



2025 POPULAR ANNUAL FINANCIAL REPORT



City of Sun Prairie, WI
For the Year Ended December 31, 2025

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POPULAR ANNUAL FINANCIAL REPORT

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TO OUR SUN PRAIRIE RESIDENTS

Thank you for your interest in the City's finances.

This report is the Popular Annual Financial Report (PAFR) for the 2025 fiscal year. The PAFR summarizes the City's financial information and operations in a concise and easy to read format, providing residents with information on the current state of the City.

Each year, the City provides a significant number of financial details in its [Annual Comprehensive Financial Report \(ACFR\)](#). For those without a municipal finance background, the Annual Comprehensive Financial Report can be daunting. In our effort to provide greater transparency, the City strives to provide pertinent information in a clear, understandable, and meaningful way.



Financial information in this report is derived from the independently audited financial statements which are part of the City's 2025 Annual Comprehensive Financial Report. This report is not intended to be comprehensive, but rather to provide an easier to understand picture of the City's financial condition.

Sun Prairie is a full-service community offering core services such as police, fire, and emergency medical service, as well as a broad array of social, cultural, community, and recreational opportunities. Sun Prairie offers 48 parks, family-friendly events year-round, an aquatic center, 75 miles of on-street bike lanes and off-street paths, a strong school system, and more.

Sun Prairie continues to be an attractive place to live, welcoming 660 new residents in 2025. To ensure the city continues to provide high quality services, the city took on several new projects in 2025. The library broke ground in 2024 on its \$26 million renovation and expansion project with construction continuing through 2025. This facility project doubles the square feet of the library offering new amenities including the city's first community resiliency center. The library project was completed in Spring of 2026. The City began an innovative project at the Wastewater Treatment Facility. This two-part \$66 million upgrade to meet the city's current and projected future growth needs, also ensures compliance with WI DNR solids storage requirements. This project continued throughout 2025 and will be completed in 2026. Finally, the City began construction on a \$7 million renovation project for the Family Aquatic Center. This project modernizes the facility including an updated bath house, new aquatic features and slides, and solar trees to provide shade and offset energy use.

In addition to these facility enhancements, Sun Prairie has made investments in housing and transportation services to advance resident's quality of life. Sun Prairie partners with Madison Metro's Bus Rapid Transit (BRT). BRT uses larger buses, dedicated lanes, and a new fare collection system to move residents quickly and efficiently from Sun Prairie into the city of Madison. Today, the city is served by three fixed-route bus routes, as well as paratransit services for those who qualify. The city partners with Tenant Resource Center, allowing renters to get assistance understanding their rights, communicating with landlords, and obtaining emergency rental assistance. In 2025, the City committed to further improve the housing stock within the community by providing additional funding for the Affordable Housing Fund.

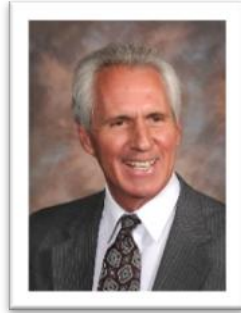
Sun Prairie is committed to being an inclusive community, with a focus on resiliency, sustainability, and good governance. As we strive to ensure our community is a welcoming place, we have committed ourselves to advancing equity, honoring our diverse identity, and creating an inclusive culture. These serve as guiding principles every day in all that we do.

Sincerely,

A handwritten signature in black ink that reads "Aaron Oppenheimer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Aaron Oppenheimer
City Administrator

2025 MAYOR AND CITY COUNCIL



Steve Stocker

Mayor



Theresa McIlroy

Aldermanic District 1



Bob Jokisch

Aldermanic District 2



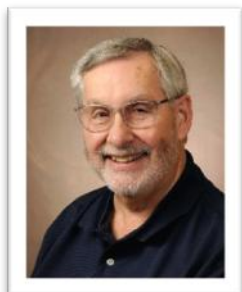
Maureen Crombie

Aldermanic District 3



David Virgell

Aldermanic District 4



Steve Stocker

Aldermanic District 1



Santiago Rosas

Aldermanic District 2



Michael Jacobs

Aldermanic District 3



Cassi Benedict

Aldermanic District 4

AWARDS AND RECOGNITION

The City of Sun Prairie was awarded its 9th Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its 2024 Popular Annual Financial Report. The award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Sun Prairie
Wisconsin**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

OTHER NOTEWORTHY AWARDS

The City of Sun Prairie was awarded a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. This was the tenth consecutive year that the City has received this prestigious award.

In addition, the City of Sun Prairie also earned the Distinguished Budget Presentation Award for its presentation of the 2025 Capital and Operating Budget. This marks the eighth consecutive year the City has achieved this award.

Receiving all three major awards — for the Annual Comprehensive Financial Report (ACFR), Popular Annual Financial Report (PAFR), and Budget — has earned the City the coveted Triple Crown Title, a distinction that highlights the City's ongoing commitment to transparency, accountability, and excellence in financial reporting.

CITY OF SUN PRAIRIE, WISCONSIN

SUN PRAIRIE, WI

POPULATION
40,079

MEDIAN AGE
37

MEDIAN HOUSEHOLD INCOME
\$90,521

UNEMPLOYMENT RATE
2.3%

NUMBER OF BUSINESSES
964

MEDIAN HOME VALUE
\$464,500

Growing Community

Sun Prairie is a vibrant and thriving community; known in the region for its high quality of life, excellent parks and recreation programs, historic downtown, its exceptional public school system, and progressive approach to the development and redevelopment of the community.

