



Special Committee of the Whole Meeting Agenda

September 3, 2025 - 6:00 PM
Council Chambers
3805 S. Casper Drive

Published: 8/29/2025

AGENDA

1. **CALL MEETING TO ORDER**
2. **ROLL CALL; DECLARATION OF QUORUM; PUBLIC NOTICE**
3. **APPROVAL OF MINUTES**
 - A. July 22, 2025, Committee of the Whole Meeting Minutes
 - B. July 29, 2025, Special Committee of the Whole Meeting Minutes
4. **UTILITY & FINANCE**
 - A. Discussion and possible recommendation to the Common Council to approve the August 27, 2025, Water Utility claims in the amount of \$104,849.17, Sewer Utility claims in the amount of \$30,360.35, and General City claims in the amount of \$999,823.17. US Bank EFT of \$30,556.27
5. **LICENSES & PERMITS**
 - A. Discussion and possible recommendation to the Common Council to approve the change of agent for Speedway #4230, located at 14001 W. Greenfield Avenue, to Ashley Hayes, for the license term expiring June 30, 2026, per the application on file.
6. **MISCELLANEOUS**
 - A. 2024 Audit Report Presentation by Baker Tilly
 - B. Discussion and possible recommendation to the Common Council to approve Resolution No. 2025-19, a resolution authorizing the Issuance and Sale of \$10,590,000 General Obligation Promissory Notes, Series 2025A
 - C. Discussion and possible recommendation to the Common Council to approve outsourcing the City's property tax billing process to Waukesha County beginning with the 2025 tax year, per the requested action statement
 - D. Discussion and possible recommendation to the Common Council to approve the allocation of \$189,937 in proceeds from the 2024 sale of City property adjacent to the Activity & Recreation Center to debt service payments on the Recreation Center in the 2026 Budget, consistent with Council's prior direction.
 - E. Discussion and possible recommendation to the Common Council to approve Resolution No. 2025-18: A Resolution Amending the 2025 Capital Projects Budget (Malone Park Project – Bond Proceeds & Expenditures Adjustment)

- F. Discussion and possible recommendation to the Common Council to approve Resolution No. 2025-15, A resolution of eligibility for exemption from the 2025 County Library Tax Levy for 2026 Purposes
- G. Recommend to the Common Council that a Public Hearing be set for October 6, 2025, at 6:00 pm to be held before the Plan Commission to rezone the property located at 21040 W. Lincoln Avenue (Tax Key #: 1176.993) from B-2 & C-2 to M-1 & C-2
- H. Discussion and possible recommendation to the Common Council regarding the 2025 Trick-or-Treat date, at the request of Ald. Stribl, with consideration to allow it on either Friday, October 31, or Saturday, November 1, instead of the date set by the current ordinance (the last Saturday in October, which falls on October 25th for 2025).
- I. Discussion and possible recommendation to the Common Council to approve transitioning the City of New Berlin's health plan from a fully-insured platform to a self-insured platform beginning with the 2026 budget year
- J. Discussion and update from Melissa Beck, Human Resource Director, regarding the City of New Berlin's property insurance coverage. No action required.
- K. Discussion and possible recommendation to the Common Council to accept the Liability Proposal from Cities and Villages Mutual Insurance Company ("CVMIC") at the increased self-insured/aggregate retention of \$75,000/\$300,000 and agree to continue its membership in CVMIC for policy years 2026-2028 based on the premium guarantee by CVMIC for said policy years

7. ADJOURN

Additional Information

- The agenda packet, including supplemental information related to agenda items, is available online at www.NewBerlinWI.gov. Once finalized by the governing body, approved meeting minutes will also be posted online.
- Agenda items may be taken out of order at the governing body's discretion.
- Members, and possibly a quorum, of other municipal governmental bodies may attend this meeting to gather information. However, no action will be taken by any governmental body other than the one referenced in this notice.
- Accommodations will be provided under the Americans with Disabilities Act (ADA) to meet the needs of individuals with disabilities. If you require assistance or appropriate aids and services, please contact the Office of the City Clerk at (262) 786-8610 with reasonable notice.

Committee of the Whole MEETING MINUTES



July 22, 2025 - 6:00 PM
Council Chambers
3805 S. Casper Drive

MINUTES

1. CALL MEETING TO ORDER

Mayor Ament called the meeting to order at 6:00 PM.

2. ROLL CALL; DECLARATION OF QUORUM; PUBLIC NOTICE

City Clerk Rubina R. Medina took the roll call as follows:

Present: Alderperson Hopkins, Alderperson La Fever, Alderperson Maxey, Alderperson Harenda, Alderperson Horbinski, Alderperson Kroupa

Excused: Alderperson Stribl

Staff Present: Mayor Dave Ament, City Attorney Thomas Schmitzer, Finance Director Ralph Chipman, City Clerk Rubina R. Medina

The City Clerk confirmed that a quorum was present and that the meeting was properly posted in compliance with open meetings law.

3. APPROVAL OF MINUTES

A. June 24, 2025, Committee of the Whole Meeting Minutes

MOTION: Motion to approve

VOTE: Motion by: Kroupa
Second by: Maxey
Motion Passed 6-0

4. UTILITY & FINANCE

A. Discussion and possible recommendation to the Common Council to approve the July 9th, 2025, Sewer Utility claims in the amount of \$18,205.13, Water Utility claims in the amount of \$219,411.64, and General City claims in the amount of \$536,391.69. Tax overpayment checks totaling \$7,044.87 were also generated, and US Bank VISA EFT of \$44,229.86

MOTION: Motion to approve

VOTE: Motion by: Maxey
Second by: La Fever
Motion Passed 6-0

- B.** Discussion and possible recommendation to the Common Council to approve the July 23rd, 2025, Sewer Utility claims in the amount of \$793,042.74, Water Utility claims in the amount of \$41,747.13, and General City claims in the amount of \$660,701.38. We Energies EFT of \$60,121.59, and Utility Water/Storm/Sewer EFT of \$18,602.56 was also generated

MOTION: Motion to approve

VOTE: Motion by: La Fever
Second by: Horbinski
Motion Passed 6-0

5. LICENSES & PERMITS

- A.** Discussion and possible recommendation to the Common Council to approve the Class 'B' Beer and Class C Wine license application for Air City 360, located at 5320 S. Moorland Rd., including the designated agent and café area premise description, for the license year expiring June 30, 2026, as outlined in the submitted application and contingent upon the satisfaction of all City requirements

MOTION: Motion to approve

VOTE: Motion by: Kroupa
Second by: La Fever
Motion Passed 6-0

- B.** Discussion and possible recommendation to the Common Council to approve the Extension of Premise for The Varsity Club, located at 12400 W. Beloit Road, for the Fall Fest event to be held in the establishment's parking lot on September 12th and 13th, 2025, contingent upon the satisfaction of all City requirements

MOTION: Motion to approve

VOTE: Motion by: Horbinski
Second by: La Fever
Motion Passed 6-0

6. MISCELLANEOUS

- A.** Discussion and possible recommendation to the Common Council to approve Resolution No. 2025-16, a resolution providing for the sale of approximately \$11,580,000 in General Obligation Promissory Notes, Series 2025A

MOTION: Motion to approve

VOTE: Motion by: Hopkins
Second by: Horbinski
Motion Passed 6-0

- B.** Finance Department Update

Ralph Chipman, the Finance Director, provided a department update.

- C.** Discussion and possible recommendation to the Common Council to approve setting a Public Hearing for August 13, 2025, at 6:00 p.m., to be held before the Plan Commission, regarding the rezoning of the property located at Tax Key No. 1213.9964 (northwest corner of Coffee Road and Calhoun Road) from A-1 to R-1/R-2

MOTION: Motion to approve

VOTE: Motion by: Kroupa
Second by: Maxey
Motion Passed 6-0

- D.** Discussion and possible recommendation to the Common Council to authorize the Finance Department to contact the Wisconsin Department of Transportation and initiate the process of implementing a wheel tax in the City of New Berlin, as outlined in the Requested Action Statement

Finance Director Ralph Chipman presented an overview of the item, referencing the supporting documentation included in the agenda packet.

No motion was brought forward on this item.

- E.** Discussion and possible recommendation to the Common Council to approve Resolution No. 2025-17, a resolution amending the 2024 CIP budget by \$55,000 for updates to the DPW Campus Master Plan, as outlined in the Requested Action Statement

Motion by Ald. Horbinski to approve the transfer of \$55,000 for the DPW Campus Master Plan as presented. Seconded by Ald. Hopkins.

During the discussion, Ald. Harenda requested that the funding source for the \$55,000 transfer be changed to the Malone Park project fund, citing excess funds in that account. He also reiterated that the Nice Bites revenue should be used to reduce the ARC debt, as previously agreed upon by the Council.

Finance Director Ralph Chipman stated he could prepare an amended resolution reflecting the revised funding source, transferring \$55,000 from the Malone Park 2025 CIP to the DPW Campus Master Plan.

In light of this proposed change, the City Clerk asked Ald. Horbinski, if he wished to withdraw his motion, he agreed. The Clerk then asked Ald. Hopkins if he would withdraw his second, he also agreed.

No action was taken on the item.

- F.** Discussion and possible recommendation to the Common Council to approve an agreement with the Professional Firefighters of Wisconsin Charitable Foundation, Inc., for use of the area near Fire Station No. 1 and the Streets building parking lot for the 2025 Ride to Burn Camp on August 12, 2025, contingent upon receipt of a signed agreement and Certificate of Insurance

Mayor Ament clarified that the Fire Station No. 1 facility is now designated as Fire Station No. 7.

MOTION: Motion to approve

VOTE: Motion by: Maxey
Second by: Hopkins
Motion Passed 6-0

- G.** Discussion and possible recommendation to the Common Council to authorize the IT Department to recommend to the Mayor the most financially sound option for a 5-year copier lease agreement, as outlined in the Requested Action Statement

MOTION: Motion to approve

VOTE: Motion by: Harenda
Second by: Maxey
Motion Passed 6-0

- H.** Discussion and possible action to recommend to Common Council approval of the Professional Services Contract in the amount of \$9,500 with raSmith, Inc. for the development of ball field standards

MOTION: Motion to approve

VOTE: Motion by: Harenda
Second by: Hopkins
Motion Passed 6-0

- I.** Discussion and possible recommendation to the Common Council to authorize staff to initiate the process of placing a levy limit referendum question on the April 2026 ballot

Finance Director Ralph Chipman presented an overview of the item, referencing the supporting documentation included in the agenda packet.

The Council directed the Finance Director to prepare the necessary information for their review, with a focus on public safety.

No motion was brought forward on this item.

