ 36,211,593</u>	<u>\$ 6,167,888</u>	<u>\$ 2,963,858</u>	<u>\$ 45,343,339</u>	<u>\$ 5,812,918</u>
Operating Expenses					
Operation and maintenance	29,401,491	3,540,543	1,518,021	34,460,055	4,857,569
Depreciation	<u>3,216,414</u>	<u>2,347,295</u>	<u>1,324,989</u>	<u>6,888,698</u>	<u>775,144</u>
Total operating expenses	<u>32,617,905</u>	<u>5,887,838</u>	<u>2,843,010</u>	<u>41,348,753</u>	<u>5,632,713</u>
Operating income	<u>3,593,688</u>	<u>280,050</u>	<u>120,848</u>	<u>3,994,586</u>	<u>180,205</u>
Nonoperating Revenues (Expenses)					
Investment income	1,872,567	739,877	453,896	3,066,340	112,178
Interest, amortization expense and debt issuance costs	(498,659)	(402,524)	(333,343)	(1,234,526)	(102,569)
Miscellaneous revenues (expenses)	<u>26,017</u>	<u>645</u>	<u>179</u>	<u>26,841</u>	<u>86,592</u>
Total nonoperating revenues (expenses)	<u>1,399,925</u>	<u>337,998</u>	<u>120,732</u>	<u>1,858,655</u>	<u>96,201</u>
Income (loss) before contributions and transfers	<u>4,993,613</u>	<u>618,048</u>	<u>241,580</u>	<u>5,853,241</u>	<u>276,406</u>
Contributions and Transfers					
Capital contributions	667,175	1,779,373	1,081,407	3,527,955	-
Transfers in (out)	<u>(1,934,406)</u>	<u>-</u>	<u>(5,000)</u>	<u>(1,939,406)</u>	<u>199,629</u>
Total contributions and transfers	<u>(1,267,231)</u>	<u>1,779,373</u>	<u>1,076,407</u>	<u>1,588,549</u>	<u>199,629</u>
Change in net position	3,726,382	2,397,421	1,317,987	7,441,790	476,035
Net Position, Beginning	<u>93,242,296</u>	<u>61,176,884</u>	<u>56,884,042</u>	<u>211,303,222</u>	<u>6,310,009</u>
Net Position, Ending	<u><u>\$ 96,968,678</u></u>	<u><u>\$ 63,574,305</u></u>	<u><u>\$ 58,202,029</u></u>	<u><u>\$218,745,012</u></u>	<u><u>\$ 6,786,044</u></u>

See notes to financial statements

City of Sun Prairie

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sun Prairie Utilities	Wastewater Utility	Stormwater Utility	Total	
Cash Flows From Operating Activities					
Received from customers	\$ 35,880,340	\$ 6,089,819	\$ 2,871,129	\$ 44,841,288	\$ 5,131,991
Received from municipality for services	446,480	-	-	446,480	-
Paid to suppliers for goods and services	(26,750,606)	(1,903,002)	(707,232)	(29,360,840)	(4,375,663)
Paid to employees for services	(2,303,614)	(1,322,477)	(745,335)	(4,371,426)	(425,312)
Net cash flows from operating activities	7,272,600	2,864,340	1,418,562	11,555,502	331,016
Cash Flows From Investing Activities					
Investment income	1,563,104	739,877	450,308	2,753,289	112,178
Investment in ATC	(559,693)	-	-	(559,693)	-
Investments purchased	(27,910)	-	-	(27,910)	-
Investments sold and matured	27,910	-	-	27,910	-
Net cash flows from investing activities	1,003,411	739,877	450,308	2,193,596	112,178
Cash Flows From Noncapital Financing Activities					
Paid to municipality for tax equivalent	(1,939,685)	-	-	(1,939,685)	-
Interfund activity	-	(1,606,766)	-	(1,606,766)	-
Repayment of advances from other funds	-	19,000	-	19,000	-
Transfers in	-	-	-	-	199,629
Transfers out	-	-	(5,000)	(5,000)	-
Net cash flows from noncapital financing activities	(1,939,685)	(1,587,766)	(5,000)	(3,532,451)	199,629
Cash Flows From Capital and Related Financing Activities					
Debt issued	-	405,000	-	405,000	1,340,000
Debt retired	(1,025,000)	(2,168,039)	(955,000)	(4,148,039)	(510,000)
Interest paid	(556,725)	(435,103)	(406,513)	(1,398,341)	(112,164)
Debt premium net of debt issue costs	-	22,587	-	22,587	74,819
Acquisition and construction of capital assets	(6,040,478)	(2,323,911)	(826,601)	(9,190,990)	(843,553)
Capital contribution received	188,961	731,504	-	920,465	-
Net cash flows from capital and related financing activities	(7,433,242)	(3,767,962)	(2,188,114)	(13,389,318)	(50,898)
Net change in cash and cash equivalents	(1,096,916)	(1,751,511)	(324,244)	(3,172,671)	591,925
Cash and Cash Equivalents, Beginning	16,561,321	15,348,138	8,821,628	40,731,087	373,802
Cash and Cash Equivalents, Ending	\$ 15,464,405	\$ 13,596,627	\$ 8,497,384	\$ 37,558,416	\$ 965,727

See notes to financial statements

City of Sun Prairie

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sun Prairie Utilities	Wastewater Utility	Stormwater Utility	Total	
Reconciliation of Operating Income to Net Cash Flows From Operating Activities					
Operating income	\$ 3,593,688	\$ 280,050	\$ 120,848	\$ 3,994,586	\$ 180,205
Nonoperating revenue (expense)	34,847	-	-	34,847	57,242
Adjustments to reconcile operating income to net cash flows from operating activities:					
Depreciation	3,216,414	2,347,295	1,324,989	6,888,698	775,144
Depreciation charged to clearing and other funds	277,787	-	-	277,787	-
Changes in assets, liabilities and deferred outflows/inflows of resources:					
Accounts receivable	(228,464)	(77,508)	(49,322)	(355,294)	-
Other accounts receivable	(783,394)	(4,693)	189,817	(598,270)	150,790
Due to/from other funds	43,338	15,791	(233,224)	(174,095)	(888,959)
Accounts payable	238,273	183,266	(1,552)	419,987	16,986
Other current liabilities	155,510	12,881	9,404	177,795	27,681
Compensated absences	-	37,024	16,760	53,784	(2,243)
Prepaid items	17,974	8,064	(89)	25,949	-
Inventories	(308,640)	-	-	(308,640)	-
Pension related amounts	55,890	62,170	40,931	158,991	14,170
Lease deferrals	959,377	-	-	959,377	-
Net cash flows from operating activities	<u>\$ 7,272,600</u>	<u>\$ 2,864,340</u>	<u>\$ 1,418,562</u>	<u>\$ 11,555,502</u>	<u>\$ 331,016</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds					
Cash and investments	\$ 14,142,630	\$ -	\$ 6,162,056	\$ 20,304,686	\$ 172,323
Redemption account	534,457	1,286,970	-	1,821,427	-
Replacement account	-	4,114,374	-	4,114,374	-
Reserve account	815,228	-	-	815,228	-
Construction account	-	1,735,569	2,335,328	4,070,897	793,404
Other assets, cash and investments	-	6,459,714	-	6,459,714	-
Less noncash equivalents	<u>(27,910)</u>	<u>-</u>	<u>-</u>	<u>(27,910)</u>	<u>-</u>
Cash and cash equivalents	<u>\$ 15,464,405</u>	<u>\$ 13,596,627</u>	<u>\$ 8,497,384</u>	<u>\$ 37,558,416</u>	<u>\$ 965,727</u>
Noncash Capital and Related Financing Activities					
Amortization	<u>\$ -</u>	<u>\$ 36,355</u>	<u>\$ 65,649</u>		<u>\$ 29,000</u>
Capital contributions	<u>\$ 478,213</u>	<u>\$ 1,047,869</u>	<u>\$ 1,081,407</u>		<u>\$ -</u>
Dividends reinvested in ATC	<u>\$ 296,498</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>

See notes to financial statements

City of Sun Prairie

Statement of Fiduciary Net Position -

Fiduciary Funds

December 31, 2023

	Utilities Pension Trust Fund	Custodial Funds
Assets		
Cash and investments	\$ -	\$ 30,829,593
Taxes receivable	-	36,768,286
Due from other governments	-	438,817
Prepaid items	-	10,002
Restricted assets:		
Cash	85,126	-
Corporate stock	631,026	-
Exchange trade funds	1,919,362	-
Mutual funds	290,128	-
Total assets	2,925,642	68,046,698
Liabilities		
Due to other governments	-	67,594,011
Other accounts payable	-	90,833
Total liabilities	-	67,684,844
Net Position		
Restricted for:		
Pensions	2,925,642	-
Individuals, organizations, and other governments	-	361,854
Total net position	\$ 2,925,642	\$ 361,854

See notes to financial statements

City of Sun Prairie

Statement of Changes in Fiduciary Net Position -

Fiduciary Funds

Year Ended December 31, 2023

	Utilities Pension Trust Fund	Custodial Funds
Additions		
Contributions:		
Employer	\$ 110,000	\$ -
Member	-	679,257
Investment income	343,112	21,851
Investment management fees and other taxes	(30,121)	-
Property taxes collected for other governments	-	46,004,461
Total additions	422,991	46,705,569
Deductions		
Benefits and refunds	93,897	-
Public safety expense	-	715,132
Property taxes distributed to other governments	-	46,004,461
Total deductions	93,897	46,719,593
Change in net position	329,094	(14,024)
Net Position, Beginning	2,596,548	375,878
Net Position, Ending	\$ 2,925,642	\$ 361,854

See notes to financial statements

City of Sun Prairie

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December 31, 2023

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1. Summary of Significant Accounting Policies

The accounting policies of the City of Sun Prairie, 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 and confirmed by the city council. 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 information presented is for the fiscal year ended December 31, 2023. The CDA does not issue separate financial statements.

Business Improvement District (BID)

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 and confirmed by city council. 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. The Business Improvement District is part of the reporting entity of the City of Sun Prairie. However, the BID had no financial transactions during 2023 which are material to these financial statements. Also, the BID does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The BID issues separate financial statements that are available through the City of Sun Prairie.

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

Capital Projects Fund

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

Enterprise Funds

The City reports the following major enterprise funds:

Sun Prairie Utilities accounts for operations of the electric and water system

Wastewater Utility accounts for operations of the wastewater 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).

Park Improvement Fund
Grant Funds
Sun Prairie Media Center
Street Trees
Transportation

Transportation Impact Fee Fund
Library
Refuse and Recycling
Tourism
Housing Fund

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 (TID) No. 8	Tax Incremental District (TID) No. 13
Tax Incremental District (TID) No. 9	Tax Incremental District (TID) No. 14
Tax Incremental District (TID) No. 11	Tax Incremental District (TID) No. 15
Tax Incremental District (TID) No. 12	Tax Incremental District (TID) No. 16
Development Projects	

Permanent Fund

Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Ashley Trust Fund

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.

Fleet	Health Insurance
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Pension Trust Fund

Pension Trust Fund is used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans or other employee benefit plans.

Utilities Pension Trust 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	Multijurisdictional Public Safety Information System Commission (MPSISC)
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Measurement Focus, Basis of Accounting and Financial Statement Presentation**Government-Wide Financial Statements**

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

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

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held by the County are reported 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 Sun Prairie Utilities, wastewater utility and stormwater utility are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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

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

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

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments: obligations of the U.S. Government; obligations of U.S. Government agencies; time deposits (defined as savings accounts or certificates of deposit); and overnight repurchase agreements, whereby the seller will agree to purchase U.S. Government securities, commercial paper with satisfactory or superior rating, LGIP and MBIA through institutions federally insured through FDIC.

Custodial Credit Risk

The City's investment policy states that all deposits and investments of the City shall be secured by pledged collateral in an amount equal to at least 100%, but not more than 105%, of the total investment less the amount covered by FDIC or the State Deposit Guarantee Fund. The City is in compliance with this policy per Note 3. The policy also states that the City shall not invest more than 50% of its funds in any one institution unless the investments are in U.S. Government securities, obligation of U.S. Government agencies and LGIP and limits the term on investments to no more than three years.

Credit Risk

The City's investment policy states that the City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by: limiting investments to the types of securities governed by Wisconsin state statute 66.0603, pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business and by diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Interest Rate Risk

The City's investment policy states that the City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market value interest rates, by: structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily short-term securities, money market mutual funds or similar investment pools and limiting the average maturity of the portfolio in accordance with policy.

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, 2023, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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 - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale - 2023 delinquent real estate taxes	October 2026

Accounts receivable have been shown net of an allowance for uncollectible accounts in the amount of \$675,286. 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 Sun Prairie Utilities, wastewater utility and stormwater utility because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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

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

Inventories and Prepaid Items

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

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

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$50,000 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.

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

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

Buildings	10-40 Years
Land improvements	20 Years
Machinery and equipment	3-20 Years
Utility system	5-100 Years
Infrastructure	30-50 Years

Fund Financial Statements

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

Other Assets

The Sun Prairie Utilities is a member of the American Transmission Company (ATC). ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The utility owns less than 1% of ATC. The investment earns dividends quarterly, some of which is paid in cash and some of which is required to be reinvested. From time to time, the utility has the option to contribute additional funds to maintain their proportionate share of ownership. The asset is valued as original cost plus additional contributions and reinvested dividends.

Nonutility property in the Sun Prairie Utilities consists of a house and the land with a balance (net of depreciation) of \$45,090 at December 31, 2023.

Property held for future use in the Sun Prairie Utilities has a balance of \$16,854 at year-end and is land to be used for a possible future substation. It is owned by the utility but not currently used during the course of operations.

The plant expansion account of the wastewater utility are fees collected from customers for connection to the system that have been designated by council for future plant expansion. The balance of this account at December 31, 2023 was \$5,389,483.

The interceptor account in the wastewater utility is designated for future construction and debt service of wastewater collection interceptors. The balance of this account as of December 31, 2023, was \$1,070,231.

The lift station fees receivable are costs expected to be recovered in future periods from other developments using the wastewater utility lift station. Initially, the wastewater utility paid developers of the Hickory Grove lift station for capital costs to serve other areas.

Land held for resale in the governmental activities is valued at the lower of historical cost or market.

Deferred Outflows of Resources

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

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

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

Long-Term Obligations/Conduit Debt

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, financed purchases and accrued compensated absences.

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the 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 \$15,232,500, made up of three issues.

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 lease activity is not considered to be a principal ongoing operation of the City.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

The Council has formally established stabilization and emergency reserve funds. The stabilization and emergency reserve funds are contained as unassigned fund balances within the general fund. The stabilization fund shall not be used except to maintain current service levels or to help transition slower expenditure growth in response to a decrease in general fund nonproperty tax revenues. The emergency reserve fund shall be used to respond to one-time unforeseen emergencies. Additions to the stabilization and emergency reserve funds are required when the fund balance for each declines below 6% of the prior year's budgeted general fund revenues.

The City has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 16-20% of the prior year's budgeted general fund revenues. The balance at year-end was \$5,821,158 or 20% and is reported as unassigned general fund balance.

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.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Basis for Existing Rates

Sun Prairie Utilities

Current electric rates were approved by the PSCW on November 30, 2023, effective as of December 2, 2023.

Current water rates were approved by the PSCW on October 12, 2023 and effective as of January 1, 2024.

Wastewater Utility

Current wastewater rates were approved by the City council effective January 1, 2023.

Stormwater Utility

Current stormwater rates were approved by the City council effective February 25, 2020.

2. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures Over Budget and Other Financing Uses
General debt service	\$ 7,319,024	\$ 7,325,580	\$ 6,556
Refuse and recycling, special revenue	1,694,559	1,702,533	7,974
Tourism, special revenue	305,852	371,505	65,653
Sun Prairie Media Center, special revenue	553,513	555,373	1,860
Development projects, capital project	553,787	659,742	105,955
TID No. 13, capital project	338,974	423,943	84,969

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

Deficit Balances

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

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

Fund	Amount	Reason
TID No. 8, capital project	\$ 577,287	Excess expenditures over revenues
TID No. 12, capital project	191,611	Excess expenditures over revenues
TID No. 13, capital project	410,608	Excess expenditures over revenues
TID No. 14, capital project	244,972	Excess expenditures over revenues
TID No. 15, capital project	20,094	Excess expenditures over revenues
TID No. 16, capital project	3,500	Excess expenditures over revenues

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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

Limitations on the City's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Demand deposits	\$ 85,926,792	\$ 83,171,996	Custodial credit
U.S. treasuries	31,053	31,053	Custodial credit and interest rate
Certificates of deposit, negotiable	3,622,230	3,622,230	Credit, custodial credit, interest rate
Mutual funds, other than bond funds	3,002,376	3,008,616	N/A
LGIP	12,250,830	12,250,830	Credit risk
Petty cash	11,290	-	N/A
Total deposits and investments	<u>\$104,844,571</u>	<u>\$102,084,725</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 59,387,416		
Restricted cash and investments	11,701,920		
Per statement of fiduciary net position, fiduciary funds:			
Custodial Funds	30,829,593		
Utilities Pension Trust Fund	<u>2,925,642</u>		
Total deposits and investments	<u>\$104,844,571</u>		

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

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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

The City maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of \$4,485,000 to secure the City's deposits.

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

Investment Type	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Certificates of deposit, negotiable	\$ -	\$ 3,622,230	\$ -	\$ 3,622,230
Mutual funds, other than bond funds	3,002,376	-	-	3,002,376
U.S. treasuries	31,053	-	-	31,053
Total	<u>\$ 3,033,429</u>	<u>\$ 3,622,230</u>	<u>\$ -</u>	<u>\$ 6,655,659</u>

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

Investment Type	Valuation Method
Mutual funds, other than bond funds	Quoted market pricing for identical assets or yield scales and bond evaluation models for similar assets that have recently traded.
Certificates of deposit, negotiable	Quoted market pricing for similar assets, valuation model or matrix formula.
U.S. treasuries	Quoted market pricing for identical assets.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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, 2023, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Not Rated</u>
Certificates of deposit, negotiable	X

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

Local Government Investment Pool

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, 2023, the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>
Certificates of deposit, negotiable	\$ 3,622,230	\$ 2,448,275	\$ 1,173,956
U.S. treasuries	<u>31,053</u>	<u>-</u>	<u>31,053</u>
Total	<u>\$ 3,653,283</u>	<u>\$ 2,448,275</u>	<u>\$ 1,205,009</u>

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

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Receivables

All of the receivables on the balance sheet are expected to be collected within one year except for delinquent items in the general fund in the amount of \$29,756, special assessments of \$17,467, \$61,787 in the general debt service fund and general capital projects fund, respectively, and leases receivable of \$869,642 in general debt service fund.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 41,849,437	\$ -
Special assessments not yet due	-	79,254
Ambulance receivables	-	676,539
Other accounts receivable	-	531,266
Unspent grant funds	1,609,920	-
Leases not yet due	<u>895,240</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 44,354,597</u>	<u>\$ 1,287,059</u>
Unearned revenue included in liabilities	\$ 1,609,920	
Unearned revenue included in deferred inflows	<u>42,744,677</u>	
Total unearned revenue for governmental funds	<u>\$ 44,354,597</u>	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.