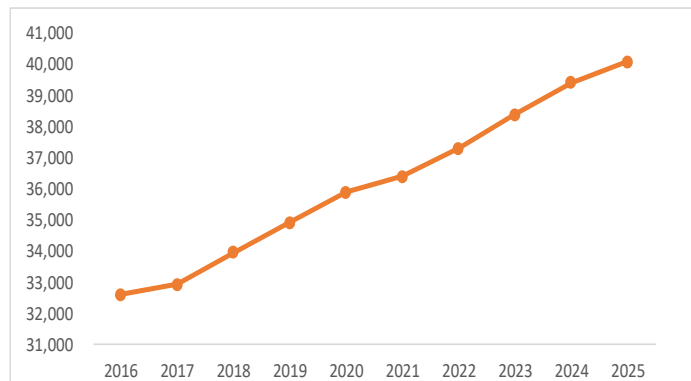
As the City continues to grow, the need and demand for City services will also increase. Documents such as this report are important tools to communicate the City's finances with the public. This document demonstrates the City is responsibly managing public funds to provide service to the community.

Since 2010, Sun Prairie's population has increased 36.6 percent, which translates to a 2.1 percent Compound Annual Growth Rate (CAGR). As a percentage of the State of Wisconsin population, Sun Prairie is one of the fastest growing municipalities in the State. This is also reflected in the fact that the Sun Prairie Area School District is also one of the fastest growing school districts in Wisconsin.

Notable projects for 2025 include the completion of a \$50 million medical facility, phase two of a large apartment complex, two daycare projects and an affordable housing complex. Residential development continued throughout the City. Construction also began on a full-service hotel, with expected completion date in 2026.

City of Sun Prairie, Population

Source: Wisconsin Department of Administration, Population Estimates



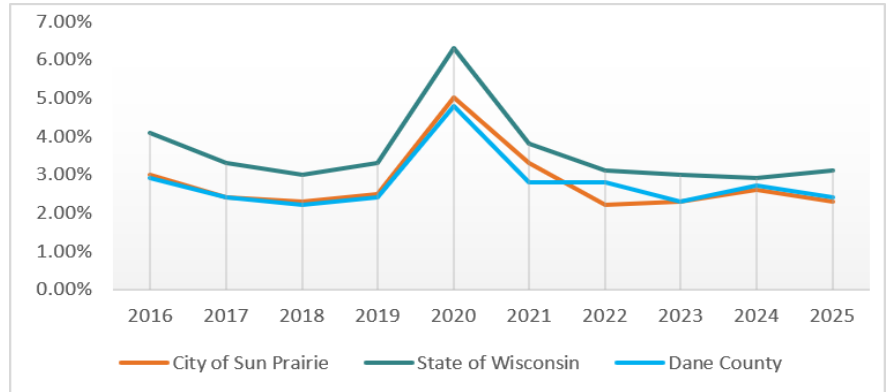
Sun Prairie's Population has increased 34.2% since the 2010 census. Whereas Dane County, less Sun Prairie, has grown by 19.7%.



Economy

Sun Prairie also benefits from a strong and diverse local economy.

The City's 2025 unemployment rate¹ of 2.3 percent was lower than Dane County (2.4 percent) and lower than the State of Wisconsin as a whole (3.1 percent). This shows continued recovery from the job losses caused in part by the COVID-19 pandemic and economic downturn of 2020.



Employers within the City represent a variety of different industries with positions of varying skills and education levels. Some of the industries include advanced manufacturing, finance and insurance, agricultural technology, retail, customized product design, printing, publishing and graphics, warehousing and distribution, and others.

Sun Prairie's Top Ten Employers² account for nearly twenty-five percent of total City employment.

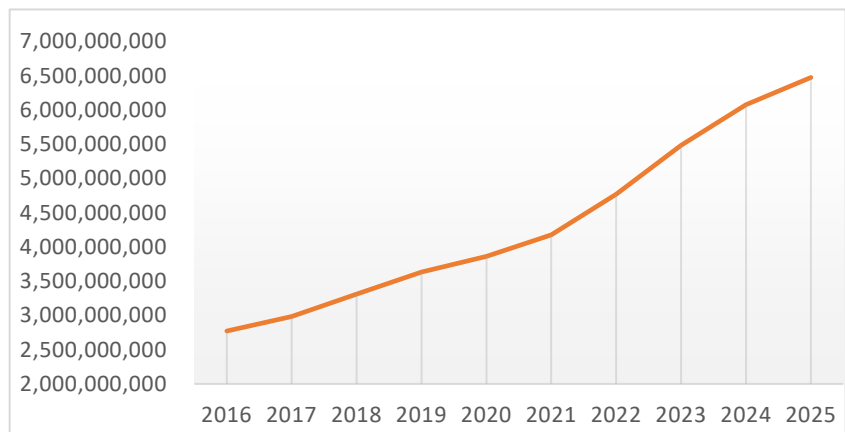
Top Ten Employers

Source: City Economic Development Division

Rank	Employer	Employees	Rank	Employer	Employees
1	Sun Prairie School District	1,501	6	Wisconsin Distributors	412
2	City of Sun Prairie	992	7	Axim Geospatial	360
3	QBE Insurance	600	8	Prairie Athletic Club	300
4	Colony Brands	505	9	Trachte Building Systems, Inc.	291
5	Costco	419	10	Target	274

Over the last ten years, the City has seen significant increases in its equalized value³. Equalized value increased by 6.5 percent in 2025, growing to almost \$6.5 billion. Over the long-term, the City is likely to continue to experience significant residential and commercial growth due to its proximity to the city of Madison.