7. ADJOURN

MOTION: Motion to adjourn the meeting at 7:20 PM

VOTE: Motion by: Kroupa
Second by: La Fever
Motion Passed 6-0

**Respectfully Submitted,
Rubina R. Medina, City Clerk**

Special Committee of the Whole MEETING MINUTES



July 29, 2025 - 6:00 PM
Council Chambers
3805 S. Casper Drive

MINUTES

1. CALL MEETING TO ORDER

Mayor Ament called the meeting to order at 6:00 PM

2. ROLL CALL; DECLARATION OF QUORUM; PUBLIC NOTICE

City Clerk Rubina R. Medina took the roll call as follows:

Present: Alderperson Hopkins, Alderperson La Fever, Alderperson Maxey, Alderperson Harenda, Alderperson Stribl, Alderperson Horbinski, Alderperson Kroupa

Excused: None

Staff Present at the Dias: Mayor Dave Ament, City Attorney Thomas Schmitzer, City Clerk Rubina R. Medina

The City Clerk confirmed that a quorum was present and that the meeting was properly posted in compliance with open meetings law.

3. MISCELLEANOUS

- A.** A financial presentation by the Finance Director outlining funding options available to Wisconsin municipalities, specifically a municipal vehicle registration fee ("wheel tax") and a potential levy limit referendum, and how these options may apply in New Berlin. This presentation is intended to support an informational discussion among Common Council members as part of a transparent financial planning process. Supporting materials will be displayed during the meeting to provide context and facilitate discussion.

Presentation Only. No action will be taken.

Mayor Ament introduced the item, followed by a presentation from Finance Director Ralph Chipman to the Mayor, Council, and attendees.

- B.** Discussion of a Funding Option Available Under Wisconsin State Law: Municipal Vehicle Registration Fee (commonly referred to as a 'Wheel Tax')

No action will be taken at this meeting.

Mayor Ament introduced the item, followed by a presentation from Finance Director Ralph Chipman to the Mayor, Council, and attendees. After discussion, the Common Council directed that they were not in favor of implementing a wheel tax in the City of New Berlin.

- C.** Discussion of a Funding Option Available Under Wisconsin State Law: Levy Limit Referendum

No action will be taken at this meeting.

Mayor Ament introduced the item and noted that no motion would be taken at this time, but direction was needed to determine whether this should be considered as an option.

The Fire and Police Departments provided a brief explanation of their requests; however, no formal presentation was given.

The Council expressed support for Police and Fire but emphasized the importance of receiving additional information on the requested items to ensure full transparency. They also requested that specific dollar amounts be provided to clearly identify the funding needed.

4. ADJOURN

MOTION: Motion to adjourn at 7:25 PM

VOTE: Motion by: Stribl
Second by: LaFever
Motion Passed 7-0

Respectfully Submitted,
Rubina R. Medina, City Clerk

Form
CTV-102

**Cigarette, Tobacco, and Electronic Vaping Device
Appointment of Agent**

Date

Agent Type (check one): ☐ Original ☒ Change

Part A: Agent Information		
1. Last Name Hawes	2. First Name Ashley	3. M.I. A
4. Email		5. Phone
6. Home Address		
7. City Milwaukee	8. State WI	9. Zip Code 53210
10. Date of Birth 11/04/88	11. Drivers License/State ID Number	12. Drivers License/State ID State of Issuance

Part B: Questions	
1. Have you completed Form CTV-101, <i>Cigarette, Tobacco, and Electronic Vaping Device - Individual Questionnaire</i> ? Submit a completed Form CTV-101 with this form. ☒ Yes ☐ No	
2. If this is a change of agent, please describe the reason for the agent change. Attach additional sheets if necessary. Old Agent is no longer the Agent at this location	

Part C: Business Information	
1. Legal Business Name (individual name if sole proprietor) Speedway LLC	
2. Business Trade Name or DBA Speedway 4230	
3. Entity Type (check one) ☒ Limited Liability Company ☐ Corporation	
4. Premises Address 14000 1 West Greenfield Ave	
5. City New Berlin	6. State WI
7. Zip Code 53151	

Part D: Attestations	
READ CAREFULLY BEFORE SIGNING: I, the Licensee or Permittee, authorize the above-named individual to act for the above-named corporation or limited liability company with full authority and control of the premises and of all business relative to cigarettes, tobacco products, and/or electronic vaping devices conducted therein. I certify that I am authorized by the entity to authorize this individual to act on behalf of the entity. If I am appointing a successor agent, I rescind all previous agent appointments for this premises. Further, I understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.	
Signature of Licensee or Permittee (officer, member, or authorized signatory) [Signature]	Date 8/8/25
Name of Person Signing David L. Seltzer	Title President
READ CAREFULLY BEFORE SIGNING: I, the Agent, hereby accept this appointment as agent for the above-named corporation or limited liability company and assume full responsibility for the conduct of all business relative to sales of cigarettes, tobacco products, and/or electronic vaping devices conducted on the premises for the above-named business. I further understand that I may be prosecuted for submitting false statements and affidavits in connection with this form, and that any person who knowingly provides materially false information on this form may be required to forfeit not more than \$1,000 if convicted.	
Signature of Agent [Signature]	Date 08/20/2025

Alcohol Beverage
Appointment of Agent

Date

Agent Type (check one)

☐ Original (no fee)☒ Successor (\$10 fee for municipal licensees only)

Part A: Business Information

1. Legal Business Name (individual name if sole proprietor)

Speedway LLC

2. Business Trade Name or DBA

Speedway 4230

3. Entity Type (check one)

☒ Limited Liability Company☐ Corporation☐ Nonprofit Organization

4. Alcohol Beverage Business Authorization (check one)

☐ Municipal Retail License☐ State Permit

5. If successor agent, provide State Permit or Municipal Retail License Number

6. Describe the reason for appointing a successor agent, if successor is checked above.

No longer agent at this location.

Part B: Agent Information

1. Last Name

Hayes

2. First Name

Ashley

3. M.I.

A

4. Email

5. Phone

6. Home Address

7. City

Milwaukee

8. State

WI

9. Zip Code

53210

10. Date of Birth

11/04/1988

11. Drivers License/State ID Number

12. Drivers License/State ID State of Issuance

WI

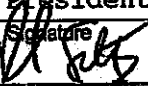
Part C: Agent Questions

1. Have you satisfied the responsible beverage server training requirement? ☒ Yes ☐ No
Submit proof of completion.2. Have you completed Form AB-100, *Alcohol Beverage Individual Questionnaire* (licensee) or
Form AB-300, *Alcohol Beverage Personal Questionnaire* (permittee)? ☒ Yes ☐ No3. Have you been a Wisconsin resident for at least 90 continuous days? ☒ Yes ☐ No
See instructions for exceptions.

Continued →

Part D: Business Attestation

READ CAREFULLY BEFORE SIGNING: I, the **Undersigned**, authorize the above-named individual to act for the above-named corporation, nonprofit organization, or limited liability company with full authority and control of the premises and of all alcohol beverage activities on such premises. I certify that I am authorized by the above-named entity to authorize this individual to act on behalf of the entity. If I am appointing a successor agent, I rescind all previous agent appointments for this premises. Further, I understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Last Name Seltzer		First Name David		M.I. L
Title President	Email electronicrenewals@7-11.com		Phone (972) 828-1888	
Signature 			Date 08/08/25	

Part E: Agent Attestation

READ CAREFULLY BEFORE SIGNING: I, the **Agent**, hereby accept this appointment as agent for the above-named corporation, nonprofit organization, or limited liability company and assume full responsibility for the conduct of all alcohol beverage activities on the premises for the above-named business. I further understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Last Name Hayes		First Name Ashley		M.I. A
Signature 			Date 08/20/2025	

Printed Name: Ashley Hayes Date: 08/20/2025 17:58:21 CDT

Presentation to the Committee of the Whole of the City of New Berlin August 26, 2025

1. Objective of the audit was to express our opinion on your financial statements.
2. Reports issued
 - a. Financial statements (City, Water Utility and Wastewater Utility)
 - i. Unmodified opinion, commonly referred to as a “clean” opinion
 - ii. Highest level of assurance you can receive from your auditor.
 - iii. Emphasis of matters paragraph
 - b. Reporting and Insights Document
 - i. Includes all communications required under professional standards
 - ii. Includes comments and recommendations resulting from our audit
 - iii. Includes information applicable to future audits
3. Financial highlights (in thousands)
 - a. Governmental Funds

	General Fund	General Debt Service	Capital Improvements	Nonmajor Governmental Funds
Current year activity				
Revenues and other sources	\$ 38,796	\$ 12,307	\$ 14,370	\$ 5,712
Expenditures and other uses	37,035	12,223	9,805	4,816
Change in fund balances	<u>\$ 1,761</u>	<u>\$ 84</u>	<u>\$ 4,565</u>	<u>\$ 896</u>
Fund Balance				
Non-spendable	\$ 219	\$ -	\$ -	\$ -
Restricted	-	1,551	11,127	9,532
Committed	-	-	-	1,300
Assigned	1,500	-	-	504
Unassigned (deficit)	12,141	-	-	-
Total	<u>\$ 13,860</u>	<u>\$ 1,551</u>	<u>\$ 11,127</u>	<u>\$ 11,336</u>

b. Enterprise Funds

	Water Utility	Wastewater Utility	Water Resource Management Utility
Current year activity			
Revenues and other sources	\$ 6,874	\$ 11,933	\$ 2,037
Expenses and other uses	5,526	10,763	1,494
Change in net position	<u>\$ 1,348</u>	<u>\$ 1,170</u>	<u>\$ 543</u>
Cash flows			
Operating	\$ 2,808	\$ 2,106	\$ 905
Noncapital financing	(696)	939	-
Capital and related financing	(1,907)	(880)	(110)
Investing	346	1,558	233
Net change in cash	<u>\$ 551</u>	<u>\$ 3,723</u>	<u>\$ 1,028</u>

c. Budgetary compliance

Details of individual funds actual results to budget can be found in the city's year-end budget to actual report. A summary of the general fund budget to actual results on a budgetary basis follows:

	Final Budget	Actual	Variance: Positive (Negative)
Revenues	\$ 36,335	\$ 37,916	\$ 1,581
Expenditures	37,975	36,726	1,249
Excess (deficiency)	(1,640)	1,190	2,830
Other financing sources (uses)	640	603	(37)
Net change in fund balance - budgetary basis	<u>\$ (1,000)</u>	<u>\$ 1,793</u>	<u>\$ 2,793</u>
Adjustments to generally accepted accounting principles (GAAP) basis - net		(32)	
Net change in fund balance - GAAP basis		<u>\$ 1,761</u>	

d. Long-term debt

Type of debt	Governmental Activities	Business-type Activities	Total
General obligation bonds and notes	\$ 99,560	\$ -	\$ 99,560
Revenue bonds	-	2,350	2,350
Lease payable	211	-	211
Net OPEB obligation	5,106	490	5,596
Compensated absences	1,616	585	2,201
	<u>\$ 106,493</u>	<u>\$ 3,425</u>	<u>\$ 109,918</u>
Statutory debt limit (5% of equalized value)	\$ 402,327,940		
Capacity for additional general obligation debt	\$ 302,767,940		
Percentage of capacity available	75%		