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

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Equipment Replacement Account

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

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

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

	Governmental Activities	Business-Type Activities
Reserve account	\$ 86,590	\$ 815,228
Replacement account	-	4,114,374
Construction account	793,404	4,070,897
Redemption account	-	1,821,427
Net pension asset	-	323,590
Total	<u>\$ 879,994</u>	<u>\$ 11,145,516</u>

City of Sun Prairie

Notes to Financial Statements

December 31, 2023

Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land and nondepreciable improvements	\$ 48,575,996	\$ 371,218	\$ -	\$ 48,947,214
Construction in progress	146,245	1,676,193	183,518	1,638,920
Construction in progress, internal service	875,897	41,619	207,806	709,710
Easements	<u>1,661,890</u>	<u>4,290</u>	<u>-</u>	<u>1,666,180</u>
Total capital assets not being depreciated	<u>51,260,028</u>	<u>2,093,320</u>	<u>391,324</u>	<u>52,962,024</u>
Capital assets being depreciated:				
Land improvements	7,663,641	117,753	92,395	7,688,999
Land improvements, internal service	165,231	-	-	165,231
Buildings	33,883,668	361,002	200,515	34,044,155
Buildings, internal service	2,332,374	-	-	2,332,374
Machinery and equipment	11,908,335	1,150,808	1,352,557	11,706,586
Machinery and equipment, internal service	9,885,387	1,039,090	-	10,924,477
Streets	108,140,662	4,873,453	1,621,591	111,392,524
Sidewalks	19,413,677	749,243	66,183	20,096,737
Signals	2,181,267	-	-	2,181,267
Bike paths	<u>6,466,142</u>	<u>1,593,344</u>	<u>390,468</u>	<u>7,669,018</u>
Total capital assets being depreciated	<u>202,040,384</u>	<u>9,884,693</u>	<u>3,723,709</u>	<u>208,201,368</u>
Total capital assets	<u>253,300,412</u>	<u>11,978,013</u>	<u>4,115,033</u>	<u>261,163,392</u>
Less accumulated depreciation for:				
Land improvements	(3,300,972)	(242,031)	92,395	(3,450,608)
Land improvements, internal service	(28,089)	(6,610)	-	(34,699)
Buildings	(15,178,605)	(950,788)	200,515	(15,928,878)
Buildings, internal service	(1,118,514)	(49,160)	-	(1,167,674)
Machinery and equipment	(8,227,422)	(614,062)	1,350,557	(7,490,927)
Machinery and equipment, internal service	(4,882,360)	(719,374)	-	(5,601,734)
Streets	(37,931,602)	(3,343,825)	1,621,591	(39,653,836)
Sidewalks	(3,528,309)	(401,935)	66,183	(3,864,061)
Signals	(1,044,085)	(109,063)	-	(1,153,148)
Bike paths	<u>(3,609,119)</u>	<u>(383,451)</u>	<u>390,468</u>	<u>(3,602,102)</u>
Total accumulated depreciation	<u>(78,849,077)</u>	<u>(6,820,299)</u>	<u>3,721,709</u>	<u>(81,947,667)</u>
Net capital assets being depreciated	<u>123,191,307</u>	<u>3,064,394</u>	<u>2,000</u>	<u>126,253,701</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 174,451,335</u>	<u>\$ 5,157,714</u>	<u>\$ 393,324</u>	<u>\$ 179,215,725</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 436,238
Public safety	821,612
Public works	4,551,475
Culture, recreation and education	779,836
Conservation and development	<u>231,138</u>
Total governmental activities depreciation expense	<u>\$ 6,820,299</u>

City of Sun Prairie

Notes to Financial Statements

December 31, 2023

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Construction in progress, electric	\$ 1,107,706	\$ 3,817,426	\$ 2,175,565	\$ 2,749,567
Construction in progress, water	281,941	2,133,768	1,927,711	487,998
Construction in progress, wastewater	-	759,070	-	759,070
Construction in progress, stormwater	266,255	-	-	266,255
Land, electric	1,717,767	-	-	1,717,767
Land, water	65,087	-	-	65,087
Land, wastewater	1,415,016	-	-	1,415,016
Land, stormwater	16,607,864	29,875	-	16,637,739
Total capital assets not being depreciated	<u>21,461,636</u>	<u>6,740,139</u>	<u>4,103,276</u>	<u>24,098,499</u>
Capital assets being depreciated:				
Electric system	56,214,284	2,175,561	546,543	57,843,302
Water system	66,622,439	2,392,683	358,471	68,656,651
Wastewater system	91,029,784	2,502,887	185,916	93,346,755
Stormwater	60,740,985	1,844,794	384,638	62,201,141
Total capital assets being depreciated	<u>274,607,492</u>	<u>8,915,925</u>	<u>1,475,568</u>	<u>282,047,849</u>
Total capital assets	<u>296,069,128</u>	<u>15,656,064</u>	<u>5,578,844</u>	<u>306,146,348</u>
Less accumulated depreciation for:				
Electric system	(25,839,809)	(2,252,250)	603,585	(27,488,474)
Water system	(15,812,764)	(1,284,505)	408,326	(16,688,943)
Wastewater system	(22,915,635)	(2,347,295)	185,920	(25,077,010)
Stormwater	(15,366,257)	(1,324,989)	382,801	(16,308,445)
Total accumulated depreciation	<u>(79,934,465)</u>	<u>(7,209,039)</u>	<u>1,580,632</u>	<u>(85,562,872)</u>
Net capital assets being depreciated	<u>194,673,027</u>	<u>1,706,886</u>	<u>(105,064)</u>	<u>196,484,977</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 216,134,663</u>	<u>\$ 8,447,025</u>	<u>\$ 3,998,212</u>	<u>\$ 220,583,476</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Electric	\$ 2,015,667
Water	1,200,747
Wastewater	2,347,295
Stormwater	<u>1,324,989</u>
Total business-type activities depreciation expense	<u>\$ 6,888,698</u>

Depreciation expense is different from accumulated depreciation additions and capital asset deletions are different from accumulated depreciation deletions because of joint metering, salvage cost of removal, internal allocations and cost associated with the disposal of assets.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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
Sun Prairie Utilities	General	\$ 11,648
General	Sun Prairie Utilities	2,067,135
Grants	General	10,668
Sun Prairie Utilities	Wastewater utility	19,448
Sun Prairie Media Center	General	76,280
Development projects	General	66,630
General	General debt service	195,127
Housing	General	140,878
General capital projects	Sun Prairie Utilities	1,075,371
Wastewater utility	General	1,584,556
Fleet	General	1,577,577
General capital projects	General	1,401,434
Refuse and recycling	General	137,207
Stormwater utility	General	273,729
Street trees	General	283,414
Park improvement fund	General	147,287
Tourism	General	337,605
Transportation	General	1,786,664
Health insurance	General	1,325,339
TID No. 9	General	1,534,444
TID No. 11	General	1,272,155
Transportation impact fee fund	General	189,647
General	TID No. 8	706,184
Total, fund financial statements		16,220,427
Less fund eliminations		(8,305,072)
Less government-wide eliminations		(6,642,782)
Less interfund advances		(133,000)
Total internal balances, government-wide statement of net position		<u>\$ 1,139,573</u>
Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	\$ 3,142,506
Business-type activities	Governmental activities	(2,002,933)
Total government-wide financial statements		<u>\$ 1,139,573</u>

All amounts are due within one year.

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Advances

The general fund is advancing funds to TID No. 12, TID No. 13, TID No. 14, TID No. 15, and TID No. 16. The amount advanced is deficiency of revenues over expenditures and other financing uses since the District's inception. No repayment schedules have been established. The wastewater utility advanced \$133,000 to TID No. 14, with a flat rate of 2.13% interest charged on the outstanding balance. The balance is to be repaid by TID No. 14 over the next 10 years.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General	TID No. 12, capital project	\$ 544,635	\$ 544,635
General	TID No. 13, capital project	410,608	410,608
General	TID No. 14, capital project	132,623	132,623
General	TID No. 15, capital project	20,094	20,094
General	TID No. 16, capital project	3,500	3,500
Wastewater utility	TID No. 14, capital project	<u>133,000</u>	<u>133,000</u>
Total, fund financial statements		1,244,460	
Less fund eliminations		<u>(1,111,460)</u>	
Total, interfund advances		<u><u>\$ 133,000</u></u>	

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Grants	\$ 424,697	Social worker, housing planner, ARPA grant administration, equity audit
General	Housing	35,000	Housing planner
General	TID No. 11	20,000	Housing planner
General	TID No. 14	10,000	Housing planner
General	TID No. 15	10,000	Housing planner
General	General capital projects	21,015	Grants/Contracts coordinator CVMIC Grant, Neighborhood Navigators, EMS Outreach Grant
Grants	General	46,427	Class and comp implementation
Sun Prairie Media Center	General	47,169	Metro Bus and Share-Ride
Transportation	General	353,400	Taxi
General	Grants	5,000	Recreation scholarships
General debt service	General capital projects	602,747	2023A Note Premium
General debt service	General	90,630	IT financed purchases
General capital projects	General	72,665	Replacement plans
Fleet	General	199,629	New police department squad
Grants	TID No. 8	25,000	Downtown maintenance
Housing	General	10,000	Annual contribution
Grants	Stormwater Utility	5,000	Downtown maintenance
General	Sun Prairie Utilities	<u>1,934,406</u>	Payment in lieu of taxes
Total, fund financial statements		3,912,785	
Less fund eliminations		(1,773,750)	
Less government-wide eliminations		<u>(199,629)</u>	
Total transfers, government-wide statement of activities		<u>\$ 1,939,406</u>	

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

City of Sun Prairie

Notes to Financial Statements

December 31, 2023

Long-Term Obligations

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt, other	\$ 49,845,000	\$ 9,285,000	\$ 7,845,000	\$ 51,285,000	\$ 8,555,000
General obligation notes from direct borrowings and direct placements	3,372,785	-	185,404	3,187,381	277,830
General obligation debt, internal service (Discounts)/Premiums	3,255,000	1,340,000	510,000	4,085,000	625,000
	1,352,128	644,391	380,949	1,615,570	459,250
Premiums, internal service	110,669	94,224	29,000	175,893	-
Subtotal	<u>57,935,582</u>	<u>11,363,615</u>	<u>8,950,353</u>	<u>60,348,844</u>	<u>9,917,080</u>
Other liabilities:					
Vested compensated absences	1,996,130	2,064,164	1,683,464	2,376,830	1,559,919
Vested compensated absences, internal service	58,757	-	2,243	56,514	-
Financed purchases	<u>1,507,553</u>	<u>-</u>	<u>1,490,068</u>	<u>17,485</u>	<u>17,485</u>
Total other liabilities	<u>3,562,440</u>	<u>2,064,164</u>	<u>3,175,775</u>	<u>2,450,829</u>	<u>1,577,404</u>
Total governmental activities long-term liabilities, excluding lease liabilities	<u>\$ 61,498,022</u>	<u>\$ 13,427,779</u>	<u>\$ 12,126,128</u>	<u>\$ 62,799,673</u>	<u>\$ 11,494,484</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 28,550,000	\$ 405,000	\$ 1,835,000	\$ 27,120,000	\$ 1,775,000
Revenue bonds	9,830,000	-	560,000	9,270,000	580,000
Revenue bond from direct borrowings/placements	17,882,854	-	1,703,040	16,179,814	1,736,914
Other long-term debt	404,167	-	50,000	354,167	50,000
(Discounts)/Premiums	<u>1,509,524</u>	<u>28,452</u>	<u>150,819</u>	<u>1,387,157</u>	<u>-</u>
Total bonds and notes payable	<u>58,176,545</u>	<u>433,452</u>	<u>4,298,859</u>	<u>54,311,138</u>	<u>4,141,914</u>
Other liabilities:					
Vested compensated absences	<u>886,985</u>	<u>744,750</u>	<u>577,113</u>	<u>1,054,622</u>	<u>357,946</u>
Total other liabilities	<u>886,985</u>	<u>744,750</u>	<u>577,113</u>	<u>1,054,622</u>	<u>357,946</u>
Total business-type activities long-term liabilities, excluding lease liabilities	<u>\$ 59,063,530</u>	<u>\$ 1,178,202</u>	<u>\$ 4,875,972</u>	<u>\$ 55,365,760</u>	<u>\$ 4,499,860</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023, was \$274,084,110. Total general obligation debt outstanding at year end was \$85,677,381.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

General Obligation Debt

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

<u>Governmental Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2023</u>
Taxable refunding notes	07/08/14	02/01/27	1.2-3.7%	\$ 4,315,000	\$ 2,110,000
Notes	07/07/15	02/01/25	2.0-2.25	2,970,000	605,000
Notes	10/26/16	04/01/26	2.0-3.0	10,690,000	2,850,000
Notes	06/28/17	04/01/27	2.0-3.0	4,920,000	2,070,000
Notes	10/11/18	04/01/28	3.0-4.0	7,825,000	3,970,000
Bonds	02/07/19	04/01/37	2.7-4.0	9,255,000	6,235,000
Refunding bonds	02/07/19	04/01/32	3.0-4.0	2,555,000	2,515,000
Bonds	07/17/19	04/01/39	3.0-5.0	3,895,000	3,180,000
Notes	07/17/19	04/01/29	2.0-4.0	9,605,000	6,190,000
State trust fund loan,					
Direct placement	12/20/19	03/15/29	3.25	650,000	457,106
Notes	08/13/20	04/01/30	1.0-3.0	6,050,000	3,790,000
State trust fund loan,					
Direct placement	12/21/20	03/15/30	3.00	1,150,000	926,275
Notes	08/12/21	04/01/31	1.5-2.0	7,810,000	5,640,000
Notes	08/09/22	04/01/32	3.0-4.0	6,755,000	5,590,000
State trust fund loan,					
Direct placement	12/27/22	03/15/36	4.75	1,804,000	1,804,000
Notes	08/10/23	04/01/33	4.0-5.0	10,625,000	<u>10,625,000</u>
Total governmental activities, general obligation debt					<u><u>\$ 58,557,381</u></u>

<u>Business-Type Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2023</u>
Notes	07/07/15	02/01/25	2.0-2.25%	\$ 835,000	\$ 180,000
Notes	10/26/16	04/01/26	2.0-3.0	475,000	125,000
Bonds	10/26/16	04/01/36	2.0-3.0	5,820,000	4,010,000
Bonds	10/26/16	04/01/36	2.0-3.0	3,435,000	2,370,000
Bonds	11/30/17	04/01/37	2.0-3.0	4,900,000	3,600,000
Bonds	10/11/18	04/01/38	3.0-5.0	7,125,000	5,675,000
Bonds	07/17/19	04/01/39	3.0-5.0	7,080,000	5,780,000
Notes	08/13/20	04/01/30	1.0-3.0	715,000	505,000
Refunding notes	08/12/21	04/01/31	1.5-2.0	545,000	180,000
Bonds	08/12/21	04/01/41	2.0-3.0	4,860,000	4,290,000
Notes	08/10/23	04/01/33	4.0-5.0	405,000	<u>405,000</u>
Total business-type activities, general obligation debt					<u><u>\$ 27,120,000</u></u>

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities		Business-Type Activities	
	General Obligation Debt, Other		General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 9,180,000	\$ 1,762,541	\$ 1,775,000	\$ 821,421
2025	7,630,000	1,420,301	1,650,000	739,375
2026	7,390,000	1,171,036	1,610,000	699,688
2027	6,955,000	923,060	1,625,000	640,688
2028	5,475,000	705,768	1,680,000	582,675
2039-2033	16,100,000	1,560,638	9,010,000	2,093,775
2034-2038	2,390,000	225,380	8,480,000	731,881
2039	250,000	3,750	1,290,000	32,175
Total	<u>\$ 55,370,000</u>	<u>\$ 7,772,474</u>	<u>\$ 27,120,000</u>	<u>\$ 6,341,678</u>

<u>Years</u>	Governmental Activities	
	Notes From Direct Borrowings	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 277,830	\$ 146,998
2025	306,523	118,305
2026	317,815	107,012
2027	329,544	95,283
2028	341,498	83,329
2029-2033	1,091,476	246,228
2034-2036	522,695	50,446
Total	<u>\$ 3,187,381</u>	<u>\$ 847,601</u>

Revenue Debt

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

The Sun Prairie Utilities has pledged future sales revenues, net of specified operating expenses, to repay revenue bonds issued in between 2012-2021. Proceeds from the bonds provided financing for the electric and water systems. The bonds are payable solely from sales revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require 8% of net revenues. The total principal and interest remaining to be paid on the bonds is \$11,026,278. Principal and interest paid for the current year and total customer net revenues were \$823,861 and \$8,708,686, respectively.

The wastewater utility has pledged future sales revenues, net of specified operating expenses, to repay revenue bonds issued between 2005-2021. Proceeds from the bonds provided financing for the wastewater system. The bonds are payable solely from sales revenues and are payable through 2040. Annual principal and interest payments on the bonds are expected to require 14% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$18,089,412. Principal and interest paid for the current year and total customer gross revenues were \$1,978,030 and \$7,639,914, respectively.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

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

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2023
Sun Prairie Utility					
Revenue bonds	11/15/12	04/01/32	1.50-3.20%	\$ 2,800,000	\$ 1,495,000
Revenue bonds	06/16/14	04/01/34	3.25-4.30	3,200,000	1,950,000
Revenue bonds	02/10/21	04/01/41	1.0-4.0	6,300,000	<u>5,825,000</u>
Total Sun Prairie Utility					<u>9,270,000</u>

Wastewater Utilities

Revenue bonds, direct placement	06/08/05	05/01/25	2.365	15,844,256	2,020,834
Revenue bonds, direct placement	03/24/21	05/01/40	1.49	15,603,340	<u>14,158,980</u> (1)
Total Wastewater Utilities					<u>16,179,814</u>

Total business-type activities, revenue debt \$ 25,449,814

(1) - During 2021 the utility was authorized to issue \$17,382,165 of sewerage system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2023. The repayment schedule is for the amount issued.

Debt service requirements to maturity are as follows:

Years	Business-Type Activities Revenue Debt		Business-Type Activities Revenue Debt From Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2024	\$ 580,000	\$ 243,560	\$ 1,736,914	\$ 240,763
2025	590,000	223,435	1,771,495	205,822
2026	605,000	202,986	760,396	182,524
2027	620,000	181,596	771,688	171,148
2028	640,000	159,231	783,148	159,604
2029-2033	3,190,000	507,874	4,093,679	618,760
2034-2038	1,920,000	203,448	4,406,797	303,318
2039-2041	<u>1,125,000</u>	<u>34,150</u>	<u>1,855,697</u>	<u>27,659</u>
Total	<u>\$ 9,270,000</u>	<u>\$ 1,756,280</u>	<u>\$ 16,179,814</u>	<u>\$ 1,909,598</u>

Financed Purchases

The City of Sun Prairie has entered into agreements with the Community Development Authority of the City of Sun Prairie (CDA) for certain property and improvements in TID No. 6, No. 7 and No. 8. In 2001, 2003, 2005, 2006 and 2009 the CDA issued lease revenue bonds totaling \$7,665,000, \$2,500,000, \$10,965,000, \$3,865,000 and \$6,300,000, respectively. In 2014, the CDA advance refunded \$12,290,000 of the lease revenue bonds with a new lease revenue bond in the amount of \$12,785,000. TID No. 8 paid all remaining lease obligations to the CDA in 2023.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Financed purchases at December 31, 2023 consist of the following:

<u>Governmental Activities</u>					
<u>Financed Purchases</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
Dell Financial Services LLC	05/01/20	05/01/24	5.00%	\$ 83,455	\$ 17,485
Total governmental activities financed purchases					\$ 17,485

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Financed Purchases</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 17,485	\$ 876	
Total	\$ 17,485	\$ 876	

Other Long-Term Debt

Other Long-Term Debt at December 31, 2023 consists of the following:

<u>Business-Type Activities</u>					
<u>Other Long-Term Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
2021 WPPI Loan, direct placement	1/11/2021	1/28/2031	N/A	\$ 500,000	\$ 354,167
Total business-type activities other long-term debt					\$ 354,167

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Other Long-Term Debt Principal</u>
2024	\$ 50,000
2025	50,000
2026	50,000
2027	50,000
2028	50,000
2029-2033	104,167
Total	\$ 354,167

Other Debt Information

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

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Under terms of the resolutions providing for the issuance of utility 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 2023 for Sun Prairie Utilities as well as the wastewater utility.

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

The City's outstanding State Trust Fund Loans from direct borrowings related to governmental activities contain clauses that any delinquent payments are subject to a penalty of 1% per month and shall be deducted from any state payments that are due to the City.

Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u>				Receivable Balance December 31, 2023
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Heartland Affordable Housing	01/01/22	12/31/41	2.00%	\$ 895,240
Total governmental activities				<u>\$ 895,240</u>
<u>Business-Type Activities</u>				Receivable Balance December 31, 2023
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Tower Space (Verizon, Bird St.)	01/01/22	12/31/46	2.00%	\$ 735,711
Tower Space (Sprint, Business Park)	01/01/22	12/31/30	2.00	303,576
Tower Space (AT&T, Business Park)	01/01/22	12/31/26	2.00	164,451
Tower Space (AT&T, Linnerud Dr.)	01/01/22	12/31/25	2.00	103,067
Tower Space (T-Mobile, Linnerud Dr.)	01/01/23	12/31/47	2.00	<u>1,108,850</u>
Total business-type activities				<u>\$ 2,415,655</u>

The City recognized \$212,555 of lease revenue during the fiscal year.