In 2025, the City experienced net new construction⁴ growth of \$165.2 million as reported by the Wisconsin Department of Revenue.



Government and Organization

The City operates under a Mayor - Council form of government. The Mayor is elected for two years and eight council members representing four districts are elected for staggered two-year terms. The City Council appoints the City Administrator to carry out council policies and administer City operations. The City Council appoints city department heads as specified in city ordinances. The City operates its own electric, water, wastewater and stormwater utilities.

1 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 15: Demographics and Economic Statistics (Pg. 126)

2 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 16: Principal Employers (Pg. 127)

3 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 12: Computation of Legal Debt Margin (Pg. 123)

4 - State of Wisconsin, Department of Revenue - Report: Net New Construction 2025

COMMUNITY PROFILE

Location

Located in northeastern Dane County, Sun Prairie is part of the Madison, Wisconsin Metropolitan Statistical Area (MSA), the political center of the state and the second largest economic and populous MSA in Wisconsin. The city shares a border with the City of Madison, which is the state capitol.

Dane County, Wisconsin

Dane County was formed in 1836 as a territorial county and organized in 1839. It was named after Nathan Dane, a Massachusetts delegate to the Congress of the Confederation who helped carve Wisconsin out of the Northwest Territory. Dane County was settled in the 1840's by settlers from New England.

Dane County Government

Dane County is governed by a County Executive and a County Board of Supervisors. The County Executive is elected in a countywide vote. The Board of Supervisors consists of 37 members, each elected from single-member districts. As the policy-making body of the county government, the Board of Supervisors enacts county ordinances, levies taxes, and appropriates money for services.

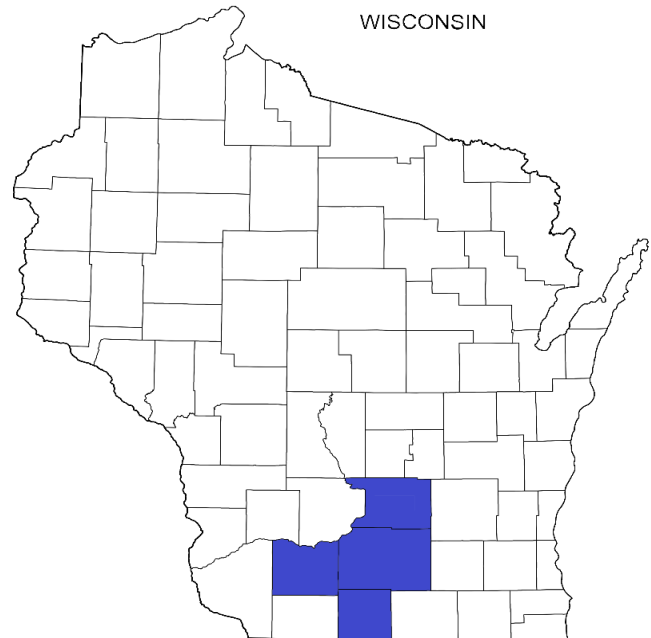
Diversity

The City of Sun Prairie continues to evolve into a more diverse and dynamic organization and community. The City wholeheartedly embraces this diversity, seeing it as a source of strength and vitality. The City is committed to advancing equity, honoring our diverse identity and fostering inclusive culture. The City of Sun Prairie cultivates a community where all are welcome.

The City hosted a Mural Fest in June. The week-long event included community mural paintings, watching talented muralists bring blank walls to life across downtown locations, and touring the finished works.

Madison Metropolitan Statistical Area

Source: Wisconsin Department of Workforce Development



Throughout the month of July, the Mayor officially proclaims the city's name as the "City of Fun Prairie," inviting all to take part in a variety of exciting community events.

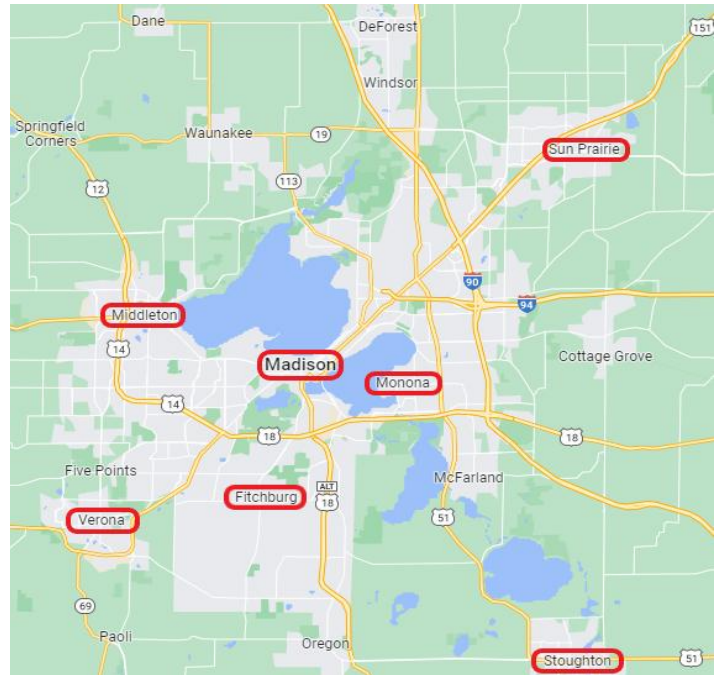
COMMUNITY COMPARISONS

Popularly referred to as the Greater Madison Area (GMA), this area includes several adjacent communities with distinct municipal jurisdictions. The following section provides a perspective on the relative populations of the largest cities in the GMA.