4. Questions – please contact me at wendi.unger@bakertilly.com or 414 777 5423



Reporting and insights from 2024 audit:

City of New Berlin

December 31, 2024

Executive summary

July 25, 2025

To the Common Council
City of New Berlin

We have completed our audit of the financial statements of City of New Berlin (the City) for the year ended December 31, 2024, and have issued our report thereon dated July 25, 2025. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your City's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

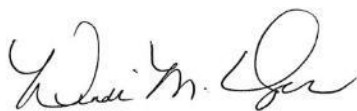
Additionally, we have included information on key risk areas the City of New Berlin should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

Wendi Unger, Principal: wendi.unger@bakertilly.com or +1 (414) 777 5423

Sincerely,

Baker Tilly US, LLP



Wendi M. Unger, CPA, Principal

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

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Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the City's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of the Common Council:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Performing tests related to compliance with certain provisions of laws, regulations, contracts and grants, as required by *Government Auditing Standards*
- Considering internal control over compliance with requirements that could have a direct and material effect on major federal and major state programs to design tests of both controls and compliance with identified requirements
- Forming and expressing an opinion based on our audit in accordance with OMB's *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and *State Single Audit Guidelines* about the entity's compliance with requirements described in the *OMB Compliance Supplement* and *State Single Audit Guidelines* that could have a direct and material effect on each of its major federal and major state programs.
- Our audit does not relieve management or the Common Council of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of the Common Council, including:

- Internal control matters
- Qualitative aspects of the City's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the City and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the City's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position and fund balance calculations	Financial reporting and required disclosures

Internal control matters

We considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or a significant deficiency may exist that were not identified.

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 combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiency as a material weakness:

- **Missing key controls**

There are certain controls that are not currently in place related to significant transaction cycles. As a result, there is a risk that erroneous or unauthorized transactions or misstatements could occur without the knowledge of management or the governing body. Our recommendations for strengthening controls are listed below.

- Controls over monthly and year-end accounting

- Adjusting journal entries and supporting documentation should be reviewed and approved by an appropriate person who is not the original preparer.

Since the controls listed above or other compensating controls are not currently in place, errors or irregularities could occur as part of the accounting processes that might not be discovered by management or the governing body. Therefore, the absence of this control is considered to be a material weakness.

We recommend that a designated employee review the risks and this potential control and determine what controls should be implemented. This determination should take into consideration a cost / benefit analysis.

Required communications

Qualitative aspect of accounting practices

- **Accounting policies:** Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2024. We noted no transactions entered into by the City during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- **Accounting estimates:** Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Accrued compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability and related deferrals	Evaluation of information provided by the Wisconsin Retirement System	Reasonable in relation to the financial statements as a whole
Allowance for doubtful accounts	Evaluation of historical revenues and loss levels with the analysis on collectability of individual amounts	Reasonable in relation to the financial statements as a whole
Net OPEB liability and related deferrals	Key assumptions set by management with the assistance of a third party actuary	Reasonable in relation to the financial statements as a whole
Depreciation/amortization	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole
Leased assets/liabilities and/or lease receivable and related deferral	Evaluation of leases by management and incremental borrowing rate used for present value calculation	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates noted above.

- **Financial statement disclosures:** The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the City or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements identified.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other information in documents containing audited basic financial statements

The City's audited financial statements will be included in the annual comprehensive financial report. Our responsibility for this information does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. We have read the annual comprehensive financial report to determine whether a material inconsistency exists between the other information and the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, was materially inconsistent with the information, or manner of its presentation, in the financial statements.

The City's audited financial statements are "general purpose" financial statements. General purpose financial statements consist of the basic financial statements that can be used by a broad group of people for a broad range of activities. Once we have issued our audit report, we have no further obligation to update our report for events occurring after the date of our report. The City can use the audited financial statements in other client prepare documents, such as official statements related to the issuance of debt, without our acknowledgement. Unless we have been engaged to perform services in connection with any subsequent transaction requiring the inclusion of our audit report, as well as to issue an auditor's acknowledgment letter, we have neither read the document nor performed subsequent event procedures in order to determine whether or not our report remains appropriate.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

We will issue a separate document which contains the results of our audit procedures to comply with the Uniform Guidance and *State Single Audit Guidelines*.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the City's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the City that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the City's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information, which accompanies the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Adjusting journal entries
- Preparation of Part II of the Data Collection Form

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

Common Council resources

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/page/audit-committee-resource-center>.

Management representation letter



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July 25, 2025

Baker Tilly US, LLP
790 N Water Street, Suite 2000
Milwaukee, WI 53202

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the City of New Berlin as of December 31, 2024 for the year then ended and for the New Berlin Water and Wastewater Utilities as of December 31, 2024 and 2023 for the years then ended for the purpose of expressing opinions as to whether the financial statements 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 of New Berlin and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 30, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.

Distinct, Friendly Community-Extensive Transportation Network-Vibrant Future

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.
- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal and state awards.
- 8) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
- 9) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
- 10) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the City of New Berlin Common Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.

- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) There are no related parties or related party relationships and transactions, including side agreements, of which we are aware.

Other

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 21) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have appropriately disclosed all information for conduit debt obligations in accordance with GASB 91.
- 23) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

- 24) In regards to the nonattest services performed by you listed below, we acknowledge our responsibility related to these nonattest services and have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

a) Adjusting journal entries

b) Preparation of auditee sections of the data collection form

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

- 25) The City of New Berlin has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The City of New Berlin has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 27) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any. Component units have been properly presented as either blended or discrete.
- 28) The financial statements properly classify all funds and activities.
- 29) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
- 31) The City of New Berlin has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 32) Provisions for uncollectible receivables, if any, have been properly identified and recorded.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 34) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 36) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.

- 38) Tax-exempt bonds issued have retained their tax-exempt status.
- 39) We have appropriately disclosed the City of New Berlin's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 40) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 42) With respect to the supplementary information, (SI):
- a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 43) We assume responsibility for, and agree with, the findings of specialists in evaluating the other postemployment benefits and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
- 44) We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 45) We believe that the actuarial assumptions and methods used to measure OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 46) We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 47) We have identified any leases or other contracts that are required to be reported as leases and are in agreement with the key assumptions used in the measurement of any lease related assets, liabilities or deferred inflows of resources.

- 48) We have implemented GASB Statement No. 101, *Compensated Absences*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 49) We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 – *Fair Value Measurement*. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.
- 50) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors’ report thereon. Our annual report is comprised of the annual comprehensive financial report. We have provided you with the final version of the annual report. There are no material inconsistencies between the financial statements and any other information contained within the annual report.
- 51) With respect to federal and state award programs:
- a) We are responsible for understanding and complying with and have complied with the requirements of the Single Audit Act Amendments of 1996, OMB’s *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *State Single Audit Guidelines*, including requirements relating to preparation of the schedule of expenditures of federal and state awards (SEFSA).
 - b) We acknowledge our responsibility for preparing and presenting the SEFSA and related disclosures in accordance with the requirements of the Uniform Guidance and the State Single Audit Guidelines, and we believe the SEFSA, including its form and content, is fairly presented in accordance with the Uniform Guidance and the *State Single Audit Guidelines*. The methods of measurement and presentation of the SEFSA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFSA.
 - c) If the SEFSA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFSA no later than the date we issue the SEFSA and the auditors’ report thereon.
 - d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and the *State Single Audit Guidelines* and included in the SEFSA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

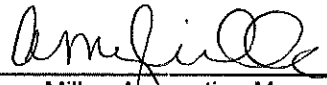
- e) We are responsible for understanding and complying with, and have complied with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal and state programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal and state program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provide reasonable assurance that we are administering our federal and state awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in the internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to control deficiencies reported in the schedule of findings and questioned costs.
- g) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal or state agencies or pass-through entities relevant to the programs and related activities.
- h) We have received no requests from a federal or state agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements including when applicable, those set forth in the OMB Compliance Supplement and the State Single Audit Guidelines, relating to federal and state awards.
- j) We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k) Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- l) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m) We have made available to you all documentation related to the compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- n) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- o) We are not aware of any instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- p) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.

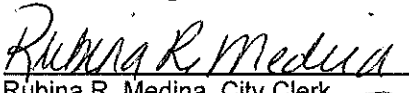
- q) Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- r) The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal and state agency or pass-through entity, as applicable.
- s) We have charged costs to federal and state awards in accordance with applicable cost principles.
- t) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and the *State Single Audit Guidelines* and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- u) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- v) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- w) We are responsible for preparing and implementing a corrective action plan for each audit finding.
- x) We have disclosed to you all contracts or other agreements with our service organizations, and we have disclosed to you all communications from the service organization relating to noncompliance at the service organizations.

Sincerely,

City of New Berlin

Signed: 
Ralph Chipman, Director of Finance

Signed: 
Amy Miller, Accounting Manager

Signed: 
Rubina R. Medina, City Clerk

Signed: 
Dave Ament, Mayor

Client service team



Wendi Unger, CPA
Principal

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Accounting changes relevant to the City of New Berlin

Future accounting standards update

GASB Statement Number	Description	Potentially impacts you	Effective date
102	Certain Risk Disclosures	✓	12/31/25
103	Financial Reporting Model Improvements	✓	12/31/26
104	Disclosure of Certain Capital Assets	✓	12/31/25

Further information on upcoming [GASB pronouncements](#).

New guidance on disclosure of certain risks

The requirements in GASB Statement No. 102, *Certain Risk Disclosures* is meant to provide financial statement users with information about certain risks when circumstances make a government vulnerable to a heightened possibility of loss or harm. It requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints.

- (a) The Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow or outflow of resources—for example, a small number of companies that represent a majority of employment in a government’s jurisdiction, or a government that relies on one revenue source for most of its revenue.
- (b) The Statement defines a constraint as a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority—such as a voter-approved property tax cap or a state-imposed debt limit.

Concentrations and constraints may limit a government’s ability to acquire resources or control spending.

The Statement generally requires a government to disclose information about a concentration or constraint if all of the following criteria are met:

- (a) The concentration or constraint is *known* to the government prior to issuing the financial statements.
- (b) The concentration or constraint makes the government vulnerable to the risk of a substantial impact.
- (c) An event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The disclosures should include a description of the following:

- The concentration or constraint,
- Each event associated with the concentration or constraint that could cause a substantial impact if the event has occurred or has begun to occur prior to the issuance of the financial statements, and
- Actions taken by the government to mitigate the risk prior to the issuance of the financial statements.

