

CITY OF DE PERE, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2023



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INDEPENDENT AUDITORS' REPORT

City Council
City of De Pere, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of De Pere, Wisconsin (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits on pages 78 through 80 be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

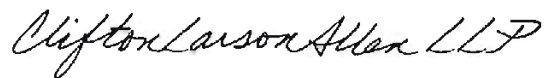
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

City Council
City of De Pere, Wisconsin

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 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 cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 8, 2024

BASIC FINANCIAL STATEMENTS

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 37,545,759	\$ 1,426,528	\$ 38,972,287
Receivables:			
Taxes and Special Charges	12,359,684	-	12,359,684
Delinquent Taxes	11,846	-	11,846
Accounts	5,794,196	4,815,456	10,609,652
Special Assessments	1,689,087	-	1,689,087
Loans	56,708	-	56,708
Other	-	219,544	219,544
Leases	-	601,907	601,907
Internal Balances	(169,398)	169,398	-
Due from Other Governments	-	569,075	569,075
Inventories and Prepaid Items	205,371	25,989	231,360
Restricted Assets:			
Cash and Investments	2,282,210	150,000	2,432,210
Lease Receivable	62,237	-	62,237
Capital Assets, Nondepreciable	13,077,551	53,207	13,130,758
Capital Assets, Depreciable	72,146,829	72,128,737	144,275,566
Total Assets	<u>145,061,880</u>	<u>80,159,841</u>	<u>225,221,721</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	18,484,232	1,919,349	20,403,581
Other Postemployment Related Amounts	718,385	61,952	780,337
Total Deferred Outflows of Resources	<u>19,202,617</u>	<u>1,981,301</u>	<u>21,183,918</u>
LIABILITIES			
Accounts Payable	4,215,631	1,471,762	5,687,393
Accrued And Other Current Liabilities	1,142,128	19,404	1,161,532
Due to Other Governments	4,200,948	-	4,200,948
Accrued Interest Payable	611,495	4,222	615,717
Special Deposits	75,054	-	75,054
Unearned Revenues	1,813,186	-	1,813,186
Long-Term Obligations:			
Due Within One Year	6,725,000	215,400	6,940,400
Due in More Than One Year	56,465,508	689,549	57,155,057
Net Pension Liability	4,921,866	511,802	5,433,668
Other Postemployment Benefits	1,650,452	135,447	1,785,899
Total Liabilities	<u>81,821,268</u>	<u>3,047,586</u>	<u>84,868,854</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	21,380,467	-	21,380,467
Lease Related Amounts	62,237	601,907	664,144
Pension Related Amounts	10,360,372	1,077,328	11,437,700
Other Postemployment Related Amounts	1,087,106	96,545	1,183,651
Total Deferred Inflows of Resources	<u>32,890,182</u>	<u>1,775,780</u>	<u>34,665,962</u>
NET POSITION			
Net Investment in Capital Assets	45,628,358	71,445,140	117,073,498
Restricted:			
Debt Service	1,670,715	-	1,670,715
Capital Project - TIDs	6,505,730	-	6,505,730
Equipment Replacement	-	150,000	150,000
Property Tax Relief and Economic Development	97,821	-	97,821
Development Loans	978,086	-	978,086
Recreation Scholarship	36,344	-	36,344
Housing	1,968,527	-	1,968,527
Park Land Acquisition	121,432	-	121,432
Unrestricted	<u>(7,453,966)</u>	<u>5,722,636</u>	<u>(1,731,330)</u>
Total Net Position	<u>\$ 49,553,047</u>	<u>\$ 77,317,776</u>	<u>\$ 126,870,823</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 2,712,572	\$ 487,792	\$ -	\$ -
Public Safety	12,733,822	2,378,771	231,036	-
Public Works	11,815,757	979,467	1,385,298	6,786,522
Sanitation	916,730	-	199,669	-
Health and Human Services	791,725	10,263	64,560	-
Culture and Recreation	5,248,477	982,937	545	-
Conservation and Development	7,702,992	41,232	-	5,263
Interest and Fiscal Charges	1,283,530	-	-	-
Total Governmental Activities	43,205,605	4,880,462	1,881,108	6,791,785
Business-Type Activities:				
Water Utility	6,446,457	7,300,398	-	1,337,799
Wastewater Collection	7,841,049	10,370,466	-	1,781,686
Stormwater Utility	1,970,545	2,502,576	-	2,188,961
Total Business-Type Activities	16,258,051	20,173,440	-	5,308,446
Total	\$ 59,463,656	\$ 25,053,902	\$ 1,881,108	\$ 12,100,231

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental Activities:			
General Government	\$ (2,224,780)	\$ -	\$ (2,224,780)
Public Safety	(10,124,015)	-	(10,124,015)
Public Works	(2,664,470)	-	(2,664,470)
Sanitation	(717,061)	-	(717,061)
Health and Human Services	(716,902)	-	(716,902)
Culture and Recreation	(4,264,995)	-	(4,264,995)
Conservation and Development	(7,656,497)	-	(7,656,497)
Interest and Fiscal Charges	(1,283,530)	-	(1,283,530)
Total Governmental Activities	(29,652,250)	-	(29,652,250)
Business-Type Activities:			
Water Utility	-	2,191,740	2,191,740
Wastewater Collection	-	4,311,103	4,311,103
Stormwater Utility	-	2,720,992	2,720,992
Total Business-Type Activities	-	9,223,835	9,223,835
Total	(29,652,250)	9,223,835	(20,428,415)
GENERAL REVENUES AND TRANSFERS			
Taxes:			
Property Taxes	15,419,029	-	15,419,029
Tax Increments	2,384,928	-	2,384,928
Sales Tax	7,470	-	7,470
Other Taxes	232,339	-	232,339
Federal and State Grants and Other			
Contributions not Restricted to			
Specific Functions	3,435,645	-	3,435,645
Interest and Investment Earnings	1,949,767	36,468	1,986,235
Miscellaneous	1,033,416	57,600	1,091,016
Gain on Sale of Asset	64,106	-	64,106
Transfers	640,535	(640,535)	-
Total General Revenues and Transfers	25,167,235	(546,467)	24,620,768
CHANGE IN NET POSITION	(4,485,015)	8,677,368	4,192,353
Net Position - Beginning of Year	54,038,062	68,640,408	122,678,470
NET POSITION - END OF YEAR	\$ 49,553,047	\$ 77,317,776	\$ 126,870,823

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Debt Service	Public Improvements
ASSETS			
Cash and Investments	\$ 19,941,870	\$ -	\$ 180,000
Restricted Cash and Investments	-	2,282,210	-
Receivables:			
Taxes and Special Charges	1,419,527	4,239,593	1,001,417
Delinquent Taxes	11,646	-	-
Accounts	628,234	-	5,149,607
Special Assessments	45,700	-	1,643,387
Loans	-	-	-
Leases	62,237	-	-
Due from Other Funds	2,084,336	-	-
Advance to Other Funds	27,821	-	-
Inventories and Prepaid Items	205,371	-	-
	<u>\$ 24,426,742</u>	<u>\$ 6,521,803</u>	<u>\$ 7,974,411</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 867,148	\$ -	\$ 2,730,361
Accrued and Other Current Liabilities	1,166,078	-	-
Due to Other Funds	-	-	1,013,155
Due to Other Governments	660	-	-
Special Deposits	50,753	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>2,084,639</u>	<u>-</u>	<u>3,743,516</u>
Deferred Inflows of Resources:			
Property Taxes Levied for Subsequent Year	10,440,310	4,239,593	1,001,417
Loans Receivable	-	-	-
Unavailable Revenues	-	-	4,588,231
Special Assessments	-	-	823,944
Lease Related Amounts	62,237	-	-
Total Deferred Inflows of Resources	<u>10,502,547</u>	<u>4,239,593</u>	<u>6,413,592</u>
Fund Balances:			
Nonspendable	2,319,203	-	-
Restricted	134,165	2,282,210	-
Committed	1,188,438	-	-
Unassigned	8,197,750	-	(2,182,697)
Total Fund Balances	<u>11,839,556</u>	<u>2,282,210</u>	<u>(2,182,697)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,426,742</u>	<u>\$ 6,521,803</u>	<u>\$ 7,974,411</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023

ASSETS	Other Governmental Funds	Total
Cash and Investments	\$ 15,725,208	\$ 35,847,078
Restricted Cash and Investments	-	2,282,210
Receivables:		
Taxes and Special Charges	5,699,147	12,359,684
Delinquent Taxes	-	11,646
Accounts	18,842	5,796,683
Special Assessments	-	1,689,087
Loans	56,708	56,708
Leases	-	62,237
Due from Other Funds	5,580,093	7,664,429
Advance to Other Funds	-	27,821
Inventories and Prepaid Items	-	205,371
	<u> </u>	<u> </u>
Total Assets	<u>\$ 27,079,998</u>	<u>\$ 66,002,954</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 438,241	\$ 4,035,750
Accrued and Other Current Liabilities	6,089	1,172,167
Due to Other Funds	6,651,274	7,664,429
Due to Other Governments	4,200,288	4,200,948
Special Deposits	-	50,753
Unearned Revenues	1,813,186	1,813,186
Total Liabilities	<u>13,109,078</u>	<u>18,937,233</u>
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year	5,699,147	21,380,467
Loans Receivable	56,708	56,708
Unavailable Revenues	-	4,588,231
Special Assessments	-	823,944
Lease Related Amounts	-	62,237
Total Deferred Inflows of Resources	<u>5,755,855</u>	<u>26,911,587</u>
Fund Balances:		
Nonspendable	-	2,319,203
Restricted	11,409,718	13,826,093
Committed	3,486,202	4,674,640
Unassigned	<u>(6,680,855)</u>	<u>(665,802)</u>
Total Fund Balances	<u>8,215,065</u>	<u>20,154,134</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 27,079,998</u>	<u>\$ 66,002,954</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances as Shown on Previous Page \$ 20,154,134

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. 85,224,380

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds. 5,468,883

Net position of the internal service fund is reported in the Statement of Net Position as governmental activities 1,324,832

Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.

Deferred Outflows Related to Pensions	18,484,232
Deferred Inflows Related to Pensions	(10,360,372)
Deferred Outflows Related to Other Postemployment Benefits	718,385
Deferred Inflows Related to Other Postemployment Benefits	(1,087,106)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and Notes Payable	(59,010,000)
Lease Liability	(126,823)
Premium on Debt	(2,183,209)
Compensated Absences	(1,870,476)
Net Pension Liability	(4,921,866)
Other Postemployment Benefit	(1,650,452)
Accrued Interest on Long-Term Obligations	<u>(611,495)</u>

Net Position of Governmental Activities as Reported on the Statement of Net Position \$ 49,553,047

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Debt Service	Public Improvements
REVENUES			
Taxes	\$ 9,290,158	\$ 4,438,614	\$ 1,742,276
Special Assessments	-	-	938,249
Intergovernmental	3,912,808	-	694,780
Licenses and Permits	677,142	-	-
Fines and Forfeits	262,493	-	-
Public Charges for Services	2,383,821	-	-
Intergovernmental Charges for Services	1,897,286	-	673,262
Miscellaneous	2,499,707	-	-
Total Revenues	<u>20,923,415</u>	<u>4,438,614</u>	<u>4,048,567</u>
EXPENDITURES			
Current:			
General Government	2,448,016	6,300	-
Public Safety	11,156,010	-	-
Public Works	1,993,474	-	-
Sanitation	889,156	-	-
Health and Human Services	744,692	-	-
Culture and Recreation	3,067,911	-	-
Conservation and Development	402,444	-	-
Debt Service:			
Principal	-	5,875,000	-
Interest and Fiscal Charges	-	1,376,844	24,316
Capital Outlay	-	-	8,462,144
Total Expenditures	<u>20,701,703</u>	<u>7,258,144</u>	<u>8,486,460</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	221,712	(2,819,530)	(4,437,893)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	-	1,838,000
Lease Issued	-	-	-
Premium on Debt Issued	-	-	119,867
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	951,688	7,802,132	635,556
Transfers Out	(47,850)	(4,686,288)	-
Total Other Financing Sources (Uses)	<u>903,838</u>	<u>3,115,844</u>	<u>2,593,423</u>
NET CHANGE IN FUND BALANCES	1,125,550	296,314	(1,844,470)
Fund Balances - Beginning of Year	<u>10,714,006</u>	<u>1,985,896</u>	<u>(338,227)</u>
FUND BALANCES - END OF YEAR	<u>\$ 11,839,556</u>	<u>\$ 2,282,210</u>	<u>\$ (2,182,697)</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Other Governmental Funds	Total
REVENUES		
Taxes	\$ 2,406,503	\$ 17,877,551
Special Assessments	-	938,249
Intergovernmental	1,366,114	5,973,702
Licenses and Permits	66,486	743,628
Fines and Forfeits	-	262,493
Public Charges for Services	8,700	2,392,521
Intergovernmental Charges for Services	-	2,570,548
Miscellaneous	496,023	2,995,730
Total Revenues	<u>4,343,826</u>	<u>33,754,422</u>
EXPENDITURES		
Current:		
General Government	8,089	2,462,405
Public Safety	337,012	11,493,022
Public Works	252,896	2,246,370
Sanitation	-	889,156
Health and Human Services	-	744,692
Culture and Recreation	1,106,800	4,174,711
Conservation and Development	6,188,789	6,591,233
Debt Service:		
Principal	-	5,875,000
Interest and Fiscal Charges	176,534	1,577,694
Capital Outlay	6,666,412	15,128,556
Total Expenditures	<u>14,736,532</u>	<u>51,182,839</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,392,706)	(17,428,417)
OTHER FINANCING SOURCES (USES)		
Long-Term Debt Issued	13,182,000	15,020,000
Lease Issued	51,534	51,534
Premium on Debt Issued	398,384	518,251
Proceeds from Sale of Capital Assets	1,971	1,971
Transfers In	4,734,137	14,123,513
Transfers Out	(8,748,840)	(13,482,978)
Total Other Financing Sources (Uses)	<u>9,619,186</u>	<u>16,232,291</u>
NET CHANGE IN FUND BALANCES	(773,520)	(1,196,126)
Fund Balances - Beginning of Year	<u>8,988,585</u>	<u>21,350,260</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 8,215,065</u></u>	<u><u>\$ 20,154,134</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances as Shown on Previous Page \$ (1,196,126)

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 Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital Assets Reported as Capital Outlay in Governmental Fund Statements	\$7,417,518
Depreciation/Amortization Expense Reported in the Statement of Activities	(4,140,115)
Net Book Value of Disposals	(34,865)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.