This information was obtained from city Budget Offices, as well as printed and online budget documents.

2025 City Population

Madison	286,233
Sun Prairie	40,079
Fitchburg	34,615
Middleton	23,115
Verona	16,821
Stoughton	13,256
Monona	8,664



Square Miles

Madison	94.03
Fitchburg	35.21
Sun Prairie	13.1
Middleton	9.12
Verona	7.56
Stoughton	6.35
Monona	3.35

Property Tax Rate

per \$1,000 assessed value

Sun Prairie	\$ 20.260
Middleton	\$ 18.937
Madison	\$ 18.656
Monona	\$ 17.869
Fitchburg	\$ 17.508
Stoughton	\$ 17.425
Verona	\$ 16.555

City Tax Rate

per \$1,000 assessed value

Stoughton	\$ 7.3600
Sun Prairie	\$ 7.1384
Madison	\$ 7.0030
Monona	\$ 6.0903
Middleton	\$ 5.7690
Fitchburg	\$ 5.4236
Verona	\$ 4.1777

OUR COMMUNITY

Real Estate Parcels:

12,445



Dog Tags Issued:

1,108



Library Visits:

204,347



Library Items
Circulated: 616,707



Roadways Maintained:

149 miles



Open Swim Attendance:

24,435



Park Reservations:

263



Recreation Program
Enrollments: 4,021



Recycling Tonnage:

2,892



Water Pumped:
1.076 Billion Gallons



Police Arrests: 1,278



Fire Calls Received: 2,872



Emergency Service Responses: 5,084



FINANCIAL STABILITY: SUN PRAIRIE'S SNAPSHOT OF OBJECTIVES

Overall Health of the City

How do we know Sun Prairie's finances are in good shape? The city is financially healthy because it delivers the services its residents expect with the resources its residents provide. What are the most meaningful financial performance measurements for municipal government? Below are some of the tools the City of Sun Prairie uses to gauge our financial results.

Fund Balance: There is no single number in governmental accounting and financial reporting that attracts more attention than the fund balance. Maintenance of an adequate fund balance is important because it provides a financial "safety net" in the event of emergencies, economic downturns, or other unforeseen circumstances. If there is one thing history can teach us, it is to expect the unexpected. Cities prepare for the unexpected by having savings in the form of fund balance. Fund balance maintenance is also a major factor considered by bond rating agencies when evaluating the city's creditworthiness. The City's fund balance policy is designed to assure the city has sufficient cash flow, stabilization and emergency reserves for the City.

Financial Planning: Sun Prairie has a track record of converting strategic decisions into constructive action and managing its long-term needs in a methodical manner. The city uses historical budget analysis, revenue projections, long range growth models, a five-year Financial Management Plan, and the ten-year Capital Improvement Plan to determine future needs, timing, and acquisition of assets. Understanding long-term needs and obligations is paramount to planning for their impact. Whether accounting for utility expansions and the related environmental best practices, retirement funding, healthcare, or building maintenance, it is important to plan today for tomorrow's needs.

Credit Ratings: Similar to a personal credit score, a municipal credit rating provides information about our ability to pay back debt. External credit ratings are very important and have a direct influence on the city's ability to borrow at a lower interest rate and successfully borrow money to complete the acquisition and construction of capital assets.

Investment Policy: The City has adopted an investment policy with guidelines for allowable investments including 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.

Budget: Wisconsin State Statutes require that the city adopt a balanced budget each year. The budget provides the guidance to the city to make sure spending is in line with revenue. Historically, the city's performance versus budget has been sound and often better than projected.

Debt: Most people don't pay cash for major investments like a home, but instead responsibly use debt to spread the cost of larger purchases over time. Like a household with finances in good shape, the city's debt is moderate. The city's outstanding General Obligation debt is well under the State of Wisconsin's statutory limits.

Economic Development: Sun Prairie is home to one of the fastest growing retail areas in the state, has one of the most successful downtown redevelopment areas, and continues to be one of the region's most successful employment centers with growing manufacturing, technology and entrepreneurial sectors. The City has had success with using Tax Increment Financing (TIF) to support economic development. This economic development tool has been used to develop the Sun Prairie Business Park and revitalize the downtown. TIF guidelines are continuously reviewed to help direct and evaluate requests for financial assistance through existing active TIF districts. The City closely monitors the financial health of the City's TIF districts and their development goals.

FUND ANALYSIS OF THE CITY AS A WHOLE

Definition

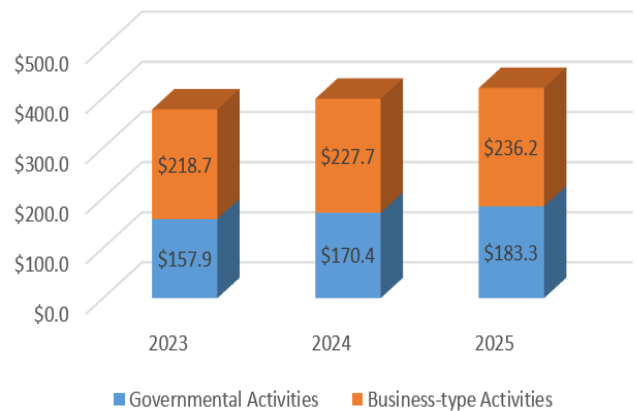
Net Position represents the difference between assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. When examined over time, an increase in net position measures whether the City's financial position is improving. Generally speaking, a positive net position is a good thing.