The City recognized \$75,579 of interest revenue during the fiscal year.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2023, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 48,947,214
Construction in progress	2,348,630
Easements	1,666,180
Other capital assets, net of accumulated depreciation	126,253,701
Less long-term debt outstanding	(58,557,381)
Plus unspent capital related debt proceeds	4,772,367
Less premium on debt	(1,791,463)
Plus noncapital debt outstanding	3,883,811
Less financed purchases	<u>(17,485)</u>
Total net investment in capital assets	<u><u>\$ 127,505,574</u></u>

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Governmental Funds

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

	General Fund	General Debt Service Fund	General Capital Projects Fund	Nonmajor Funds	Total
Fund Balances					
Nonspendable:					
Advances	\$ 1,111,460	\$ -	\$ -	\$ -	\$ 1,111,460
Delinquent items	29,756	-	-	-	29,756
Prepaid items and inventories	633,959	851	-	10,902	645,712
Investment in mutual insurance company	68,748	-	-	-	68,748
Permanent fund principal	-	-	-	1,000	1,000
Subtotal	1,843,923	851	-	11,902	1,856,676
Restricted for:					
Debt service	-	552,866	-	-	552,866
Future capital projects (unspent debt)	-	-	3,532,701	-	3,532,701
Park improvements	-	-	-	2,111,806	2,111,806
Transportation improvements	-	-	-	2,404,590	2,404,590
Grants	-	-	-	412,316	412,316
Library	360,552	-	-	72,650	433,202
Transit	-	-	-	1,301,023	1,301,023
Tourism	-	-	-	419,362	419,362
TIF related projects	-	-	-	2,806,675	2,806,675
Housing	-	-	-	140,878	140,878
Sun Prairie Ice, Inc	654,590	-	-	-	654,590
Subtotal	1,015,142	552,866	3,532,701	9,669,300	14,770,009
Committed to:					
Sun Prairie media center	-	-	-	128,445	128,445
Street trees	-	-	-	283,414	283,414
Refuse and recycling	-	-	-	119,519	119,519
Subtotal	-	-	-	531,378	531,378
Assigned to:					
Subsequent years' budget	714,874	-	-	-	714,874
Signs	7,474	-	-	-	7,474
Replacement funds	28,213	-	-	-	28,213
Tax equivalent	1,934,405	-	-	-	1,934,405
Self insurance	200,000	-	-	-	200,000
Carryovers	492,105	-	-	-	492,105
Youth and family	4,953	-	-	-	4,953
Sick benefits	389,731	-	-	-	389,731
Recreation	118,982	-	-	-	118,982
Future capital projects	-	-	2,801,009	2,758	2,803,767
Subtotal	3,890,737	-	2,801,009	2,758	6,694,504
Unassigned (deficit):	5,821,158	-	-	(1,448,072)	4,373,086
Total fund balances	\$ 12,570,960	\$ 553,717	\$ 6,333,710	\$ 8,767,266	\$ 28,225,653

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Business-Type Activities

Net investment in capital assets:	
Land	\$ 19,835,609
Construction in progress	4,262,890
Other capital assets, net of depreciation	196,485,077
Less long-term debt outstanding	(52,923,981)
Plus unspent capital related debt proceeds	4,848,008
Less unamortized debt premium	<u>(1,387,157)</u>
Total net investment in capital assets	<u>\$ 171,120,446</u>

Component Unit

Community Development Authority

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

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

a. Basis of Accounting/Masurement Focus

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

b. Deposits and Investments

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Mutual funds, other than bond funds	\$ 1,593,646	\$ 1,593,646	N/A

The CDA 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.

- Quoted market prices for identical assets

<u>Investment Type</u>	<u>12/31/2023</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds, other than bond funds	\$ 1,593,646	\$ -	\$ -	\$ 1,593,646

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

Custodial Credit Risk

Deposits

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

c. Restricted Assets

Portions of the lease revenue bond proceeds were deposited into debt service redemption accounts and reserve accounts. The reserve accounts are resources set aside to make up potential future debt service deficiencies. The total of these accounts is \$1,593,646 at December 31, 2023 and is reported as restricted cash and investments in the CDA.

d. Long-Term Obligations

The CDA has pledged future financed sale revenues, net of specified operating expenses, to repay revenue bonds issued in 2014. Proceeds from the bonds provided financing for the various projects of the City. The bonds are payable solely from financed sale revenues and are payable through 2024. Annual principal and interest payments on the bonds are expected to require 100.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,551,360. Principal and interest paid for the current year and total customer net revenues were \$1,530,719 and \$81,460, respectively.

The CDA has issued Community Development Lease Revenue Bonds for the purpose of providing financing for the City of Sun Prairie's TID No. 6, No. 7 and No. 8. All of the debt proceeds were transferred to the TID's for the purpose of financing various TID projects.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
2014 Series: Issued 6/24/14; Interest rates of 0.4-2.4%; Final maturity 8/1/24.	\$ 2,990,000	\$ -	\$ 1,475,000	\$ 1,515,000	\$ 1,515,000
Total	<u>\$ 2,990,000</u>	<u>\$ -</u>	<u>\$ 1,475,000</u>	<u>\$ 1,515,000</u>	<u>\$ 1,515,000</u>

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,515,000	\$ 36,360	\$ 1,551,360
Total	<u>\$ 1,515,000</u>	<u>\$ 36,360</u>	<u>\$ 1,551,360</u>

e. Employee Retirement System

The CDA has no employees.

4. Other Information**Single Employer Public Employee Retirement Plan, Sun Prairie Utilities****Plan Description**

The Utility contributes to the Sun Prairie Utilities' Employees' Pension Plan (Plan), a fiduciary fund, which is a Single Employer public employee defined benefit retirement plan. The Utility established the Plan to provide retirement benefits for employees of the Utility. The Plan is governed by the utility commission, which has the right at any time and from time to time to amend the Plan. The Plan does not issue a standalone financial report and is not included in the report of another entity.

As of January 1, 2013, the Plan stopped allowing new entrants. Instead, the Utility established a Defined Contribution Plan.

Funding Policy

Employer contributions to the Plan are recognized on the accrual basis and are actuarially determined each year. The Plan does not permit employees to make contributions.

All full-time employees hired prior to January 1, 2013, over the age of 18 and having one year of service, are eligible to participate in the Plan. The normal retirement date is the first day of the month coincident with or following age 65. Employees are eligible for benefits after age 55 with a minimum service of 15 years. Benefits vest fully after five years of service after the age of 18 based on the Plan year periods. Eligible employees are entitled to an annual retirement benefit in the form of single life annuity with ten years certain in an amount equal to 1.5% of future service times average monthly compensation plus 1% per year of past service times average monthly compensation. The maximum total number of years of service is 47. The past service amount is calculated on the years prior to January 1, 1989. The IRC 415 maximum annual benefit is \$275,000 and benefits are limited to 100% of compensation. Compensation is defined as the highest consecutive three year average salary over all service years up to a maximum annual salary of \$345,000.

Annual Money-Weighted Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on the Plan's investments was 12.10%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Plan Membership

Membership of the Plan at December 31, 2023, the date of the latest actuarial valuation, consisted of:

Retirees and beneficiaries receiving benefits	-
Terminated plan members entitled to, but not yet receiving benefits	2
Active plan members	10
Actives suspended accruals due to change to defined contribution plan	3
Total	<u>15</u>

Net Pension Liability (Asset)

Components of the Plan's net pension liability (asset), the total pension liability less the fiduciary net position, were as follows at December 31, 2023:

Total pension liability	\$ 2,602,052
Fiduciary net position	<u>2,925,642</u>
Net pension liability (asset)	<u>\$ (323,590)</u>
Fiduciary net position as percentage of total pension liability	<u>112.44 %</u>

The schedule of changes in the employer's net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information related to the funded status of the Pension Fund.

Actuarial Assumptions

The total pension liability is based on the results of the actuarial valuation as of December 31, 2023 using the aggregate cost method. The actuarial assumptions included (a) 5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 2.5% per year. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the fair value of investments. The aggregate cost method does not identify or separately amortize unfunded actuarial liabilities. Information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and that the information presented is intended to approximate the funding progress of the plan. Mortality rates were based on the Applicable Mortality Table for 417(e) (unisex).

Discount Rate

The discount rate used to measure the total pension liability for the Plan was 5%. The projection of cash flows used to determine the discount rate assumed that utility contributions will be made at rates equal to actuarially determined contribution rates. Based on those assumptions, the Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the Plan calculated using the discount rate of 5% as well as what the net pension liability (asset) would be if it were to be calculated using a discount rate that is 1-percentage-point lower (4%) or 1-percentage-point higher (6%) than the current rate:

	<u>1% Decrease (4%)</u>	<u>Current Discount Rate</u>	<u>1% Increase (6%)</u>
Net pension liability (asset)	\$ (349,610)	\$ (323,590)	\$ (297,569)

Long-Term Expected Rate of Return

The long-term expected rate of return was determined using a conservative approach. The expected median return for the following asset allocation strategy the Plan has been using is 6.32%. The actuarial expected rate of return is 5% in order to be more confident that there will not be a short fall of funding in future years.

Asset Class	Target	Long-Term Expected Real Rate of Return
Equities	40-65%	7.5%
Bonds	30-45	5.0
Alternatives	5-15	4.0
Preferreds	0-5	4.0
Cash and Cash Equivalents	0-3	0.5

Employees' Retirement System

The City and Utility are currently offering two retirement plans during 2023. The one plan currently available to both City and Utility personnel is the Wisconsin Retirement System (WRS), a cost sharing multiple-employer defined benefit pension plan. The other plan currently available to Utility personnel, is the Sun Prairie Utilities Employees' Pension Plan, a single-employer public employee defined benefit retirement plan. The table below shows both pensions as reported in the basic financial statements for the year ended December 31, 2023.

	WRS	SPU Employees' Pension Plan	Total
Deferred outflows of resources	\$ 22,388,377	\$ 472,583	\$ 22,860,960
Deferred inflows of resources	12,464,160	218,542	12,682,702
Net pension liability (asset)	5,897,613	(323,590)	5,574,023
Pension expense	2,581,580	140,140	2,721,720

1. Wisconsin Retirement System (WRS)

Plan Description

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

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

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

Vesting

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

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments

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

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2012	(7.0) %	(7.0) %
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

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 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 \$1,391,309 in contributions from the City.

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

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

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

At December 31, 2023, the City reported a liability (asset) of \$5,897,613 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.11132396%, which was an increase of 0.00588025% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$2,581,580.

At December 31, 2023, 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 expected and actual experience	\$ 9,393,071	\$ 12,340,386
Changes in assumptions	1,159,714	-
Net differences between projected and actual earnings on pension plan investments	10,018,683	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	30,754	123,774
Employer contributions subsequent to the measurement date	<u>1,786,155</u>	<u>-</u>
Total	<u><u>\$ 22,388,377</u></u>	<u><u>\$ 12,464,160</u></u>

\$1,786,155 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ 324,613
2025	1,676,335
2026	1,713,653
2027	4,423,461

Actuarial Assumptions

The total pension asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic 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, 2022

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%*

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

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, for the current prior year. This discount rate was based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's 20-year Municipal GO AA Index as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond 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 BID'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 (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's proportionate share of the net pension liability (asset)	\$ 19,573,987	\$ 5,897,613	\$ (3,510,558)

Pension Plan Fiduciary Net Position

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

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

2. Sun Prairie Utilities Employees' Pension Plan

The Sun Prairie Utilities contributes to the Sun Prairie Utility Pension plan as described in Note 4. The utilities' total contribution during 2023 was \$110,000, which is equal to the annual required contribution. The annual required contribution for the current year was determined as part of the December 31, 2023 actuarial valuation using the aggregate cost method. The 2023 contribution as calculated by the actuary was made as of December 31, 2023. The actuarial assumptions included (a) 5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 2.5% per year. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the fair value of investments. The aggregate cost method does not identify or separately amortize unfunded actuarial liabilities.

Pension Liabilities (Asset), Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the utilities reported a pension liability (asset) of \$(323,590). The net pension liability (asset) was measured as of December 31, 2023 and the total pension liability (asset) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The entry age actuarial cost method is used to calculate the total pension liability.

For the year ended December 31, 2023, the utilities recognized pension expense of \$140,140.

Total pension liability:	
Service cost	\$ 127,938
Interest	146,282
Differences between expected and actual experience	31,621
Benefit payments, including refunds of member contributions	<u>(93,897)</u>
Net change in total pension liability	211,944
Total Pension Liability, Beginning	<u>2,390,108</u>
Total Pension Liability, Ending (a)	<u><u>\$ 2,602,052</u></u>
Plan fiduciary net position:	
Employer contributions	\$ 110,000
Net investment income (loss)	343,112
Benefit payments, including refunds of member contributions	(93,897)
Administration	<u>(30,121)</u>
Net change in plan fiduciary net position	329,094
Plan Fiduciary Net Position, Beginning	<u>2,596,548</u>
Plan Fiduciary Net Position, Ending (b)	<u><u>\$ 2,925,642</u></u>
Net Pension Liability (Asset), Ending (a) - (b)	<u><u>\$ (323,590)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	112.44%
Covered payroll	\$ 1,316,496
Net pension liability (asset) as a percentage of covered payroll	-24.58%

Additional information as of the latest actuarial valuation follows:

Actuarial cost method:	
Annual pension contribution	Individual aggregate
Actuarial accrued liability	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	1 year
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	5.0%
Projected salary increases	2.5%
Mortality	Applicable Mortality Table for 417(e) (unisex)

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

At December 31, 2023, the utility reported deferred outflows of resources and deferred inflows of resources related to the Employees' Pension Plan from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 336,673	\$ 218,542
Net difference between projected and actual earnings on pension plan	<u>135,910</u>	<u>-</u>
Total	<u><u>\$ 472,583</u></u>	<u><u>\$ 218,542</u></u>

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)
2024	\$ 30,153
2025	54,185
2026	95,224
2027	(33,170)
2028	6,263
Thereafter	101,386

3. Defined Contribution Plan

Beginning in January 1, 2014, in addition to the defined benefit pension plan, the Sun Prairie Utilities established the Sun Prairie Utilities Employees Retirement Plan which is a defined contribution plan. All employees hired on or after January 1, 2013 join the Sun Prairie Utilities Employees Retirement Plan (Defined Contribution Plan) which is administered by Coe Administrators, LLC after they have met the eligibility requirements. In addition to employees starting on or after January 1, 2013, all existing employees had the option of leaving the defined benefit pension plan and joining the Defined Contribution Plan. Participants become fully vested in the Defined Contribution Plan after five years of employment. The employer contributions are currently 8.5% of employee compensation. Contributions of \$65,320 and \$62,299 for 2023 and 2022 compensation, respectively, were made in the subsequent year.

All employees hired on or after January 1, 2017 will be required to participate in the Wisconsin Retirement System, and all existing retirement plans will be closed to new participants.

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 general liability and auto risks. 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 \$68,748 in the general 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 \$50,000 per occurrence and an annual aggregate limit of \$200,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2023, has been determined not to be significant and is not recorded. Changes in the fund's claims loss liability follow:

	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2022	\$ -	\$ 535,774	\$ 535,774	\$ -
2023	-	522,995	522,995	-

Commitments and Contingencies

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

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

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

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

Long-Term Contracts, WPPI Energy

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

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

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

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$253 million as of December 31, 2023.

In 2023, the City issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$2,100,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 11.

Payments are scheduled through the year 2035, and carry an interest rate of 0%. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year end was \$2,100,000.

Joint Ventures

Multijurisdictional Public Safety Information System Commission (MPSISC)

The City of Sun Prairie, City of Fitchburg, City of Middleton, City of Verona and the City of Monona jointly operate the Multijurisdictional Public Safety Information System Commission. On March 20, 2003, the City of Sun Prairie, City of Fitchburg and the City of Middleton executed an intergovernmental agreement under authority of Section 66.0301 of the Wisconsin Statutes. The City of Verona and City of Monona joined the joint venture in 2009. The commission adopts its own budget. Net operating costs including debt service are shared by the communities. The department is governed by the Intermunicipal Commission. The commission consists of one representative from each community. The transactions of the commission are not reflected in these financial statements. The City is the fiscal agent for MPSISC and therefore, includes MPSISC as a custodial fund in these financial statements. Financial information for MPSISC can be obtained from the City of Sun Prairie.

The City does not have an equity interest in this joint venture.

Cooperative Boundary Plan

On January 17, 2007, the City of Sun Prairie, the Town of Burke, the Village of DeForest and the City of Madison executed an intergovernmental agreement under authority of Section 66.0307 of the Wisconsin Statutes.

The term and implementation phases within the plan recognize and attempt to balance the competing desires of the cities, the village and the town and the existing town, village and city property owners and residents. The plan provides for the eventual dissolution of the town after a protected period of up to 29 years, but allows early annexations within several areas to address near-term problems and opportunities.

The plan shall terminate on October 26, 2036 or at such earlier time as the town may cease to exist as a separate entity in accordance with the terms of this plan. A complete copy of the plan can be obtained from the City of Sun Prairie.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City is disclosing all abatement agreements individually.

City of Sun Prairie

Notes to Financial Statements
December 31, 2023

The City through its TIDs has entered into tax abatement agreements with a developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plans. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid.

Agreement Description	Calculation Method	2023 Payments
11/009 Downtown Phase III - New Perspective Senior Living	Excess property taxes over assessed value from 2014 - 2025	\$ 254,608
13/158 G&C Holdings LLC - 2G Engineering Firm	Set dollar amount of \$112,000	-
14/049 - Cabela's Wholesale, Inc.	Up to \$260,000 paid over three years based on assessed value	-
16/041 - Jennings and Woldt Remodeling, Inc.	90% of tax increment up to \$181,500 over 12 years assessed value	13,393
16/147 - All American Sports Corp (Formerly Riddell, Inc. / Scannell Properties #279 LLC)	100% of tax increment up to \$1.3 million from 2017 - 2024	-
16/247 - TMA Lands, Inc.	\$225,000 for 12 years not to exceed \$2.5 million based on assessed value	222,656
17/182 - Park 151, LLC	One-time payment of \$500,000 based on assessed value	-
17/215 - SP Main Street Apartments LLC	\$83,333 for 15 years not to exceed \$1,250,000	93,193
17/253 - Patio Pleasures, LLC	80% of tax increment up to \$92,556	6,235
18/070 - Catalyst Developer LLC	85.5% of tax increment up to \$5 million based on assessed value from 2020 - 2037.	326,712
19/2017 - Imperial Blades	100% of tax increment up to \$536,338 from 2021 - 2027	-
23/070 - J&A Commercial Properties LLC	90% of tax increment up to \$194,900	-

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Sun Prairie

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

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
General property taxes	\$ 21,413,208	\$ 21,413,208	\$ 21,376,730	\$ (36,478)
Room taxes	100,070	100,070	142,215	42,145
Payments in lieu of taxes	9,582	9,582	12,188	2,606
Interest and penalties on taxes	1,500	1,500	5,191	3,691
Other taxes	15,000	15,000	(2,188)	(17,188)
Total taxes	21,539,360	21,539,360	21,534,136	(5,224)
Intergovernmental				
Police school liaison	182,174	182,174	182,174	-
State shared revenues	792,499	792,499	829,569	37,070
Fire insurance tax (2% fire dues)	170,000	170,000	190,638	20,638
State aid, general transportation aids	1,815,991	1,815,991	1,816,228	237
State aid, connecting streets	62,667	62,667	62,667	-
Other state shared taxes	291,690	291,690	291,690	-
State grants	25,000	25,000	-	(25,000)
State aid, police	8,160	8,160	7,840	(320)
County aid, libraries	647,191	647,191	646,834	(357)
Total intergovernmental	3,995,372	3,995,372	4,027,640	32,268
Licenses and Permits				
Liquor and malt beverage licenses	70,000	70,000	42,093	(27,907)
Operators' license	25,000	25,000	14,625	(10,375)
Cigarette licenses	3,500	3,500	3,225	(275)
Dog and cat licenses	9,000	9,000	9,659	659
Building permits	309,325	309,325	263,350	(45,975)
Occupancy permits	27,000	27,000	23,100	(3,900)
Plumbing permits	214,414	214,414	225,990	11,576
Electrical permits	194,900	194,900	147,389	(47,511)
Heating and air conditioning permits	209,700	209,700	186,210	(23,490)
Street opening permits	21,000	21,000	19,129	(1,871)
Zoning permits and fees	40,000	40,000	38,555	(1,445)
Other business and occupational licenses	10,000	10,000	9,710	(290)
Other permits	65,001	65,001	56,458	(8,543)
Other nonbusiness licenses	45	45	70	25
Total licenses and permits	1,198,885	1,198,885	1,039,563	(159,322)
Fines, Forfeitures and Penalties				
Court penalties and costs	140,000	140,000	115,099	(24,901)
Parking violations	65,000	65,000	35,637	(29,363)
Library fines	4,900	4,900	7,294	2,394
Total fines, forfeitures and penalties	209,900	209,900	158,030	(51,870)

See notes to required supplementary information

City of Sun Prairie

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

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Public Charges for Services				
Clerk's fees	\$ 55,000	\$ 55,000	\$ 27,790	\$ (27,210)
Police department fees	18,000	18,000	34,520	16,520
Township EMS fees	425,163	425,163	423,545	(1,618)
Miscellaneous park fees	82,280	82,280	73,357	(8,923)
Miscellaneous building inspection	10,000	10,000	14,200	4,200
Miscellaneous public works	35,000	35,000	29,514	(5,486)
Ambulance fees	2,038,999	2,038,999	2,069,390	30,391
Sewage inspection	7,000	7,000	4,160	(2,840)
Recreation programs	411,617	411,617	326,943	(84,674)
Library	7,000	7,000	10,505	3,505
Plan review fees	154,925	169,925	155,638	(14,287)
Engineer review fees	45,200	45,200	37,198	(8,002)
Family aquatic center	214,660	214,660	197,928	(16,732)
Total public charges for services	3,504,844	3,519,844	3,404,688	(115,156)
Special Assessments				
Interest on special assessments	500	500	29	(471)
Investment Income				
Investment income	101,000	595,182	1,023,598	428,416
Miscellaneous				
Sale of materials and equipment	42,000	42,000	31,711	(10,289)
Insurance dividends	59,114	59,114	330,396	271,282
Finance department chargebacks	8,800	8,800	10,331	1,531
Human resources chargebacks	32,330	32,330	32,330	-
Engineering chargebacks	231,500	231,500	231,500	-
Donations	-	-	1,032	1,032
Other miscellaneous	464,829	464,829	333,634	(131,195)
Total miscellaneous	838,573	838,573	970,934	132,361
Total revenues	31,388,434	31,897,616	32,158,618	261,002
Expenditures				
General Government				
Mayor	45,021	45,299	45,298	1
Council	88,293	88,293	82,137	6,156
Municipal court	126,342	177,036	161,547	15,489
City attorney	287,493	341,235	341,233	2
Clerk	363,684	421,963	412,438	9,525
Elections	136,520	136,520	129,726	6,794
Administrator	807,988	1,173,864	846,059	327,805
Human resources	1,005,474	560,038	537,988	22,050
Finance	1,170,946	864,426	783,898	80,528
Building maintenance	716,587	870,775	776,000	94,775
Information technology	1,400,114	1,508,460	1,506,806	1,654
Risk management	222,111	222,111	175,779	46,332
Assessment of property	525,368	567,364	555,278	12,086
Total general government	6,895,941	6,977,384	6,354,187	623,197