4,351,163

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Long-Term Debt Issued	(15,020,000)
Premium on Debt Issued	(518,252)
G.O. Debt Principal Repaid	5,875,000
Lease Liability Principal Repaid	18,313

Some expenses reported 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:

Accrued Interest on Long-Term Debt	(183,291)
Amortization of Debt Premium	488,763
Compensated Absences	70,068
Net Pension Asset	(7,269,383)
Net Pension Liability	(4,921,866)
Deferred Outflows of Resources Related to Pensions	4,239,266
Deferred Inflows of Resources Related to Pensions	6,765,252
Other Postemployment Benefits	488,889
Deferred Outflows of Resources Related to Other Postemployment Benefits	30,725
Deferred Inflows of Resources Related to Other Postemployment Benefits	(666,517)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal service funds is reported with governmental activities.

(279,557)

Change in Net Position of Governmental Activities as Reported in the Statement of Activities

\$ (4,485,015)

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2023

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 9,291,177	\$ 9,291,177	\$ 9,290,158	\$ (1,019)
Intergovernmental	3,779,432	3,779,432	3,912,808	133,376
Licenses and Permits	1,046,190	1,046,190	677,142	(369,048)
Fines and Forfeits	335,000	335,000	262,493	(72,507)
Public Charges for Services	1,950,066	1,950,066	2,383,821	433,755
Intergovernmental Charges for Services	1,456,896	1,456,896	1,897,286	440,390
Miscellaneous	654,210	654,210	2,499,707	1,845,497
Total Revenues	18,512,971	18,512,971	20,923,415	2,410,444
EXPENDITURES				
Current:				
General Government	2,587,858	2,814,116	2,448,016	366,100
Public Safety	10,670,285	10,709,781	11,156,010	(446,229)
Public Works	2,362,708	2,365,708	1,993,474	372,234
Sanitation	858,568	858,568	889,156	(30,588)
Health and Human Services	729,024	729,024	744,692	(15,668)
Culture and Recreation	2,997,808	3,041,885	3,067,911	(26,026)
Conservation and Development	385,720	474,320	402,444	71,876
Total Expenditures	20,591,971	20,993,402	20,701,703	291,699
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,079,000)	(2,480,431)	221,712	2,702,143
OTHER FINANCING SOURCES (USES)				
Transfers In	2,079,001	2,308,758	951,688	(1,357,070)
Transfers Out	-	(38,210)	(47,850)	(9,640)
Total Other Financing Sources (Uses)	2,079,001	2,270,548	903,838	(1,366,710)
NET CHANGE IN FUND BALANCE	1	(209,882)	1,125,550	1,335,432
Fund Balance - Beginning of Year	10,714,006	10,714,006	10,714,006	-
FUND BALANCE - END OF YEAR	<u>\$ 10,714,007</u>	<u>\$ 10,504,124</u>	<u>\$ 11,839,556</u>	<u>\$ 1,335,432</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
ASSETS				
Current Assets:				
Cash and Investments	\$ -	\$ 556,920	\$ -	\$ 869,608
Receivables:				
Customer Accounts	2,091,196	-	2,620,045	104,215
Leases	601,907	-	-	-
Other	219,544	-	-	-
Due from Other Funds	-	-	4,952,346	245,343
Due from Other Governments	-	569,075	-	-
Inventories and Prepaid Items	25,989	-	-	-
Total Current Assets	<u>2,938,636</u>	<u>1,125,995</u>	<u>7,572,391</u>	<u>1,219,166</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Investments	-	-	150,000	-
Capital Assets:				
Nondepreciable	53,207	-	-	-
Depreciable	<u>31,419,547</u>	<u>-</u>	<u>22,445,709</u>	<u>18,263,481</u>
Total Capital Assets	<u>31,472,754</u>	<u>-</u>	<u>22,445,709</u>	<u>18,263,481</u>
Total Assets	34,411,390	1,125,995	30,168,100	19,482,647
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Amounts	745,628	-	585,451	588,270
Other Postemployment Related Amounts	<u>24,073</u>	<u>-</u>	<u>18,886</u>	<u>18,993</u>
Total Deferred Outflows of Resources	769,701	-	604,337	607,263

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2023

	Total	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,426,528	\$ 1,698,681
Receivables:		
Customer Accounts	4,815,456	-
Leases	601,907	-
Other	219,544	-
Due from Other Funds	5,197,689	-
Due from Other Governments	569,075	-
Inventories and Prepaid Items	25,989	-
Total Current Assets	<u>12,856,188</u>	<u>1,698,681</u>
Noncurrent Assets:		
Restricted Assets:		
Cash and Investments	150,000	-
Capital Assets:		
Nondepreciable	53,207	-
Depreciable	<u>72,128,737</u>	<u>-</u>
Total Capital Assets	<u>72,181,944</u>	<u>-</u>
Total Assets	85,188,132	1,698,681
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Amounts	1,919,349	-
Other Postemployment Related Amounts	<u>61,952</u>	<u>-</u>
Total Deferred Outflows of Resources	1,981,301	-

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2023**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 849,148	\$ -	\$ 546,621	\$ 75,993
Accrued and Other Current Liabilities	7,789	-	5,648	5,967
Due to Other Funds	5,197,689	-	-	-
Current Portion of Long-Term Debt	107,700	-	107,700	-
Accrued Interest Payable	2,111	-	2,111	-
Total Current Liabilities	<u>6,164,437</u>	<u>-</u>	<u>662,080</u>	<u>81,960</u>
Long-Term Obligations, Less Current Portion:				
Advance from Other Funds	-	-	-	-
General Obligation Debt	216,973	-	216,973	-
Compensated Absences	92,223	-	70,622	92,758
Net Pension Liability	198,872	-	156,023	156,907
Other Postemployment Benefits	52,631	-	41,291	41,525
Total Long-Term Liabilities	<u>560,699</u>	<u>-</u>	<u>484,909</u>	<u>291,190</u>
Total Liabilities	6,725,136	-	1,146,989	373,150
DEFERRED INFLOWS OF RESOURCES				
Lease Related Amounts	601,907	-	-	-
Pension Related Amounts	418,620	-	328,423	330,285
Other Postemployment Related Amounts	37,515	-	29,432	29,598
Total Deferred Inflows of Resources	<u>1,058,042</u>	<u>-</u>	<u>357,855</u>	<u>359,883</u>
NET POSITION				
Net Investment in Capital Assets	31,089,301	-	22,111,654	18,244,185
Restricted	-	-	150,000	-
Unrestricted	<u>(3,691,388)</u>	<u>1,125,995</u>	<u>7,005,939</u>	<u>1,112,692</u>
Total Net Position	<u>\$ 27,397,913</u>	<u>\$ 1,125,995</u>	<u>\$ 29,267,593</u>	<u>\$ 19,356,877</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2023

	Total	Governmental Activities - Internal Service Funds
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 1,471,762	\$ 176,630
Accrued and Other Current Liabilities	19,404	-
Due to Other Funds	5,197,689	-
Current Portion of Long-Term Debt	215,400	-
Accrued Interest Payable	4,222	-
Total Current Liabilities	<u>6,908,477</u>	<u>176,630</u>
Long-Term Obligations, Less Current Portion:		
Advance from Other Funds	-	27,821
General Obligation Debt	433,946	-
Compensated Absences	255,603	-
Net Pension Liability	511,802	-
Other Postemployment Benefits	135,447	-
Total Long-Term Liabilities	<u>1,336,798</u>	<u>27,821</u>
Total Liabilities	8,245,275	204,451
DEFERRED INFLOWS OF RESOURCES		
Leases	601,907	-
Pension Related Amounts	1,077,328	-
Other Postemployment Related Amounts	96,545	-
Total Deferred Inflows of Resources	<u>1,775,780</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	71,445,140	-
Restricted	150,000	-
Unrestricted	5,553,238	1,494,230
Total Net Position	77,148,378	<u>\$ 1,494,230</u>
Adjustment to reflect the consolidation of internal Service Fund Activities Related to Enterprise Funds	<u>169,398</u>	
Net Position of Business-Type Activities as Reported on the Statement of Net Position	<u>\$ 77,317,776</u>	

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2023

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
OPERATING REVENUES				
Charges for Services	\$ 6,911,545	\$ -	\$ 7,765,881	\$ 2,501,593
Other	388,853	-	2,662,185	983
Total Operating Revenues	7,300,398	-	10,428,066	2,502,576
OPERATING EXPENSES				
Claims and Administrative Fees	-	-	-	-
Operation and Maintenance	5,605,028	-	7,030,590	1,346,633
Depreciation	758,115	-	791,694	611,258
Taxes	62,958	-	-	-
Total Operating Expenses	6,426,101	-	7,822,284	1,957,891
OPERATING INCOME (LOSS)	874,297	-	2,605,782	544,685
NONOPERATING REVENUES (EXPENSES)				
Interest Income	1,727	34,741	-	-
Nonoperating Grants	-	-	-	104,215
Interest and Fiscal Charges	(5,240)	-	(5,003)	-
Total Nonoperating Revenues (Expenses)	(3,513)	34,741	(5,003)	104,215
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	870,784	34,741	2,600,779	648,900
Capital Contributions	1,337,799	-	1,781,686	2,084,746
Transfers In	42,518	-	-	-
Transfers Out	(427,554)	-	(255,499)	-
CHANGE IN NET POSITION	1,823,547	34,741	4,126,966	2,733,646
Net Position - Beginning of Year	25,574,366	1,091,254	25,140,627	16,623,231
NET POSITION - END OF YEAR	<u>\$ 27,397,913</u>	<u>\$ 1,125,995</u>	<u>\$ 29,267,593</u>	<u>\$ 19,356,877</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Total	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ 17,179,019	\$ 2,652,621
Other	3,052,021	-
Total Operating Revenues	<u>20,231,040</u>	<u>2,652,621</u>
OPERATING EXPENSES		
Claims and Administrative Fees	-	2,981,074
Operation and Maintenance	13,982,251	-
Depreciation	2,161,067	-
Taxes	62,958	-
Total Operating Expenses	<u>16,206,276</u>	<u>2,981,074</u>
OPERATING INCOME (LOSS)	4,024,764	(328,453)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	36,468	7,364
Nonoperating Grants	104,215	-
Interest and Fiscal Charges	(10,243)	-
Total Nonoperating Revenues (Expenses)	<u>130,440</u>	<u>7,364</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	4,155,204	(321,089)
Capital Contributions	5,204,231	-
Transfers in	42,518	-
Transfers Out	(683,053)	-
CHANGE IN NET POSITION	8,718,900	(321,089)
Net Position - Beginning of Year	<u>68,429,478</u>	<u>1,815,319</u>
NET POSITION - END OF YEAR	<u>\$ 77,148,378</u>	<u>\$ 1,494,230</u>
Change in Net Position, per Above	\$ 8,718,900	
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>(41,532)</u>	
Change In Net Position of Business-Type Activities as Reported on the Statement of Activities	<u>\$ 8,677,368</u>	