The City's Governmental Activities and Business-type Activities total net position⁵ increased by \$21.4 million or 5.4 percent during the current fiscal year due to an increase in investments in capital assets such as land, buildings, building improvements, machinery and equipment, and infrastructure. Net position also increased due to the increase in restricted net position for both economic development and transportation improvement initiatives. City investments were funded with general obligation bonds and notes.

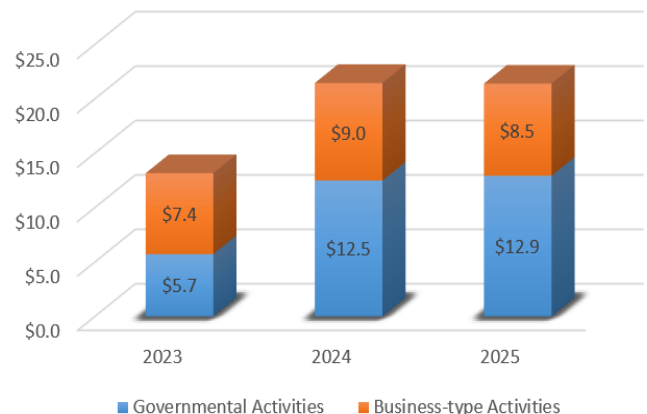
The net investment in capital assets accounts for 76.4 percent of the city's total net position. This represents both the city's investment in capital assets less any related debt used to acquire those assets. The city uses these capital assets to provide services to citizens; consequently, these assets 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.



**Net Position
(in millions)**



**Change in Net Position
(in millions)**



GOVERNMENTAL ACTIVITIES

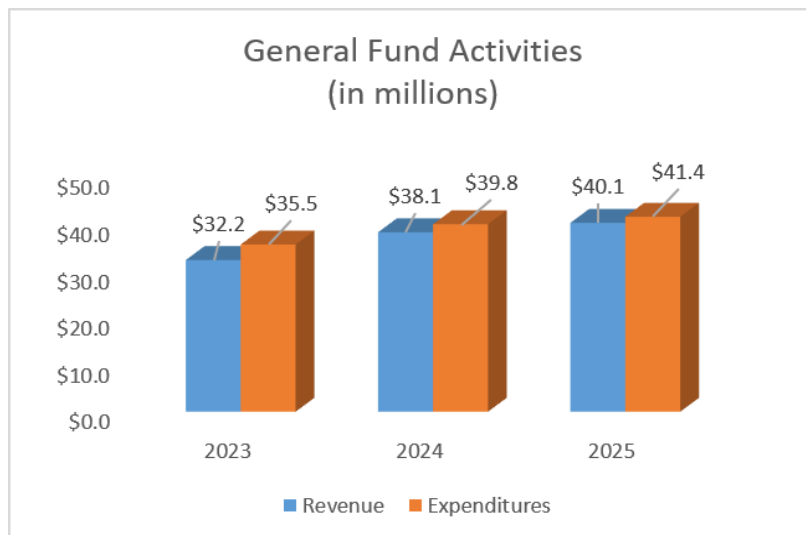
General Fund

The General Fund is the city's primary operating fund, and accounts for the revenue and expenditures associated with operating traditional local governmental services such as police, fire, ems, public works, parks and recreation and overall City administration.

Definitions

Intergovernmental revenue is funds received from another government, either in the form of state aids, a grant or as reimbursement.

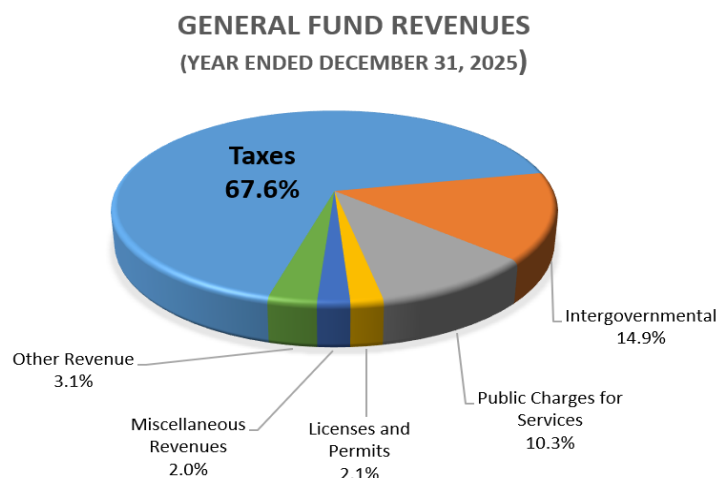
Public Charges for Services include items such as ambulance fees, recreational fees, program fees, dog park fees, special events, and other City services.