Changes to the financial reporting model

GASB Statement 103, *Financial Reporting Model Improvements*, builds on Statement 34 by providing key targeted improvements to the financial reporting model. Its requirements are designed to:

- Enhance the effectiveness of governmental financial reports in providing information essential for decision making and assessing a government's accountability, and
- Address certain application issues.

The targeted improvements contained in Statement 103 establish or modify existing accounting and financial reporting requirements related to:

- Management's discussion and analysis - While the overall requirements do not substantially change management's discussion and analysis, the modifications are meant to improve the analysis included in this section and provide details about the items that should be discussed as currently known facts, decisions, or conditions expected to have a significant financial effect in the subsequent period.
- Unusual or infrequent items (previously known as extraordinary and special items) - The new Statement simplifies GASB literature by eliminating the separate presentation of extraordinary and special items. Under the requirement of Statement 103, applicable items will either be identified as unusual or infrequent, or both.
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position - The changes are designed to improve consistency around the classification of items in these statements by better defining what should be included in operating revenues and expenses and nonoperating revenues and expenses including, for example, the addition of subsidies received or provided as a new category of nonoperating revenues and expenses.
- Major component unit information, and Budgetary comparison information - Statement 103 is designed to improve the consistency of the reporting of major component unit information and budgetary comparison information by specifying required placement of that information.

Revisions to disclosures for certain capital assets

Governments are required to provide information on capital assets in the footnotes to the financial statements as outlined in GASB Statement No. 34. Recent standards have impacted the accounting and reporting for capital assets and as a result GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* to provide enhanced disclosures for certain capital assets, including

- (a) Lease assets reported under Statement No. 87, intangible right-to-use assets reported under Statement No. 94 and subscription assets reported under Statement No. 96 should all be disclosed separately, and by major class of underlying asset. In addition, if there are any other intangible assets reported they should also be disclosed separately.
- (b) Capital assets that are held for sale should have the ending balance with separate disclosure for historical cost and related accumulated depreciation as well as any outstanding debt for which the asset is pledged as collateral disclosed by major class of asset. Assets held for sale are defined as those for which the government has decided to pursue the sale, and it is probable that the sale will be finalized within one year of the financial statement date.

While these changes are focused on footnote disclosures it is important to plan ahead to ensure the required information is available for implementation.

Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements.
 - Consider factors that affect the risks of material misstatement.
 - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs. For audits performed in accordance with *Government Auditing Standards*, our report will include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines*, our report will include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (b) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance and, (c) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and the Uniform Guidance, and the *State Single Audit Guidelines*, in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the City will receive an unmodified opinion on its financial statements.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early in January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means or wish to provide other feedback. We welcome the opportunity to hear from you.

CITY OF NEW BERLIN

New Berlin, Wisconsin

ANNUAL COMPREHENSIVE FINANCIAL REPORT

As of and for the Year Ended
December 31, 2024

CITY OF NEW BERLIN

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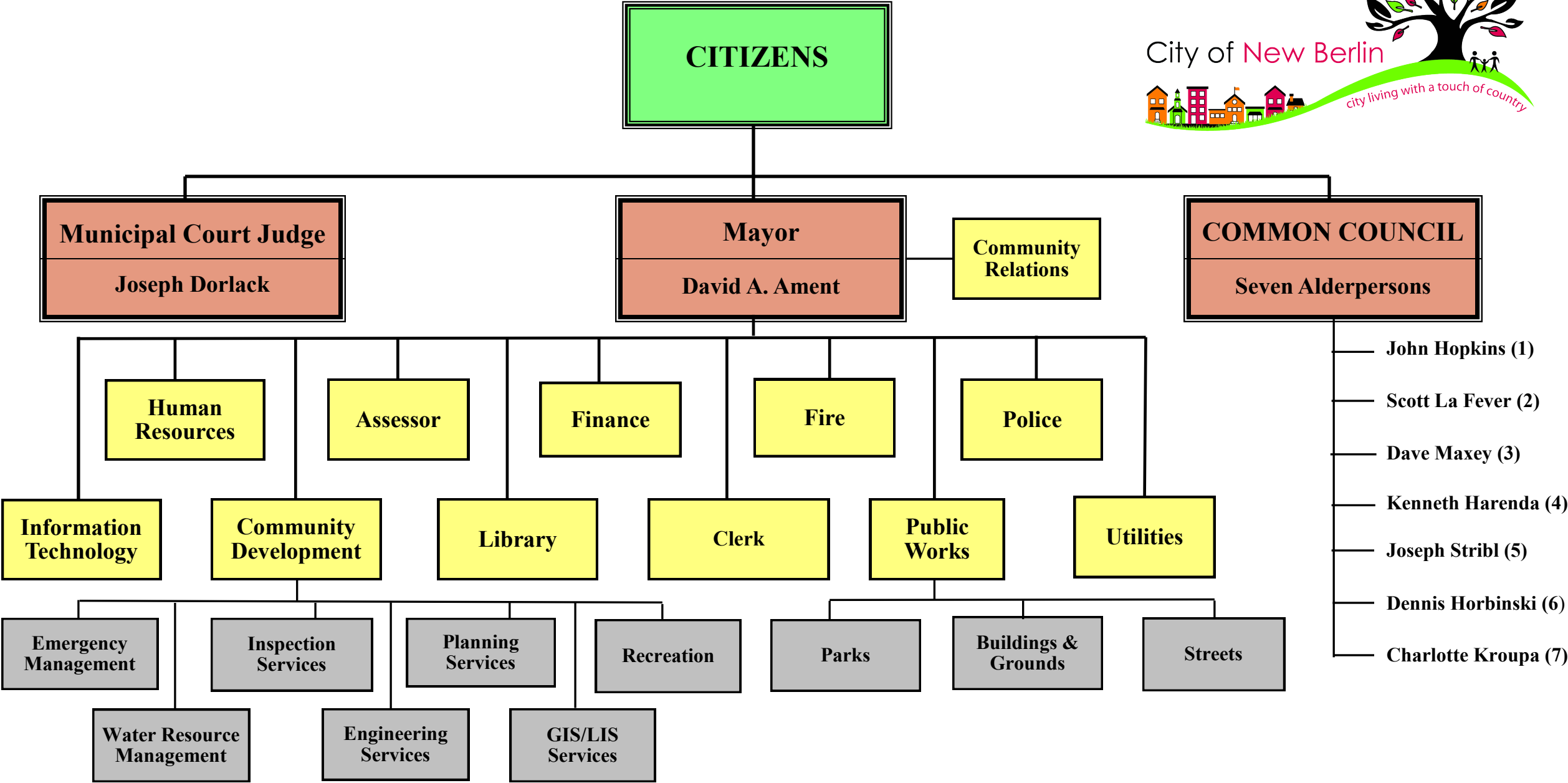
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INTRODUCTORY SECTION

CITY OF NEW BERLIN ORGANIZATIONAL CHART



CITY OF NEW BERLIN, WISCONSIN

2024 LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS

<u>Title</u>	<u>Name</u>
City Mayor	David Ament
Aldersperson – District 1	John Hopkins
Aldersperson – District 2	Scott La Fever
Aldersperson – District 3	Dave Maxey
Aldersperson – District 4	Kenneth A Harenda II
Aldersperson – District 5	Joseph Stribl
Aldersperson – District 6	Dennis Horbinski
Aldersperson – District 7	Charlotte Kroupa
Municipal Judge	Joseph S Dorlack

NON ELECTED OFFICIALS

Assessor	Timothy Kosteretz
Attorney	Thomas Schmitzer
Director of Community Development	Gregory Kessler
Director of Human Resources	Melissa Beck
Director of Information Technology	Alan Skornia
Director of Public Works	Lucas Pichler
City Engineer	Tamara Simonson
Emergency Management Director	Jim Burns
Facilities & Grounds Supervisor	Robert Loohaus
Finance Director	Ralph Chipman
Fire Chief	Mark Polzin
Library	Natalie Beacom
Parks Supervisor	Joshua Fabian
Police Chief	Jeffrey Hingiss
Streets Supervisor	Jason Bednarz
Utility Manager	Alexander Parker

FINANCIAL SECTION

Independent Auditors' Report

To the City Council of
City of New Berlin

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 New Berlin (City), as of and for the year ended December 31, 2024 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 of New Berlin, Wisconsin, as of December 31, 2024 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 (GAS). 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the City adopted the provisions of GASB Statement No. 101, effective January 1, 2024. Our opinions are not modified with respect to this matter.

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 GAS 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 GAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Milwaukee, Wisconsin
July 25, 2025

Management's Discussion and Analysis (unaudited)

As management of the City of New Berlin, we offer readers of the City of New Berlin's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the year by \$210.5 million (net position), which is an increase of \$7.7 million. Of the net position amount \$53.6 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental activities revenue and transfers totaled \$54.8 million, or a 6.8% increase over the prior year and expenses totaled \$50.1 million, as compared to \$51.8 million in 2023, or a 3.2% decrease over the prior year. The results of these activities produced an increase in governmental net position of \$4.7 million.
- The business-type activities revenue totaled \$20.8 million, or a 15.4% decrease over the prior year and expenses and transfers totaled \$17.7 million or a 6.3% increase over last year. The result produced an increase in business-type net position of \$3.1 million.
- As of the end of the current fiscal year, governmental activities reported an ending net position of \$57.0 million, an increase of \$4.7 million in comparison with the prior year.
- The City of New Berlin's total debt decreased by \$4,345 (4.5%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of New Berlin's basic financial statements. The City of New Berlin's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the City of New Berlin's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of New Berlin is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of New Berlin that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of New Berlin include general government, protection of persons and property, highway and transportation, library, conservation and development, and parks and recreation. The business-type activities of the City of New Berlin include a Water Utility, a Wastewater Utility and a Water Resource Management Utility.

The government-wide financial statements include the City of New Berlin (known as the *primary government*). The Water, Wastewater and Water Resource Management Utilities, although legally separate, function for all practical purposes as departments of the City of New Berlin, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 18-19 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of New Berlin, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of New Berlin can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of New Berlin maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general debt service fund and the capital improvements fund, all of which are considered to be major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of New Berlin adopts an annual appropriated budget for all funds as required by state statute. Budgetary comparison statements have been provided for the general fund and each major special revenue fund, if any, to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 20-24 of this report.

Proprietary funds. The City of New Berlin maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of New Berlin uses enterprise funds to account for its Water, Wastewater and Water Resource Management Utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of New Berlin uses an internal service fund to account for its insurance fund. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater, and Water Resource Management Utilities, all of which are considered to be major funds of the City of New Berlin.