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2023**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 7,229,806	\$ -	\$ 10,421,618	\$ 2,398,361
Cash Received for Services Provided	-	-	-	-
Cash Paid for Employee Wages and Benefits	(758,520)	-	(613,754)	(634,864)
Cash Paid to Suppliers	(4,737,144)	-	(6,957,655)	(777,366)
Net Cash Provided (Used) by Operating Activities	1,734,142	-	2,850,209	986,131
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental Revenues	-	-	-	104,215
Due to/from Other Funds	518,452	-	(927,676)	409,224
Transfer In (Out)	(385,036)	-	(255,499)	-
Net Cash Provided (Used) by Noncapital Financing Activities	133,416	-	(1,183,175)	513,439
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(1,773,491)	-	(1,556,134)	(1,711,214)
Proceeds from Sale of Treatment Plant	-	125,744	-	-
Sale of Capital Assets	15,343	-	-	-
Principal Paid on Long-Term Debt	(102,500)	-	(102,500)	-
Interest Paid on Long-Term Debt	(8,637)	-	(8,400)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,869,285)	125,744	(1,667,034)	(1,711,214)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	1,727	34,741	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	-	160,485	-	(211,644)
Cash and Cash Equivalents - Beginning of Year	-	396,435	150,000	1,081,252
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 556,920</u>	<u>\$ 150,000</u>	<u>\$ 869,608</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Total	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 20,049,785	\$ -
Cash Paid for Services Provided	-	2,852,621
Cash Paid for Employee Wages and Benefits	(2,007,138)	-
Cash Paid to Suppliers	(12,472,165)	(2,993,110)
Net Cash Provided (Used) by Operating Activities	5,570,482	(340,489)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental Revenues	104,215	-
Due to/from Other Funds	-	(62,466)
Transfer In (Out)	(640,535)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(536,320)	(62,466)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(5,040,839)	-
Proceeds from Sale of Treatment Plant	125,744	-
Sale of Capital Assets	15,343	-
Principal Paid on Long-Term Debt	(205,000)	-
Interest Paid on Long-Term Debt	(17,037)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,121,789)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	36,468	7,364
CHANGE IN CASH AND CASH EQUIVALENTS	(51,159)	(395,591)
Cash and Cash Equivalents - Beginning of Year	1,627,687	2,094,272
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,576,528</u>	<u>\$ 1,698,681</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 874,297	\$ -	\$ 2,605,782	\$ 544,685
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	758,115	-	791,694	611,258
Depreciation Charged to Sewer Utility	26,915	-	(26,915)	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:				
Pension	53,247	-	40,625	42,025
Other Postemployment Benefits	3,992	-	3,441	3,036
Change in Operating Assets and Liabilities:				
Accounts Receivables	(70,592)	-	(6,448)	(104,215)
Inventories and Prepaid Items	354	-	-	-
Accounts Payable	88,568	-	(538,201)	(107,789)
Accrued and Other Current Liabilities	2,224	-	1,461	2,504
Compensated Absences	(2,978)	-	(21,230)	(5,373)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,734,142</u>	<u>\$ -</u>	<u>\$ 2,850,209</u>	<u>\$ 986,131</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION				
Cash and Cash Equivalents in Current Assets	\$ -	\$ 556,920	\$ -	\$ 869,608
Cash and Cash Equivalents in Restricted Assets	-	-	150,000	-
Total Cash and Cash Equivalents	<u>\$ -</u>	<u>\$ 556,920</u>	<u>\$ 150,000</u>	<u>\$ 869,608</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions	<u>\$ 1,337,799</u>	<u>\$ -</u>	<u>\$ 1,781,686</u>	<u>\$ 2,084,746</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 4,024,764	\$ (328,453)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,161,067	-
Depreciation Charged to Sewer Utility	-	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:		
Pension	135,897	-
Other Postemployment Benefits	10,469	-
Change in Operating Assets and Liabilities:		
Accounts Receivables	(181,255)	-
Inventories and Prepaid Items	354	-
Accounts Payable	(557,422)	(12,036)
Accrued and Other Current Liabilities	6,189	-
Compensated Absences	(29,581)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,570,482</u>	<u>\$ (340,489)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and Cash Equivalents in Current Assets	\$ 1,426,528	\$ 1,698,681
Cash and Cash Equivalents in Restricted Assets	150,000	-
Total Cash and Cash Equivalents	<u>\$ 1,576,528</u>	<u>\$ 1,698,681</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributions	<u>\$ 5,204,231</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
TAX COLLECTION CUSTODIAL FUND
DECEMBER 31, 2023**

ASSETS

Current Assets:

Cash and Investments	\$ 13,975,809
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Receivables:

Taxes	16,137,587
-------	------------

Total Assets	<div style="border-top: 1px solid black; border-bottom: 3px double black;">30,113,396</div>
--------------	---

DEFERRED INFLOWS OF RESOURCES

Property Taxes Levied for Subsequent Year	<div style="border-top: 1px solid black; border-bottom: 3px double black;">30,113,396</div>
---	---

FIDUCIARY NET POSITION

Restricted for Other Governments	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ -</div>
----------------------------------	---

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TAX COLLECTION CUSTODIAL FUND
YEAR ENDED, DECEMBER 31, 2023**

ADDITIONS	
Taxes and Special Charged Collected	\$ 21,939,267
DEDUCTIONS	
Payments to Other Taxing Entities	<u>21,939,267</u>
CHANGE IN NET POSITION	-
Fiduciary Net Position - Beginning of Year	<u>-</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of De Pere, Wisconsin (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

The City is a municipal corporation governed by an elected eight member board. In accordance with GAAP, the basic financial statements are required to include the City and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

B. Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. Therefore, these organizations are not included in the City's reporting entity. The Mayor and the City Council appoints some or all of the members of the following related organization:

De Pere Housing Authority

C. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. 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

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Public Improvements Fund

This fund accounts for the acquisition or construction of major capital facilities other than those financed by proprietary fund types.

Water Utility Fund

This fund accounts for the operations of the City's water utility.

Wastewater Treatment Plant Utility Fund

This fund is used to account for the collection of the long-term receivable from the sale of the City's wastewater treatment plant utility.

Wastewater Utility Fund

This fund accounts for the operations of the City's wastewater utility.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Stormwater Utility Fund

This fund accounts for the operations of the City's stormwater utility. Additionally, the City reports the following fund types:

- *Internal service fund* accounts for health insurance and dental insurances services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.
- The City accounts for property taxes collected on behalf of other governments in a custodial fund.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 City's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

2. Property Taxes and Special Charges/Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City. Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes and Special Charges/Receivable (Continued)

In addition to its levy, the City also levies and collects taxes for the De Pere and West De Pere Schools, Brown County, and Northeast Wisconsin Technical College. Brown County currently collects the City's property taxes by agreement.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Installments placed on the 2022 tax roll are recognized as revenue in 2023. Special assessments are subject to collection procedures.

5. Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

6. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the general fund are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

6. Interfund Receivables and Payables (Continued)

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

7. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

9. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

9. Capital Assets (Continued)

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
	Years	
Land Improvements	15 - 25	-
Buildings and Improvements	30 - 50	25 - 50
Machinery and Equipment	5 - 25	3 - 10
Infrastructure	25 - 100	25 - 100

10. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

11. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

13. Leases

Lessor

The City is a lessor for noncancellable leases of buildings and land. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Leases (Continued)

Lessor (Continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

14. Pensions

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

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

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.

15. Other Postemployment Benefits Other Than Pensions (OPEB)

Defined Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (revenue), information about the fiduciary net position of the City's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

15. Other Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

16. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of City management. The City Council has not authorized any City official or committee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

16. Fund Equity (Continued)

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation/amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed 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.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

F. Use of Estimates

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

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2023.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

Funds	Excess Expenditures
General Government:	
Assessment of Property	\$ 13,789
Accounting and Finance	70,615
Accounting and Finance Outlay	494
City Hall	35,873
City Hall Outlay	18,853
Public Safety:	
Police Department	174,301
Police Department Outlay	36,088
Fire/Ambulance Department	250,054
Building and Electrical	1,933
Public Works:	
Street Machinery Repair Outlay	1,931
Municipal Service Center	5,049
Mechanics	16,405
Administration	5,893
Engineer Outlay	445
Weed Cutting	1,971
Street Lighting	3,102
Sanitation:	
Garbage and Refuse Collection	30,715
Landfill Waste Disposal	15,365
Health and Human Services:	
Nurse	15,728
Culture and Recreation:	
Swimming Pools Outlay	13,560
Parks - General	13,394
Parks Outlay	130,779
Parks Equipment Maintenance	6,160
Forestry	12,464
Historical Society	5,706

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

C. Deficit Fund Equity

The following funds had deficit fund balance as of December 31, 2023:

Funds	Deficit Fund Balance
Special Revenue Funds:	
Cable Access	\$ 119
Capital Projects Funds:	
Public Improvements	2,182,697
Pool Capital Projects	1,062,216
TID No. 7	3,590,008
TID No. 9	304,809
TID No. 10	1,621,055
TID No. 16	54,572
TID No. 17	48,076

The City anticipates funding the above deficits from future revenues of the funds.

D. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2023 and 2024 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2023 budget was 2.29%. The actual limit for the City for the 2024 budget was 3.633%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled \$55,380,306 on December 31, 2023 as summarized below:

Petty Cash and Cash on Hand	\$ 3,790
Deposits with Financial Institutions	26,438,751
Investments:	
U.S. Treasury Securities	3,227,670
Federal Agency Securities	2,638,434
Negotiable Certificate of Deposits	2,037,218
Corporate Bonds and Notes	120,886
Municipal Bonds	1,715,405
Money Market Mutual Funds	1,787,530
Wisconsin Local Government Investment Pool	17,410,622
Total	<u>\$ 55,380,306</u>

Reconciliation to the Basic Financial Statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 38,972,287
Restricted Cash and Investments	2,432,210
Fiduciary Fund Statement of Net Position:	
Cash and Investments	13,975,809
Total	<u>\$ 55,380,306</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

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 observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2023:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
U.S. Treasury Securities	\$ -	\$ 3,227,670	\$ -
Federal Agency Securities	-	2,638,434	-
Corporate Bonds and Notes	-	120,886	-
Municipal Bonds	-	1,715,405	-
Money Market Mutual Funds	1,787,530	-	-
Negotiable Certificates of Deposit	-	2,037,218	-
Total	<u>\$ 1,787,530</u>	<u>\$ 9,739,613</u>	<u>\$ -</u>

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the City's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City's policy required collateralization for depository institutions rated average. Collateralization is not required for institutions rated superior or excellent.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2023, \$26,111,293 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$19,261,985 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name and \$6,849,307 remained uncollateralized.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	A	Not Rated
U.S. Treasury Securities	\$ 3,227,670	\$ 3,227,670	\$ -	\$ -	\$ -	\$ -
Federal Agency Securities	2,638,434	-	2,638,434	-	-	-
Negotiable Certificates of Deposit	2,037,218	-	2,037,218	-	-	-
Corporate Bonds and Notes	120,886	120,886	-	-	-	-
Municipal Bonds	1,715,405	54,455	663,580	720,478	275,892	-
Money Market Mutual Funds	1,787,530	1,787,530	-	-	-	-
Wisconsin Local Government Investment Pool	17,410,622	17,410,622	-	-	-	-
Totals	\$ 28,937,765	\$ 22,601,163	\$ 5,339,232	\$ 720,478	\$ 275,892	\$ -

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of June 30, 2023, the Wisconsin local government investment pool had a weighted average maturity of 23 days.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury Securities	\$ 3,227,670	\$ 1,085,043	\$ 816,835	\$ 1,325,792	\$ -
Federal Agency Securities	2,638,434	383,693	1,832,833	421,908	-
Negotiable Certificates of Deposit	2,037,218	726,540	669,310	641,368	-
Corporate Bonds and Notes	120,886	-	-	120,886	-
Municipal Bonds	1,715,405	635,800	199,240	781,155	99,210
Money Market Mutual Funds	1,787,530	1,787,530	-	-	-
Wisconsin Local Government Investment Pool	17,410,622	17,410,622	-	-	-
Totals	<u>\$ 28,937,765</u>	<u>\$ 22,029,228</u>	<u>\$ 3,518,218</u>	<u>\$ 3,291,109</u>	<u>\$ 99,210</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year-End
Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	\$ 2,638,434

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin Local Government Investment Pool of \$17,410,622 at year-end. The 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.

B. Restricted Assets

Restricted assets on December 31, 2023 totaled \$3,000,748 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Debt Service Fund:		
Debt Retirement	\$ 2,282,210	Resources available for debt retirement
Enterprise Funds:		
Wastewater Utility:		
Equipment Replacement	150,000	To be used for replacement of certain assets for DNR requirements
Total	<u>\$ 2,432,210</u>	

C. Due from Other Governments

In prior years, the City of De Pere sold its wastewater treatment facility to the Green Bay Metropolitan Sewerage District (GBMSD) with the sale price repaid to the City over a 20 year period. The notes receivable from GBMSD was discounted using a 5% interest rate. Annual principal and interest payments of \$160,485 are due annually through 2027, with a notes receivable balance of \$569,074 as of December 31, 2023 as summarized below.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 132,032	\$ 28,453	\$ 160,485
2025	138,633	21,852	160,485
2026	145,564	14,921	160,485
2027	152,846	7,639	160,485
Total	<u>\$ 569,075</u>	<u>\$ 72,865</u>	<u>\$ 641,940</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Leases Receivable

During the year ended December 31, 2023, the City recognized lease revenue and interest revenue in the governmental activities of \$39,161 and \$803, and in the business-type activities of \$165,658 and \$8,008, respectively, pursuant to these contracts.

A summary of the City's lease terms and interest rates is as follows:

Governmental Activities

Space lease. Monthly installments ranging from \$3,254 to \$3,520 including interest at 1%, termination date through 2025.

Business-Type Activities

Tower lease. Monthly installments ranging from \$9,685 to \$11,330 including interest at 1%, termination date through 2027.

Tower lease. Annual installments ranging from \$33,280 to \$37,435 including interest at 1%, termination date through 2026.