See notes to required supplementary information

City of Sun Prairie

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

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Public Safety				
Building inspection	\$ 924,716	\$ 1,032,334	\$ 1,029,241	\$ 3,093
Police	10,253,236	10,606,147	10,246,550	359,597
Crossing guards	180,256	183,146	185,980	(2,834)
Emergency medical services	3,888,256	3,772,272	3,766,229	6,043
Fire protection	2,156,288	2,294,788	2,295,034	(246)
Emergency government	10,000	11,944	4,462	7,482
Total public safety	17,412,752	17,900,631	17,527,496	373,135
Public Works				
Public works	2,988,531	3,195,442	3,165,553	29,889
Engineering	530,557	589,361	573,156	16,205
Transportation cost pools	138,232	197,536	191,066	6,470
Graphic information systems	145,691	160,453	154,396	6,057
Total public works	3,803,011	4,142,792	4,084,171	58,621
Health and Human Services				
Social services	130,000	130,000	130,000	-
Cemetery	10,000	10,000	10,000	-
Senior services	240,000	240,000	240,000	-
Youth and family commission	9,005	13,147	13,146	1
Other health and human services	10,631	60,631	60,631	-
Total health and human services	399,636	453,778	453,777	1
Culture, Recreation and Education				
Library	2,796,920	3,133,561	2,812,842	320,719
Museum administration	212,754	228,006	204,624	23,382
Parks and recreation	2,226,397	2,420,711	2,289,611	131,100
Family aquatic center	388,127	388,127	360,506	27,621
Total culture, recreation and education	5,624,198	6,170,405	5,667,583	502,822
Conservation and Development				
Planning	672,015	777,446	568,408	209,038
Forestry	273,446	306,878	302,667	4,211
Economic development	357,468	453,448	369,848	83,600
Other conservation and development	186,643	191,019	180,252	10,767
Total conservation and development	1,489,572	1,728,791	1,421,175	307,616
Total expenditures	35,625,110	37,373,781	35,508,389	1,865,392
Excess (deficiency) of revenues over (under) expenditures	(4,236,676)	(5,476,165)	(3,349,771)	2,126,394

See notes to required supplementary information

City of Sun Prairie

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

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Other Financing Sources (Uses)				
Transfer in, tax equivalent	\$ 2,486,315	\$ 2,486,315	\$ 1,934,406	\$ (551,909)
Transfers in	456,986	456,986	525,712	68,726
Transfers out	<u>(746,648)</u>	<u>(793,817)</u>	<u>(819,920)</u>	<u>(26,103)</u>
Total other financing sources (uses)	<u>2,196,653</u>	<u>2,149,484</u>	<u>1,640,198</u>	<u>(509,286)</u>
Net change in fund balance	(2,040,023)	(3,326,681)	(1,709,573)	1,617,108
Fund Balance, Beginning	<u>14,280,533</u>	<u>14,280,533</u>	<u>14,280,533</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 12,240,510</u></u>	<u><u>\$ 10,953,852</u></u>	<u><u>\$ 12,570,960</u></u>	<u><u>\$ 1,617,108</u></u>

See notes to required supplementary information

City of Sun Prairie
Schedule of Proportionate Share of the Net Pension Liability (Asset) -

Wisconsin Retirement System

Year Ended December 31, 2023

Fiscal Year Ended	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
12/31/23	0.11132396%	\$ 5,897,613	\$ 16,155,213	36.51 %	95.72 %
12/31/22	0.10544371%	(8,498,957)	14,414,979	58.96 %	106.02 %
12/31/21	0.10094520%	(6,302,148)	13,818,277	45.61 %	105.26 %
12/31/20	0.09434080%	(3,041,978)	12,787,029	23.79 %	102.96 %
12/31/19	0.07419457%	2,639,610	11,584,830	22.79 %	96.45 %
12/31/18	0.05473764%	(1,625,225)	10,367,655	15.68 %	102.93 %
12/31/17	0.03712016%	305,959	3,811,012	8.03 %	99.12 %
12/31/16	0.03675468%	597,256	3,791,999	15.75 %	98.20 %
12/31/15	0.03648441%	(896,157)	3,544,279	25.28 %	102.74 %

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2023

Fiscal Year Ended	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/23	\$ 1,786,155	\$ 1,786,155	\$ -	\$ 19,574,469	9.12 %
12/31/22	1,394,133	1,394,133	-	15,247,319	9.14 %
12/31/21	1,269,639	1,269,639	-	14,414,979	8.81 %
12/31/20	1,256,880	1,256,880	-	13,818,277	9.10 %
12/31/19	1,057,886	1,057,886	-	12,787,015	8.27 %
12/31/18	990,744	990,744	-	11,586,230	8.55 %
12/31/17	898,256	898,256	-	10,367,652	8.66 %
12/31/16	361,666	361,666	-	3,811,012	9.49 %
12/31/15	360,240	360,240	-	3,791,999	9.50 %

See notes to required supplementary information

City of Sun Prairie
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Pension Trust Fund

Year Ended December 31, 2023 and Prior Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 127,938	\$ 113,859	\$ 128,740	\$ 117,033	\$ 117,882	\$ 82,103	\$ 90,483	\$ 99,255	\$ 112,240	\$ 119,397
Interest	146,282	129,827	165,468	172,733	154,581	122,802	139,143	150,912	165,812	176,220
Differences between expected and actual experience	31,621	141,787	195,427	(325,270)	(244,628)	31,946	(82,473)	21,145	(56,342)	(153,688)
Benefit payments, including refunds of member contributions	(93,897)	(366,623)	(624,377)	(26,874)	-	(129,686)	(749,802)	(284,856)	(694,422)	(45,496)
Net change in total pension liability	211,944	18,850	(134,742)	(62,378)	27,835	107,165	(602,649)	(13,544)	(472,712)	96,433
Total Pension Liability, Beginning	<u>2,390,108</u>	<u>2,371,258</u>	<u>2,506,000</u>	<u>2,568,378</u>	<u>2,540,543</u>	<u>2,433,378</u>	<u>3,036,027</u>	<u>3,049,571</u>	<u>3,522,283</u>	<u>3,425,850</u>
Total Pension Liability, Ending (a)	<u>\$ 2,602,052</u>	<u>\$ 2,390,108</u>	<u>\$ 2,371,258</u>	<u>\$ 2,506,000</u>	<u>\$ 2,568,378</u>	<u>\$ 2,540,543</u>	<u>\$ 2,433,378</u>	<u>\$ 3,036,027</u>	<u>\$ 3,049,571</u>	<u>\$ 3,522,283</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 110,000	\$ 140,000	\$ 108,000	\$ 108,000	\$ 169,679	\$ 121,818	\$ 144,493	\$ 201,596	\$ 285,586	\$ 281,155
Net investment income (loss)	343,112	(451,496)	406,743	308,008	499,616	(206,350)	370,447	223,358	(115,100)	117,384
Benefit payments, including refunds of member contributions	(93,897)	(366,623)	(624,377)	(26,874)	-	(129,686)	(749,802)	(284,856)	(694,422)	(45,496)
Administration	(30,121)	(34,687)	(35,677)	(26,086)	(23,042)	(20,204)	(20,452)	(22,084)	(26,118)	(24,766)
Net change in plan fiduciary net position	329,094	(712,806)	(145,311)	363,048	646,253	(234,422)	(255,314)	118,014	(550,054)	328,277
Plan Fiduciary Net Position, Beginning	<u>2,596,548</u>	<u>3,309,354</u>	<u>3,454,665</u>	<u>3,091,617</u>	<u>2,445,364</u>	<u>2,679,786</u>	<u>2,935,100</u>	<u>2,817,086</u>	<u>3,367,140</u>	<u>3,038,863</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 2,925,642</u>	<u>\$ 2,596,548</u>	<u>\$ 3,309,354</u>	<u>\$ 3,454,665</u>	<u>\$ 3,091,617</u>	<u>\$ 2,445,364</u>	<u>\$ 2,679,786</u>	<u>\$ 2,935,100</u>	<u>\$ 2,817,086</u>	<u>\$ 3,367,140</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ (323,590)</u>	<u>\$ (206,440)</u>	<u>\$ (938,096)</u>	<u>\$ (948,665)</u>	<u>\$ (523,239)</u>	<u>\$ 95,179</u>	<u>\$ (246,408)</u>	<u>\$ 100,927</u>	<u>\$ 232,485</u>	<u>\$ 155,143</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	112.44%	108.64%	139.56%	137.86%	120.37%	96.25%	110.13%	96.68%	92.38%	95.60%
Covered Payroll	\$ 1,316,496	\$ 1,432,614	\$ 1,424,774	\$ 1,495,199	\$ 1,434,573	\$ 1,306,010	\$ 1,325,082	\$ 1,398,380	\$ 1,488,604	\$ 1,753,037
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-24.58%	-14.41%	-65.84%	-63.45%	-36.47%	7.29%	-18.60%	7.22%	15.62%	8.85%

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

Changes in assumption: There were no changes in the assumptions.

See notes to required supplementary information

City of Sun Prairie

Schedule of Employer Contributions

Pension Trust Fund

Year Ended December 31, 2023 and Prior Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 110,000	\$ 140,000	\$ 108,000	\$ 108,000	\$ 169,679	\$ 121,818	\$ 144,493	\$ 201,596	\$ 285,586	\$ 281,155
Contributions in relation to the actuarially determined contribution	<u>110,000</u>	<u>140,000</u>	<u>108,000</u>	<u>108,000</u>	<u>169,679</u>	<u>121,818</u>	<u>144,493</u>	<u>201,596</u>	<u>285,586</u>	<u>281,155</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,316,496	\$ 1,432,614	\$ 1,424,774	\$ 1,495,199	\$ 1,434,573	\$ 1,306,010	\$ 1,325,082	\$ 1,398,380	\$ 1,488,604	\$ 1,753,037
Contributions as a percentage of covered payroll	8.36%	9.77%	7.58%	7.22%	11.83%	9.33%	10.90%	14.42%	19.18%	16.04%

Notes to Schedule:

Valuation date: Actuarially determined contributions are calculated as of December 31, 2023.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll
Remaining amortization period	1 year
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	2.50%
Investment rate of return	5.00%
Retirement age	See Note 8 in the Notes to Financial Statements
Mortality	417(e) Applicable Mortality Table

See notes to required supplementary information

City of Sun Prairie

Schedule of Investment Returns
Pension Trust Fund
Year Ended December 31, 2023 and Prior Ten Year

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	12.10%	-14.57%	11.32%	9.78%	18.53%	-8.33%	15.10%	7.42%	-4.78%	2.85%

City of Sun Prairie

Notes to Required Supplementary Information
Year Ended December 31, 2023

Budgetary Information

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

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

Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$492,105. 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.

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 the Wisconsin Retirement System.

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

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

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

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

SUPPLEMENTARY INFORMATION

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Debt Service Fund (Major Fund)
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 6,796,436	\$ 6,796,436	\$ 6,796,436	\$ -
Investment income	1,600	1,600	47,314	45,714
Miscellaneous	49,940	49,940	31,745	(18,195)
Total revenues	6,847,976	6,847,976	6,875,495	27,519
Expenditures				
Debt service:				
Principal	6,215,000	6,215,000	6,263,658	(48,658)
Interest and fiscal charges	1,102,699	1,104,024	1,061,922	42,102
Total expenditures	7,317,699	7,319,024	7,325,580	(6,556)
Excess (deficiency) of revenues over expenditures	(469,723)	(471,048)	(450,085)	20,963
Other Financing Sources				
Transfers in	90,630	90,630	693,377	602,747
Total other financing sources	90,630	90,630	693,377	602,747
Net change in fund balance	(379,093)	(380,418)	243,292	623,710
Fund Balance, Beginning	310,425	310,425	310,425	-
Fund Balance (Deficit), Ending	<u>\$ (68,668)</u>	<u>\$ (69,993)</u>	<u>\$ 553,717</u>	<u>\$ 623,710</u>

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - General Capital Projects Fund (Major Fund)

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	\$ 2,397,332	\$ 3,697,332	\$ 1,808,572	\$ (1,888,760)
Licenses and permits	-	-	20,136	20,136
Investment income	-	-	307,468	307,468
Miscellaneous	600,000	1,895,872	54,163	(1,841,709)
Total revenues	2,997,332	5,593,204	2,190,339	(3,402,865)
Expenditures				
Conservation and development	11,308,373	17,340,907	8,682,518	8,658,389
Interest and fiscal charges	178,700	178,700	132,357	46,343
Total expenditures	11,487,073	17,519,607	8,814,875	8,704,732
Excess (deficiency) of revenues over expenditures	(8,489,741)	(11,926,403)	(6,624,536)	5,301,867
Other Financing Sources (Uses)				
Debt issued	8,290,716	10,238,260	9,140,000	(1,098,260)
Premium on debt issued	-	-	642,578	642,578
Transfers in	167,665	167,665	72,665	(95,000)
Transfers out	(21,015)	(21,015)	(623,762)	(602,747)
Total other financing sources (uses)	8,437,366	10,384,910	9,231,481	(1,153,429)
Net change in fund balance	(52,375)	(1,541,493)	2,606,945	4,148,438
Fund Balance, Beginning	3,726,765	3,726,765	3,726,765	-
Fund Balance, Ending	<u>\$ 3,674,390</u>	<u>\$ 2,185,272</u>	<u>\$ 6,333,710</u>	<u>\$ 4,148,438</u>

City of Sun Prairie

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds			
	Park Improvement Fund	Transporta- tion Impact Fee Fund	Grant Funds	Library
Assets				
Cash and investments	\$ 1,973,498	\$ 2,213,500	\$ 1,908,386	\$ 72,650
Receivables:				
Taxes	-	-	-	-
Accounts	189,730	-	108,640	-
Delinquent special assessments	-	-	-	-
Accrued interest	1,271	1,443	-	-
Due from other funds	147,287	189,647	10,668	-
Prepaid items	-	-	10,705	-
Total assets	<u>\$ 2,311,786</u>	<u>\$ 2,404,590</u>	<u>\$ 2,038,399</u>	<u>\$ 72,650</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 4,056	\$ -	\$ 12,765	\$ -
Accrued liabilities	-	-	4,955	-
Deposits	5,000	-	89	-
Unearned revenues	-	-	1,597,569	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>9,056</u>	<u>-</u>	<u>1,615,378</u>	<u>-</u>
Deferred Inflows of Resources				
Unearned revenues	-	-	-	-
Unavailable revenues	<u>190,924</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>190,924</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable	-	-	10,705	-
Restricted	2,111,806	2,404,590	412,316	72,650
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>2,111,806</u>	<u>2,404,590</u>	<u>423,021</u>	<u>72,650</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,311,786</u>	<u>\$ 2,404,590</u>	<u>\$ 2,038,399</u>	<u>\$ 72,650</u>

Special Revenue Funds						Capital Projects Funds
Sun Prairie Media Center	Refuse and Recycling	Street Trees	Tourism	Transportation	Housing Fund	TID No. 8
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,894
-	1,765,987	-	-	-	-	2,438,380
76,283	3,633	-	81,757	-	-	6,529
-	4,890	-	-	-	-	-
-	-	-	-	-	-	-
76,280	137,207	283,414	337,605	1,786,664	140,878	-
197	-	-	-	-	-	-
<u>\$ 152,760</u>	<u>\$ 1,911,717</u>	<u>\$ 283,414</u>	<u>\$ 419,362</u>	<u>\$ 1,786,664</u>	<u>\$ 140,878</u>	<u>\$ 2,572,803</u>
\$ 927	\$ 21,213	\$ -	\$ -	\$ 484,663	\$ -	\$ 5,000
23,191	268	-	-	-	-	-
-	-	-	-	978	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	706,184
-	-	-	-	-	-	-
<u>24,118</u>	<u>21,481</u>	<u>-</u>	<u>-</u>	<u>485,641</u>	<u>-</u>	<u>711,184</u>
-	1,765,827	-	-	-	-	2,438,380
-	4,890	-	-	-	-	526
-	<u>1,770,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,438,906</u>
197	-	-	-	-	-	-
-	-	-	419,362	1,301,023	140,878	-
128,445	119,519	283,414	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(577,287)
<u>128,642</u>	<u>119,519</u>	<u>283,414</u>	<u>419,362</u>	<u>1,301,023</u>	<u>140,878</u>	<u>(577,287)</u>
<u>\$ 152,760</u>	<u>\$ 1,911,717</u>	<u>\$ 283,414</u>	<u>\$ 419,362</u>	<u>\$ 1,786,664</u>	<u>\$ 140,878</u>	<u>\$ 2,572,803</u>

City of Sun Prairie

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	Capital Projects Funds			
	TID No. 9	TID No. 11	TID No. 12	TID No. 13
Assets				
Cash and investments	\$ -	\$ 76	\$ 353,024	\$ -
Receivables:				
Taxes	2,292,419	1,382,763	323,500	1,132,345
Accounts	-	-	-	-
Delinquent special assessments	-	-	-	-
Accrued interest	-	-	-	-
Due from other funds	1,534,444	1,272,155	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 3,826,863</u>	<u>\$ 2,654,994</u>	<u>\$ 676,524</u>	<u>\$ 1,132,345</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	544,635	410,608
Total liabilities	<u>-</u>	<u>-</u>	<u>544,635</u>	<u>410,608</u>
Deferred Inflows of Resources				
Unearned revenues	2,292,419	1,382,763	323,500	1,132,345
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	<u>2,292,419</u>	<u>1,382,763</u>	<u>323,500</u>	<u>1,132,345</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	1,534,444	1,272,231	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	(191,611)	(410,608)
Total fund balances (deficit)	<u>1,534,444</u>	<u>1,272,231</u>	<u>(191,611)</u>	<u>(410,608)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,826,863</u>	<u>\$ 2,654,994</u>	<u>\$ 676,524</u>	<u>\$ 1,132,345</u>

Capital Projects Funds				Permanent Fund	Total Nonmajor Governmental Funds
TID No. 14	TID No. 15	TID No. 16	Development Projects	Ashley Trust Fund	
\$ 20,651	\$ -	\$ -	\$ -	\$ 1,000	\$ 6,670,679
88,951	141,737	-	-	-	9,566,082
-	-	-	94,137	-	560,709
-	-	-	-	-	4,890
-	-	-	-	-	2,714
-	-	-	66,630	-	5,982,879
-	-	-	-	-	10,902
<u>\$ 109,602</u>	<u>\$ 141,737</u>	<u>\$ -</u>	<u>\$ 160,767</u>	<u>\$ 1,000</u>	<u>\$ 22,798,855</u>
\$ -	\$ -	\$ -	\$ 24,145	\$ -	\$ 552,769
-	-	-	-	-	28,414
-	-	-	100,541	-	106,608
-	-	-	12,351	-	1,609,920
-	-	-	-	-	706,184
265,623	20,094	3,500	-	-	1,244,460
<u>265,623</u>	<u>20,094</u>	<u>3,500</u>	<u>137,037</u>	<u>-</u>	<u>4,248,355</u>
88,951	141,737	-	-	-	9,565,922
-	-	-	20,972	-	217,312
<u>88,951</u>	<u>141,737</u>	<u>-</u>	<u>20,972</u>	<u>-</u>	<u>9,783,234</u>
-	-	-	-	1,000	11,902
-	-	-	-	-	9,669,300
-	-	-	-	-	531,378
-	-	-	2,758	-	2,758
(244,972)	(20,094)	(3,500)	-	-	(1,448,072)
<u>(244,972)</u>	<u>(20,094)</u>	<u>(3,500)</u>	<u>2,758</u>	<u>1,000</u>	<u>8,767,266</u>
<u>\$ 109,602</u>	<u>\$ 141,737</u>	<u>\$ -</u>	<u>\$ 160,767</u>	<u>\$ 1,000</u>	<u>\$ 22,798,855</u>