The basic proprietary fund financial statements can be found on pages 25-29 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of New Berlin's own programs. The most significant fiduciary fund maintained by the City of New Berlin is the Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of New Berlin. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-81 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 85-111 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of New Berlin, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$210,456 at the close of the most recent fiscal year.

The City of New Berlin's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City of New Berlin used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of New Berlin's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF NEW BERLIN NET POSITION December 31, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 85,479	\$ 78,576	\$ 42,262	\$ 38,197	\$ 127,741	\$ 116,773
Capital assets	123,940	122,837	115,844	117,165	239,784	240,002
Total Assets	<u>209,419</u>	<u>201,413</u>	<u>158,106</u>	<u>155,362</u>	<u>367,525</u>	<u>356,775</u>
Deferred Outflows of Resources	<u>19,881</u>	<u>29,023</u>	<u>1,010</u>	<u>1,460</u>	<u>20,891</u>	<u>30,483</u>
Long-term liabilities outstanding	97,292	94,358	2,692	2,841	99,984	97,199
Current and other liabilities	18,532	24,997	764	1,493	19,296	26,490
Total Liabilities	<u>115,824</u>	<u>119,355</u>	<u>3,456</u>	<u>4,334</u>	<u>119,280</u>	<u>123,689</u>
Deferred Inflows of Resources	<u>56,400</u>	<u>58,702</u>	<u>2,193</u>	<u>2,081</u>	<u>58,593</u>	<u>60,783</u>
Net position			-			
Net investment in capital assets	32,036	31,403	113,494	114,224	145,530	145,627
Restricted	10,975	10,023	359	559	11,334	10,582
Unrestricted	14,065	10,953	39,614	35,624	53,679	46,577
Total net position	<u>\$ 57,076</u>	<u>\$ 52,379</u>	<u>\$ 153,467</u>	<u>\$ 150,407</u>	<u>\$ 210,543</u>	<u>\$ 202,786</u>

An additional portion of the City of New Berlin's governmental activities net position (19.2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is \$14,042.

The government's net position increased a total of \$7,757 during the current fiscal year. Business type activities increased \$3,060 while government activities had an increase of \$4,697.

Governmental activities. Governmental activities increased the City of New Berlin's net position by \$4,697. Governmental expenses included \$5,400 of depreciation expense allocated as follows: \$653 to general government, \$1,206 to public safety, \$2,074 to highway and transportation, \$370 to library, and \$1,097 to parks and recreation. Depreciation expense is 10.8% of the total expenses for governmental activities. Total expenses increased \$238 or .5%.

Some of the significant changes in revenues and expenses were as follows:

Revenues:

- State shared revenue increased \$985.
- Tax Increment of \$896 from the two active districts is an increase of \$207 over the previous year.
- Investment income increased \$333 due to the increase in interest rates net of marking the investments to market.

Expenses:

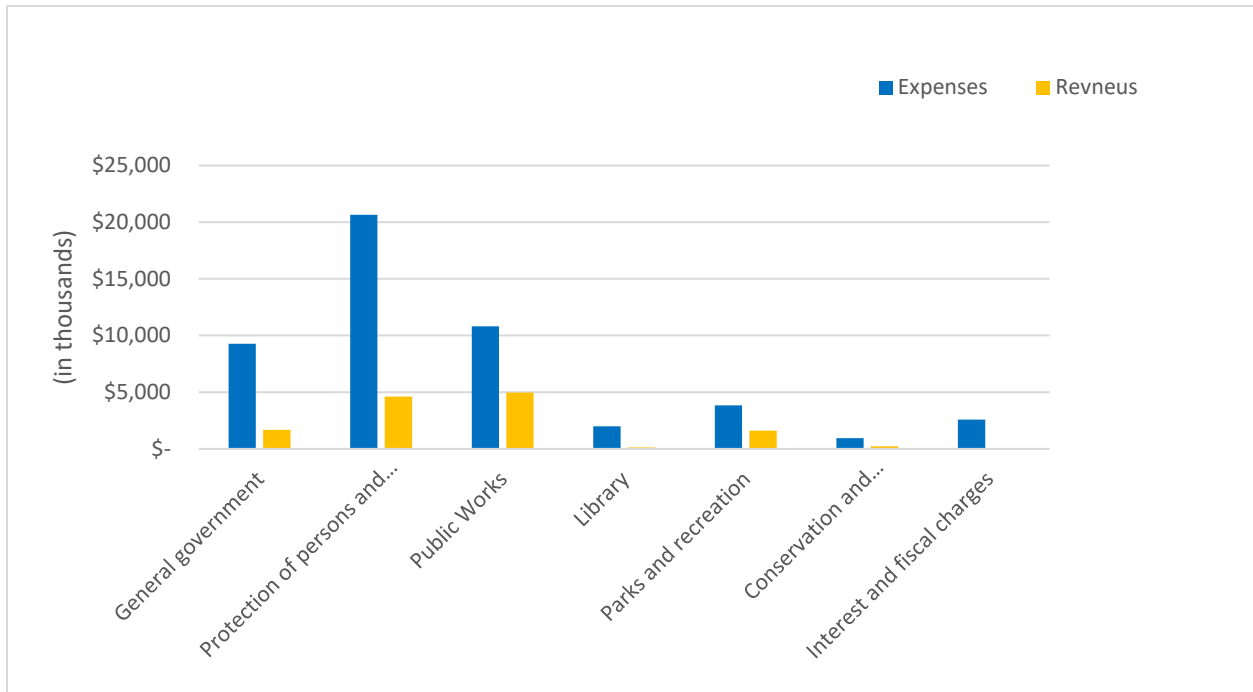
- Net pension expense due to GASB 68 increased \$747. The expense is spread across all functions based on contributions.
- The Activity & Recreation Center opened in February of 2024, adding four positions and increasing utility & maintenance costs.
- Total General fund expenditures increased \$2,651 or 7.8%.

The following is a more detailed review of the years' operation.

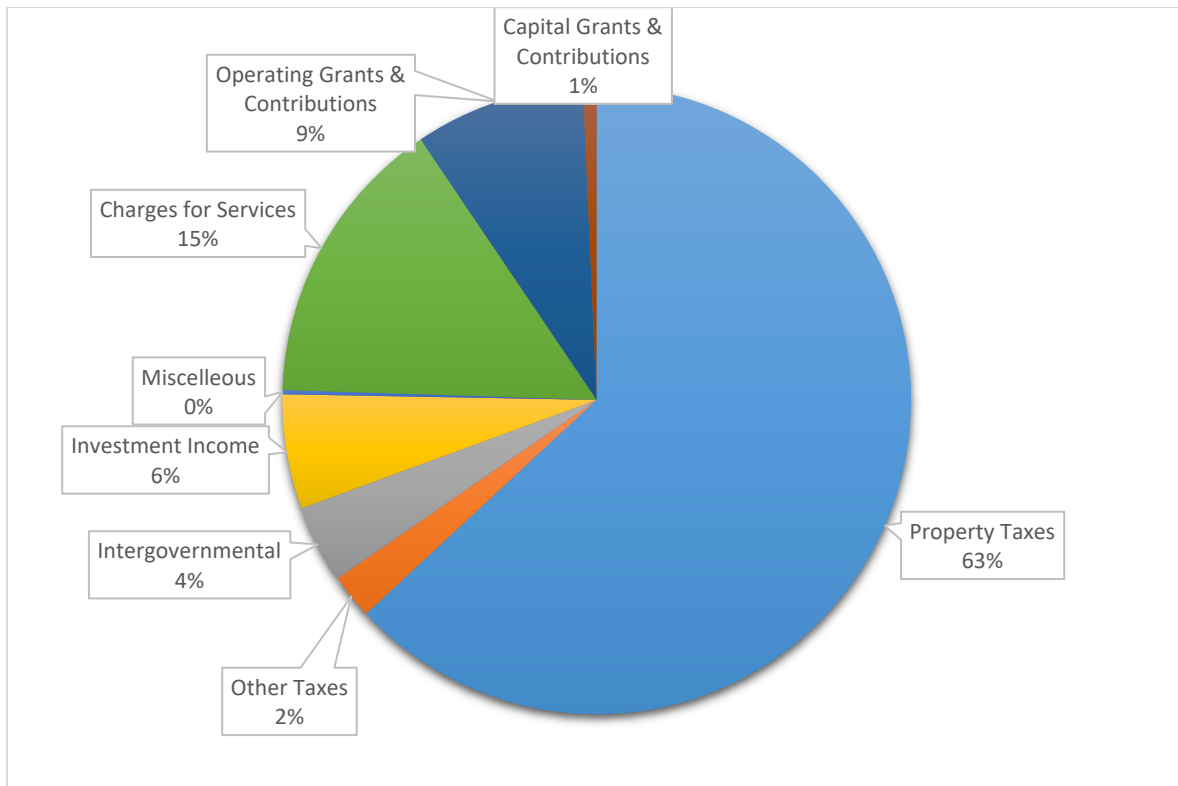
CITY OF NEW BERLIN CHANGES IN NET POSITION
For the years ending December 31, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 8,186	\$ 7,368	\$ 19,246	\$ 18,594	\$ 27,432	\$ 25,962
Operating grants and contributions	4,750	5,194	65	1,787	4,815	6,981
Capital grants and contributions	383	1,072	-	559	383	1,631
General Revenues						
Property taxes	34,087	33,130	-	-	34,087	33,130
Other taxes	1,238	460	-	-	1,238	460
Intergovernmental revenues not restricted to specific programs	2,161	1,054	-	-	2,161	1,054
Investment income (loss)	3,182	2,849	1,490	1,593	4,672	4,442
Other	118	112	-	17	118	129
Total revenues	<u>54,105</u>	<u>51,239</u>	<u>20,801</u>	<u>22,550</u>	<u>74,906</u>	<u>73,789</u>
Expenses						
General government	9,275	7,403	-	-	9,275	7,403
Public safety	20,649	23,472	-	-	20,649	23,472
Highway and transportation	10,808	10,641	-	-	10,808	10,641
Library	1,986	1,875	-	-	1,986	1,875
Parks and recreation	3,838	3,053	-	-	3,838	3,053
Conservation and development	943	1,035	-	-	943	1,035
Interest and fiscal charges	2,576	2,356	-	-	2,576	2,356
Water	-	-	4,831	4,878	4,831	4,878
Wastewater	-	-	10,750	12,303	10,750	12,303
Water resource management	-	-	1,494	1,748	1,494	1,748
Total expenses	<u>50,075</u>	<u>49,835</u>	<u>17,075</u>	<u>18,929</u>	<u>67,150</u>	<u>68,764</u>
Increase (decrease) in net position before transfers	4,030	1,404	3,726	3,621	7,756	5,025
Transfers	<u>666</u>	<u>(2,005)</u>	<u>(666)</u>	<u>2,005</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	4,696	(601)	3,060	5,626	7,756	5,025
Net position - January 1	<u>52,380</u>	<u>48,455</u>	<u>150,407</u>	<u>144,781</u>	<u>202,787</u>	<u>193,236</u>
Net position - December 31	<u>\$ 57,076</u>	<u>\$ 47,854</u>	<u>\$ 153,467</u>	<u>\$ 150,407</u>	<u>\$ 210,543</u>	<u>\$ 198,261</u>