Tower lease. Quarterly installments ranging from \$10,068 to \$11,325 including interest at 1%, termination date through 2026.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable/Nonamortizable:				
Land	\$ 9,343,209	\$ 3,297,000	\$ -	\$ 12,640,209
Construction in Progress	6,505,114	437,342	6,505,114	437,342
Total Capital Assets, Nondepreciable/Nonamortizable	15,848,323	3,734,342	6,505,114	13,077,551
Capital Assets, Depreciable/Amortizable:				
Land Improvements	13,333,769	16,970	-	13,350,739
Buildings and Improvements	13,213,414	158,023	-	13,371,437
Machinery and Equipment	12,870,090	2,595,237	1,242,498	14,222,829
Infrastructure	88,385,213	7,418,060	4,012,508	91,790,765
Subtotals	127,802,486	10,188,290	5,255,006	132,735,770
Less Accumulated Depreciation/Amortization for:				
Land Improvements	3,593,182	609,990	-	4,203,172
Buildings and Improvements	8,731,235	354,160	-	9,085,395
Machinery and Equipment	9,048,719	899,995	1,242,498	8,706,216
Infrastructure	40,295,831	2,275,970	3,977,643	38,594,158
Subtotals	61,668,967	4,140,115	5,220,141	60,588,941
Total Capital Assets, Depreciable/Amortizable, Net	66,133,519	6,048,175	34,865	72,146,829
Governmental Activities Capital Assets, Net	\$ 81,981,842	\$ 9,782,517	\$ 6,539,979	85,224,380
Less: Capital Related Debt				39,225,000
Less: Lease Liability				126,823
Less: Debt Premium				1,995,774
Less: Capital Related Accounts Payable				2,308,007
Add: Unspent Proceeds				4,059,582
Net Investment in Capital Assets				\$ 45,628,358

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 53,207	\$ -	\$ -	\$ 53,207
Construction in Progress	68,141	-	68,141	-
Total Capital Assets, Nondepreciable	121,348	-	68,141	53,207
 Capital Assets, Depreciable:				
Buildings and Improvements	892,181	-	336,400	555,781
Machinery and Equipment	6,907,275	748,117	359,774	7,295,618
Infrastructure	88,668,485	9,714,459	342,253	98,040,691
Subtotals	96,467,941	10,462,576	1,038,427	105,892,090
 Less Accumulated Depreciation	32,476,005	2,161,067	873,719	33,763,353
 Total Capital Assets, Depreciable, Net	63,991,936	8,301,509	164,708	72,128,737
 Business-Type Activities Capital Assets, Net	<u>\$ 64,113,284</u>	<u>\$ 8,301,509</u>	<u>\$ 232,849</u>	72,181,944
 Less: Capital Related Debt				635,000
Less: Debt Premium				14,346
Less: Capital Related Accounts Payable				87,458
 Net Investment in Capital Assets				<u>\$ 71,445,140</u>

Depreciation expense was charged to functions of the City as follows:

Governmental Activities:	
General Government	\$ 118,079
Health and Human Services	26,337
Public Safety	460,982
Public Works	2,648,271
Culture and Recreation	886,446
Total Depreciation Expense - Governmental Activities	<u>\$ 4,140,115</u>
 Business-Type Activities:	
Water Utility	\$ 758,115
Wastewater Utility	791,694
Stormwater Utility	611,258
Total Depreciation/Amortization Expense - Business-Type Activities	<u>\$ 2,161,067</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
Governmental Funds:		
General	\$ 2,084,336	\$ -
Cable Access	-	12,451
TID No. 6	2,078,146	-
TID No. 7	-	3,586,700
TID No. 9	-	269,690
TID No. 10	-	1,621,055
TID No. 15	3,501,947	-
TID No. 16	-	54,572
TID No. 17	-	48,076
Public Improvements	-	1,013,155
Pool Capital Projects	-	1,058,730
Proprietary Fund:		
Wastewater Utility	4,952,346	-
Stormwater Utility	245,343	-
Water Utility	-	5,197,689
Subtotal	<u>12,862,118</u>	<u>12,862,118</u>
Long-Term Advances:		
General Fund	27,821	-
Internal Service Funds:		
Health Self Insurance	-	17,821
Dental Self Insurance	-	10,000
Subtotal	<u>27,821</u>	<u>27,821</u>
Totals	<u>\$ 12,889,939</u>	<u>\$ 12,889,939</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivable, Payables, and Transfers (Continued)

Interfund transfers for the year ended December 31, 2023 were as follows:

Funds	Transfer In	Transfer Out
General	\$ 951,688	\$ 47,850
Wastewater Utility	-	255,499
Water Utility	42,518	427,554
Public Improvements	635,556	-
Capital Equipment	22,330	-
Pool Capital Projects	900,000	628,605
TID No. 6	3,786,288	2,631,124
TID No. 7	-	1,998,824
TID No. 8	-	732,617
TID No. 9	-	287,149
TID No. 10	-	526,476
TID No. 11	-	275,467
TID No. 12	-	1,106,112
TID No. 13	-	236,825
TID No. 14	-	156,108
TID No. 15	-	95,338
TID No. 17	-	65,490
Cable Access	9,639	-
Park Equipment	15,880	8,705
Debt Service	7,802,132	4,686,288
Total	<u>\$ 14,166,031</u>	<u>\$ 14,166,031</u>

Interfund transfers were made for the following purposes:

Transfer to Debt Service for Debt Payments	\$ 5,835,700
Transfer to close out TID 6	1,966,432
Transfer to General Fund for Equipment Purchases	556,845
Transfer to General Fund for Payment in Lieu of Taxes	433,053
Transfer to Cable Access for Deficit	9,639
Transfer to Public Improvements for Capital Projects	635,556
Transfer to return funds to TID 6	3,786,288
Transfer to Water Utility for Project Costs	42,518
Transfer to Fund Pool Projects	900,000
Total	<u>\$ 14,166,031</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Short-Term Obligations

The City issued short-term promissory notes in advance of property tax collections. Short-term debt activity for the year ended December 31, 2023 was as follows:

Note	Outstanding 1/1/23	Issued	Retired	Outstanding 12/31/23
	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>

Total interest paid for the year on short-term debt totaled \$4,241.

H. Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 2,820,000	\$ -	\$ 620,000	\$ 2,200,000	\$ 425,000
Taxable bonds	150,000	-	150,000	-	-
Community Development Bonds	4,775,000	-	290,000	4,485,000	300,000
Notes	33,905,000	8,350,000	4,355,000	37,900,000	5,190,000
Taxable Notes	8,215,000	6,670,000	460,000	14,425,000	810,000
Total General Obligation Debt	49,865,000	15,020,000	5,875,000	59,010,000	6,725,000
Debt Premium	2,153,720	518,252	488,763	2,183,209	495,248
Lease Liability - Financed Purchased	145,138	51,534	69,847	126,823	-
Compensated Absences	1,940,544	250,648	320,716	1,870,476	-
Governmental Activities Long-Term Obligations	<u>\$ 54,104,400</u>	<u>\$ 15,840,434</u>	<u>\$ 6,754,326</u>	<u>\$ 63,190,508</u>	<u>\$ 7,220,248</u>
Business-Type Activities:					
General Obligation Debt:					
Notes	\$ 840,000	\$ -	\$ 205,000	\$ 635,000	\$ 210,000
Debt Premium	19,746	-	5,400	14,346	5,400
Compensated Absences	285,184	-	29,581	255,603	-
Business-Type Activities Long-Term Obligations	<u>\$ 1,144,930</u>	<u>\$ -</u>	<u>\$ 239,981</u>	<u>\$ 904,949</u>	<u>\$ 215,400</u>

Total interest paid during the year on long-term debt totaled \$1,380,655.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General Obligation Bonds:					
2013A	08/13/13	2028	3.00-3.625%	\$ 5,650,000	\$ 855,000
2014A	11/20/14	2029	2.00-3.00%	1,075,000	470,000
2017B	10/18/17	2027	2.75%	1,700,000	875,000
General Obligation Community Development Bonds:					
2018B	09/20/18	2033	3.25-5.00%	5,545,000	4,485,000
General Obligation Notes:					
2015A	09/24/15	2025	2.00-3.00%	8,285,000	600,000
2016A	10/19/16	2026	1.00-2.00%	7,915,000	2,360,000
2017A	10/18/17	2027	2.00-2.25%	2,015,000	785,000
2018A	09/20/18	2028	3.00-5.00%	2,600,000	1,345,000
2019A	10/21/19	2029	3.00-4.00%	8,715,000	4,965,000
2020A	10/14/20	2030	1.00-2.00%	8,340,000	5,860,000
2021A	10/15/21	2031	2.00%	6,375,000	5,015,000
2022A	09/07/22	2032	4.00%	10,100,000	9,255,000
2023 A	09/07/23	2033	4.00-5.00%	8,350,000	8,350,000
General Obligation Taxable Notes:					
2016B	10/19/16	2026	2.00-2.25%	890,000	270,000
2019B	10/21/19	2029	2.25-2.70%	880,000	755,000
2020B	10/14/20	2030	0.35-1.40%	2,670,000	1,990,000
2021B	10/15/21	2031	0.35-1.80%	3,895,000	3,855,000
2022B	09/07/22	2032	0.35-1.80%	885,000	885,000
2023B	09/07/23	2033	4.85-5.6%	6,670,000	6,670,000
Total Outstanding General Obligation Debt					<u>\$ 59,645,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$59,645,000 on December 31, 2023 are detailed below:

Year Ended December 31	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 6,725,000	\$ 1,914,593	\$ 210,000	\$ 12,700	\$ 6,935,000	\$ 1,927,293
2025	6,580,000	1,725,454	210,000	8,500	6,790,000	1,733,954
2026	7,000,000	1,525,439	215,000	4,300	7,215,000	1,529,739
2027	6,670,000	1,300,266	-	-	6,670,000	1,300,266
2028	6,235,000	1,095,226	-	-	6,235,000	1,095,226
2029 - 2033	25,800,000	2,634,050	-	-	25,800,000	2,634,050
Total	<u>\$ 59,010,000</u>	<u>\$ 10,195,028</u>	<u>\$ 635,000</u>	<u>\$ 25,500</u>	<u>\$ 59,645,000</u>	<u>\$ 10,220,528</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Long-Term Obligations (Continued)

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2023 was \$106,120,505 as follows:

Equalized Valuation of the City	\$ 3,315,310,100
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	165,765,505
Total Outstanding General Obligation Debt Applicable to Debt Limitation	59,645,000
Legal Margin for New Debt	\$ 106,120,505

I. Leases Liability: Finance Purchases

The City is required to make various monthly principal and interest payments. This lease has an interest rate of 7.79%. The equipment has an estimated useful life of three years. The financed purchase lease expires in 2024.

The City is required to make various monthly principal and interest payments. This lease has an interest rate of 8.49%. The equipment has an estimated useful life of three years. The financed purchase lease expires in 2025.

These lease agreements qualify as a financed purchase for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The asset acquired through a financed purchase lease is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 100,007	\$ 10,240	\$ 110,247
2025	26,816	2,277	29,093
Total	\$ 126,823	\$ 12,517	\$ 139,340

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan

1. Plan Description

The Wisconsin Retirement System (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 1200 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 issued a standalone Annual Comprehensive (ACFR), which can be found at <https://etf.wi.gov/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.

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.

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

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

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

1. Plan Description (Continued)

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

The WRS also provides death and disability benefits for employees.

2. Postretirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2013	-9.6%	9%
2014	4.7%	25%
2015	2.9%	2%
2016	0.5%	-5%
2017	2.0%	4%
2018	2.4%	17%
2019	0.0%	-10%
2020	1.7%	21%
2021	5.1%	13%
2022	7.4%	15%

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

3. Contributions

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

During the year ending December 31, 2023, the WRS recognized \$1,431,922 in contributions from the City.

Contribution rates for the reporting period are (per WRS Employer Rates website for 2023):

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

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

At December 31, 2023, the City reported a liability of \$5,433,668 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability 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 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 0.10256648% which was an increase of 0.00276612% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized a pension expense of \$2,753,395.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

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

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	\$ 8,654,149	\$ 11,369,609
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	9,230,548	-
Changes in Assumptions	1,068,484	-
Changes in Proportion and Differences Between		
Employer Contributions and Proportionate Share		
of Contributions	18,478	68,091
Employer Contributions Subsequent to the		
Measurement Date	1,431,922	-
Total	<u>\$ 20,403,581</u>	<u>\$ 11,437,700</u>

\$1,431,922 reported as deferred outflows related to pension resulting from the City'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:

<u>Year Ended December 31,</u>	<u>Expense</u>
2024	\$ 305,611
2025	1,556,022
2026	1,591,486
2027	4,080,840
Total	<u>\$ 7,533,959</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 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
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.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equity	48%	7.6%	5.0%
Public Fixed Income	25%	5.3%	2.7%
Inflation Sensitive Assets	19%	3.6%	1.1%
Real Estate	8%	5.2%	2.6%
Private Equity/Debt	15%	9.6%	6.9%
Multi-Asset	4%	N/A	N/A
Total Core Fund	100%	7.4%	4.8%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.2%	4.6%
International Equities	30%	8.1%	5.5%
Total Variable Fund	100%	7.7%	5.1%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility 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%.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

Single Discount Rate. A single discount rate of 6.80% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% 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 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 18,034,167	\$ 5,433,668	\$ (3,234,394)

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>.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits

The City reports OPEB related balances at December 31, 2023 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-Employer Defined OPEB Plan	\$ 347,895	\$ 122,607	\$ 158,665	\$ 3,933
Local Retiree Life Insurance Fund (LRLIF)	1,438,004	657,730	1,024,986	155,941
Total	<u>\$ 1,785,899</u>	<u>\$ 780,337</u>	<u>\$ 1,183,651</u>	<u>\$ 159,874</u>

1. Single-Employer Defined OPEB Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the City. Eligible retired employees have access to group medical coverage through the City's group plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. City paid medical benefits are paid for as indicated below. All employees of the City are eligible for the Plan if they meet the following age and service requirements below.

Benefits Provided

The City provides medical (including prescription drugs) and dental coverage for retired employees through the City's self-insured plans.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving	
Benefit Payments	4
Active Employees	128
Total	<u>132</u>

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. City paid medical and dental benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

Total OPEB Liability

The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2022 and rolled forward to December 31, 2023.