City of Sun Prairie

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

	Special Revenue Funds			
	Park Improvement Fund	Transporta- tion Impact Fee Fund	Grant Funds	Library
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,240,326	-
Licenses and permits	-	-	-	-
Public charges for services	260,502	288,177	29,939	-
Special assessments	-	-	-	-
Investment income	99,815	109,610	19,127	-
Miscellaneous	6,567	-	83,557	55,518
Total revenues	366,884	397,787	1,372,949	55,518
Expenditures				
Current:				
General government	-	-	20,154	-
Public safety	-	-	273,644	-
Public works	-	-	-	-
Health and human services	-	-	318,815	-
Culture, recreation and education	140,952	-	307,529	63,899
Conservation and development	-	-	19,935	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	140,952	-	940,077	63,899
Excess (deficiency) of revenues over expenditures	225,932	397,787	432,872	(8,381)
Other Financing Sources (Uses)				
Debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	-	-	76,427	-
Transfers out	-	-	(429,697)	-
Total other financing sources (uses)	-	-	(353,270)	-
Net change in fund balances	225,932	397,787	79,602	(8,381)
Fund Balances (Deficit), Beginning	1,885,874	2,006,803	343,419	81,031
Fund Balances (Deficit), Ending	\$ 2,111,806	\$ 2,404,590	\$ 423,021	\$ 72,650

Special Revenue Funds						Capital Projects Funds
Sun Prairie Media Center	Refuse and Recycling	Street Trees	Tourism	Transportation	Housing Fund	TID No. 8
\$ -	\$ -	\$ -	\$ 331,836	\$ -	\$ -	\$ 2,173,153
76,429	48,305	-	-	908,623	-	28,582
313,113	-	-	-	-	-	-
18,952	1,496,624	82,550	-	310,059	-	18,994
-	3,517	-	-	-	-	-
1,951	23,512	9,971	377	45,516	5,751	19,300
70,620	42,944	-	-	93,238	15	81,077
<u>481,065</u>	<u>1,614,902</u>	<u>92,521</u>	<u>332,213</u>	<u>1,357,436</u>	<u>5,766</u>	<u>2,321,106</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,702,533	-	-	1,475,119	-	9,042
-	-	-	-	-	-	-
555,373	-	-	371,505	-	-	-
-	-	79,909	-	-	928	-
-	-	-	-	-	-	382,765
-	-	-	-	-	-	1,826,814
-	-	-	-	-	-	94,088
<u>555,373</u>	<u>1,702,533</u>	<u>79,909</u>	<u>371,505</u>	<u>1,475,119</u>	<u>928</u>	<u>2,312,709</u>
<u>(74,308)</u>	<u>(87,631)</u>	<u>12,612</u>	<u>(39,292)</u>	<u>(117,683)</u>	<u>4,838</u>	<u>8,397</u>
-	-	-	-	-	-	125,000
-	-	-	-	-	-	1,404
47,169	-	-	-	353,400	10,000	-
-	-	-	-	-	(35,000)	(25,000)
<u>47,169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,400</u>	<u>(25,000)</u>	<u>101,404</u>
(27,139)	(87,631)	12,612	(39,292)	235,717	(20,162)	109,801
<u>155,781</u>	<u>207,150</u>	<u>270,802</u>	<u>458,654</u>	<u>1,065,306</u>	<u>161,040</u>	<u>(687,088)</u>
<u>\$ 128,642</u>	<u>\$ 119,519</u>	<u>\$ 283,414</u>	<u>\$ 419,362</u>	<u>\$ 1,301,023</u>	<u>\$ 140,878</u>	<u>\$ (577,287)</u>

City of Sun Prairie

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

	Capital Projects Funds			
	TID No. 9	TID No. 11	TID No. 12	TID No. 13
Revenues				
Taxes	\$ 1,868,361	\$ 1,138,961	\$ 290,905	\$ 645,135
Intergovernmental	69,415	14,037	-	-
Licenses and permits	-	-	-	-
Public charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment income	43,980	42,311	45,871	-
Miscellaneous	-	-	46	-
Total revenues	<u>1,981,756</u>	<u>1,195,309</u>	<u>336,822</u>	<u>645,135</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and human services	-	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	-	872,421	992,533	99,164
Capital outlay	20,347	22,937	31,926	-
Debt service:				
Principal	1,120,000	55,000	20,000	235,000
Interest and fiscal charges	159,621	11,866	131,123	89,779
Total expenditures	<u>1,299,968</u>	<u>962,224</u>	<u>1,175,582</u>	<u>423,943</u>
Excess (deficiency) of revenues over expenditures	<u>681,788</u>	<u>233,085</u>	<u>(838,760)</u>	<u>221,192</u>
Other Financing Sources (Uses)				
Debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(20,000)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	681,788	213,085	(838,760)	221,192
Fund Balances (Deficit), Beginning	<u>852,656</u>	<u>1,059,146</u>	<u>647,149</u>	<u>(631,800)</u>
Fund Balances (Deficit), Ending	<u>\$ 1,534,444</u>	<u>\$ 1,272,231</u>	<u>\$ (191,611)</u>	<u>\$ (410,608)</u>

Capital Projects Funds				Permanent Fund	Total Nonmajor Governmental Funds
TID No. 14	TID No. 15	TID No. 16	Development Projects	Ashley Trust Fund	
\$ 27,914	\$ -	\$ -	\$ -	\$ -	\$ 6,476,265
-	-	-	-	-	2,385,717
-	-	-	-	-	313,113
-	-	-	623,651	-	3,129,448
-	-	-	-	-	3,517
532	-	-	1,415	-	469,039
133	-	-	2,926	-	436,641
<u>28,579</u>	<u>-</u>	<u>-</u>	<u>627,992</u>	<u>-</u>	<u>13,213,740</u>
-	-	-	-	-	20,154
-	-	-	-	-	273,644
-	-	-	659,742	-	3,846,436
-	-	-	-	-	318,815
-	-	-	-	-	1,439,258
21,459	1,157	-	-	-	2,087,506
-	-	3,500	-	-	461,475
-	-	-	-	-	3,256,814
3,325	-	-	-	-	489,802
<u>24,784</u>	<u>1,157</u>	<u>3,500</u>	<u>659,742</u>	<u>-</u>	<u>12,193,904</u>
<u>3,795</u>	<u>(1,157)</u>	<u>(3,500)</u>	<u>(31,750)</u>	<u>-</u>	<u>1,019,836</u>
20,000	-	-	-	-	145,000
409	-	-	-	-	1,813
-	-	-	-	-	486,996
(10,000)	(10,000)	-	-	-	(529,697)
<u>10,409</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,112</u>
14,204	(11,157)	(3,500)	(31,750)	-	1,123,948
(259,176)	(8,937)	-	34,508	1,000	7,643,318
<u>\$ (244,972)</u>	<u>\$ (20,094)</u>	<u>\$ (3,500)</u>	<u>\$ 2,758</u>	<u>\$ 1,000</u>	<u>\$ 8,767,266</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Park Improvement Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Public charges for services	\$ 360,000	\$ 360,000	\$ 260,502	\$ (99,498)
Investment income	3,000	3,000	99,815	96,815
Miscellaneous	<u>31,100</u>	<u>31,100</u>	<u>6,567</u>	<u>(24,533)</u>
Total revenues	<u>394,100</u>	<u>394,100</u>	<u>366,884</u>	<u>(27,216)</u>
Expenditures				
Current:				
Conservation and development	<u>439,775</u>	<u>817,890</u>	<u>140,952</u>	<u>676,938</u>
Total expenditures	<u>439,775</u>	<u>817,890</u>	<u>140,952</u>	<u>676,938</u>
Net change in fund balance	(45,675)	(423,790)	225,932	649,722
Fund Balance, Beginning	<u>1,885,874</u>	<u>1,885,874</u>	<u>1,885,874</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,840,199</u>	<u>\$ 1,462,084</u>	<u>\$ 2,111,806</u>	<u>\$ 649,722</u>

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Transportation Impact Fee Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Public charges for services	\$ 250,000	\$ 250,000	\$ 288,177	\$ 38,177
Investment income	-	-	109,610	109,610
Total revenues	250,000	250,000	397,787	147,787
Net change in fund balance	250,000	250,000	397,787	147,787
Fund Balance, Beginning	2,006,803	2,006,803	2,006,803	-
Fund Balance, Ending	<u>\$ 2,256,803</u>	<u>\$ 2,256,803</u>	<u>\$ 2,404,590</u>	<u>\$ 147,787</u>

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Grant Funds

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	\$ 171,585	\$ 426,422	\$ 1,240,326	\$ 813,904
Public charges for services	27,750	27,750	29,939	2,189
Investment income	-	-	19,127	19,127
Miscellaneous	57,600	57,600	83,557	25,957
Total revenues	256,935	511,772	1,372,949	861,177
Expenditures				
Current:				
General government	18,500	18,500	20,154	(1,654)
Public safety	42,000	268,097	273,644	(5,547)
Public works	10,000	10,000	-	10,000
Health and human services	-	492,032	318,815	173,217
Culture, recreation and education	287,156	315,896	307,529	8,367
Conservation and development	58,750	58,750	19,935	38,815
Total expenditures	416,406	1,163,275	940,077	223,198
Excess (deficiency) of revenues over expenditures	(159,471)	(651,503)	432,872	1,084,375
Other Financing Sources (Uses)				
Transfers in	55,324	55,324	76,427	21,103
Transfers out	(535,971)	(535,971)	(429,697)	106,274
Total other financing sources (uses)	(480,647)	(480,647)	(353,270)	127,377
Net change in fund balance	(640,118)	(1,132,150)	79,602	1,211,752
Fund Balance, Beginning	343,419	343,419	343,419	-
Fund Balance (Deficit), Ending	\$ (296,699)	\$ (788,731)	\$ 423,021	\$ 1,211,752

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Library Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ 55,298	\$ 55,518	\$ 220
Total revenues	-	55,298	55,518	220
Expenditures				
Current:				
Conservation and development	-	94,674	63,899	30,775
Total expenditures	-	94,674	63,899	30,775
Net change in fund balance	-	(39,376)	(8,381)	30,995
Fund Balance, Beginning	81,031	81,031	81,031	-
Fund Balance, Ending	<u>\$ 81,031</u>	<u>\$ 41,655</u>	<u>\$ 72,650</u>	<u>\$ 30,995</u>

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Sun Prairie Media Center
Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	\$ 76,429	\$ 76,429	\$ 76,429	\$ -
Licenses and permits	321,320	321,320	313,113	(8,207)
Public charges for services	15,060	15,060	18,952	3,892
Investment income	200	200	1,951	1,751
Miscellaneous	46,824	46,824	70,620	23,796
Total revenues	459,833	459,833	481,065	21,232
Expenditures				
Current:				
Conservation and development	506,344	553,513	555,373	(1,860)
Total expenditures	506,344	553,513	555,373	(1,860)
Excess (deficiency) of revenues over expenditures	(46,511)	(93,680)	(74,308)	19,372
Other Financing Sources				
Transfers in	-	47,169	47,169	-
Net change in fund balance	(46,511)	(46,511)	(27,139)	19,372
Fund Balance, Beginning	155,781	155,781	155,781	-
Fund Balance, Ending	\$ 109,270	\$ 109,270	\$ 128,642	\$ 19,372

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Refuse and Recycling

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	\$ 58,000	\$ 58,000	\$ 48,305	\$ (9,695)
Public charges for services	1,504,509	1,504,509	1,496,624	(7,885)
Special assessments	3,000	3,000	3,517	517
Investment income	1,800	1,800	23,512	21,712
Miscellaneous	32,000	32,000	42,944	10,944
Total revenues	1,599,309	1,599,309	1,614,902	15,593
Expenditures				
Current:				
Conservation and development	1,692,262	1,694,559	1,702,533	(7,974)
Total expenditures	1,692,262	1,694,559	1,702,533	(7,974)
Net change in fund balance	(92,953)	(95,250)	(87,631)	7,619
Fund Balance, Beginning	207,150	207,150	207,150	-
Fund Balance, Ending	\$ 114,197	\$ 111,900	\$ 119,519	\$ 7,619

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Street Trees

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Public charges for services	\$ 95,000	\$ 95,000	\$ 82,550	\$ (12,450)
Investment income	500	500	9,971	9,471
Miscellaneous	500	500	-	(500)
Total revenues	96,000	96,000	92,521	(3,479)
Expenditures				
Current:				
Conservation and development	105,000	105,000	79,909	25,091
Total expenditures	105,000	105,000	79,909	25,091
Net change in fund balance	(9,000)	(9,000)	12,612	21,612
Fund Balance, Beginning	270,802	270,802	270,802	-
Fund Balance, Ending	<u>\$ 261,802</u>	<u>\$ 261,802</u>	<u>\$ 283,414</u>	<u>\$ 21,612</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Tourism Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 233,495	\$ 233,495	\$ 331,836	\$ 98,341
Investment income	<u>600</u>	<u>600</u>	<u>377</u>	<u>(223)</u>
Total revenues	<u>234,095</u>	<u>234,095</u>	<u>332,213</u>	<u>98,118</u>
Expenditures				
Conservation and development				
Conservation and development	<u>305,852</u>	<u>305,852</u>	<u>371,505</u>	<u>(65,653)</u>
Total expenditures	<u>305,852</u>	<u>305,852</u>	<u>371,505</u>	<u>(65,653)</u>
Net change in fund balance	(71,757)	(71,757)	(39,292)	32,465
Fund Balance, Beginning	<u>458,654</u>	<u>458,654</u>	<u>458,654</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 386,897</u>	<u>\$ 386,897</u>	<u>\$ 419,362</u>	<u>\$ 32,465</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Transportation Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 883,540	\$ 883,540	\$ 908,623	\$ 25,083
Public charges for services	300,609	300,609	310,059	9,450
Investment income	500	500	45,516	45,016
Miscellaneous	92,710	92,710	93,238	528
Total revenues	1,277,359	1,277,359	1,357,436	80,077
Expenditures				
Current:				
Public works	1,648,759	1,648,759	1,475,119	173,640
Conservation and development	1,648,759	1,648,759	1,475,119	173,640
Excess (deficiency) of revenues over expenditures	(371,400)	(371,400)	(117,683)	253,717
Other Financing Sources				
Transfers in	353,400	353,400	353,400	-
Net change in fund balance	(18,000)	(18,000)	235,717	253,717
Fund Balance, Beginning	1,065,306	1,065,306	1,065,306	-
Fund Balance, Ending	<u>\$ 1,047,306</u>	<u>\$ 1,047,306</u>	<u>\$ 1,301,023</u>	<u>\$ 253,717</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Housing Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 5,751	\$ 5,751
Miscellaneous	-	-	15	15
Total revenues	-	-	5,766	5,766
Expenditures				
Current:				
Conservation and development	110,000	110,000	928	109,072
Total expenditures	110,000	110,000	928	109,072
Excess (deficiency) of revenues over expenditures	(110,000)	(110,000)	4,838	114,838
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	10,000	-
Transfers out	(35,000)	(35,000)	(35,000)	-
Total other financing sources (uses)	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(135,000)	(135,000)	(20,162)	114,838
Fund Balance, Beginning	161,040	161,040	161,040	-
Fund Balance, Ending	\$ 26,040	\$ 26,040	\$ 140,878	\$ 114,838

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)

Budget and Actual - TID No. 8

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 2,372,400	\$ 2,372,400	\$ 2,173,153	\$ (199,247)
Intergovernmental	28,582	28,582	28,582	-
Public charges for services	23,181	23,181	18,994	(4,187)
Investment income	1,500	1,500	19,300	17,800
Miscellaneous	-	-	81,077	81,077
Total revenues	<u>2,425,663</u>	<u>2,425,663</u>	<u>2,321,106</u>	<u>(104,557)</u>
Expenditures				
Current:				
Conservation and development	11,500	14,408	9,042	5,366
Capital outlay	598,619	618,867	382,765	236,102
Debt service:				
Principal	1,860,404	1,860,404	1,826,814	33,590
Interest and fiscal charges	<u>133,417</u>	<u>133,417</u>	<u>94,088</u>	<u>39,329</u>
Total expenditures	<u>2,603,940</u>	<u>2,627,096</u>	<u>2,312,709</u>	<u>314,387</u>
Excess (deficiency) of revenues over expenditures	<u>(178,277)</u>	<u>(201,433)</u>	<u>8,397</u>	<u>209,830</u>
Other Financing Sources (Uses)				
Debt issued	280,392	280,392	125,000	(155,392)
Premium on debt issued	-	-	1,404	1,404
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>255,392</u>	<u>255,392</u>	<u>101,404</u>	<u>(153,988)</u>
Net change in fund balance	77,115	53,959	109,801	55,842
Fund Balance (Deficit), Beginning	<u>(687,088)</u>	<u>(687,088)</u>	<u>(687,088)</u>	<u>-</u>
Fund Balance (Deficit), Ending	<u>\$ (609,973)</u>	<u>\$ (633,129)</u>	<u>\$ (577,287)</u>	<u>\$ 55,842</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - TID No. 9

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 2,039,662	\$ 2,039,662	\$ 1,868,361	\$ (171,301)
Intergovernmental	69,415	69,415	69,415	-
Investment income	-	-	43,980	43,980
Total revenues	2,109,077	2,109,077	1,981,756	(127,321)
Expenditures				
Current:				
Conservation and development	-	850,000	-	850,000
Capital outlay	13,601	13,847	20,347	(6,500)
Debt service:				
Principal	1,120,000	1,120,000	1,120,000	-
Interest and fiscal charges	159,622	159,622	159,621	1
Total expenditures	1,293,223	2,143,469	1,299,968	843,501
Net change in fund balance	815,854	(34,392)	681,788	716,180
Fund Balance, Beginning	852,656	852,656	852,656	-
Fund Balance, Ending	\$ 1,668,510	\$ 818,264	\$ 1,534,444	\$ 716,180

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - TID No. 11

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 1,243,387	\$ 1,243,387	\$ 1,138,961	\$ (104,426)
Intergovernmental	14,037	14,037	14,037	-
Investment income	2,200	2,200	42,311	40,111
Total revenues	1,259,624	1,259,624	1,195,309	(64,315)
Expenditures				
Current:				
Conservation and development	674,261	884,493	872,421	12,072
Capital outlay	42,351	42,367	22,937	19,430
Debt service:				
Principal	55,000	55,000	55,000	-
Interest and fiscal charges	11,866	11,866	11,866	-
Total expenditures	783,478	993,726	962,224	31,502
Excess (deficiency) of revenues over expenditures	476,146	265,898	233,085	(32,813)
Other Financing Uses				
Transfers out	(20,000)	(20,000)	(20,000)	-
Net change in fund balance	456,146	245,898	213,085	(32,813)
Fund Balance, Beginning	1,059,146	1,059,146	1,059,146	-
Fund Balance, Ending	\$ 1,515,292	\$ 1,305,044	\$ 1,272,231	\$ (32,813)

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**

Budget and Actual - TID No. 12

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 317,577	\$ 317,577	\$ 290,905	\$ (26,672)
Investment income	-	-	45,871	45,871
Miscellaneous	-	-	46	46
Total revenues	<u>317,577</u>	<u>317,577</u>	<u>336,822</u>	<u>19,245</u>
Expenditures				
Current:				
Conservation and development	129,388	1,104,524	992,533	111,991
Capital outlay	-	72,390	31,926	40,464
Debt service:				
Principal	20,000	20,000	20,000	-
Interest and fiscal charges	<u>131,123</u>	<u>131,123</u>	<u>131,123</u>	<u>-</u>
Total expenditures	<u>280,511</u>	<u>1,328,037</u>	<u>1,175,582</u>	<u>152,455</u>
Net change in fund balance	37,066	(1,010,460)	(838,760)	171,700
Fund Balance, Beginning	<u>647,149</u>	<u>647,149</u>	<u>647,149</u>	<u>-</u>
Fund Balance (Deficit), Ending	<u>\$ 684,215</u>	<u>\$ (363,311)</u>	<u>\$ (191,611)</u>	<u>\$ 171,700</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**

Budget and Actual - TID No. 13

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 704,285	\$ 704,285	\$ 645,135	\$ (59,150)
Investment income	1,000	1,000	-	(1,000)
Miscellaneous	100	100	-	(100)
Total revenues	705,385	705,385	645,135	(60,250)
Expenditures				
Current:				
Conservation and development	14,088	14,195	99,164	(84,969)
Debt service:				
Principal	235,000	235,000	235,000	-
Interest and fiscal charges	89,779	89,779	89,779	-
Total expenditures	338,867	338,974	423,943	(84,969)
Net change in fund balance	366,518	366,411	221,192	(145,219)
Fund Balance (Deficit), Beginning	(631,800)	(631,800)	(631,800)	-
Fund Balance (Deficit), Ending	\$ (265,282)	\$ (265,389)	\$ (410,608)	\$ (145,219)