Revenues

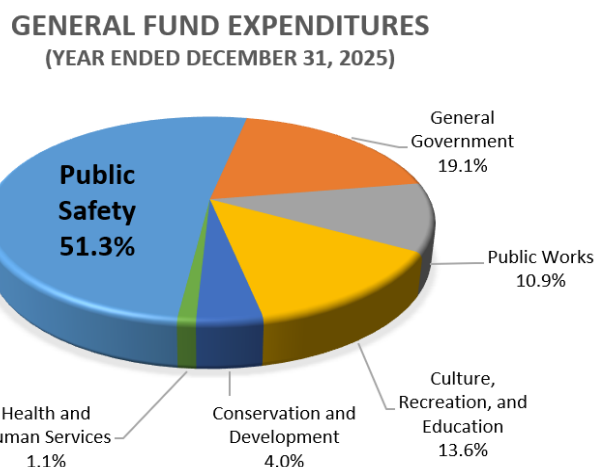
In 2025, the city's General Fund received \$40.1 million in revenues⁶, representing 56.7 percent of total Governmental Funds revenues. This was an increase of \$2 million from the prior year.

The city is highly dependent upon property taxes for funding and it remains the largest source of revenues representing 67.6 percent of total revenue. Intergovernmental revenues and other operating and capital grants comprise 14.8 percent, while public charges for services account for 10.3 percent of total general fund activity resources.



Expenditures

Total General Fund expenditures were \$41.4 million in 2025. Public safety (including police, emergency medical services, building inspection, and fire services) accounts for the largest share of city expenses at 51.2 percent. This is followed by general government with 19.1 percent; culture, recreation, and education with 13.6 percent; public works with 10.9 percent; and conservation and development with 4.1 percent. Savings in General Fund expenditures of \$2.3 million were largely due to vacancies during the year.



PROPERTY TAXES

Definition

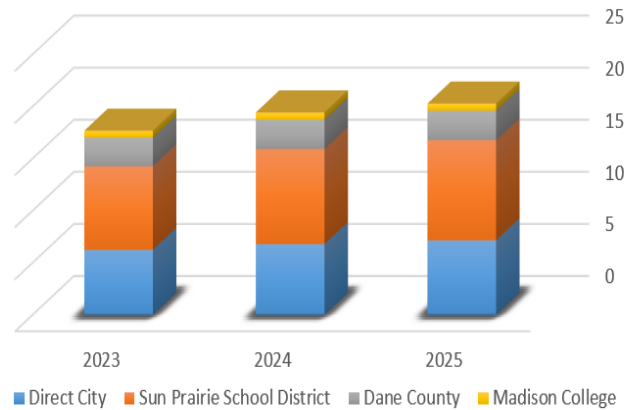
Mill rate is the amount of tax payable per dollar of the assessed value of the property. The mill rate is based on “mills”. It is a figure that represents the amount of \$1,000 of the assessed value of the property, which is used to calculate property tax.

The 2025 mill rate (taxes payable 2026) was \$20.2599. The increase from 2024 to 2025 was largely due to the allowable increase from net new construction.

The 2024 mill rate (taxes payable 2025) was \$19.4093 per \$1,000 of assessed value⁷. This rate is a combination of multiple taxing jurisdictions including Dane County (\$2.8300), Sun Prairie Area School District - SPASD (\$11.0575), Madison College (\$0.6901), and the City of Sun Prairie (\$6.7808)⁸

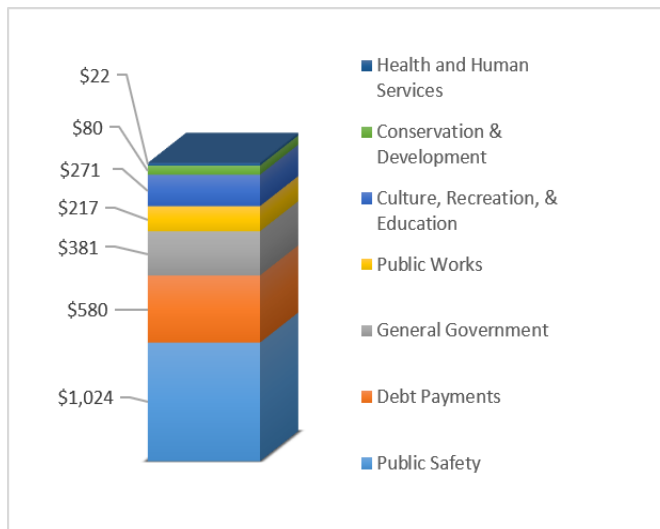
The average home⁹ was assessed at \$379,800 in 2024 and paid \$6,953 in taxes for the 2025 budget year. Of this, the city's portion was \$2,575 or \$0.37 per property tax dollar.

Three-Year Property Tax Rate Comparison
(per \$1,000 assessed value)



How the City's Portion is Spent

The city's \$2,575 portion on the average household property tax payment covers the Public Services and Debt Payments as indicated by the graph below.



Where does the money go?