Actuarial Assumptions. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net OPEB Liability (Asset):	December 31, 2023
Actuarial Cost Method:	Entry Age Normal
Health Care Trend:	Actual first year trend, then 6.50% decreasing by .10% per year down to 4.5%, and level thereafter
Discount Rate:	4.00%
Municipal Bond Rate Source:	S&P Municipal 20 Year High Grade Index
Assumed Rate of Inflation:	4.00%
Mortality:	Wisconsin 2018 Mortality Table adjusted for future mortality using the MP-2018 generated improvement scale

The projection of cash flows used to determine the single discount rate assumed that plan would continue to be funded on a pay as you go basis. Based on these assumptions, the 20-year AA municipal bond rate was applied to all periods of projected benefits payment to determine the total OPEB liability.

The discount rate was changed to the 20-year AA municipal bond rate (4.00%) as of the measurement date. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2021.

Discount Rate. The discount rate used to measure the total OPEB liability was based on the 20-year AA municipal bond note.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

Changes in the Total OPEB Liability

	<u>Increase (Decrease)</u> <u>Total OPEB</u> <u>Liability</u>
Balance at December 31, 2022	\$ 196,464
Changes for the Year:	
Service Cost	13,526
Interest	8,637
Changes of Assumptions	95,841
Benefit Payments	33,427
Net Changes	<u>151,431</u>
Balance at December 31, 2023	<u>\$ 347,895</u>

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

	<u>1% Decrease to</u> <u>Discount Rate</u> <u>(3.00%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(4.00%)</u>	<u>1% Increase to</u> <u>Discount Rate</u> <u>(5.00%)</u>
Total OPEB Liability	\$ 375,802	\$ 347,895	\$ 322,309

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u> <u>(6.0% Decreasing</u> <u>to 3.5%)</u>	<u>Healthcare Cost</u> <u>Trend Rates</u> <u>(7.0% Decreasing</u> <u>to 4.5%)</u>	<u>1% Increase</u> <u>(8.0% Decreasing</u> <u>to 5.5%)</u>
Total OPEB Liability	\$ 314,140	\$ 347,895	\$ 387,531

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of \$9,004. At December 31, 2023, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 86,257	\$ 109,780
Changes in Assumptions	36,350	48,885
Total	<u>\$ 122,607</u>	<u>\$ 158,665</u>

The amounts above reported as deferred inflows of resources related to OPEB will be recognized in other postemployment benefit expense as follows:

<u>Year Ended December 31,</u>	<u>(Revenue)/Expense</u>
2024	\$ (13,159)
2025	(13,159)
2026	(13,159)
2027	(13,159)
2028	(13,152)
Thereafter	29,730
Total	<u>\$ (36,058)</u>

2. Local Retiree Life Insurance Fund

Plan Description

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

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Plan Fiduciary Net Position

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

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

Benefits Provided

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

Contributions

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

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

Contribution rates as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are listed below:

Life Insurance Employee Contribution Rates For the Year Ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

During the year ended December 31, 2023, the LRLIF recognized \$7,555 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2023, the City reported a liability of \$1,438,004 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.37744600%, which was an increase of 0.01369000% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense of \$155,941.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 140,732
Net Differences Between Projected and Actual		
Earnings on OPEB Plan Investments	26,984	-
Changes in Assumptions	516,643	848,816
Changes in Proportion and Differences Between		
Employer Contributions and Proportionate Share		
of Contributions	114,103	35,438
Total	<u>\$ 657,730</u>	<u>\$ 1,024,986</u>

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

<u>Year Ended December 31,</u>	<u>Expense</u>
2024	\$ (17,283)
2025	(28,973)
2026	(8,468)
2027	(70,320)
2028	(120,861)
Thereafter	(121,352)
Total	<u>\$ (367,257)</u>

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Actuarial Assumptions. The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield: *	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
*Based on the Bond Buyers GO Index	

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

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

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg U.S. Intermediate Credit	50%	2.45%
U.S. Mortgages	Bloomberg U.S. MBS	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single Discount Rate. A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Sensitivity of the City's Proportionate Share of Net OPEB Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 3.76%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 1,960,566	\$ 1,438,004	\$ 1,037,521

Payable to the OPEB Plan

At December 31, 2023, the City reported no payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2023.

L. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2023, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Inventories and Prepaid Items	\$ 205,371
Special Assessments	29,496
Advances to Other Funds	2,084,336
Total Nonspendable Fund Balance	<u>\$ 2,319,203</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

L. Fund Equity (Continued)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

General Fund:

Restricted for:

Property Tax Relief and Economic Development	\$ 97,821
Recreation Scholarship	<u>36,344</u>
Total General Fund Restricted Fund Balance	134,165

Debt Service Fund	2,282,210
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Special Revenue Funds:

Restricted for:

Development Loans	978,086
Public Land Acquisition	121,432
Affordable Housing	<u>1,968,527</u>
Total Special Revenue Funds Balance	3,068,045

Capital Projects Funds:

Restricted for:

Capital Projects	
TID No. 8	1,651,057
TID No. 11	890,643
TID No. 12	1,787,515
TID No. 13	236,730
TID No. 14	282,936
TID No. 15	<u>3,492,792</u>
Total Tax Incremental Financing District Expenditures	<u>8,341,673</u>

Total Restricted Fund Balance	<u><u>\$ 13,826,093</u></u>
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CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

L. Fund Equity (Continued)

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2023, General Fund balance was committed as follows:

General Fund:

Committed for:

Nonlapsing Funds	\$ 1,188,438
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Special Revenue Funds:

Committed for:

Riverwalk Pier	580,740
Dog Park	13,633
Park Equipment	197,478
De Pere Micro Fund Loan	<u>53,228</u>
Total Special Revenue Fund Committed	
Fund Balance	845,079

Capital Project Funds:

Committed for:

Capital Equipment	2,633,473
Community Center	4,718
Police/Fire Expansion	<u>2,932</u>
Total Capital Project Funds	<u>2,641,123</u>

Total Committed Fund Balance	<u><u>\$ 4,674,640</u></u>
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Minimum General Fund Balance Policy

The City has also adopted a minimum fund balance policy of 25% of subsequent year budgeted expenditures for the general fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2023 General Fund Expenditures	\$ 20,993,402
Minimum Fund Balance %	(x) 25%
Minimum Fund Balance Amount	<u><u>\$ 5,248,351</u></u>

The City's unassigned general fund balance of \$8,197,750 is above the minimum fund balance amount.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 OTHER INFORMATION

A. Tax Incremental Financing

The City has established separate capital projects funds for twelve Tax Incremental City (TID) which were created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the City was created, the property tax base within the City was "frozen" and increment taxes resulting from increases to the property tax base are used to finance City improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The City's City is still eligible to incur project costs.

Since creation of the TID's, the City has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID capital project fund but can be recovered by the City from any future excess tax increment revenues. As of December 31, 2023, the City can recover \$28,643,163 from future excess tax increment revenues of the following. Furthermore, the intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Cities. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	<u>TID No. 6</u>	<u>TID No. 7</u>	<u>TID No. 8</u>	<u>TID No. 9</u>
Creation Date	3/3/1998	10/17/2006	8/21/2007	8/7/2012
Termination Date	2/17/2022	10/17/2033	8/21/2027	8/7/2039
Tax Increment Property Tax Revenues for 2023	\$ -	\$ 88,546	\$ 390,355	\$ 49,292
Net Unreimbursed Project Costs Due City	\$ -	\$ 4,310,008	\$ 161,057	\$ 3,435,609

	<u>TID No. 10</u>	<u>TID No. 11</u>	<u>TID No. 12</u>	<u>TID No. 13</u>
Creation Date	8/7/2012	9/1/2015	9/1/2015	7/18/2017
Termination Date	8/7/2032	9/1/2035	9/1/2035	7/18/2037
Tax Increment Property Tax Revenues for 2023	\$ 189,436	\$ 333,066	\$ 699,346	\$ 167,516
Net Unreimbursed Project Costs Due City	\$ 4,847,054	\$ 1,559,358	\$ 5,437,486	\$ 2,638,270

	<u>TID No. 14</u>	<u>TID No. 15</u>	<u>TID No. 16</u>	<u>TID No. 17</u>
Creation Date	9/19/2018	2/15/2020	2/21/2020	3/16/2021
Termination Date	12/31/2038	2/18/2040	2/21/2040	3/16/2042
Tax Increment Property Tax Revenues for 2023	\$ 26,939	\$ 464,007	\$ -	\$ -
Net Unreimbursed Project Costs Due City	\$ 942,064	\$ 3,644,609	\$ 54,572	\$ 1,713,076

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceeded coverage in each of the past three years.

In addition to the above, the City has established separate internal service funds for the following risk management programs:

Health Self-Insurance Fund

City employees, retirees and employee dependents are eligible for medical benefits from a health self-insurance fund. Funding is provided by charges to City departments, employees, and retirees. The program is supplemented by stop loss protection, which limits the City's annual liability. Fund expenses consist of payments to a third-party administrator for medical claims, stop loss insurance premiums and administrative fees. On December 31, 2023, the fund had a balance of \$1,420,913.

The claims liability of \$172,844 reported in the fund at December 31, 2023 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2023	\$ 186,095	\$ 1,679,556	\$ 2,038,495	\$ 172,844
2022	132,294	1,649,790	2,022,576	186,095

Dental Self-Insurance Fund

City employees, retirees and employee dependents are eligible for dental benefits from a dental self-insurance fund. Funding is provided by charges to City departments, employees and retirees. The program is supplemented by stop loss protection, which limits the City's annual liability. Fund expenses consist of payments to a third-party administrator for dental claims, stop loss insurance premiums and administrative fees. On December 31, 2023, the fund had a balance of \$73,317.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Risk Management (Continued)

Dental Self-Insurance Fund (Continued)

The claims liability of \$3,786 reported in the fund at December 31, 2023, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2023	\$ 2,571	\$ 133,174	\$ 131,959	\$ 3,786
2022	3,797	140,973	138,827	2,571

C. Contingencies

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City 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.

D. Water Purchase Contract with Central Brown County Water Authority

The City of De Pere is a Charter member of the Central Brown County Water Authority with five other Brown County communities. The Authority was formed under Wisconsin Statutes in 1998 to provide a long-term solution to water quantity and quality concerns. In 2004, the Authority entered into a contract to purchase Lake Michigan water from the City of Manitowoc. In 2007 the Authority completed construction of a 30 mile water transmission main from the City of Manitowoc and a 35 mile long spoke transmission system to distribute the water to its individual members. To provide funds to complete construction projects, the Authority issued \$136,625,000 of revenue bonds in June of 2005.

Each Charter Member has entered into a water purchase contract under which they agree to purchase wholesale water from the Authority. Rates charged to each member are billed monthly and are based on (1) operation and maintenance costs, (2) fixed costs, including debt service on the revenue bond and (3) required Security Fund deposits. During 2023, the City paid the Authority \$3,601,892 in accordance with the water purchase contract.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DE PERE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.08664090%	\$ (2,128,138)	\$ 9,073,681	23.45%	102.74%
12/31/15	0.08721909%	1,417,293	9,424,305	15.04%	98.20%
12/31/16	0.08851511%	729,575	9,577,125	7.62%	99.12%
12/31/17	0.09092334%	(2,699,621)	9,670,368	27.92%	102.93%
12/31/18	0.09310308%	3,312,315	10,029,996	33.02%	96.45%
12/31/19	0.09492159%	(3,060,705)	10,457,329	-29.27%	102.96%
12/31/20	0.09781188%	(6,106,531)	11,200,080	-54.52%	105.26%
12/31/21	0.09980036%	(8,044,092)	11,354,060	-70.85%	106.02%
12/31/22	0.10256648%	5,433,668	12,055,709	45.07%	95.75%

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 853,538	\$ 853,538	\$ -	\$ 9,424,305	9.06%
12/31/16	862,667	862,667	-	9,577,125	9.01%
12/31/17	947,840	947,840	-	9,670,368	9.80%
12/31/18	976,960	976,960	-	10,029,996	9.74%
12/31/19	1,006,862	1,006,862	-	10,457,329	9.63%
12/31/20	1,156,889	1,156,889	-	11,200,080	10.33%
12/31/21	1,180,293	1,180,293	-	11,354,060	10.40%
12/31/22	1,234,602	1,234,602	-	12,055,709	10.24%
12/31/23	1,431,922	1,431,922	-	12,666,777	11.30%

See accompanying Notes to Required Supplementary Information.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST 10 MEASUREMENT PERIODS

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service Cost	\$ 13,526	\$ 18,510	\$ 20,168	\$ 18,239	\$ 20,928	\$ 22,795	\$ 22,795
Interest	8,637	4,505	5,929	6,523	15,145	13,298	12,862
Changes of Benefit Terms							
Differences Between Expected and Actual Experience	95,841	-	(44,531)	-	(157,218)	-	-
Changes of Assumptions	33,427	(39,218)	(11,767)	10,442	(6,038)	(13,769)	(5,254)
Benefit Payments	-	(6,660)	(7,758)	(12,016)	(13,749)	(31,655)	(14,784)
Net Change in Total OPEB Liability	151,431	(22,863)	(37,959)	23,188	(140,932)	(9,331)	15,619
Total OPEB Liability - Beginning	196,464	219,327	257,286	234,098	375,030	384,361	368,742
Total OPEB Liability - Ending	<u>\$ 347,895</u>	<u>\$ 196,464</u>	<u>\$ 219,327</u>	<u>\$ 257,286</u>	<u>\$ 234,098</u>	<u>\$ 375,030</u>	<u>\$ 384,361</u>
Covered-Employee Payroll	\$ 11,634,130	\$ 10,509,539	\$ 10,509,539	\$ 9,732,159	\$ 9,732,159	\$ 7,447,066	\$ 7,447,066
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	2.99%	1.87%	2.09%	2.64%	2.41%	5.04%	5.16%

* The amounts presented for each fiscal year were determined as of the current fiscal year-end. Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.36553200%	\$ 1,099,732	\$ 9,670,368	11.37%	44.81%
12/31/18	0.37112800%	957,635	9,292,000	10.31%	48.69%
12/31/19	0.35037200%	1,491,952	9,509,000	15.69%	37.58%
12/31/20	0.34576900%	1,901,979	10,418,000	18.26%	31.36%
12/31/21	0.36375600%	2,149,932	10,514,000	20.45%	29.57%
12/31/22	0.37744600%	1,438,004	10,592,000	13.58%	38.81%

SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/17	\$ 6,917	\$ 6,917	\$ -	\$ 9,670,368	0.07%
12/31/18	7,150	7,150	-	9,292,000	0.08%
12/31/19	6,915	6,915	-	10,457,330	0.07%
12/31/20	6,829	6,829	-	10,418,000	0.07%
12/31/21	7,358	7,358	-	11,354,060	0.06%
12/31/22	7,445	7,445	-	10,514,000	0.07%
12/31/23	7,555	7,555	-	12,666,777	0.06%

See accompanying Notes to Required Supplementary Information.