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**

Budget and Actual - TID No. 14

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 30,473	\$ 30,473	\$ 27,914	\$ (2,559)
Investment income	-	-	532	532
Miscellaneous	-	-	133	133
Total revenues	30,473	30,473	28,579	(1,894)
Expenditures				
Current:				
Conservation and development	189,911	689,911	21,459	668,452
Capital outlay	500,000	500,000	-	500,000
Debt service:				
Interest and fiscal charges	14,143	14,143	3,325	10,818
Total expenditures	704,054	1,204,054	24,784	1,179,270
Other Financing Sources (Uses)				
Debt issued	561,108	561,108	20,000	(541,108)
Premium on debt issued	-	-	409	409
Transfers out	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	551,108	551,108	10,409	(540,699)
Net change in fund balance	(122,473)	(622,473)	14,204	636,677
Fund Balance (Deficit), Beginning	(259,176)	(259,176)	(259,176)	-
Fund Balance (Deficit), Ending	\$ (381,649)	\$ (881,649)	\$ (244,972)	\$ 636,677

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)**

Budget and Actual - TID No. 15

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Expenditures				
Current:				
Conservation and development	\$ 24,975	\$ 24,975	\$ 1,157	\$ 23,818
Total expenditures	24,975	24,975	1,157	23,818
Excess (deficiency) of revenues over expenditures	(24,975)	(24,975)	(1,157)	23,818
Other Financing Uses				
Transfers out	(10,000)	(10,000)	(10,000)	-
Net change in fund balance	(34,975)	(34,975)	(11,157)	23,818
Fund Balance (Deficit), Beginning	(8,937)	(8,937)	(8,937)	-
Fund Balance (Deficit), Ending	<u>\$ (43,912)</u>	<u>\$ (43,912)</u>	<u>\$ (20,094)</u>	<u>\$ 23,818</u>

City of Sun Prairie

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)

Budget and Actual - TID No. 16

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Expenditures				
Conservation and development	-	3,500	3,500	-
Total expenditures	-	3,500	3,500	-
Net change in fund balance	-	(3,500)	(3,500)	-
Fund Balance, Beginning	-	-	-	-
Fund Balance (Deficit), Ending	<u>\$ -</u>	<u>\$ (3,500)</u>	<u>\$ (3,500)</u>	<u>\$ -</u>

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Development Projects

Year Ended December 31, 2023

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Public charges for services	\$ 500,000	\$ 500,000	\$ 623,651	\$ 123,651
Investment income	-	-	1,415	1,415
Miscellaneous	-	-	2,926	2,926
Total revenues	500,000	500,000	627,992	127,992
Expenditures				
Current:				
Conservation and development	500,000	553,787	659,742	(105,955)
Net change in fund balance	-	(53,787)	(31,750)	22,037
Fund Balance, Beginning	34,508	34,508	34,508	-
Fund Balance (Deficit), Ending	\$ 34,508	\$ (19,279)	\$ 2,758	\$ 22,037

City of Sun Prairie**Schedule of Revenues, Expenditures and Changes in Fund Balance**

Budget and Actual - Ashley Trust Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund Balance, Beginning	1,000	1,000	1,000	-
Fund Balance, Ending	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>

City of Sun Prairie

Combining Statement of Net Position -
Internal Service Funds
December 31, 2023

	<u>Fleet</u>	<u>Health Insurance</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 172,323	\$ -	\$ 172,323
Restricted cash and investments	793,404	-	793,404
Accounts receivable	5,839	-	5,839
Due from other funds	<u>1,577,577</u>	<u>1,325,339</u>	<u>2,902,916</u>
Total current assets	<u>2,549,143</u>	<u>1,325,339</u>	<u>3,874,482</u>
Noncurrent assets:			
Capital assets:			
Construction in progress	709,710	-	709,710
Other capital assets	13,422,082	-	13,422,082
Less accumulated depreciation	<u>(6,804,107)</u>	<u>-</u>	<u>(6,804,107)</u>
Total noncurrent assets	<u>7,327,685</u>	<u>-</u>	<u>7,327,685</u>
Total assets	<u>9,876,828</u>	<u>1,325,339</u>	<u>11,202,167</u>
Deferred Outflows of Resources			
Pension related amounts	<u>158,888</u>	<u>-</u>	<u>158,888</u>
Total deferred outflows of resources	<u>158,888</u>	<u>-</u>	<u>158,888</u>
Liabilities			
Current liabilities:			
Accounts payable	37,038	10,474	47,512
Accrued liabilities	58,027	8,831	66,858
Current portion of general obligation debt	<u>625,000</u>	<u>-</u>	<u>625,000</u>
Total current liabilities	<u>720,065</u>	<u>19,305</u>	<u>739,370</u>
Noncurrent liabilities:			
Unused sick leave	56,514	-	56,514
General obligation debt	3,635,893	-	3,635,893
Net pension liability	<u>48,369</u>	<u>-</u>	<u>48,369</u>
Total noncurrent liabilities	<u>3,740,776</u>	<u>-</u>	<u>3,740,776</u>
Total liabilities	<u>4,460,841</u>	<u>19,305</u>	<u>4,480,146</u>
Deferred Inflows of Resources			
Pension related amounts	<u>94,865</u>	<u>-</u>	<u>94,865</u>
Net Position			
Net investment in capital assets	3,860,196	-	3,860,196
Unrestricted	<u>1,619,814</u>	<u>1,306,034</u>	<u>2,925,848</u>
Total net position	<u>\$ 5,480,010</u>	<u>\$ 1,306,034</u>	<u>\$ 6,786,044</u>

City of Sun Prairie

Combining Statement of Revenues, Expenses and Changes in Fund Net Position -
Internal Service Funds
Year Ended December 31, 2023

	Fleet	Health Insurance	Total
Operating Revenues			
Public charges for services	\$ 1,827,389	\$ 3,985,529	\$ 5,812,918
Total operating revenues	<u>1,827,389</u>	<u>3,985,529</u>	<u>5,812,918</u>
Operating Expenses			
Operation and maintenance	1,120,071	3,737,498	4,857,569
Depreciation expense	<u>775,144</u>	<u>-</u>	<u>775,144</u>
Total operating expenses	<u>1,895,215</u>	<u>3,737,498</u>	<u>5,632,713</u>
Operating income (loss)	<u>(67,826)</u>	<u>248,031</u>	<u>180,205</u>
Nonoperating Revenues (Expenses)			
Investment income	81,406	30,772	112,178
Interest and fiscal charges	(102,569)	-	(102,569)
Miscellaneous revenues	<u>86,592</u>	<u>-</u>	<u>86,592</u>
Total nonoperating revenues (expenses)	<u>65,429</u>	<u>30,772</u>	<u>96,201</u>
Income (loss) before transfers	<u>(2,397)</u>	<u>278,803</u>	<u>276,406</u>
Transfers			
Transfers in	<u>199,629</u>	<u>-</u>	<u>199,629</u>
Total transfers	<u>199,629</u>	<u>-</u>	<u>199,629</u>
Change in net position	197,232	278,803	476,035
Net Position, Beginning	<u>5,282,778</u>	<u>1,027,231</u>	<u>6,310,009</u>
Net Position, Ending	<u>\$ 5,480,010</u>	<u>\$ 1,306,034</u>	<u>\$ 6,786,044</u>

City of Sun Prairie

Combining Statement of Cash Flows
Internal Service Funds
Year Ended December 31, 2023

	Fleet	Health Insurance	Total
Cash Flows From Operating Activities			
Received from customers	\$ 1,432,913	\$ 3,699,078	\$ 5,131,991
Paid to suppliers for goods and services	(645,813)	(3,729,850)	(4,375,663)
Paid to employees for services	(425,312)	-	(425,312)
Net cash flows from operating activities	<u>361,788</u>	<u>(30,772)</u>	<u>331,016</u>
Cash Flows From Investing Activities			
Investment income	<u>81,406</u>	<u>30,772</u>	<u>112,178</u>
Net cash flows from investing activities	<u>81,406</u>	<u>30,772</u>	<u>112,178</u>
Cash Flows From Noncapital Financing Activities			
Transfers	<u>199,629</u>	<u>-</u>	<u>199,629</u>
Net cash flows from noncapital financing activities	<u>199,629</u>	<u>-</u>	<u>199,629</u>
Cash Flows From Capital and Related Financing Activities			
Debt issued	1,340,000	-	1,340,000
Debt retired	(510,000)	-	(510,000)
Interest paid	(112,164)	-	(112,164)
Debt premium net of debt issue costs	74,819	-	74,819
Acquisition and construction of capital assets	<u>(843,553)</u>	<u>-</u>	<u>(843,553)</u>
Net cash flows from capital and related financing activities	<u>(50,898)</u>	<u>-</u>	<u>(50,898)</u>
Net change in cash and cash equivalents	591,925	-	591,925
Cash and Cash Equivalents, Beginning	<u>373,802</u>	<u>-</u>	<u>373,802</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 965,727</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 965,727</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities			
Operating income (loss)	\$ (67,826)	\$ 248,031	\$ 180,205
Nonoperating revenue	57,242	-	57,242
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation	775,144	-	775,144
Changes in assets, liabilities and deferred outflows/inflows of resources:			
Other accounts receivable	150,710	80	150,790
Due to/from other funds	(602,428)	(286,531)	(888,959)
Compensated absences	(2,243)	-	(2,243)
Accounts payable	13,910	3,076	16,986
Other current liabilities	23,109	4,572	27,681
Pension related amounts	<u>14,170</u>	<u>-</u>	<u>14,170</u>
Net cash flows from operating activities	<u><u>\$ 361,788</u></u>	<u><u>\$ (30,772)</u></u>	<u><u>\$ 331,016</u></u>
Noncash Capital and Related Financing Activities			
Amortization of bond premium	<u><u>\$ 29,000</u></u>	<u><u>\$ -</u></u>	

City of Sun Prairie**Combining Statement of Fiduciary Net Position -****Custodial Funds**

December 31, 2023

	Tax Collection Fund	MPSISC	Total Custodial Funds
Current Assets			
Cash and investments	\$ 30,829,593	\$ -	\$ 30,829,593
Taxes receivable	36,768,286	-	36,768,286
Due from other governments	-	438,817	438,817
Prepaid items	-	10,002	10,002
Total assets	<u>67,597,879</u>	<u>448,819</u>	<u>68,046,698</u>
Liabilities			
Due to other governments	67,507,046	86,965	67,594,011
Other accounts payable	<u>90,833</u>	<u>-</u>	<u>90,833</u>
Total liabilities	<u>67,597,879</u>	<u>86,965</u>	<u>67,684,844</u>
Net Position			
Restricted for individuals, organization and other governments	<u>\$ -</u>	<u>\$ 361,854</u>	<u>\$ 361,854</u>

City of Sun Prairie

Combining Statement of Changes in Fiduciary Net Position -

Custodial Funds

Year Ended December 31, 2023

	<u>Tax Collection Fund</u>	<u>MPSISC</u>	<u>Total Custodial Funds</u>
Additions			
Contributions:			
Member	\$ -	\$ 679,257	\$ 679,257
Investment income	-	21,851	21,851
Property taxes collected for other governments	<u>46,004,461</u>	<u>-</u>	<u>46,004,461</u>
Total additions	<u>46,004,461</u>	<u>701,108</u>	<u>46,705,569</u>
Deductions			
Public safety expense	-	715,132	715,132
Property taxes distributed to other governments	<u>46,004,461</u>	<u>-</u>	<u>46,004,461</u>
Total deductions	<u>46,004,461</u>	<u>715,132</u>	<u>46,719,593</u>
Change in net position	-	(14,024)	(14,024)
Net Position, Beginning	<u>-</u>	<u>375,878</u>	<u>375,878</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 361,854</u>	<u>\$ 361,854</u>

City of Sun Prairie

Statement of Cash Flows

Component Unit

Year Ended December 31, 2023

	Community Development Authority
Cash Flows From Capital and Related Financing Activities	
Debt retired	\$ (1,475,000)
Interest paid	(69,548)
Received from primary government	1,117
Payments received from financed sale	<u>1,438,229</u>
Net cash flows from capital and related financing activities	<u>(105,202)</u>
Cash Flows From Investing Activities	
Paid to suppliers for goods and services	<u>22,616</u>
Cash Flows From Investing Activities	
Investment income	<u>110,438</u>
Net change in cash and cash equivalents	27,852
Cash and Cash Equivalents, Beginning	<u>1,565,794</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 1,593,646</u></u>

CITY OF SUN PRAIRIE, WISCONSIN

Introduction to the Statistical Section

December 31, 2023

STATISTICAL SECTION

This part of the City's Annual Comprehensive Finance Report presents detailed information as a context for understanding what the information in the financial statements, notes to financial statements, and required supplementary information indicate about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends – Schedules 1 - 4 These schedules contain trends information to help the reader understand how the City's financial performance and wellbeing have changed over time.	115 - 120
Revenue Capacity – Schedules 5 - 8 These schedules contain information to help the reader assess the factors affecting the City's ability to generate the City's most significant one-source revenue, property taxes.	121 - 124
Debt Capacity – Schedules 9 - 14 These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	125 - 130
Demographic and Economic Information – Schedules 15 - 16 These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	131 – 132
Operating Information – Schedules 17 - 18 These schedules contains information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	133 - 134

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. The City implemented GASB 34 in 2015.

Schedule 1
City of Sun Prairie, Wisconsin
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities										
Net investment in capital assets	\$ 127,505,574	\$ 125,420,724	\$ 114,346,855	\$ 100,980,766	\$ 96,950,125	\$ 91,668,381	\$ 92,056,269	\$ 81,638,011	\$ 82,157,158	\$ 73,592,674
Restricted	10,876,366	15,625,765	11,427,142	13,497,756	5,926,657	7,463,027	5,836,997	7,346,609	7,325,552	5,918,918
Unrestricted (deficit)	<u>19,527,653</u>	<u>11,143,775</u>	<u>11,248,148</u>	<u>8,828,029</u>	<u>10,934,889</u>	<u>10,552,537</u>	<u>5,049,968</u>	<u>1,815,833</u>	<u>(5,401,666)</u>	<u>(6,985,148)</u>
Total governmental activities net position	157,909,593	152,190,264	137,022,145	123,306,551	113,811,671	109,683,945	102,943,234	90,800,453	\$ 84,081,044	\$ 72,526,444
Business-Type Activities										
Net investment in capital assets	171,120,446	165,464,842	160,136,666	156,727,731	145,728,006	139,352,187	131,184,254	125,335,883	124,869,023	121,342,794
Restricted	6,190,020	6,203,051	6,328,892	5,797,376	4,849,510	4,365,726	4,490,512	3,983,396	3,846,256	3,520,744
Unrestricted (deficit)	<u>41,434,546</u>	<u>39,635,329</u>	<u>36,185,742</u>	<u>30,790,724</u>	<u>31,471,824</u>	<u>28,890,534</u>	<u>26,682,513</u>	<u>22,949,218</u>	<u>19,261,881</u>	<u>18,264,906</u>
Total business-type activities net position	218,745,012	211,303,222	202,651,300	193,315,831	182,049,340	172,608,447	162,357,279	152,268,497	\$ 147,977,160	\$ 143,128,444
Primary Government										
Net investment in capital assets	298,626,020	290,885,566	274,483,521	257,708,497	242,678,131	231,020,568	223,240,523	206,973,894	207,026,181	194,935,468
Restricted	17,066,386	21,828,816	17,756,034	19,295,132	10,776,167	11,828,753	10,327,509	11,330,005	11,171,808	9,439,662
Unrestricted (deficit)	<u>60,962,199</u>	<u>50,779,104</u>	<u>47,433,890</u>	<u>39,618,753</u>	<u>42,406,713</u>	<u>39,443,071</u>	<u>31,732,481</u>	<u>24,765,051</u>	<u>13,860,215</u>	<u>11,279,758</u>
Total primary government activities net position	<u>\$ 376,654,605</u>	<u>\$ 363,493,486</u>	<u>\$ 339,673,445</u>	<u>\$ 316,622,382</u>	<u>\$ 295,861,011</u>	<u>\$ 282,292,392</u>	<u>\$ 265,300,513</u>	<u>\$ 243,068,950</u>	<u>\$ 232,058,204</u>	<u>\$ 215,654,888</u>

Schedule 2
City of Sun Prairie, Wisconsin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

PRIMARY GOVERNMENT	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
EXPENSES										
Governmental activities										
General government	\$ 6,821,238	\$ 6,297,943	\$ 4,709,432	\$ 4,297,214	\$ 4,754,741	\$ 4,882,014	\$ 4,550,418	\$ 4,403,914	\$ 3,767,680	\$ 3,676,622
Public safety	18,739,288	14,149,050	13,518,198	15,168,394	13,613,011	12,397,125	11,509,960	11,119,610	8,463,874	9,492,560
Public works	13,594,637	10,336,380	10,283,472	9,696,626	6,665,610	6,666,674	7,780,380	8,290,581	7,404,845	8,473,109
Health and human services	772,592	973,729	787,822	413,468	115,550	54,500	84,500	54,500	23,500	-
Culture, recreation, and education	8,161,419	6,010,443	4,634,883	3,925,075	5,357,998	4,439,250	4,805,082	4,121,380	4,034,270	4,107,120
Conservation and development	4,145,963	3,023,458	3,975,473	3,779,871	7,462,982	2,825,225	2,624,698	1,120,518	1,052,201	747,165
Interest and fiscal charges	<u>1,562,932</u>	<u>1,358,653</u>	<u>1,432,641</u>	<u>1,764,227</u>	<u>1,725,371</u>	<u>1,369,108</u>	<u>1,014,225</u>	<u>1,553,363</u>	<u>930,621</u>	<u>3,005,014</u>
Total governmental activities expenses	53,798,069	42,149,656	39,341,921	39,044,875	39,695,263	32,633,896	32,369,263	30,663,866	25,676,991	29,501,590
Business-type activities										
Electric	29,247,919	30,769,633	28,068,928	25,565,275	25,572,370	26,379,948	26,230,091	25,644,447	25,129,204	25,011,083
Water	3,868,645	3,849,585	3,505,085	3,210,503	3,094,137	3,137,098	2,448,396	2,295,240	2,345,040	2,370,944
Telecommunications	-	-	-	-	-	-	178,809	451,698	374,325	443,138
Wastewater	6,290,362	5,524,158	4,783,388	4,016,976	3,929,728	3,784,864	3,614,247	3,657,592	3,457,368	3,310,861
Stormwater	<u>3,176,353</u>	<u>2,841,097</u>	<u>3,032,515</u>	<u>2,581,547</u>	<u>2,594,629</u>	<u>2,259,576</u>	<u>2,061,123</u>	<u>2,086,266</u>	<u>1,652,579</u>	<u>1,599,257</u>
Total business-type activities expenses	42,583,279	42,984,473	39,389,916	35,374,301	35,190,864	35,561,486	34,532,666	34,135,243	32,958,516	32,735,283
Total primary government expenses	<u>\$ 96,381,348</u>	<u>\$ 85,134,129</u>	<u>\$ 78,731,837</u>	<u>\$ 74,419,176</u>	<u>\$ 74,886,127</u>	<u>\$ 68,195,382</u>	<u>\$ 66,901,929</u>	<u>\$ 64,799,109</u>	<u>\$ 58,635,507</u>	<u>\$ 62,236,873</u>
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General government	\$ 288,773	\$ 380,613	\$ 307,643	\$ 239,996	\$ 311,826	\$ 310,051	\$ 183,983	\$ 157,680	\$ 124,009	\$ 119,593
Public safety	3,760,086	2,927,225	2,630,277	2,652,123	2,499,997	2,189,314	2,031,787	1,549,065	1,584,080	1,597,663
Public works	2,538,649	2,386,247	2,057,746	2,394,853	2,215,142	1,979,335	2,079,582	1,907,877	1,770,128	1,350,868
Culture, recreation, and education	1,257,488	1,658,111	1,360,582	609,037	1,199,525	1,195,259	1,638,801	933,945	888,192	900,544
Conservation and development	121,142	106,050	125,200	125,545	142,050	154,845	163,235	109,763	93,076	40,605
Operating grants and contributions	6,039,989	4,427,753	4,888,991	4,509,898	3,757,657	3,259,208	3,029,758	3,093,256	3,309,096	2,930,092
Capital grants and contributions	<u>3,421,009</u>	<u>6,015,390</u>	<u>5,589,036</u>	<u>2,794,146</u>	<u>2,504,207</u>	<u>787,142</u>	<u>5,973,701</u>	<u>1,847,780</u>	<u>3,376,106</u>	<u>2,314,034</u>
Total governmental activities program revenues	17,427,136	17,901,389	16,959,475	13,325,598	12,630,404	9,875,154	15,100,847	9,599,366	11,144,687	9,253,399
Business-type activities										
Charges for services										
Electric	31,026,387	32,675,767	30,048,101	27,781,165	27,186,116	27,934,255	27,856,646	27,390,414	26,741,334	26,245,287
Water	5,185,206	4,890,034	4,042,804	3,968,482	3,712,882	3,687,699	3,600,488	3,495,738	3,259,410	3,135,457
Telecommunications	-	-	-	-	-	-	202,653	609,350	512,036	450,214
Wastewater	6,167,888	5,755,412	5,453,196	5,353,221	4,621,775	4,296,400	3,972,177	3,891,120	3,771,488	3,762,049
Stormwater	2,963,858	3,000,859	2,983,473	3,024,005	2,450,728	2,533,236	2,398,670	1,808,596	1,680,540	1,616,450
Capital grants and contributions	<u>3,527,955</u>	<u>5,448,568</u>	<u>6,945,779</u>	<u>6,957,172</u>	<u>5,421,986</u>	<u>7,483,835</u>	<u>6,942,761</u>	<u>2,088,199</u>	<u>2,947,172</u>	<u>2,540,194</u>
Total business-type activities program revenues	48,871,294	51,770,640	49,473,353	47,084,045	43,393,487	45,935,425	44,973,395	39,283,417	\$ 38,911,980	\$ 37,749,651
Total primary government program revenues	<u>\$ 66,298,430</u>	<u>\$ 69,672,029</u>	<u>\$ 66,432,828</u>	<u>\$ 60,409,643</u>	<u>\$ 56,023,891</u>	<u>\$ 55,810,579</u>	<u>\$ 60,074,242</u>	<u>\$ 48,882,783</u>	<u>\$ 50,056,667</u>	<u>\$ 47,003,050</u>