7 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 6: Direct and Overlapping Property Tax Rates (Pg. 117)

8 - City of Sun Prairie Assessing Department

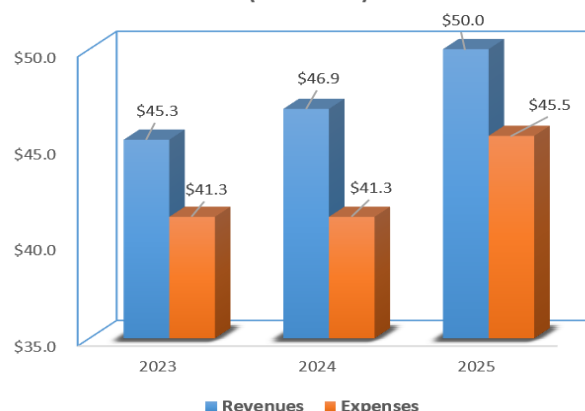
9 - City of Sun Prairie Clerks Office

BUSINESS-TYPE ACTIVITIES

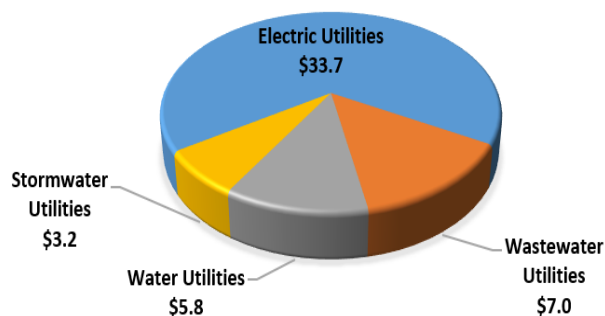
Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges. Business-type activities include the city's electric, water, wastewater, and stormwater utilities. The \$8.5 million increase in net position¹⁰ is due to development within the city and investments in capital assets during 2025.

In 2025, revenue for business-type activities¹¹ totaled \$58.6 million, including \$3.6 million of non-operational investment income and \$3.7 million of capital contributions. Charges for services were the largest revenue source for these operations, representing 85.5 percent of business-type activity revenues, while capital grants and contributions accounted for 6.3 percent of revenues. The 2025 expenditures for business-type activities¹¹ totaled \$47.8 million.

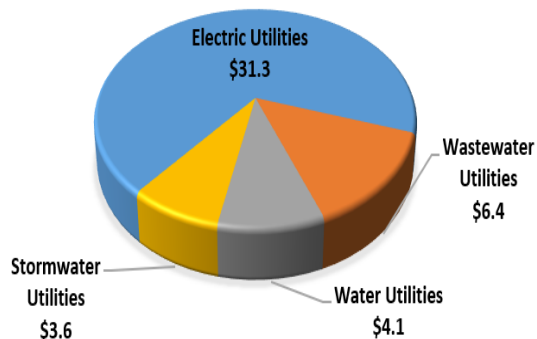
Business-Type Activities
Excludes non-operating revenue and expense
(in millions)



BUSINESS-TYPE REVENUES
(YEAR ENDED DECEMBER 31, 2025)



BUSINESS-TYPE EXPENDITURES
(YEAR ENDED DECEMBER 31, 2025)



**WASTEWATER
TREATMENT PLANT**



SUN PRAIRIE UTILITIES



SUN PRAIRIE WATER

¹⁰ - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 1: Net Position by Component (Pg. 110)

¹¹ - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Statement of Activities (Pg. 3)

TREASURY ADMINISTRATION

Debt Management

Sun Prairie's debt policy, approved in October 2019, provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale, and structural features that may be incorporated. One benefit of issuing debt to pay for large projects is to allocate the payment of the project to those that benefit from the project. The debt payments will be made by current and future residents, through property taxes and user fees.

Outstanding Debt by Function	
Year Ended December 31, 2025 (Amounts in Millions)	
General Government GO Bonds/Notes	\$ 84.6
Utilities GO Bonds/Notes	\$ 29.2
Wastewater Revenue Bonds	\$ 33.1
Sun Prairie Utility Revenue Bonds	\$ 33.9
Other Long-Term Debt	\$ 0.3
Total Outstanding Debt	\$ 181.1

Outstanding Debt

At year end, the city had \$181.1 million in outstanding debt¹² compared to \$160.0 million in the prior fiscal year, an increase of \$20.1 million. This increase was largely due to borrowing for the library expansion project, the aquatic center renovation and facility upgrades for the water and light utilities. The city's outstanding debt by function is displayed in the table above. Bonds mature in 20 years, notes have a maturity date up to 20 years.

Credit Ratings

The city maintains an "Aa2" rating, defined as high quality and very low credit risk, from Moody's Investors Service for general obligation debt. In short, Sun Prairie has sound financial operations and healthy reserve levels to manage current debt payments. This quality of credit rating allows the city to successfully borrow money at a lower interest rate to complete the acquisition and construction of capital assets.

Financial Stability

Wisconsin State Statutes limit general obligation outstanding debt to five percent of a local government's equalized valuation for property tax purposes. As displayed to the right, the city's general obligation debt¹³ that applies to the debt limit is \$107.6 million, which is 1.66 percent of equalized valuation and significantly less than the current calculated statutory debt limit of \$323.7 million.

The city may borrow money from lenders, pledging the full faith and credit of the city to pay the loan through tax revenue. The method requires approval by the City Council.

Net General Obligation Debt Ratio			
At Dec 31	GO Debt	Equalized Valuation	Debt Ratio
2025	\$ 107,627,710	\$ 6,473,743,000	1.66%
2024	\$ 104,424,551	\$ 6,077,193,700	1.72%
2023	\$ 88,856,001	\$ 5,481,682,200	1.61%
2022	\$ 87,684,681	\$ 4,767,506,600	1.84%
2021	\$ 88,953,273	\$ 4,176,130,900	2.13%
2020	\$ 87,118,936	\$ 3,864,128,900	2.25%
2019	\$ 92,621,075	\$ 3,634,094,300	2.55%
2018	\$ 74,540,744	\$ 3,310,111,700	2.25%
2017	\$ 60,003,576	\$ 2,984,707,700	2.01%
2016	\$ 54,573,396	\$ 2,772,245,800	1.97%

Long-Term Financial Planning

The city actively monitors and manages its debt capacity. Evaluating the impact of new bond programs on future tax rates is an important element of debt management. A capital funding plan is presented to the City Council and is an essential management tool that helps provide a comprehensive assessment of the city's ability to issue debt for its capital needs.