CITY OF DE PERE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023

NOTE 1 WISCONSIN RETIREMENT SYSTEM

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

Changes of assumptions.

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the EFT 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 EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end 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 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

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

CITY OF DE PERE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS

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

Single-Employer Defined Postemployment Benefit Plan

The discount rate was changed to the 20-year AA municipal bond rate (2.00%) for the measurement date of December 31, 2022. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2019. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Local Retiree Life Insurance Fund (LRLIF)

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

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

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

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

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect update trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

SUPPLEMENTARY INFORMATION

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CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
YEAR ENDED DECEMBER 31, 2023

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Taxes:				
General Property	\$ 9,216,557	\$ 9,216,557	\$ 9,216,564	\$ 7
Mobile Home	6,600	6,600	5,194	(1,406)
Excess Stadium District Sales Tax	120	120	7,590	7,470
Room Tax	12,500	12,500	14,221	1,721
Payments in Lieu of Taxes	10,000	10,000	1,358	(8,642)
Housing Authority	34,000	34,000	37,103	3,103
Interest and Penalties:				
Taxes	1,400	1,400	1,173	(227)
Special Assessments	10,000	10,000	6,955	(3,045)
Total Taxes	9,291,177	9,291,177	9,290,158	(1,019)
Intergovernmental:				
Law Enforcement Training	125,803	125,803	142,459	16,656
State Shared Taxes	1,472,056	1,472,056	1,736,205	264,149
Exempt Computer Aid	77,852	77,852	84,592	6,740
Fire Insurance	103,800	103,800	119,301	15,501
Rescue Squad	15,000	15,000	59,813	44,813
Transportation	1,385,117	1,385,117	1,385,298	181
Mass Transit	274,790	274,790	-	(274,790)
Public Health	60,199	60,199	64,560	4,361
Recycling	97,691	97,691	97,720	29
Other	167,124	167,124	222,860	55,736
Total Intergovernmental	3,779,432	3,779,432	3,912,808	133,376
Licenses and Permits:				
Licenses:				
Liquor and Malt Beverage	39,800	39,800	30,321	(9,479)
Operators	10,815	10,815	10,039	(776)
Cigarette	2,415	2,415	2,500	85
Food and Beverage	86,806	86,806	92,233	5,427
Cable Television	112,200	112,200	99,729	(12,471)
Trailer Park	100	100	-	(100)
Dog	4,672	4,672	3,970	(702)
Other Licenses/Permits	9,455	9,455	10,452	997
Permits:				
Construction	11,193	11,193	12,650	1,457
Electrical, Mechanical, and Plumbing	309,750	309,750	146,369	(163,381)
Sanitary Sewer	12,600	12,600	13,025	425
Zoning	446,384	446,384	255,854	(190,530)
Total Licenses and Permits	1,046,190	1,046,190	677,142	(369,048)

CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
Fines and Forfeits:				
Court Forfeitures and Costs	\$ 300,000	\$ 300,000	\$ 238,599	\$ (61,401)
Parking Violations	35,000	35,000	23,894	(11,106)
Total Fines and Forfeits	335,000	335,000	262,493	(72,507)
Public Charges for Services:				
General Government	43,822	43,822	52,886	9,064
Police	1,197	1,197	3,502	2,305
Alarm Monitoring Fees	7,140	7,140	10,750	3,610
Ambulance	1,025,000	1,025,000	1,175,711	150,711
Streets	60,188	60,188	104,567	44,379
Snow Removal	7,276	7,276	4,052	(3,224)
Weed Cutting	-	-	(3,403)	(3,403)
Recycling	17,050	17,050	24,236	7,186
Public Health	315	315	10,263	9,948
Community Center	53,550	53,550	64,994	11,444
Swimming Pools	227,850	227,850	286,887	59,037
Parks	17,745	17,745	19,532	1,787
Recreation	444,308	444,308	573,676	129,368
Concession Sales	44,625	44,625	49,380	4,755
Total Public Charges for Services	1,950,066	1,950,066	2,377,033	426,967
Intergovernmental Charges for Services:				
General Government	183,428	183,428	435,745	252,317
Public Safety	541,000	541,000	729,074	188,074
Public Works	732,468	732,468	732,467	(1)
Total Intergovernmental Charges for Services	1,456,896	1,456,896	1,897,286	440,390
Miscellaneous:				
Investment Income	325,000	325,000	1,942,403	1,617,403
Donations	7,500	7,500	387,721	380,221
Sale of City Property	165,000	165,000	27,307	(137,693)
Rental Income	150,353	150,353	42,423	(107,930)
Department Revenue	5,750	5,750	41,269	35,519
Other	607	607	58,584	57,977
Total Miscellaneous	654,210	654,210	2,499,707	1,845,497
Total Revenues	<u>\$ 18,512,971</u>	<u>\$ 18,512,971</u>	<u>\$ 20,916,627</u>	<u>\$ 2,403,656</u>

CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
YEAR ENDED DECEMBER 31, 2023

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government:				
Council	\$ 81,807	\$ 81,807	\$ 79,139	\$ 2,668
Council Outlay	-	-	1,133	(1,133)
Municipal Court	123,612	123,612	121,899	1,713
Mayor	44,264	44,264	40,503	3,761
Administrator	144,536	200,864	167,436	33,428
Administrator Outlay	3,200	3,200	3,177	23
Clerk/Treasurer	276,966	276,966	276,687	279
Clerk/Treasurer Outlay	900	900	1,023	(123)
Elections	30,150	30,150	25,418	4,732
Elections Outlay	5,000	7,500	6,735	765
Assessment of Property	98,450	98,450	112,239	(13,789)
Accounting and Finance	154,424	170,424	241,039	(70,615)
Accounting and Finance Outlay	-	-	494	(494)
Data Processing	223,577	234,217	202,913	31,304
Personnel and Insurance	418,545	429,026	391,782	37,244
Personnel and Insurance Outlay	700	700	-	700
Legal	351,815	376,672	293,638	83,034
Legal Outlay	500	500	500	-
City Hall	145,288	145,288	181,161	(35,873)
City Hall Outlay	-	-	18,853	(18,853)
Other General Government	473,936	579,387	275,690	303,697
Total General Government	2,577,670	2,803,927	2,441,459	362,468
Public Safety:				
Police Department	5,815,214	5,815,214	5,989,515	(174,301)
Police Department Outlay	3,500	3,500	39,588	(36,088)
Traffic Control	96,860	96,860	83,459	13,401
Fire/Ambulance Department	4,442,229	4,481,725	4,731,779	(250,054)
Building and Electrical	307,232	307,232	304,486	2,746
Jail	5,250	5,250	7,183	(1,933)
Total Public Safety	10,670,285	10,709,781	11,156,010	(446,229)
Public Works:				
Street Machinery Repair	119,150	119,150	118,436	714
Street Machinery Repair Outlay	2,260	2,260	4,191	(1,931)
Municipal Service Center	100,498	100,498	105,547	(5,049)
Mechanics	138,200	138,200	154,605	(16,405)
Administration	114,866	114,866	120,759	(5,893)
Engineer	256,600	256,600	241,803	14,797
Engineer Outlay	5,250	5,250	5,695	(445)
Street Maintenance	157,372	157,372	126,166	31,206

CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
Public Works (Continued):				
Brush Pickup	\$ 114,088	\$ 114,088	\$ 110,291	\$ 3,797
Weed Cutting	15,442	15,442	17,413	(1,971)
Snow and Ice Control	288,815	288,815	277,296	11,519
Traffic Signs and Markings	170,652	170,652	151,366	19,286
Traffic Lights	42,820	42,820	42,652	168
Street Lighting	428,595	431,595	434,697	(3,102)
Transit Systems	408,100	408,100	82,557	325,543
Total Public Works	2,362,708	2,365,708	1,993,474	372,234
Sanitation:				
Garbage and Refuse Collection	396,786	396,786	427,501	(30,715)
Landfill Waste Disposal	320,000	320,000	335,365	(15,365)
Recycling	141,782	141,782	126,290	15,492
Total Sanitation	858,568	858,568	889,156	(30,588)
Health and Human Services:				
Nurse	728,924	728,924	744,652	(15,728)
Board of Health	100	100	40	60
Total Health and Human Services	729,024	729,024	744,692	(15,668)
Culture and Recreation:				
Community Center	377,561	377,561	371,736	5,825
Special Events and Celebrations	30,283	30,283	13,318	16,965
Park and Recreation Administration	276,456	286,456	284,391	2,065
Recreation	678,371	679,821	595,918	83,903
Swimming Pools	617,127	617,127	571,299	45,828
Swimming Pools Outlay	-	-	13,560	(13,560)
Parks - General	622,749	622,749	636,143	(13,394)
Parks Outlay	11,000	29,960	160,739	(130,779)
Parks Equipment Maintenance	90,948	90,948	97,108	(6,160)
Boat Ramps	26,115	26,115	24,664	1,451
Forestry	255,338	265,805	278,269	(12,464)
Historical Society	11,860	15,060	20,766	(5,706)
Total Culture and Recreation	2,997,808	3,041,885	3,067,911	(26,026)
Conservation and Development:				
Economic Development	385,720	474,320	402,444	71,876
Total Expenditures	\$ 20,581,783	\$ 20,983,213	\$ 20,695,146	\$ 288,067

CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Special Revenue				
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access	Dog Park
ASSETS					
Cash and Investments	\$ 978,086	\$ 124,903	\$ 580,740	\$ -	\$ 13,633
Receivables:					
Taxes and Special Charges	-	-	-	-	-
Accounts	-	-	-	15,882	-
Loans	24,928	-	-	-	-
Due from Other Funds	-	-	-	-	-
Total Assets	\$ 1,003,014	\$ 124,903	\$ 580,740	\$ 15,882	\$ 13,633
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 3,471	\$ -	\$ 2,716	\$ -
Accrued and Other Current Liabilities	-	-	-	834	-
Due to Other Funds	-	-	-	12,451	-
Due to Other Funds	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	-	3,471	-	16,001	-
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Loans Receivable	24,928	-	-	-	-
Total Deferred Inflows of Resources	24,928	-	-	-	-
Fund Balances:					
Restricted	978,086	121,432	-	-	-
Committed	-	-	580,740	-	13,633
Unassigned (Deficit)	-	-	-	(119)	-
Total Fund Balances	978,086	121,432	580,740	(119)	13,633
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,003,014	\$ 124,903	\$ 580,740	\$ 15,882	\$ 13,633

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023**

	Special Revenue				Capital Projects	
	Southwest Park Equipment	De Pere Micro Fund Loan	Local Fiscal Recovery Funds	Affordable Housing	Capital Equipment	Community Center
ASSETS						
Cash and Investments	\$ 211,312	\$ 53,228	\$ 1,896,718	\$ 1,968,527	\$ 2,851,623	\$ 4,718
Receivables:						
Taxes and Special Charges	-	-	-	-	-	-
Accounts	-	-	-	-	2,960	-
Loans	-	31,780	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Total Assets	<u>\$ 211,312</u>	<u>\$ 85,008</u>	<u>\$ 1,896,718</u>	<u>\$ 1,968,527</u>	<u>\$ 2,854,583</u>	<u>\$ 4,718</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 13,834	\$ -	\$ 83,532	\$ -	\$ 221,110	\$ -
Accrued and Other Current Liabilities	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Unearned Revenues	-	-	1,813,186	-	-	-
Total Liabilities	<u>13,834</u>	<u>-</u>	<u>1,896,718</u>	<u>-</u>	<u>221,110</u>	<u>-</u>
Deferred Inflows of Resources:						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Loans Receivable	-	31,780	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>31,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Restricted	-	-	-	1,968,527	-	-
Committed	197,478	53,228	-	-	2,633,473	4,718
Unassigned (Deficit)	-	-	-	-	-	-
Total Fund Balances	<u>197,478</u>	<u>53,228</u>	<u>-</u>	<u>1,968,527</u>	<u>2,633,473</u>	<u>4,718</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 211,312</u>	<u>\$ 85,008</u>	<u>\$ 1,896,718</u>	<u>\$ 1,968,527</u>	<u>\$ 2,854,583</u>	<u>\$ 4,718</u>

CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023

	Capital Projects				
	Police/Fire Expansion	Pool Capital Projects	TID No. 6	TID No. 7	TID No. 8
ASSETS					
Cash and Investments	\$ 2,932	\$ -	\$ 2,127,392	\$ -	\$ 1,657,079
Receivables:					
Taxes and Special Charges	-	900,000	-	115,821	400,007
Accounts	-	-	-	-	-
Loans	-	-	-	-	-
Due from Other Funds	-	-	2,078,146	-	-
Total Assets	<u>\$ 2,932</u>	<u>\$ 900,000</u>	<u>\$ 4,205,538</u>	<u>\$ 115,821</u>	<u>\$ 2,057,086</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 3,486	\$ 5,250	\$ 3,308	\$ 6,022
Accrued and Other Current Liabilities	-	-	-	-	-
Due to Other Funds	-	1,058,730	-	3,586,700	-
Due to Other Governments	-	-	4,200,288	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,062,216</u>	<u>4,205,538</u>	<u>3,590,008</u>	<u>6,022</u>
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	-	900,000	-	115,821	400,007
Loans Receivable	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>900,000</u>	<u>-</u>	<u>115,821</u>	<u>400,007</u>
Fund Balances:					
Restricted	-	-	-	-	1,651,057
Committed	2,932	-	-	-	-
Unassigned (Deficit)	-	(1,062,216)	-	(3,590,008)	-
Total Fund Balances	<u>2,932</u>	<u>(1,062,216)</u>	<u>-</u>	<u>(3,590,008)</u>	<u>1,651,057</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,932</u>	<u>\$ 900,000</u>	<u>\$ 4,205,538</u>	<u>\$ 115,821</u>	<u>\$ 2,057,086</u>

CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023

	Capital Projects				
	TID No. 9	TID No. 10	TID No. 11	TID No. 12	TID No. 13
ASSETS					
Cash and Investments	\$ -	\$ -	\$ 894,452	\$ 1,838,945	\$ 237,984
Receivables:					
Taxes and Special Charges	154,798	227,502	696,859	1,974,090	275,117
Accounts	-	-	-	-	-
Loans	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Total Assets	<u>\$ 154,798</u>	<u>\$ 227,502</u>	<u>\$ 1,591,311</u>	<u>\$ 3,813,035</u>	<u>\$ 513,101</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 35,119	\$ -	\$ 3,424	\$ 50,938	\$ -
Accrued and Other Current Liabilities	-	-	385	492	1,254
Due to Other Funds	269,690	1,621,055	-	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	<u>304,809</u>	<u>1,621,055</u>	<u>3,809</u>	<u>51,430</u>	<u>1,254</u>
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	154,798	227,502	696,859	1,974,090	275,117
Loans Receivable	-	-	-	-	-
Total Deferred Inflows of Resources	<u>154,798</u>	<u>227,502</u>	<u>696,859</u>	<u>1,974,090</u>	<u>275,117</u>
Fund Balances:					
Restricted	-	-	890,643	1,787,515	236,730
Committed	-	-	-	-	-
Unassigned (Deficit)	(304,809)	(1,621,055)	-	-	-
Total Fund Balances	<u>(304,809)</u>	<u>(1,621,055)</u>	<u>890,643</u>	<u>1,787,515</u>	<u>236,730</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 154,798</u>	<u>\$ 227,502</u>	<u>\$ 1,591,311</u>	<u>\$ 3,813,035</u>	<u>\$ 513,101</u>

CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2023

	Capital Projects				
	TID No. 14	TID No. 15	TID No. 16	TID No. 17	Totals
ASSETS					
Cash and Investments	\$ 282,936	\$ -	\$ -	\$ -	\$ 15,725,208
Receivables:					
Taxes and Special Charges	28,547	620,714	-	305,692	5,699,147
Accounts	-	-	-	-	18,842
Loans	-	-	-	-	56,708
Due from Other Funds	-	3,501,947	-	-	5,580,093
Total Assets	\$ 311,483	\$ 4,122,661	\$ -	\$ 305,692	\$ 27,079,998
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 6,031	\$ -	\$ -	\$ 438,241
Accrued and Other Current Liabilities	-	3,124	-	-	6,089
Due to Other Funds	-	-	54,572	48,076	6,651,274
Due to Other Governments	-	-	-	-	4,200,288
Unearned Revenues	-	-	-	-	1,813,186
Total Liabilities	-	9,155	54,572	48,076	13,109,078
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	28,547	620,714	-	305,692	5,699,147
Loans Receivable	-	-	-	-	56,708
Total Deferred Inflows of Resources	28,547	620,714	-	305,692	5,755,855
Fund Balances:					
Restricted	282,936	3,492,792	-	-	11,409,718
Committed	-	-	-	-	3,486,202
Unassigned (Deficit)	-	-	(54,572)	(48,076)	(6,680,855)
Total Fund Balances	282,936	3,492,792	(54,572)	(48,076)	8,215,065
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 311,483	\$ 4,122,661	\$ -	\$ 305,692	\$ 27,079,998

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	Special Revenue				
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access	Dog Park
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	47,422	-
Licenses and Permits	-	-	-	66,486	-
Public Charges for Services	-	8,700	-	-	-
Miscellaneous	58,048	-	-	250	243
Total Revenues	58,048	8,700	-	114,158	243
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	123,916	-
Conservation and Development	-	8	-	-	-
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	-	44,716	-	-	-
Total Expenditures	-	44,724	-	123,916	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	58,048	(36,024)	-	(9,758)	243
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	-	-
Lease Proceeds	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	9,639	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	9,639	-
NET CHANGE IN FUND BALANCES	58,048	(36,024)	-	(119)	243
Fund Balances (Deficit) - Beginning of Year	920,038	157,456	580,740	-	13,390
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 978,086</u>	<u>\$ 121,432</u>	<u>\$ 580,740</u>	<u>\$ (119)</u>	<u>\$ 13,633</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Special Revenue				Capital Projects	
	Southwest Park Equipment	De Pere Micro Fund Loan	Local Fiscal Recovery Funds	Affordable Housing	Capital Equipment	Community Center
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	800,388	-	2,960	-
Licenses and Permits	-	-	-	-	-	-
Public Charges for Services	-	-	-	-	-	-
Miscellaneous	130,821	68,620	-	-	97,000	3,172
Total Revenues	130,821	68,620	800,388	-	99,960	3,172
EXPENDITURES						
Current:						
General Government	-	-	-	-	8,089	-
Public Safety	-	-	-	-	337,012	-
Public Works	-	-	-	-	252,896	-
Culture and Recreation	503	-	800,388	-	181,635	358
Conservation and Development	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	45,668	-
Capital Outlay	24,146	-	-	-	1,070,689	-
Total Expenditures	24,649	-	800,388	-	1,895,989	358
EXCESS OF REVENUES OVER (UNDER)						
EXPENDITURES	106,172	68,620	-	-	(1,796,029)	2,814
OTHER FINANCING SOURCES (USES)						
Long-Term Debt Issued	-	-	-	-	3,452,000	-
Capital Lease Proceeds	-	-	-	-	51,534	-
Premium on Debt Issued	-	-	-	-	225,126	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Transfers In	15,880	-	-	-	22,330	-
Transfers Out	(8,705)	-	-	-	-	-
Total Other Financing Sources (Uses)	7,175	-	-	-	3,750,990	-
NET CHANGE IN FUND BALANCES	113,347	68,620	-	-	1,954,961	2,814
Fund Balances (Deficit) - Beginning of Year	84,131	(15,392)	-	1,968,527	678,512	1,904
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 197,478</u>	<u>\$ 53,228</u>	<u>\$ -</u>	<u>\$ 1,968,527</u>	<u>\$ 2,633,473</u>	<u>\$ 4,718</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Capital Projects				
	Police/Fire Expansion	Pool Capital Projects	TID No. 6	TID No. 7	TID No. 8
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 86,546	\$ 390,355
Intergovernmental	-	-	-	6,998	230,172
Licenses and Permits	-	-	-	-	-
Public Charges for Services	-	-	-	-	-
Miscellaneous	-	-	120,568	-	-
Total Revenues	-	-	120,568	93,544	620,527
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Conservation and Development	-	-	4,207,244	64,621	6,384
Debt Service:					
Interest and Fiscal Charges	-	-	-	860	-
Capital Outlay	-	93,081	-	-	-
Total Expenditures	-	93,081	4,207,244	65,481	6,384
EXCESS OF REVENUES OVER (UNDER)					
EXPENDITURES	-	(93,081)	(4,086,676)	28,063	614,143
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	65,000	-
Capital Lease Proceeds	-	-	-	-	-
Premium on Debt Issued	-	-	-	3,670	-
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfers In	-	900,000	3,786,288	-	-
Transfers Out	-	(628,605)	(2,631,124)	(1,998,824)	(732,617)
Total Other Financing Sources (Uses)	-	271,395	1,155,164	(1,930,154)	(732,617)
NET CHANGE IN FUND BALANCES	-	178,314	(2,931,512)	(1,902,091)	(118,474)
Fund Balances (Deficit) - Beginning of Year	2,932	(1,240,530)	2,931,512	(1,687,917)	1,769,531
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 2,932</u>	<u>\$ (1,062,216)</u>	<u>\$ -</u>	<u>\$ (3,590,008)</u>	<u>\$ 1,651,057</u>

CITY OF DE PERE, WISCONSIN
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2023

	Capital Projects				
	TID No. 9	TID No. 10	TID No. 11	TID No. 12	TID No. 13
REVENUES					
Taxes	\$ 49,292	\$ 189,436	\$ 333,086	\$ 699,346	\$ 167,516
Intergovernmental	258,005	20,109	60	-	-
Licenses and Permits	-	-	-	-	-
Public Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	2,099	15,202
Total Revenues	<u>307,297</u>	<u>209,545</u>	<u>333,126</u>	<u>701,445</u>	<u>182,718</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Conservation and Development	1,102,844	16,435	152,132	401,380	76,682
Debt Service:					
Interest and Fiscal Charges	4,993	2,778	9,689	54,873	-
Capital Outlay	133,158	-	351,655	3,296,796	-
Total Expenditures	<u>1,240,995</u>	<u>19,213</u>	<u>513,476</u>	<u>3,753,049</u>	<u>76,682</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(933,698)</u>	<u>190,332</u>	<u>(180,350)</u>	<u>(3,051,604)</u>	<u>106,036</u>
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	370,000	205,000	725,000	4,050,000	-
Capital Lease Proceeds	-	-	-	-	-
Premium on Debt Issued	3,749	-	27,600	2,063	-
Proceeds from Sale of Capital Assets	-	-	1,971	-	-
Transfers In	-	-	-	-	-
Transfers Out	(287,149)	(526,476)	(275,467)	(1,106,112)	(236,825)
Total Other Financing Sources (Uses)	<u>86,600</u>	<u>(321,476)</u>	<u>479,104</u>	<u>2,945,951</u>	<u>(236,825)</u>
NET CHANGE IN FUND BALANCES	<u>(847,098)</u>	<u>(131,144)</u>	<u>298,754</u>	<u>(105,653)</u>	<u>(130,789)</u>
Fund Balances (Deficit) - Beginning of Year	<u>542,289</u>	<u>(1,489,911)</u>	<u>591,889</u>	<u>1,893,168</u>	<u>367,519</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (304,809)</u>	<u>\$ (1,621,055)</u>	<u>\$ 890,643</u>	<u>\$ 1,787,515</u>	<u>\$ 236,730</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Capital Projects				Totals
	TID No. 14	TID No. 15	TID No. 16	TID No. 17	
REVENUES					
Taxes	\$ 26,939	\$ 464,007	\$ -	\$ -	\$ 2,406,503
Intergovernmental	-	-	-	-	1,366,114
Licenses and Permits	-	-	-	-	66,486
Public Charges for Services	-	-	-	-	8,700
Miscellaneous	-	-	-	-	496,023
Total Revenues	26,939	464,007	-	-	4,343,826
EXPENDITURES					
Current:					
General Government	-	-	-	-	8,089
Public Safety	-	-	-	-	337,012
Public Works	-	-	-	-	252,896
Culture and Recreation	-	-	-	-	1,106,800
Conservation and Development	2,085	135,683	910	22,381	6,188,789
Debt Service:					
Interest and Fiscal Charges	-	57,673	-	-	176,534
Capital Outlay	-	1,515,099	-	137,072	6,666,412
Total Expenditures	2,085	1,708,455	910	159,453	14,736,532
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,854	(1,244,448)	(910)	(159,453)	(10,392,706)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	4,315,000	-	-	13,182,000
Capital Lease Proceeds	-	-	-	-	51,534
Premium on Debt Issued	-	136,176	-	-	398,384
Proceeds from Sale of Capital Assets	-	-	-	-	1,971
Transfers In	-	-	-	-	4,734,137
Transfers Out	(156,108)	(95,338)	-	(65,490)	(8,748,840)
Total Other Financing Sources (Uses)	(156,108)	4,355,838	-	(65,490)	9,619,186
NET CHANGE IN FUND BALANCES	(131,254)	3,111,390	(910)	(224,943)	(773,520)
Fund Balances (Deficit) - Beginning of Year	414,190	381,402	(53,662)	176,867	8,988,585
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 282,936	\$ 3,492,792	\$ (54,572)	\$ (48,076)	\$ 8,215,065