Schedule 2
City of Sun Prairie, Wisconsin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

<u>PRIMARY GOVERNMENT</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
NET (EXPENSE)/REVENUE										
Governmental activities	\$ (36,370,933)	\$ (24,248,267)	\$ (22,382,446)	(25,719,277)	(27,064,859)	(22,758,742)	(17,268,416)	(21,064,500)	(14,532,304)	(20,248,191)
Business-type activities	<u>6,288,015</u>	<u>8,786,167</u>	<u>10,083,437</u>	<u>11,709,744</u>	<u>8,202,623</u>	<u>10,373,939</u>	<u>10,440,729</u>	<u>5,148,174</u>	<u>5,953,464</u>	<u>5,014,368</u>
Total primary government net (expense)/revenue	<u>\$ (30,082,918)</u>	<u>\$ (15,462,100)</u>	<u>\$ (12,299,009)</u>	<u>\$ (14,009,533)</u>	<u>\$ (18,862,236)</u>	<u>\$ (12,384,803)</u>	<u>\$ (6,827,687)</u>	<u>\$ (15,916,326)</u>	<u>\$ (8,578,840)</u>	<u>\$ (15,233,823)</u>
GENERAL REVENUES										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	\$ 21,405,139	\$ 20,106,530	\$ 18,638,111	\$ 17,979,980	\$ 16,911,464	\$ 15,715,346	\$ 14,299,795	\$ 13,546,267	\$ 13,008,194	\$ 12,741,648
Property taxes, levied for debt service	6,796,436	6,469,805	6,618,831	6,567,043	6,449,889	6,460,924	6,619,638	6,648,847	6,574,270	6,326,108
Property taxes, levied for TIF districts	6,144,429	6,197,934	5,950,023	5,522,096	4,148,322	3,240,567	3,902,118	3,196,475	2,699,069	2,787,227
Other taxes	463,021	480,647	282,197	247,239	344,454	257,499	215,972	172,708	62,636	172,644
Intergovernmental revenues not restricted	2,245,948	3,111,961	1,910,193	1,743,866	1,222,907	1,599,388	1,622,912	1,694,011	1,722,939	1,751,499
Public gifts and grants	-	-	-	-	-	-	-	9,966	-	709
Investment income	1,959,626	315,307	24,825	254,942	693,438	405,872	216,797	123,106	51,176	39,120
Miscellaneous	1,136,257	813,099	825,232	994,039	868,839	355,844	782,270	604,457	252,350	984,037
Transfers, internal	<u>1,939,406</u>	<u>1,921,103</u>	<u>1,848,628</u>	<u>1,904,952</u>	<u>553,272</u>	<u>1,464,013</u>	<u>1,751,695</u>	<u>1,788,072</u>	<u>1,716,270</u>	<u>1,290,347</u>
Total governmental activities general revenues	<u>42,090,262</u>	<u>39,416,386</u>	<u>36,098,040</u>	<u>35,214,157</u>	<u>31,192,585</u>	<u>29,499,453</u>	<u>29,411,197</u>	<u>27,783,909</u>	<u>26,086,904</u>	<u>26,093,339</u>
Business-type activities										
Intergovernmental revenues not restricted	-	229,164	24,902	-	-	-	-	50,000	-	-
Investment income	3,066,340	1,480,245	1,061,498	1,297,815	1,731,341	1,321,631	1,026,191	859,735	674,625	783,757
Miscellaneous	26,841	77,449	14,260	163,884	60,201	19,611	89,644	21,497	92,040	127,492
Gain on disposal of telecommunications operations	-	-	-	-	-	-	283,913	-	-	-
Transfers, internal	<u>(1,939,406)</u>	<u>(1,921,103)</u>	<u>(1,848,628)</u>	<u>(1,904,952)</u>	<u>(553,272)</u>	<u>(1,464,013)</u>	<u>(1,751,695)</u>	<u>(1,788,072)</u>	<u>(1,716,270)</u>	<u>(1,290,347)</u>
Total business-type activities general revenues	<u>1,153,775</u>	<u>(134,245)</u>	<u>(747,968)</u>	<u>(443,253)</u>	<u>1,238,270</u>	<u>(122,771)</u>	<u>(351,947)</u>	<u>(856,840)</u>	<u>(949,605)</u>	<u>(379,098)</u>
Total primary government general revenue	<u>\$ 43,244,037</u>	<u>\$ 39,282,141</u>	<u>\$ 35,350,072</u>	<u>\$ 34,770,904</u>	<u>\$ 32,430,855</u>	<u>\$ 29,376,682</u>	<u>\$ 29,059,250</u>	<u>\$ 26,927,069</u>	<u>\$ 25,137,299</u>	<u>\$ 25,714,241</u>
CHANGE IN NET POSITION										
Governmental activities	\$ 5,719,329	\$ 15,168,119	\$ 13,715,594	\$ 9,494,880	\$ 4,127,726	\$ 6,740,711	\$ 12,142,781	\$ 6,719,409	\$ 11,554,600	\$ 5,845,148
Business-type activities	<u>7,441,790</u>	<u>8,651,922</u>	<u>9,335,469</u>	<u>11,266,491</u>	<u>9,440,893</u>	<u>10,251,168</u>	<u>10,088,782</u>	<u>4,291,334</u>	<u>5,003,859</u>	<u>4,635,270</u>
Total primary government change in net position	<u>\$ 13,161,119</u>	<u>\$ 23,820,041</u>	<u>\$ 23,051,063</u>	<u>\$ 20,761,371</u>	<u>\$ 13,568,619</u>	<u>\$ 16,991,879</u>	<u>\$ 22,231,563</u>	<u>\$ 11,010,743</u>	<u>\$ 16,558,459</u>	<u>\$ 10,480,418</u>

Schedule 3
City of Sun Prairie, Wisconsin
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General fund										
Nonspendable	\$ 1,843,923	\$ 3,209,903	\$ 3,371,428	\$ 4,597,811	\$ 3,776,543	\$ 3,743,664	\$ 2,763,109	\$ 2,936,357	\$ 2,968,901	\$ 2,585,174
Restricted	1,015,142	1,313,028	707,536	791,130	663,665	587,226	510,786	434,645	142,000	-
Assigned	3,890,737	5,209,279	3,728,286	3,882,327	3,775,937	4,167,316	3,602,423	3,513,829	3,066,431	3,198,837
Unassigned (deficit)	<u>5,821,158</u>	<u>4,548,323</u>	<u>5,847,384</u>	<u>4,232,570</u>	<u>3,933,818</u>	<u>3,078,057</u>	<u>4,599,141</u>	<u>4,292,708</u>	<u>4,352,338</u>	<u>3,710,361</u>
Total general fund	<u>\$ 12,570,960</u>	<u>\$ 14,280,533</u>	<u>\$ 13,654,634</u>	<u>\$ 13,503,838</u>	<u>\$ 12,149,963</u>	<u>\$ 11,576,263</u>	<u>\$ 11,475,459</u>	<u>\$ 11,177,539</u>	<u>\$ 10,529,670</u>	<u>\$ 9,494,372</u>
All other governmental funds										
Nonspendable	12,753	11,240	22,969	27,418	411,354	365,318	2,502	1,250	-	-
Restricted	13,754,867	10,433,509	8,537,927	14,846,235	10,583,573	6,808,782	6,775,091	8,215,808	6,531,919	6,308,683
Committed	531,378	623,493	676,377	758,844	934,190	1,082,428	909,372	738,189	585,008	329,841
Assigned	2,803,767	2,199,267	2,945,987	803,651	2,988,584	5,036,191	679,096	-	300,290	160,403
Unassigned (deficit)	<u>(1,448,072)</u>	<u>(1,587,001)</u>	<u>(2,193,895)</u>	<u>(2,407,178)</u>	<u>(2,664,915)</u>	<u>(3,145,753)</u>	<u>(2,526,725)</u>	<u>(2,384,328)</u>	<u>(2,512,466)</u>	<u>(2,140,815)</u>
Total all other governmental funds	<u>\$ 15,654,693</u>	<u>\$ 11,680,508</u>	<u>\$ 9,989,365</u>	<u>\$ 14,028,970</u>	<u>\$ 12,252,786</u>	<u>\$ 10,146,966</u>	<u>\$ 5,839,336</u>	<u>\$ 6,570,919</u>	<u>\$ 4,904,751</u>	<u>\$ 4,658,112</u>

Schedule 4
City of Sun Prairie, Wisconsin
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues					
Taxes	\$ 34,806,837	\$ 33,282,991	\$ 31,513,831	\$ 30,344,698	\$ 27,887,072
Intergovernmental	8,221,929	8,495,391	6,336,438	5,775,867	4,287,227
Licenses and permits	1,372,812	1,383,107	1,639,115	1,393,169	1,358,048
Fines, forfeitures, and penalties	158,030	162,194	203,934	194,162	232,799
Public charges for services	6,534,136	6,277,152	5,381,474	4,778,449	5,159,295
Special assessments	3,546	4,920	4,267	7,445	81,557
Investment income	1,847,419	269,717	24,346	248,407	679,647
Miscellaneous	<u>1,493,483</u>	<u>1,053,671</u>	<u>1,387,079</u>	<u>1,161,696</u>	<u>1,531,753</u>
Total Revenues	<u>54,438,192</u>	<u>50,929,143</u>	<u>46,490,484</u>	<u>43,903,893</u>	<u>41,217,398</u>
Expenditures					
Current					
General government	6,374,341	6,053,168	4,943,082	5,371,831	4,679,576
Public safety	17,801,140	15,270,796	14,142,858	13,590,511	12,962,327
Public works	7,930,607	6,639,621	6,702,131	6,537,819	6,229,636
Health and human services	772,592	973,729	787,822	413,468	115,550
Culture, recreation, and education	7,106,841	6,124,773	6,627,098	5,334,169	5,426,767
Conservation and development	3,508,681	2,662,044	2,618,776	2,983,282	6,166,957
Capital outlay	9,143,993	9,508,268	7,045,018	6,394,952	14,298,527
Debt service					
Principal	9,520,472	9,251,643	15,119,535	8,796,272	14,838,927
Interest and fiscal charges	<u>1,684,081</u>	<u>1,744,669</u>	<u>1,941,198</u>	<u>2,086,346</u>	<u>2,060,956</u>
Total expenditures	<u>63,842,748</u>	<u>58,228,711</u>	<u>59,927,518</u>	<u>51,508,650</u>	<u>66,779,223</u>
Excess(deficiency) of revenues over expenditures	<u>(9,404,556)</u>	<u>(7,299,568)</u>	<u>(13,437,034)</u>	<u>(7,604,757)</u>	<u>(25,561,825)</u>
Other financing sources					
Sale of property	-	-	-	1,366,383	-
Long-term debt issued	9,285,000	7,544,000	5,860,000	7,005,000	18,055,000
Refunding Debt Issued	-	-	1,535,000	-	7,100,000
Capital leases issued	-	-	-	83,455	168,172
Payments to escrow agent	-	-	-	-	-
Premium on debt issued	644,391	239,342	325,097	366,718	980,390
Debt issuance costs	-	-	-	-	-
Transfers in	3,713,156	4,339,421	4,991,344	10,002,541	5,740,346
Transfers out	<u>(1,973,379)</u>	<u>(2,506,153)</u>	<u>(3,163,216)</u>	<u>(8,089,281)</u>	<u>(3,802,563)</u>
Total other financing sources (uses)	<u>11,669,168</u>	<u>9,616,610</u>	<u>9,548,225</u>	<u>10,734,816</u>	<u>28,241,345</u>
Net change in fund balances	2,264,612	2,317,042	(3,888,809)	3,130,059	2,679,520
Ratio of total debt service expenditures to total noncapital expenditures*	19.96%	22.91%	37.24%	24.12%	32.20%

* Total noncapital expenditures includes reconciling items found on page 11 of Annual Comprehensive Financial Report.

a) For 2014, total Debt Service Principal Retirement and corresponding calculation of Ratio of Total Debt Service Expenditures to Non Capital Expenditures includes a one-time Capital Lease refunding of \$10,582,110. If that amount is excluded, Debt Service Principal Retirement totals \$15,402,418, with the corresponding Ratio to Total Debt Service Expenditures to Non Capital Expenditures recalculated to 34.81%.

Schedule 4
City of Sun Prairie, Wisconsin
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 25,682,992	\$ 25,053,436	\$ 23,582,959	\$ 22,365,360	\$ 22,039,519
4,465,539	4,356,485	4,462,003	4,954,446	4,252,248
1,484,314	1,425,461	982,893	995,345	1,062,011
174,635	171,172	191,014	192,788	212,879
4,474,267	5,559,842	3,483,334	3,556,437	3,185,151
381,443	167,470	48,518	29,443	258,902
396,457	211,613	121,991	50,301	37,841
<u>978,424</u>	<u>779,169</u>	<u>1,002,421</u>	<u>1,394,910</u>	<u>1,123,649</u>
<u>38,038,071</u>	<u>37,724,648</u>	<u>33,875,133</u>	<u>33,539,030</u>	<u>32,172,200</u>
5,070,753	4,218,868	4,299,408	3,610,525	3,892,660
11,895,893	10,876,119	10,300,366	9,800,779	9,172,518
5,532,837	5,594,354	4,870,425	5,454,197	5,564,755
54,500	84,500	54,500	23,500	-
4,604,107	4,437,151	3,817,338	3,766,523	3,590,057
1,471,993	6,440,647	962,655	889,837	521,258
12,592,102	5,870,406	4,882,661	3,442,178	4,015,917
8,183,060	10,421,524	8,041,540	8,147,175	25,984,528
<u>1,214,770</u>	<u>1,136,798</u>	<u>1,334,654</u>	<u>1,464,947</u>	<u>2,389,089</u>
<u>50,620,015</u>	<u>49,080,367</u>	<u>38,563,547</u>	<u>36,599,661</u>	<u>55,130,782</u>
<u>(12,581,944)</u>	<u>(11,355,719)</u>	<u>(4,688,414)</u>	<u>(3,060,631)</u>	<u>(22,958,582)</u>
3,250	300,000	201,325	-	188,660
14,979,000	8,871,000	4,395,000	2,815,000	19,991,705
-	-	5,110,000	-	-
-	-	-	-	-
-	-	(5,059,923)	-	-
413,748	141,354	567,977	35,530	128,348
-	-	-	-	(413,954)
5,727,145	5,151,766	2,606,731	3,015,099	2,605,974
<u>(4,132,765)</u>	<u>(3,542,064)</u>	<u>(818,659)</u>	<u>(1,523,061)</u>	<u>(1,163,461)</u>
<u>16,990,378</u>	<u>10,922,056</u>	<u>7,002,451</u>	<u>4,342,568</u>	<u>21,337,272</u>
4,408,434	(433,663)	2,314,037	1,281,937	(1,621,310)
21.00%	26.15%	26.70%	29.50%	54.66%

Schedule 5
City of Sun Prairie
Assessed and Equalized Value of Taxable Property
Last Ten Fiscal Years
(dollars in thousands)

Levy Year	Fiscal Year	Real Property					Personal Property ⁴	Total Assessed Value ¹	Total Equalized Value ²	Total Direct Tax Rate	Ratio of Assessed to Equalized ³
		Residential	Commercial	Manufacturing	Agricultural	Other					
2023	2024	\$ 3,694,901	\$ 1,633,062	\$ 92,457	\$ 138	\$ 506	\$ 59,057	\$ 5,480,121	\$ 5,481,682	6.3418	99.99%
2022	2023	2,786,552	1,108,576	69,275	118	501	44,799	4,009,822	4,767,507	7.5101	84.08%
2021	2022	2,708,137	1,064,894	71,791	126	442	44,657	3,890,047	4,176,131	7.3229	93.82%
2020	2021	2,643,213	1,028,578	74,067	132	442	46,467	3,792,898	3,864,129	7.1270	98.06%
2019	2020	2,237,894	903,959	57,170	99	163	41,148	3,240,432	3,634,094	8.0860	89.06%
2018	2019	2,168,954	839,489	55,892	130	381	41,727	3,106,573	3,310,112	7.9455	94.28%
2017	2018	2,102,247	782,143	62,174	196	-	62,907	3,009,876	2,984,708	7.7717	100.84%
2016	2017	1,821,842	679,317	56,148	202	-	61,298	2,618,807	2,772,246	8.4779	94.47%
2015	2016	1,772,455	660,085	53,479	222	240	60,348	2,546,829	2,566,184	8.3437	99.23%
2014	2015	1,681,513	623,248	54,822	235	443	53,562	2,413,823	2,413,489	8.4869	99.60%

Source: Statement of Assessment for the City of Sun Prairie

1 - Total assessed values do not include exempt properties. The City of Sun Prairie Assessor's Office does not assess property classified as exempt. Assessed values are established by City Assessor on all property except manufacturing property as of January 1 of each year. The Wisconsin Department of Revenue determines manufacturing property assessed values as of January 1 of each year. A revaluation of all property was completed in 2006, 2008, 2010, 2012 and 2014.

2 - Equalized values are determined by the Wisconsin Department of Revenue.

3 - Assessment ratio is calculated by the State of Wisconsin Equalization Board

4 - The State of Wisconsin passed legislation exempting class 2 personal property (machinery, tools and patterns) beginning January 1, 2018.

Schedule 6
City of Sun Prairie
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Levy Year	Budget Year	City Direct Rates						Overlapping Rates					
		General Fund	Debt Service Fund	Capital Projects Fund	TIF Districts	County Specials	Total Direct	Sun Prairie			State		Net Tax Rate
								School District ¹	Dane County	State of Wisconsin	Madison College	School Credit	
2023	2024	\$ 4.5542	\$ 1.3277	\$ -	\$ 0.4599	\$ -	\$ 6.3418	\$ 9.8620	\$ 2.7565	\$ -	\$ 0.6620	\$ (1.8508)	\$ 17.7715
2022	2023	5.3377	1.6949	-	0.4775	-	7.5101	12.5043	3.2300	-	0.8579	(1.9867)	22.1156
2021	2022	5.2330	1.6135	-	0.4764	-	7.3229	12.4661	3.1058	-	0.8661	(1.9865)	21.7744
2020	2021	4.9145	1.7451	-	0.4675	-	7.1270	12.9863	2.9208	-	0.8803	(1.9084)	22.0060
2019	2020	5.5486	2.0266	-	0.5108	-	8.0860	14.6512	3.2504	-	0.9906	(2.0525)	24.9258
2018	2019	5.4438	2.0762	-	0.4255	-	7.9455	12.8591	3.1608	-	0.9692	(2.0217)	22.9129
2017	2018	5.2213	2.1466	-	0.3492	-	7.7170	12.0274	3.1166	-	0.9339	(2.0057)	21.7892
2016	2017	5.4641	2.5275	-	0.4863	-	8.4779	13.1711	3.3054	0.1796	1.0222	(2.0531)	24.1031
2015	2016	5.3189	2.6106	-	0.4141	-	8.3436	12.8377	3.1710	0.1710	0.9344	(2.0901)	23.3676
2014	2015	5.3889	2.7236	-	0.3745	-	8.4870	12.8035	3.1166	0.1697	0.9336	(1.9503)	23.5601

Source: Annual City of Sun Prairie Adopted Operating Budget

1 - This rate is only for the Sun Prairie School District

Schedule 7
City of Sun Prairie
Principal Property Taxpayers
2023 and Nine Years Ago

Taxpayer	2023			2014		
	Taxable Assessed Value ¹	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value ¹	Rank	Percentage of Total City Taxable Assessed Value
Fedler Connery Apartments	\$ 132,294,700	1	2.41%			
Prairie Lakes Retail/Land	54,688,700	2	1.00%	\$ 24,119,429	2	1.00%
Weidner Apartments	53,049,800	3	0.97%			
Park 151	46,791,300	4	0.85%			
Continental 345 Fund LLC	42,998,700	5	0.78%			
General Casualty Co of WI	37,089,300	6	0.68%	32,183,908	1	1.33%
Ryan Great Lakes Sun Prairie LLC	33,761,100	7	0.62%			
Menards	31,053,100	8	0.57%			
Gebhardt Properties	28,730,400	9	0.52%			
Woodman's Food Market Inc	28,137,600	10	0.51%	21,735,488	3	0.90%
Costco Wholesale Corp				15,773,924	4	0.65%
SP Real Estate LLC				13,517,658	5	0.56%
Sodarock Properties LLC				13,318,594	6	0.55%
Iron Gate LLC				11,727,286	7	0.49%
WalMart Realty Co.				11,684,795	8	0.48%
Target				10,708,201	9	0.44%
Stag IV Sun Prairie LLC				10,195,788	10	0.42%
Total	<u>\$ 488,594,700</u>		<u>8.92%</u>	<u>\$ 164,965,071</u>		<u>6.82%</u>

Source: City of Sun Prairie Assessor's Office

1 - Assessed values include real and personal property.