Expenses and Program Revenues – Governmental Activities

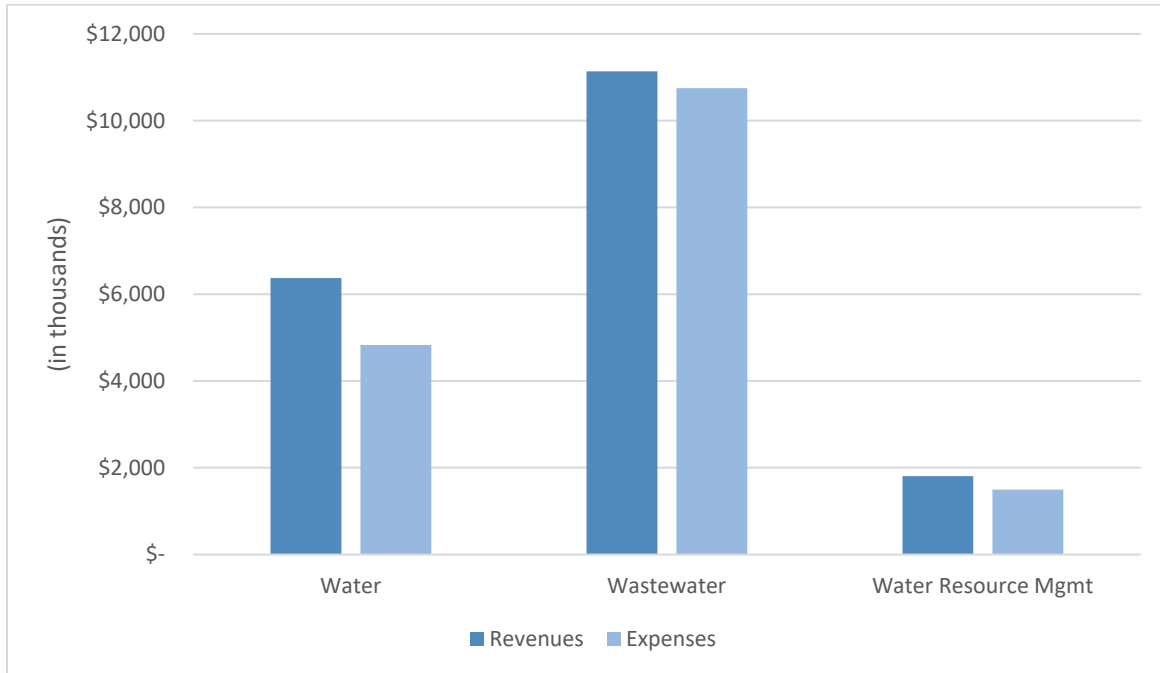


Program and General Revenues by Source – Governmental Activities

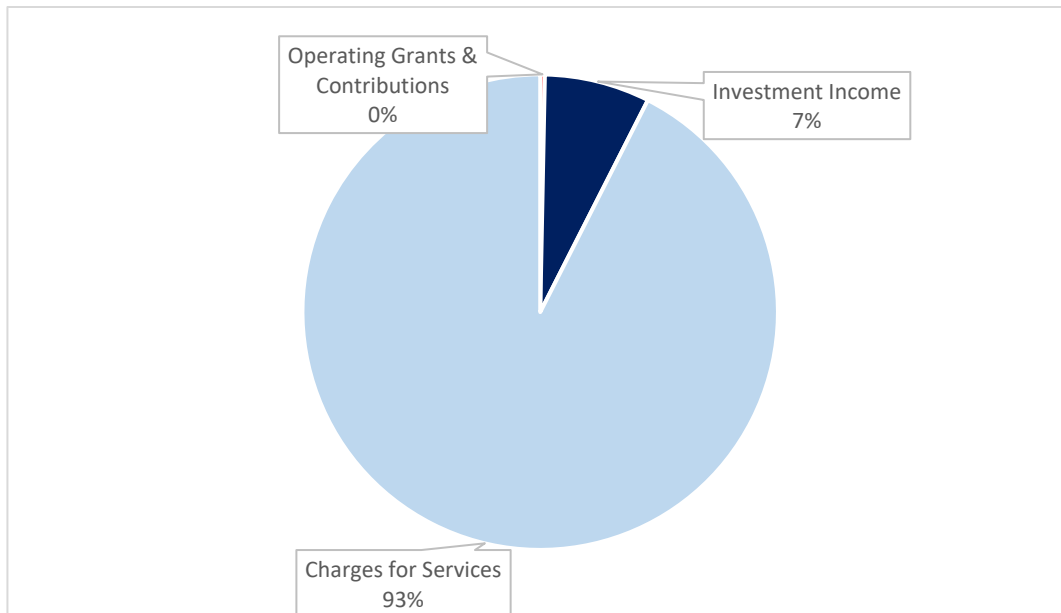


Business-type activities. Business-type activities increased the City of New Berlin’s net position by \$3.1 million in 2024. The operating income of the utilities increased \$787 from last year. The operating income for the wastewater utility decreased \$448, the operating income for the water increased \$970 and the Water Resource Management utility increased \$265.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of New Berlin's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances are the differences between assets/deferred outflows of resources and liabilities/deferred inflows of resources in a governmental fund. The non-spendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. Restricted fund balance include amounts that can be spent only for the specific purposes stipulated by external providers, such a grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balance in any other governmental fund.

As of the end of the current fiscal year, the City of New Berlin's governmental fund reported combined ending fund balances of \$37.9 million. Of that amount, a fraction was non-spendable, \$22.2 million was restricted, \$1.3 million was committed, \$2.0 million was assigned, and \$12.1 million was unassigned fund balance.

The general fund is the chief operating fund of the City of New Berlin. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$12,141, while total fund balance increased \$1,761 to \$13,859. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 33.1 percent of total general fund expenditures, while total fund balance represents 37.8 percent of that same amount.

The fund balance of the City of New Berlin's general fund increased \$1,761 during the current fiscal year compared to a budgeted use of fund balance of \$1,000. Key factors in this outcome are as follows:

- Investment income had a positive \$1,548 balance, due to the relatively large increase in interest rates.
- Police department has a \$398 positive budget balance, due mainly to several vacant positions because of retirements.
- Fire department has a \$575 positive budget balance, due mainly to several vacant positions because of retirements.

The debt service fund has a total fund balance of \$1,551, all of which is reserved for the payment of debt service.

Proprietary funds. The City of New Berlin's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Utility at the end of the year amounted to \$5,761, for the Wastewater Utility \$27,991 and for the Water Resource Management Utility amounted to \$5,862. The total change in net position for the funds was \$2,002, \$1,182, and \$543, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of New Berlin's business-type activities.

General Fund Budgetary Highlights

There was only one difference between the original budget and the final amended budget in 2024. The transfer from contingency was as follows:

- \$25 increase to the Human Resources Department for a salary study

During the year, expenditures were less than budgetary estimates, thus fund balance was not drawn down as much as budgeted.

Capital Asset and Debt Administration

Capital assets: The City of New Berlin's investment in capital assets for its governmental and business type activities as of December 31, 2024, amounts to \$239,784 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park facilities, roads, highways, and sidewalks. The City of New Berlin's overall investment in capital assets for the current fiscal year decreased by .1% - (governmental activities increased 1% while business-type activities decreased 1.1%).

Major capital asset events during the current fiscal year included the following:

- Baseball diamond lighting projects at Malone park totaling \$600.
- Window replacement at city hall, for a cost of \$441
- The Recreation Center Phase II was completed in 2024, \$1.4 million spent in the current year, total cost of \$12.7 million.
- The first phase of Community Center at Hickory Grove project started, \$1.82 million spent in 2024.
- The balances of additions were routine in nature.

CITY OF NEW BERLIN'S CAPITAL ASSETS
(net of accumulated depreciation)
December 31, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land & improvements	\$ 21,867	\$ 21,493	\$ 1,416	\$ 1,416	\$ 23,283	\$ 22,909
Intangible asset	212	308	300	375	512	683
Buildings	40,162	26,888	3,007	2,431	43,169	29,319
Machinery and equipment	17,489	17,300	2,688	2,353	20,177	19,653
Infrastructure	41,657	41,996	108,362	107,890	150,019	149,886
Construction in progress	2,553	14,852	71	2,701	2,624	17,553
Total	<u>\$ 123,940</u>	<u>\$ 122,837</u>	<u>\$ 115,844</u>	<u>\$ 117,166</u>	<u>\$ 239,784</u>	<u>\$ 240,003</u>

Additional information on the City of New Berlin's capital assets can be found in Note IV D on pages 55-58 of this report.

Long-term debt. At the end of the current fiscal year, the City of New Berlin had total bonded debt outstanding of \$99,560 which is backed by the full faith and credit of the government.

CITY OF NEW BERLIN'S OUTSTANDING DEBT
December 31, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds and notes	\$ 99,560	\$ 94,635	\$ -	\$ 435	\$ 99,560	\$ 95,070
Revenue bonds	-	-	2,350	2,495	2,350	2,495
Total Outstanding Debt	<u>\$ 99,560</u>	<u>\$ 94,635</u>	<u>\$ 2,350</u>	<u>\$ 2,930</u>	<u>\$ 101,910</u>	<u>\$ 97,565</u>

The City of New Berlin's total debt increased \$4,345 (4.5 percent) during the current fiscal year.

Moody's affirmed the City's Aaa rating for its' \$13.950 million general obligation notes issued in September.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of New Berlin is \$355,256, which is significantly in excess of the City of New Berlin's outstanding general obligation debt.

Additional information on the City of New Berlin's long-term debt can be found in note IV F on pages 61-65 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's adopted budget increased to \$54,844 from \$50,551 in 2024, an increase of 8.5%.
- Debt service increased \$2,110 in 2025.
- The City maintained an Aaa bond rating from Moody's Investors Service, noting strong financial position and unused levy capacity that provides operational flexibility.
- The State of Wisconsin imposed a maximum tax levy increase of 0% for municipalities in 2012 and thereafter.

All of these factors were considered in preparing the City of New Berlin's budget for the 2025 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$12,141. The City of New Berlin has appropriated \$1,500 surplus for spending in the 2025 fiscal year budget. It is intended that this use of available fund balance will stabilize the tax rate during the 2024 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of New Berlin's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director, 3805 South Casper Drive, New Berlin, Wisconsin, 53151.