Sun Prairie continues with its forward-looking capital budget, presenting a long-term Capital Improvement Plan (CIP) to Council. This program is developed for a ten-year period and is updated and revised annually. To be included in the CIP, a project requires a total expenditure of at least \$25,000 and to last 10 years or more.

The CIP provides information to clearly identify any deficit faced at the beginning of the budget development process. This is a crucial component of planning for the future. The plan projects the financial impact of achieving the objectives of the city and helps to identify resources needed to fund those objectives.

The capital improvement budget for 2025 included \$95.7 million to complete repairs of existing assets and fund new projects, including solar arrays and biofuel operations at the Water Pollution Control Facility, street reconstruction, park improvements, building improvements, and stormwater improvements. Funding for general government projects is provided through general obligation notes (GOs), grants, and impact fees.

12 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Schedule 9: Ratios of Outstanding Debt (Pg. 120)

13 - City of Sun Prairie 2025 Annual Comprehensive Financial Report - Notes to Financial Statements (Pg. 39)

FUND BALANCE

The city's Fund Balance Policy is to maintain an unassigned fund balance in the General Fund of 16.0 to 20.0 percent of the prior year general fund revenue budget. For the fiscal year ended December 31, 2025, the city's unassigned fund balance¹⁸ was \$7.5 million, 18.6 percent of the prior year's revenue budget.

General Fund Balances	
Year Ended December 31, 2025	
Non Spendable	\$ 488,655
Restricted	\$ 967,530
Assigned	\$ 4,604,871
Unassigned	\$ 7,480,912
Total General Fund	\$ 13,541,968

Having adequate fund balances provides flexibility to a municipality to address shortfalls and unexpected costs. Fund balance is broken down into five categories:

- **Non-spendable:** Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be intact.
- **Restricted:** Amounts that are restricted by constraints imposed on the use of resources either (a) externally imposed by creditors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** Amounts that can only be used for specific purposes pursuant to constraints imposed by the Common Council.
- **Assigned:** Amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed.
- **Unassigned:** Amounts that are in a spendable form and are not restricted, committed, or assigned to a specific purpose.

CAPITAL ASSETS

Definition

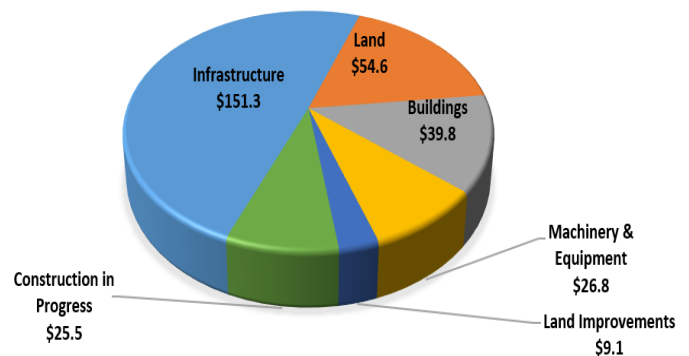
Capital assets are assets that have an expected life of more than one year and are not bought and sold in a usual course of business. For the city, this includes land, equipment, and infrastructure with costs greater than \$5,000.

At the end of 2025, the City of Sun Prairie had capital assets¹⁹ of \$674.3 million for all governmental and business-type activities. This represents an increase of 12.0 percent from the end of 2024.

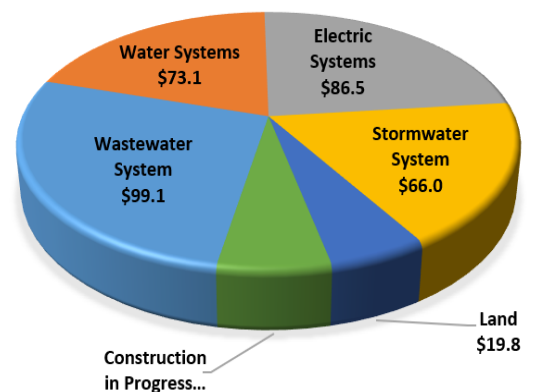
Major capital asset improvements within the city's governmental activities included \$6.1 million for street additions and reconstruction. This includes new streets dedicated to the city from developers and the reconstruction of existing streets. Another \$1.7 million was added for the addition and reconstruction of bike paths, sidewalks and signals. The city purchased \$8.5 million in machinery and equipment assets for fleet purposes and park playground equipment. Building improvements added another \$1.3 million.

In the city's business-type activities, major capital additions (prior to depreciation) include \$25.6 million for the electric distribution plant, \$2.0 million for water infrastructure¹⁹, \$1.4 million for wastewater infrastructure, and \$2.7 million for the stormwater infrastructure, including new development dedications.

GOVERNMENTAL ACTIVITIES: CAPITAL ASSETS (YEAR ENDED DECEMBER 31, 2025)



BUSINESS-TYPE ACTIVITIES: CAPITAL ASSETS (YEAR ENDED DECEMBER 31, 2025)



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