Schedule 8
City of Sun Prairie
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Budget Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections of the Levy in Subsequent Years	Total Collections to Date ¹	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2022	2023	\$ 34,344,073	\$ 34,332,409	99.97%	\$ -	\$ 34,332,409	99.97%
2021	2022	32,774,269	32,758,085	99.95%	10,293	32,770,221	99.99%
2020	2021	31,208,899	31,188,695	99.94%	13,693	31,207,400	100.00%
2019	2020	30,069,119	30,050,513	99.94%	10,519	30,064,798	99.99%
2018	2019	27,509,672	27,494,597	99.95%	3,875	27,503,811	99.98%
2017	2018	25,416,838	25,414,354	99.99%	312	25,415,585	100.00%
2016	2017	24,832,640	24,817,778	99.94%	12,550	24,820,089	99.95%
2015	2016	23,391,590	23,382,328	99.96%	7,753	23,383,837	99.97%
2014	2015	20,485,969	20,460,372	99.88%	24,088	20,420,053	99.68%
2013	2014	19,952,811	19,931,026	99.89%	18,839	19,933,972	99.91%

Source: City of Sun Prairie Finance Department

1 - All delinquent real estate taxes are purchased 100% by Dane County.

2 - Wisconsin state law requires counties to pay 100% of real property taxes levied to Cities. Personal property taxes remain the responsibility of the City for collections.

Schedule 9
City of Sun Prairie
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General	Financed Purchases¹	General	Sun Prairie Utility	Wastewater	Other Long-Term Debt			
	Obligation		Revenue	Revenue					
	Bonds/Notes¹		Bonds/Notes¹	Bonds					
2023	\$ 60,348,844	\$ 17,485	\$ 28,507,157	\$ 9,270,000	\$ 16,179,814	\$ 354,167	\$ 114,677,467	6.98%	2,987
2022	57,935,582	1,507,553	30,059,524	9,830,000	17,882,854	404,167	117,619,680	7.48%	3,153
2021	57,654,929	2,996,969	31,595,057	10,806,891	19,552,709	454,167	123,060,722	8.30%	3,381
2020	63,902,954	4,454,075	28,205,059	5,335,000	4,880,350	-	106,777,438	7.75%	2,975
2019	64,329,518	5,809,506	29,141,139	5,925,000	5,789,822	-	110,994,985	8.40%	3,178
2018	51,461,176	7,048,229	23,122,980	6,594,213	6,678,282	-	94,904,880	7.70%	2,794
2017	43,144,827	8,398,229	16,992,478	7,554,646	7,546,215	-	83,636,395	7.18%	2,540
2016	40,019,095	12,361,797	14,565,024	8,390,000	8,394,096	-	83,730,012	7.44%	2,567
2015	39,790,945	14,223,562	4,366,777	9,325,000	9,222,387	-	76,928,671	7.14%	2,418
2014	43,337,938	15,990,695	3,178,763	10,412,944	10,031,542	-	82,951,882	8.25%	2,658

Source: City of Sun Prairie Finance Department

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Presented net of premiums on long-term debt.

Schedule 10
City of Sun Prairie
Ratios of Outstanding Debt To Equalized Value
Last Ten Fiscal Years

Fiscal Year	General Outstanding Debt ²	Restricted Debt Service	Net General Obligation Debt	Equalized Valuation ¹	Percent of Debt to Equalization	Estimated Population	Debt Per Capita
2023	\$ 88,856,001	\$ 654,590	\$ 88,201,411	\$ 5,481,682,200	1.61%	38,387	2,315
2022	87,995,106	310,425	87,684,681	4,767,506,600	1.84%	37,304	2,359
2021	89,249,986	296,713	88,953,273	4,176,130,900	2.13%	36,394	2,452
2020	92,108,013	4,989,077	87,118,936	3,864,128,900	2.25%	35,895	2,566
2019	93,470,657	849,582	92,621,075	3,634,094,300	2.55%	34,926	2,676
2018	74,584,156	43,412	74,540,744	3,310,111,700	2.25%	33,966	2,196
2017	60,137,305	133,729	60,003,576	2,984,707,700	2.01%	32,933	1,826
2016	54,584,119	10,723	54,573,396	2,772,245,800	1.97%	32,613	1,674
2015	44,157,722	10,332	44,147,390	2,566,183,900	1.72%	31,810	1,388
2014	46,516,701	31,614	46,485,087	2,413,488,900	1.93%	31,210	1,490

Source: City of Sun Prairie Finance Department

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Wisconsin uses equalized value for calculating legal debt limit. Equalized value is set at January 1 of the calendar year.

2 - Presented net of premiums on long-term debt.

Schedule 11
City of Sun Prairie
Computation of Direct and Overlapping Debt
December 31, 2023

Jurisdiction	Debt ¹ Outstanding	Percent Applicable to City of Sun Prairie ²	Amount Applicable to City of Sun Prairie
Direct Debt			
City of Sun Prairie	\$ 60,366,329	100%	\$ 60,366,329
Overlapping Debt			
Sun Prairie School District	307,875,000	65.13%	200,511,337
DeForest School District	133,498,000	0.13%	175,922
Madison College	189,585,000	3.96%	7,506,918
Dane County	<u>681,070,000</u>	5.13%	<u>34,926,950</u>
Total Overlapping Debt			<u>243,121,127</u>
Total Direct and Overlapping Debt			<u><u>\$ 303,487,456</u></u>

¹ Does not include assets in Debt Service Funds.

² The percent applicable to the city is calculated by dividing the City's equalized value into the total equalized value of the indirect debt entity.

Schedule 12
City of Sun Prairie
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Equalized Value ¹	\$ 5,481,682,200	\$ 4,767,506,600	\$ 4,176,130,900	\$ 3,864,128,900	\$ 3,634,094,300	\$ 3,310,111,700	\$ 2,984,707,700	\$ 2,772,245,800	\$ 2,566,183,900	\$ 2,413,488,900
Debt Limit ²	274,084,110	238,375,330	208,806,545	193,206,445	181,704,715	165,505,585	149,235,385	138,612,290	128,309,195	120,674,445
Total General Obligation Debt	85,677,381	85,022,785	86,396,012	89,293,441	90,620,827	72,772,859	58,836,919	53,112,875	43,012,649	45,958,690
Amount of Debt Applicable to Debt Limitation										
Total Debt Applicable to Debt Limit	85,677,381	85,022,785	86,396,012	89,293,441	90,620,827	72,772,859	58,836,919	53,112,875	43,012,649	45,958,690
Less: Assets in Debt Service Fund Available for Payment of Principal	552,866	310,425	296,713	4,989,077	849,582	43,412	133,729	10,723	-	30
Net Debt Applicable to Debt Limit	85,124,515	84,712,360	86,099,299	84,304,364	89,771,245	72,729,447	58,703,190	53,102,152	43,012,649	45,958,660
Remaining Legal Debt Margin	188,959,595	153,662,970	122,707,246	108,902,081	91,933,470	92,776,138	90,532,195	85,510,138	85,296,546	74,715,785
Total Debt Applicable to the Limit as a Percentage of Debt Limit	31.06%	35.54%	41.23%	43.63%	49.41%	43.94%	39.34%	38.31%	33.52%	38.08%

1 - Source - Department of Revenue

2 - In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of the taxable property within the City's jurisdiction.

Schedule 13
City of Sun Prairie
Sun Prairie Utility Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Direct Operating Revenues	Direct Operating Expenses ¹	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2023	\$ 36,211,593	\$ 29,401,491	\$ 6,810,102	\$ 580,000	\$ 243,560	\$ 823,560	8.27
2022	37,565,801	30,965,465	6,600,336	560,000	263,416	823,416	8.02
2021	34,090,905	27,889,639	6,201,266	550,000	282,860	832,860	7.45
2020	31,749,647	25,357,546	6,392,101	615,000	176,392	791,392	8.08
2019	30,898,998	25,360,468	5,538,530	590,000	199,184	789,184	7.02
2018	31,621,954	26,396,577	5,225,377	570,000	222,145	792,145	6.60
2017	31,659,787	25,917,588	5,742,199	945,000	247,825	1,192,825	4.81
2016	31,495,502	25,496,910	5,998,592	950,000	274,777	1,224,777	4.90
2015	30,512,780	25,277,906	5,234,874	920,000	325,970	1,245,970	4.20
2014	29,830,958	25,043,349	4,787,609	935,000	266,853	1,201,853	3.98

Source: City of Sun Prairie Finance Department

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

Sun Prairie Utility Revenue Bonds are backed by electric and water rates.

¹ - Includes total operating expenses less depreciation.

Schedule 14
City of Sun Prairie
Sun Prairie Water Pollution Control Facility Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Direct Operating Revenues	Direct Operating Expenses ¹	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2023	\$ 6,167,888	\$ 3,540,543	\$ 2,627,345	\$ 1,736,914	\$ 240,763	\$ 1,977,677	1.33
2022	5,755,412	2,852,129	2,903,283	1,703,039	274,991	1,978,030	1.47
2021	5,453,196	2,510,511	2,942,685	1,669,856	308,520	1,978,376	1.49
2020	5,353,221	2,339,458	3,013,763	930,981	104,411	1,035,392	2.91
2019	4,621,775	2,261,557	2,360,218	909,472	126,175	1,035,647	2.28
2018	4,296,400	2,164,119	2,132,281	888,460	147,435	1,035,895	2.06
2017	3,972,177	1,996,839	1,975,338	867,933	168,205	1,036,138	1.91
2016	3,891,120	1,969,646	1,921,474	847,881	188,494	1,036,375	1.85
2015	3,771,488	1,851,183	1,920,305	809,155	227,678	1,036,833	1.85
2014	3,762,049	1,703,770	2,058,279	790,461	246,593	1,037,054	1.98

Source: City of Sun Prairie Finance Department

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

Water Pollution Control Facility Revenue Bonds are backed by wastewater rates.

¹ - Includes total operating expenses less depreciation.

Schedule 15
City of Sun Prairie
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Sun Prairie		Per Capita Personal Income			Unemployment Rates ³		
	Population ¹	Personal Income ²	City of Sun Prairie	Dane County	State of Wisconsin	City of Sun Prairie	Dane County	State of Wisconsin
2023	38,387	\$ 1,641,952,712	\$ 42,774	\$ 47,645	\$ 39,244	2.30%	2.30%	3.00%
2022	37,304	1,573,202,626	42,172	46,443	38,062	2.20%	2.20%	2.90%
2021	36,394	1,482,459,759	40,734	45,615	35,440	3.30%	2.80%	3.80%
2020	35,895	1,377,870,500	38,386	43,482	33,967	5.00%	4.80%	6.30%
2019	34,926	1,321,347,804	37,833	42,952	33,258	2.50%	2.40%	3.30%
2018	33,966	1,233,243,129	36,308	40,153	31,962	2.30%	2.20%	3.00%
2017	32,933	1,164,737,156	35,367	38,542	30,182	2.40%	2.40%	3.30%
2016	32,613	1,125,874,149	34,522	37,523	29,711	3.00%	2.90%	4.10%
2015	31,810	1,077,214,189	33,864	36,614	29,145	3.20%	3.20%	4.60%
2014	31,210	1,005,420,020	32,215	34,798	27,624	3.90%	3.80%	5.50%

¹⁻ Wisconsin Department of Administration

²⁻ Wisconsin Department of Revenue; Wisconsin Municipal Income Per Return Report (AGI)

³⁻ Wisconsin Department of Workforce Development

Schedule 16
City of Sun Prairie
Principal Employers
2023 and Nine Years Ago

Taxpayer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sun Prairie School District	1,501	1	7.15%	1,122	2	6.22%
City of Sun Prairie	758	2	3.61%	412	3	2.29%
Colony Brands	505	3	2.41%			
Costco	419	4	2.00%	200	6	1.11%
QBE Insurance (formerly General Casualty)	400	5	1.91%	1,500	1	8.32%
Prairie Athletic Club	400	5	1.91%	200	5	1.11%
Wisconsin Distributors	377	6	1.80%			
Axim Geospatial	350	7	1.67%			
Target	274	8	1.31%			
Trachte Building Systems Inc.	270	9	1.29%	200	7	1.11%
Royle Printing	244	10	1.16%	160	8	0.89%
Veyance Technologies				250	4	1.39%
Pan-O-Gold Baking Co.				150	9	0.83%
Kobussen Buses Ltd				150	10	0.83%
Total	5,498		26.19%	4,344		24.10%

Source: City Economic Development Division

Schedule 17
City of Sun Prairie
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/ program	Full Time Equivalent Employees									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety										
*Fire	27.0	26.0	26.0	26.0	14.0	14.0	14.0	9.0	7.0	6.0
Police	81.0	80.0	78.0	77.0	76.0	76.0	73.4	73.4	72.4	72.8
EMS	23.5	15.0	15.0	14.0	14.0	14.0	13.0	13.5	14.5	14.5
Elected officials										
Common council	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Municipal court	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
General government										
Administration	5.0	4.0	4.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0
Attorney	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Assessor	4.0	4.0	4.0	2.0	4.0	4.0	5.0	4.8	4.3	4.3
Clerk	3.0	3.0	4.6	4.6	4.6	4.6	3.3	3.3	3.0	3.0
Finance	7.6	6.6	5.6	6.6	6.0	5.1	4.6	4.6	4.5	4.5
Information technology	6.0	6.0	5.0	5.0	5.0	7.0	5.7	5.5	4.6	4.8
Human resources	4.0	4.0	4.0	4.0	3.5	3.5	3.5	2.8	2.5	2.5
Building maintenance	3.5	3.0	3.0	3.0	3.0	2.5	2.0	2.0	2.0	1.5
Planning/ Community Dev.	6.0	6.0	5.0	5.0	4.8	4.8	3.8	3.8	3.8	3.8
Economic development	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	1.0
Building inspection	8.0	7.0	6.0	6.0	6.0	5.6	5.3	4.0	3.9	3.9
Public works										
Public works	15.0	13.0	13.0	11.4	10.1	9.1	10.0	10.0	10.0	14.5
Refuse & recycling	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	-
Fleet inservice fund**	3.6	3.6	3.6	3.6	3.6	3.6	3.6	4.0	4.0	-
Parks and forestry	10.0	9.0	9.0	9.0	9.0	7.0	7.5	7.0	6.5	6.5
Stormwater utility	5.0	5.0	5.0	5.0	6.3	6.3	6.3	4.3	4.3	4.0
Engineering	10.0	9.0	9.0	6.0	7.3	7.3	6.3	6.3	6.3	6.3
WWTP	15.0	14.0	12.0	12.0	10.0	10.0	10.0	10.0	10.0	10.0
Sun prairie utilities	35.0	34.9	33.9	32.9	31.9	32.3	30.3	30.3	30.8	31.9
Recreation programs	4.0	4.0	3.7	3.7	3.5	3.0	3.0	3.0	3.0	3.0
Historical museum	2.0	1.0	1.0	1.0	1.0	1.0	-	-	-	-
Library		23.4	23.4	23.4	24.1	23.5	23.0	22.6	23.0	23.8
Media center	4.0	4.0	3.9	3.9	3.9	3.9	5.2	4.7	4.7	4.7
Total	297.7	301.0	293.2	283.6	256.1	252.4	242.1	236.2	234.4	235.1

*The Fire Department is a separate 501c3 volunteer fire department. The schedule only shows the full-time employee hours and does not include the volunteer hours.

** The Fleet Inservice Fund was created in 2015. Prior to this the fleet department was included in Public Works.

Schedule 18
City of Sun Prairie
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety										
Police										
Arrests	1,136	1,012	1,057	848	792	1,121	645	641	509	548
Citations ²	2,409	2,499	2,153	2,869	3,282	2,707	2,914	2,680	2,385	2,452
Warnings	4,024	2,739	2,150	1,607	2,671	2,788	3,042	3,420	2,863	3,596
Fire Department										
Total Calls	2,679	2354	2071	1,966	1,970	1,917	1,373	1,120	1,020	1,003
Fire Calls	106	758	791	828	1,018	945	652	59	64	103
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Apparatus	9	11	11	11	11	12	12	11	11	11
EMS										
Calls	4424	3876	3,368	3,213	3,165	2,839	2,828	2,467	2,391	2,205
En route Time (minutes)	1.49	1.46	1.38	1.93	6.38	1.87	1.45	1.25	1.22	1.25
To Scene (minutes)	5.34	6.51	6.52	7.07	6.5	6.27	6.12	4.21	4.20	4.41
Public Works										
Refuse/ Recycling ¹										
Units Collected	10,877	10,777	10,726	10,440	10,326	10,163	9,917	9,743/9,820	9,627	9,519
Recycle Cost per Unit	\$ 3.80	\$ 3.65	\$ 2.25	\$ 2.70	\$ 2.55	\$ 2.40	\$ 2.25	\$3.32/\$2.10	\$ 3.32	\$ 3.25
Recycling Tonnage	2,876	2,627	2,785	2,999	2,815	2,726	2,578	2,737	2,763	2,758
Refuse Tonnage	8,339	8,738	8,293	8,621	7,677	7,327	7,494	7,255	7,250	6,736
Refuse Cost per Unit	\$ 7.30	\$ 7.15	\$ 7.00	\$ 7.40	\$ 7.25	\$ 7.10	\$ 6.95	\$8.13/\$6.80	\$ 8.13	\$ 7.94
Recreation										
Shelter/ Gazebo Reservations	355	332	388	90	302	372	168	363	401	301
Athletic Field Reservations	1,399	1,440	1,832	969	426	429	500	572	593	621
Program Enrollments ³	4,036	4,205	2,791	2,712	3,111	4,661	4,898	7,906	7,400	8,196
Open Swim Attendance	21,998	20,241	16,037	0	18,840	22,426	26,353	31,316	30,051	23,281
Library										
Circulation	663,668	646,979	418,635	385,823	684,407	635,368	648,172	643,423	634,628	644,178
Visits	189,475	173,614	104,397	77,107	225,660	232,931	231,554	236,526	219,893	221,615
Registered Borrowers	23,553	22,688	23,618	22,450	23,616	23,156	23,830	23,455	22,921	22,649
Internet/ Computer Use	15,129	12,729	639,762	154,576	19,671	304,737	286,763	261,504	218,385	185,909
Volumes	144,255	148,684	145,665	144,785	141,755	138,464	134,186	133,955	130,286	112,962
WWTP										
Wastewater Treatment (thousands of gallons)	1,234,765	1,146,952	1,148,975	1,439,960	1,532,270	1,431,837	1,485,512	1,394,968	1,093,819	1,228,833
Sun Prairie Utilities										
Water Main Breaks	7	12	4	11	5	16.0	19.0	12.0	12	15
Water Mains Added (miles)	0.46	3.10	4.17	2.94	9.78	3.8	4.1	0.7	2.9	2.2
Water Mains Replaced (miles)	0.68	0.70	1.27	1.57	2.29	2.4	1.5	0.9	1.3	1.7
Pumpage (Gallons) (thousands)	1,111,628	1,023,342	997,159	950,617	915,696	976,463	987,169	970,006	923,654	894,825
Electric Customers	18,262	17,382	17,189	16,734	16,400	15,951	15,351	14,955	14,660	14,733
Electric Meters	18,261	17,382	17,125	16,734	16,399	16,103	16,555	15,505	15,014	15,304
Electric Meters Added	880	257	455	334	296	749	1,050	491	146	177
Current Distribution (miles)	309	316	312	306	299	287	280	286	282	200
Miles Added	2	4	7	3	12	7	-	4	7	4
Miles Retired	9	0	1	1	-	-	6	-	1	-
Energy Used (kWh)	299,237,645	303,465,789	304,663,161	291,319,505	294,093,056	299,902,450	283,216,940	282,102,714	269,676,644	264,912,000
Peak Demand (kW)	74,755	68,953	68,330	68,137	66,783	65,160	60,742	62,481	57,530	58,125

Source: Department annual reports

1 - The City changed contractors for residential refuse and recycle collection on May 1, 2016. The City was able to receive a substantially lower rate.

2 - The Citations issued do not include parking citations.

3 - Program Enrollments for 2019 do not include the Winter/Spring session due to changes in registration software