General information relating to the City of New Berlin, Wisconsin, can be found at the City's website, www.newberlin.org.

BASIC FINANCIAL STATEMENTS

CITY OF NEW BERLIN

STATEMENT OF NET POSITION As of December 31, 2024

	Primary Government		
	Governmental Activities	Business- type Activities	Total
ASSETS			
Cash and investments	\$ 41,325,503	\$ 33,026,939	\$ 74,352,442
Receivables (net of allowance for uncollectible accounts)	45,653,620	6,544,658	52,198,278
Internal balances	(2,329,735)	2,329,735	-
Prepaid items	27,935	1,095	29,030
Deposit with CVMIC	802,060	-	802,060
Restricted asset			
Cash and investments	-	359,494	359,494
Capital assets (net of accumulated depreciation/amortization)			
Land	18,266,272	1,415,910	19,682,182
Other capital assets	103,120,707	114,356,850	217,477,557
Construction in progress	2,552,607	71,321	2,623,928
Total Assets	209,418,969	158,106,002	367,524,971
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	19,456,118	960,566	20,416,684
OPEB related amounts	424,800	49,822	474,622
Total Deferred Outflows of Resources	19,880,918	1,010,388	20,891,306
LIABILITIES			
Accounts payable and other current liabilities	3,045,324	494,987	3,540,311
Accrued interest payable	417,503	20,316	437,819
Unearned revenue	246,493	-	246,493
Noncurrent liabilities			
Due within one year	12,582,305	148,428	12,730,733
Due in more than one year	97,356,391	2,691,897	100,048,288
Net pension liability	2,175,700	100,858	2,276,558
Total Liabilities	115,823,716	3,456,486	119,280,202
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	11,615,273	595,470	12,210,743
OPEB related amounts	1,712,663	200,868	1,913,531
Lease related amounts	3,267,367	1,396,283	4,663,650
Unearned revenue	39,804,418	-	39,804,418
Total Deferred Inflows of Resources	56,399,721	2,192,621	58,592,342
NET POSITION			
Net investment in capital assets	32,036,462	113,493,959	145,530,421
Restricted for			
Debt service	1,133,600	-	1,133,600
Impact fees	97,087	-	97,087
Replacement	-	359,494	359,494
Wastewater RCA fees	1,998,228	-	1,998,228
Culture and recreational programs	1,842,139	-	1,842,139
Public safety programs	331,928	-	331,928
Public works	877,656	-	877,656
Community development	666,703	-	666,703
Tax increment district	1,723,523	-	1,723,523
Capital projects	2,304,012	-	2,304,012
Unrestricted (deficit)	14,065,112	39,613,830	53,678,942
TOTAL NET POSITION	\$ 57,076,450	\$ 153,467,283	\$ 210,543,733

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Totals
Primary government						
Governmental Activities						
General government	\$ 9,275,156	\$ 960,139	\$ 823,060	\$ -	\$ (7,491,957)	\$ (7,491,957)
Protection of persons and property	20,649,429	3,018,386	1,563,034	28,398	(16,039,611)	(16,039,611)
Public Works	10,808,194	2,751,338	2,190,853	25,798	(5,840,205)	(5,840,205)
Library	1,985,854	112,745	-	10,923	(1,862,186)	(1,862,186)
Parks and recreation	3,837,504	1,247,722	45,194	317,502	(2,227,086)	(2,227,086)
Conservation and development	942,957	95,505	128,282	-	(719,170)	(719,170)
Interest and fiscal charges	2,575,834	-	-	-	(2,575,834)	(2,575,834)
Total Governmental Activities	50,074,928	8,185,835	4,750,423	382,621	(36,756,049)	(36,756,049)
Business-type Activities						
Water	4,830,789	6,372,354	-	-	1,541,565	1,541,565
Wastewater	10,750,353	11,069,904	65,091	-	384,642	384,642
Water Resource Management	1,493,448	1,803,605	-	-	310,157	310,157
Total Business-type Activities	17,074,590	19,245,863	65,091	-	2,236,364	2,236,364
Total primary government	\$ 67,149,518	\$ 27,431,698	\$ 4,815,514	\$ 382,621	(36,756,049)	(34,519,685)
General Revenues:						
Taxes						
Property taxes, levied for general purposes					23,421,674	23,421,674
Property taxes, levied for debt service					10,665,557	10,665,557
Other taxes					1,237,799	1,237,799
Intergovernmental revenues not restricted to specific programs					2,161,260	2,161,260
Investment income					3,182,306	4,672,993
Miscellaneous					118,030	118,030
Transfers					666,481	(666,481)
Total General Revenues and Transfers					41,453,107	42,277,313
Change in Net Position					4,697,058	7,757,628
Net Position - Beginning of Year					52,379,392	202,786,105
Net Position - End of Year					\$ 57,076,450	\$ 210,543,733

See accompanying notes to financial statements.

CITY OF NEW BERLIN

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2024

	General	General Debt Service	Capital Project Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 15,356,366	\$ 1,551,103	\$ 12,649,227	\$ 11,275,976	\$ 40,832,672
Receivables (net of allowance for uncollectible accounts)					
Taxes	26,544,256	12,831,869	-	1,176,664	40,552,789
Delinquent personal property taxes	190,772	-	-	-	190,772
Accounts	975,421	-	264,767	339,777	1,579,965
Leases	3,267,367	-	-	-	3,267,367
Interest	48,568	-	-	-	48,568
Special assessments	-	-	-	14,159	14,159
Due from other funds	306,825	-	-	-	306,825
Prepaid items	27,935	-	-	-	27,935
TOTAL ASSETS	\$ 46,717,510	\$ 14,382,972	\$ 12,913,994	\$ 12,806,576	\$ 86,821,052
LIABILITIES					
Accounts payable	\$ 1,190,446	\$ -	\$ 619,390	\$ 259,927	\$ 2,069,763
Accrued liabilities	92,058	-	-	-	92,058
Accrued payroll	726,726	-	-	-	726,726
Due to other funds	1,469,128	-	-	-	1,469,128
Advance from other funds	-	-	1,167,432	-	1,167,432
Unearned revenues	227,093	-	-	19,400	246,493
Total Liabilities	3,705,451	-	1,786,822	279,327	5,771,600
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	25,795,885	12,831,869	-	1,176,664	39,804,418
Lease related amounts	3,267,367	-	-	-	3,267,367
Unavailable revenues	89,417	-	-	14,159	103,576
Total Deferred Inflows of Resources	29,152,669	12,831,869	-	1,190,823	43,175,361
FUND BALANCES					
Non-spendable:					
Delinquent personal property taxes	190,772	-	-	-	190,772
Prepays	27,935	-	-	-	27,935
Restricted					
Culture and recreation	-	-	-	1,842,139	1,842,139
Public safety	-	-	-	355,480	355,480
Community development	-	-	-	334,471	334,471
Tax Incremental District	-	-	-	1,723,523	1,723,523
Impact and RCA fees	-	-	-	2,095,315	2,095,315
Capital Projects	-	-	11,127,172	2,304,012	13,431,184
Debt Service	-	1,551,103	-	-	1,551,103
Public works	-	-	-	877,656	877,656
Committed:					
Culture and recreation	-	-	-	734,252	734,252
Community development	-	-	-	566,089	566,089
Assigned					
Subsequent year budget appropriations	1,500,000	-	-	-	1,500,000
Capital Projects	-	-	-	503,489	503,489
Unassigned	12,140,683	-	-	-	12,140,683
Total Fund Balances	13,859,390	1,551,103	11,127,172	11,336,426	37,874,091
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 46,717,510	\$ 14,382,972	\$ 12,913,994	\$ 12,806,576	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.					123,939,586
See Note IV D.					1,138,114
Internal service funds are reported in the statement of net position as governmental activities					(2,175,700)
The net pension liability does not relate to current financial resources and is not reported in the governmental funds.					19,880,918
Deferred outflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.					(13,327,936)
Deferred inflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.					103,576
Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note II A.					(110,356,199)
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds. See Note II A.					
NET POSITION OF GOVERNMENTAL ACTIVITIES					\$ 57,076,450

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2024

	General	General Debt Service	Capital Project Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 23,529,676	\$ 10,625,903	\$ 156,707	\$ 1,141,026	\$ 35,453,312
Intergovernmental	6,395,415	-	-	254,096	6,649,511
Licenses and permits	1,471,627	-	-	-	1,471,627
Fines, forfeitures and penalties	392,635	-	-	-	392,635
Public charges for services	2,727,912	-	-	2,215,808	4,943,720
Public improvement revenues	-	-	-	204,891	204,891
Interdepartmental revenues	572,152	-	-	-	572,152
Investment income	2,548,686	5,050	263,006	365,564	3,182,306
Miscellaneous revenues	277,563	-	-	881,119	1,158,682
Total Revenues	<u>37,915,666</u>	<u>10,630,953</u>	<u>419,713</u>	<u>5,062,504</u>	<u>54,028,836</u>
EXPENDITURES					
Current					
General government	7,989,174	-	8,314	51,124	8,048,612
Protection of persons and property	20,266,192	-	-	207,588	20,473,780
Public Works	3,804,262	-	-	2,380,095	6,184,357
Library	1,866,421	-	-	46,627	1,913,048
Parks and recreation	2,131,992	-	-	245,839	2,377,831
Conservation and development	736,937	-	-	236,055	972,992
Capital Outlay	-	-	9,227,733	588,151	9,815,884
Debt Service					
Principal retirement	-	9,025,000	-	-	9,025,000
Interest and fiscal charges	-	3,197,510	158,007	-	3,355,517
Total Expenditures	<u>36,794,978</u>	<u>12,222,510</u>	<u>9,394,054</u>	<u>3,755,479</u>	<u>62,167,021</u>

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2024

	General	General Debt Service	Capital Project Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Excess (deficiency) of revenues over expenditures	\$ 1,120,688	\$ (1,591,557)	\$ (8,974,341)	\$ 1,307,025	\$ (8,138,185)
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	-	13,950,000	-	13,950,000
Premium on bond issued	-	748,936	-	-	748,936
Lease issued	37,092	-	-	-	37,092
Transfers in	843,217	926,252	-	650,309	2,419,778
Transfers out	(240,000)	-	(410,309)	(1,061,252)	(1,711,561)
Total Other Financing Sources (Uses)	640,309	1,675,188	13,539,691	(410,943)	15,444,245
Net Change in Fund Balance	1,760,997	83,631	4,565,350	896,082	7,306,060
FUND BALANCES -					
Beginning of year	12,098,393	1,467,472	6,561,822	10,440,344	30,568,031
FUND BALANCES - END OF YEAR	<u>\$ 13,859,390</u>	<u>\$ 1,551,103</u>	<u>\$ 11,127,172</u>	<u>\$ 11,336,426</u>	<u>\$ 37,874,091</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2024