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2023**

	<u>Health Self Insurance</u>	<u>Dental Self Insurance</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 1,611,578	\$ 87,103	\$ 1,698,681
LIABILITIES			
Current Liabilities:			
Accounts and Claims Payable	172,844	3,786	176,630
Advance from Other Funds	<u>17,821</u>	<u>10,000</u>	<u>27,821</u>
Total Liabilities	<u>190,665</u>	<u>13,786</u>	<u>204,451</u>
NET POSITION			
Unrestricted	<u>\$ 1,420,913</u>	<u>\$ 73,317</u>	<u>\$ 1,494,230</u>

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2023**

	Health Self Insurance	Dental Self Insurance	Total
OPERATING REVENUES			
Charges for Services	\$ 2,474,915	\$ 177,706	\$ 2,652,621
OPERATING EXPENSES			
Claims and Administrative Fees	<u>2,800,623</u>	<u>180,451</u>	<u>2,981,074</u>
OPERATING LOSS	(325,708)	(2,745)	(328,453)
NONOPERATING REVENUES			
Interest Income	<u>7,364</u>	<u>-</u>	<u>7,364</u>
CHANGE IN NET POSITION	(318,344)	(2,745)	(321,089)
Net Position - Beginning of Year	<u>1,739,257</u>	<u>76,062</u>	<u>1,815,319</u>
NET POSITION - END OF YEAR	<u><u>\$ 1,420,913</u></u>	<u><u>\$ 73,317</u></u>	<u><u>\$ 1,494,230</u></u>

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2023**

	Health Self Insurance	Dental Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Interfund Services	\$ 2,474,915	\$ 177,706	\$ 2,652,621
Cash Paid to Suppliers	(2,813,874)	(179,236)	(2,993,110)
Net Cash Used by Operating Activities	(338,959)	(1,530)	(340,489)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund Advance Returned	(62,466)	-	(62,466)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	7,364	-	7,364
CHANGE IN CASH AND CASH EQUIVALENTS	(394,061)	(1,530)	(395,591)
Cash and Cash Equivalents - Beginning of Year	2,005,639	88,633	2,094,272
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,611,578</u>	<u>\$ 87,103</u>	<u>\$ 1,698,681</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Loss	\$ (325,708)	\$ (2,745)	\$ (328,453)
Change in Operating Assets and Liabilities			
Accounts and Claims Payable	(13,251)	1,215	(12,036)
Net Cash Used by Operating Activities	<u>\$ (338,959)</u>	<u>\$ (1,530)</u>	<u>\$ (340,489)</u>
Noncash Capital and Related Financing Activities			
None			

CITY OF DE PERE, WISCONSIN
SCHEDULE OF WATER UTILITY OPERATING REVENUES AND EXPENSES
YEAR ENDED DECEMBER 31, 2023

OPERATING REVENUES

Charges for Services:

Residential	\$ 3,397,357
Commercial	1,188,477
Industrial	669,341
Public Authority	205,460
Private Fire Protection	133,897
Public Fire Protection	<u>1,317,013</u>
Total Charges for Services	6,911,545

Other Revenues:

Forfeited Discounts	42,407
Other Water Revenues	<u>346,446</u>
Total Other Revenues	<u>388,853</u>

Total Operating Revenues 7,300,398

OPERATING EXPENSES

Operation and Maintenance:

Source of Supply	3,607,762
Pumping	103,987
Water Treatment	44,845
Transmission and Distribution	912,217
Customer Accounts	392,828
Administrative and General	<u>543,639</u>
Total Operation and Maintenance	5,605,278

Depreciation 758,115

Taxes 62,708

Total Operating Expenses 6,426,101

Operating Income \$ 874,297

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



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

City Council
City of De Pere, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of De Pere, Wisconsin (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, and have issued our report thereon dated July 8, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

City of De Pere, Wisconsin's Response to Findings

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 8, 2024

FEDERAL AND STATE AWARDS



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND THE SCHEDULE OF EXPENDITURES OF STATE AWARDS REQUIRED BY
THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

City Council
City of De Pere, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of De Pere, Wisconsin's (the City's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the City's major federal and state programs for the year ended December 31, 2023. The City's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Our responsibilities under those standards and the Uniform Guidance and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of City of De Pere's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which are required to be reported in accordance with the Uniform Guidance and the *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards Required by the Uniform Guidance and the *State Single Audit Guidelines*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of 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. We have issued our report thereon, dated July 8, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the schedule of expenditures of state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 8, 2024

CITY OF DE PERE, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/23	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/23	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF JUSTICE								
Equitable Sharing Program	16.922			\$ 11,919	\$ 883	\$ (12,800)	\$ 2	\$ -
U.S. DEPARTMENT OF TRANSPORTATION								
Highway Safety Cluster								
Pedestrian and Bicyclist Enforcement	20.600	WI Department of Transportation	PBS-2023-DE PERE PD-00025	-	4,816	-	4,816	-
U.S. DEPARTMENT OF TREASURY								
Equitable Sharing Program	21.016			13,988	-	(13,988)	-	-
COVID 19: Coronavirus State and Local Fiscal Recovery Fund	21.027	Direct	N/A	2,613,574	-	(1,813,186)	800,388	-
COVID 19: Coronavirus State and Local Fiscal Recovery Fund	21.027	WI Department of Administration	N/A	-	7,257	-	7,257	-
COVID 19: Coronavirus State and Local Fiscal Recovery Fund	21.027	WI Department of Human Services	155811	(11,675)	104,629	21,457	114,411	-
Total U.S. Department of Treasury				2,615,887	111,886	(1,805,717)	922,056	-
U.S. ENVIRONMENTAL PROTECTION AGENCY								
Lead Testing in School and Child Care Programs Drinking Water	66.444	WI Department of Human Services	00E02760	-	2,400	2,400	4,800	-
U.S. ENVIRONMENTAL PROTECTION AGENCY								
HAVA Election Security Grants	90.404	WI Elections Commission	N/A	-	2,576	(2,576)	-	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Public Health Emergency Preparedness	93.069	WI Department of Human Services	155015	(8,601)	38,332	5,079	34,810	-
Immunization Cooperative Agreements	93.268	WI Department of Human Services	155020	(2,596)	9,666	729	7,799	-
COVID 19: Immunization Cooperative Agreements	93.268	WI Department of Human Services	155809	(3,508)	14,287	1,622	12,300	-
Total Immunization Cooperative Agreements				(6,105)	23,953	2,251	20,099	-
COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	WI Department of Human Services	155806	(20,879)	20,879	-	-	-
Prevention and Control of Emerging Infectious Diseases (ELC)	93.323	WI Department of Human Services	155817	-	59,375	-	59,375	-
Total Infectious Diseases (ELC)				(20,879)	80,254	-	59,375	-
Activities to Support STLT Health Department Response to Public Health or Healthcare Crises	93.391	WI Department of Human Services	NH75OT000039	-	300	-	300	-
COVID 19 Public Health Crisis Response Awards	93.354	WI Department of Human Services	155812	(15,734)	46,859	5,649	36,774	-
Preventive Health and Health Services Block Grant	93.991	WI Department of Human Services	159220	(1,059)	4,300	-	3,241	-
Maternal and Child Health Services Block Grant to the States	93.994	WI Department of Human Services	159320	(793)	8,902	3,120	9,229	-
Total U.S. Department of Health and Human Services				(53,171)	200,900	16,099	163,828	-
Total Federal Awards				\$ 2,574,635	\$ 323,461	\$ (1,802,594)	\$ 1,095,502	\$ -

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**CITY OF DE PERE, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2023**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/23	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/23	Total Expenditures	Subrecipient Payments
DEPARTMENT OF NATURAL RESOURCES								
Recycling Grants to Responsible Units	370.670	Direct Program	Direct	\$ -	\$ 91,461	\$ -	\$ 91,461	\$ -
Recycling Consolidation Grants	370.673	Direct Program	Direct	-	6,259	-	6,259	-
Recreational Boating Facilities-Grant #RBF-1869	370.TA1	Direct Program	Direct	-	-	2,306	2,306	-
Recreational Boating Facilities-Grant #RBF-1870	370.TA1	Direct Program	Direct	-	-	654	654	-
Total Department of Natural Resources				-	97,720	2,960	100,679	-
DEPARTMENT OF HEALTH SERVICES								
Communicable Disease Control & Prevention	435.155800	Direct Program	155800	(1,098)	2,842	476	2,220	-
Cons Contracts CHHD Ld	435.157720	Direct Program	157720	-	2,161	-	2,161	-
Total Department of Health Services				(1,098)	5,003	476	4,381	-
DEPARTMENT OF JUSTICE								
Internet Crimes Against Children	455.284	Direct Program	Direct	-	973	-	973	-
Law Enforcement Training Program	455.231	Direct Program	Direct	-	5,440	-	5,440	-
Total Department of Justice				-	6,413	-	6,413	-
Total State Programs				\$ (1,098)	\$ 109,136	\$ 3,436	\$ 111,473	\$ -

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

CITY OF DE PERE, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
DECEMBER 31, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the City of De Pere, Wisconsin, are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the primary government of the City of De Pere, Wisconsin and are not intended to and do not present the financial position, changes in financial position or cash flows of the City of De Pere, Wisconsin.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2023 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded City expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The City has not elected to charge a de minimis indirect cost rate of 10% of modified total direct costs.

NOTE 3 OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal - U.S. Department of Treasury
State - Wisconsin Department of Natural Resources

NOTE 4 STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin under the FoodShare Wisconsin program on behalf of the County are not included in the Schedules of Expenditures of Federal and State Awards.

CITY OF DE PERE, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)
DECEMBER 31, 2023

NOTE 5 STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM

The Wisconsin Departments of Health Services (DHS) utilizes the Community Aids Reporting System (CARS) for reimbursing the City for various federal and state program expenditures. The expenditures reported on the Schedules of Expenditures of Federal and State Awards for various DHS & DCF programs agree with the expenditures reported on the March 2023 CARS for the Public Health Department.

**CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Section I – Summary of the Auditors' Results

Basic Financial Statements

- | | |
|--|---|
| 1. Type of auditors' report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| • Material weakness(es) identified? | _____ yes <u> X </u> no |
| • Significant deficiency(ies) identified? | <u> X </u> yes _____ none reported |
| 3. Noncompliance material to financial statements noted? | _____ yes <u> X </u> no |

Federal Awards

- | | |
|---|---|
| 1. Internal control over major federal programs: | |
| • Material weakness(es) identified? | _____ yes <u> X </u> no |
| • Significant deficiency(ies) identified? | <u> X </u> yes _____ none reported |
| 2. Type of auditors' report issued on compliance for major federal programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u> X </u> yes _____ no |

Identification of Major Federal Programs:

<u>Federal Assistance Number</u>	<u>Name of Federal Clusters/Programs</u>
20.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$750,000
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Auditee qualified as low-risk auditee	No
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CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section I – Summary of the Auditors' Results (Continued)

State Awards

1. Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

2. Type of auditors' report issued on compliance for major state programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? _____ yes X no

Identification of Major State Programs:

<u>State ID Number</u>	<u>Name of State Program</u>
370.670	Recycling Grant

Audit threshold used to determine between Type A and Type B programs:

State Awards	\$250,000
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CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section II – Internal Control Over Financial Reporting

2023-001 Preparation of Annual Financial Report

Repeat of Finding 2022-001

Type of Finding

Significant deficiency in internal control over financial reporting.

Condition

Current City staff maintains accounting records which reflect the City's financial transactions; however, preparing the City's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The City contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. Management reviews, approves, and takes responsibility for the fair presentation of the financial statements. However, as independent auditors, CLA cannot be considered part of the City's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the City had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

Criteria or Specific Requirement

The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect, and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.

Cause

City management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Effect

Without our involvement, the City may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Recommendation

We recommend the City continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding accounting principles generally accepted in the United States of America and knowledge of the City's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the City is necessary to obtain a complete and adequate understanding of the City's annual financial report.

View of Responsible Officials

There is no disagreement with the audit finding.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section III – Federal Award Findings and Questioned Costs

2023-002 Suspension & Debarment

Federal Agency: U.S. Department of Treasury
Federal Program Names: COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Numbers: 21.027
Pass-Through Agency: Wisconsin Department of Health Services
Pass-Through Numbers: 155811 and 2021-VO-A/VO-01-17452
Federal Award Identification Number and Year: SLFRF1158; 2020
Award Periods: March 1, 2020 – December 31, 2024

Type of Finding

Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or Specific Requirement

2 CFR 200 states that nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220). All nonprocurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215. When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. In addition, per Uniform Guidance 2 CFR 200.303, nonfederal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

Condition

The City does not have a policy and procedure relating to suspension and debarment, they do not meet Uniform Guidance requirements.

Questioned Costs

None.

Context

While performing compliance procedures, it was noted that suspension and debarment procedures and policies were not in place.

Cause

The City does not have a policy and procedure relating to suspension and debarment.

Effect

The City is not in compliance with suspension and debarment requirements. Vendors may be paid with federal funds that are suspended and debarred entities which would not be in compliance with the Uniform Guidance.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section III – Federal Award Findings and Questioned Costs (Continued)

2023-002 Suspension & Debarment (Continued)

Repeat Finding

No

Recommendation

We recommend the City review and update procurement policies to include suspension and debarment to ensure it meets the minimum requirements of 2 CFR 200 for all federal grants.

View of Responsible Officials

There is no disagreement with the finding.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
- | | |
|---------------------------------|----|
| Department of Natural Resources | No |
| Department of Health Services | No |
| Department of Justice | No |
| Department of Military Affairs | No |
| Department of Administration | No |
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No
4. Name and signature of partner


Scott Sternhagen, CPA

5. Date of report July 8, 2024



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