Net change in fund balances - total governmental funds	\$ 7,306,060
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation/amortization expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	9,774,148
Some items reported as capital outlay were not capitalized	(3,815,489)
Some items capitalized are reported as current expenditures	768,474
Depreciation/amortization is reported in the government-wide statements	(5,400,376)
Net book value of assets retired	(238,098)
Developer funded & donated capital additions	13,690

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of the differences in the treatment of long-term debt. See Note II B.	(4,814,418)
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Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities. See Note II B.	64,435
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. See Note II B.	1,081,579
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Internal Service fund change in net position	<u>(42,947)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 4,697,058</u>
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See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON - GAAP) GENERAL FUND

For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 23,509,174	\$ 23,509,174	\$ 23,529,676	\$ 20,502
Intergovernmental	6,524,855	6,524,855	6,395,415	(129,440)
Licenses and permits	1,343,250	1,343,250	1,471,627	128,377
Fines, forfeitures and penalties	330,000	330,000	392,635	62,635
Public charges for services	2,754,630	2,754,630	2,727,912	(26,718)
Interdepartmental revenues	640,099	640,099	572,152	(67,947)
Investment income	1,000,000	1,000,000	2,548,686	1,548,686
Miscellaneous revenues	232,846	232,846	277,563	44,717
Total Revenues	36,334,854	36,334,854	37,915,666	1,580,812
EXPENDITURES				
Current				
General government	8,307,442	8,332,278	7,989,174	343,104
Protection of persons and property	20,881,703	20,881,703	20,202,236	679,467
Highway and transportation	3,907,335	3,907,335	3,836,610	70,725
Library	1,757,642	1,757,642	1,829,329	(71,687)
Parks and recreation	2,063,522	2,063,522	2,131,992	(68,470)
Conservation and development	757,210	757,210	736,937	20,273
Contingency	300,000	275,164	-	275,164
Total Expenditures	37,974,854	37,974,854	36,726,278	1,248,576
Excess (deficiency) of revenues over expenditures	(1,640,000)	(1,640,000)	1,189,388	2,829,388
OTHER FINANCING SOURCES (USES)				
Transfers in	880,000	880,000	843,217	(36,783)
Transfer out	(240,000)	(240,000)	(240,000)	-
Total other financing sources and (uses)	640,000	640,000	603,217	(36,783)
Net change in Fund Balance - budgetary basis	(1,000,000)	(1,000,000)	1,792,605	2,792,605
Adjustment to generally accepted accounting principles basis				
Lease - expenditure	-	-	(37,092)	(37,092)
Lease - obligation	-	-	37,092	37,092
Change in Encumbrances	-	-	(31,608)	(31,608)
	-	-	(31,608)	(31,608)
Net Change in Fund Balance - -generally accepted accounting principles basis	(1,000,000)	(1,000,000)	1,760,997	2,760,997
FUND BALANCES - BEGINNING OF YEAR	12,098,393	12,098,393	12,098,393	-
FUND BALANCES - END OF YEAR	<u>\$ 11,098,393</u>	<u>\$ 11,098,393</u>	<u>\$ 13,859,390</u>	<u>\$ 2,760,997</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of December 31, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
ASSETS					
Current Assets					
Cash and investments	\$ 9,452,863	\$ 18,168,139	\$ 5,405,937	\$ 33,026,939	\$ 492,831
Receivables					
Accounts	1,560,287	3,045,585	470,244	5,076,116	-
Lease	155,611	-	-	155,611	-
Interest	3,151	24,195	-	27,346	-
Due from other funds	492,649	1,100,615	84,880	1,678,144	-
Prepaid	-	-	1,095	1,095	-
Advance to other fund	-	331,350	-	331,350	-
Total Current Assets	<u>11,664,561</u>	<u>22,669,884</u>	<u>5,962,156</u>	<u>40,296,601</u>	<u>492,831</u>
Non-Current Assets					
Restricted Asset					
Cash and investments	-	359,494	-	359,494	-
Capital Assets					
Land	642,046	456,017	317,847	1,415,910	-
Other capital assets	75,213,386	62,672,161	39,189,593	177,075,140	-
Accumulated depreciation/amortization	(28,840,488)	(19,305,352)	(14,572,450)	(62,718,290)	-
Construction work in progress	41,821	29,500	-	71,321	-
Other Assets					
Special assessments receivable	38,774	6,139	-	44,913	-
Lease receivable	1,240,672	-	-	1,240,672	-
Advance to other funds	-	5,966,082	-	5,966,082	-
Deposit with CVMIC	-	-	-	-	802,060
Total Non-Current Assets	<u>48,336,211</u>	<u>50,184,041</u>	<u>24,934,990</u>	<u>123,455,242</u>	<u>802,060</u>
TOTAL ASSETS	<u>60,000,772</u>	<u>72,853,925</u>	<u>30,897,146</u>	<u>163,751,843</u>	<u>1,294,891</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	549,656	332,177	78,733	960,566	-
OPEB related amounts	<u>26,222</u>	<u>23,600</u>	<u>-</u>	<u>49,822</u>	<u>-</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>575,878</u>	<u>355,777</u>	<u>78,733</u>	<u>1,010,388</u>	<u>-</u>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 246,739	\$ 167,462	\$ 19,641	\$ 433,842	\$ -
Accrued liabilities	61,145	-	-	61,145	156,777
Accrued interest payable	20,316	-	-	20,316	-
Due to other funds	147,840	260,921	107,080	515,841	-
Current portion of advance	210,000	-	-	210,000	-
Current portion of revenue bonds	148,428	-	-	148,428	-
Total Current Liabilities	<u>834,468</u>	<u>428,383</u>	<u>126,721</u>	<u>1,389,572</u>	<u>156,777</u>
Non-Current Liabilities					
Long-Term Debt					
Revenue Bonds	2,201,694	-	-	2,201,694	-
Advance from sewer	4,920,000	-	-	4,920,000	-
Net Pension liability	54,144	41,162	5,552	100,858	-
Net OPEB obligation	258,002	232,201	-	490,203	-
Total Non-Current Liabilities	<u>7,433,840</u>	<u>273,363</u>	<u>5,552</u>	<u>7,712,755</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,268,308</u>	<u>701,746</u>	<u>132,273</u>	<u>9,102,327</u>	<u>156,777</u>
DEFERRED INFLOWS OF RESOURCES					
Leases related amounts	1,396,283	-	-	1,396,283	-
OPEB related amounts	105,720	95,148	-	200,868	-
Pension related amounts	338,924	209,849	46,697	595,470	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,840,927</u>	<u>304,997</u>	<u>46,697</u>	<u>2,192,621</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	44,706,643	43,852,326	24,934,990	113,493,959	-
Restricted for					
Replacement	-	359,494	-	359,494	-
Unrestricted	5,760,772	27,991,139	5,861,919	39,613,830	1,138,114
TOTAL NET POSITION	<u>\$ 50,467,415</u>	<u>\$ 72,202,959</u>	<u>\$ 30,796,909</u>	<u>\$ 153,467,283</u>	<u>\$ 1,138,114</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
OPERATING REVENUES					
Charges for services and sales	\$ 6,114,764	\$ 10,945,766	\$ 1,803,605	\$ 18,864,135	\$ 250,954
Other operating revenues	257,590	124,138	-	381,728	-
Total Operating Revenues	6,372,354	11,069,904	1,803,605	19,245,863	250,954
OPERATING EXPENSES					
Operation and maintenance	3,095,115	9,705,070	900,375	13,700,560	293,901
Depreciation	1,386,711	951,598	575,584	2,913,893	-
Taxes	59,488	32,511	15,976	107,975	-
Total Operating Expenses	4,541,314	10,689,179	1,491,935	16,722,428	293,901
Operating Income (loss)	1,831,040	380,725	311,670	2,523,435	(42,947)
NONOPERATING REVENUES (EXPENSES)					
Investment income	449,582	797,665	232,910	1,480,157	-
Amortization of bond premium	10,530	-	-	10,530	-
Grant income	-	65,091	-	65,091	7,000
Grant expense	-	(61,174)	-	(61,174)	(7,000)
Interest expense	(289,475)	-	(1,513)	(290,988)	-
Total Nonoperating Revenues (Expenses)	170,637	801,582	231,397	1,203,616	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,001,677	1,182,307	543,067	3,727,051	(42,947)
CAPITAL CONTRIBUTIONS					
City	41,736	-	-	41,736	-
TRANSFERS OUT	(695,655)	(12,562)	-	(708,217)	-
CHANGE IN NET POSITION	1,347,758	1,169,745	543,067	3,060,570	(42,947)
NET POSITION - Beginning of Year	49,119,657	71,033,214	30,253,842	150,406,713	1,181,061
NET POSITION - END OF YEAR	\$ 50,467,415	\$ 72,202,959	\$ 30,796,909	\$ 153,467,283	\$ 1,138,114

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 5,157,924	\$ 11,632,252	\$ 1,826,569	\$ 18,616,745	\$ -
Receipts from municipality	730,592	-	-	730,592	250,954
Payments to municipality	-	-	(356,270)	(356,270)	-
Payments to suppliers	(2,367,472)	(9,042,449)	(342,395)	(11,752,316)	(212,645)
Payments to employees	(713,399)	(483,734)	(222,345)	(1,419,478)	-
Net Cash Flows From Operating Activities	<u>2,807,645</u>	<u>2,106,069</u>	<u>905,559</u>	<u>5,819,273</u>	<u>38,309</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Receipt of advances	-	372,900	-	372,900	-
Grant costs	-	(63,107)	-	(63,107)	-
Grant received	-	642,394	-	642,394	-
Transfers out - paid for tax equivalent	(695,655)	(12,562)	-	(708,217)	-
Net Cash Flows From Non-Capital Related Financing Activities	<u>(695,655)</u>	<u>939,625</u>	<u>-</u>	<u>243,970</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(913,467)	(884,417)	(53,722)	(1,851,606)	-
Special assessments received	704	1,625	-	2,329	-
Salvage on retired plant	9,009	2,825	-	11,834	-
Payment of advance	(205,000)	-	(55,000)	(260,000)	-
Debt retired	(580,648)	-	-	(580,648)	-
Interest paid	(217,264)	-	(1,650)	(218,914)	-
Net Cash Flows From Capital and and Related Financing Activities	<u>(1,906,666)</u>	<u>(879,967)</u>	<u>(110,372)</u>	<u>(2,897,005)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(250,292)	(5,567,103)	-	(5,817,395)	-
Investments sold	165,000	6,384,997	-	6,549,997	-
Interest received	430,884	739,837	232,910	1,403,631	-
Net Cash Flows From Investing Activities	<u>345,592</u>	<u>1,557,731</u>	<u>232,910</u>	<u>2,136,233</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	550,916	3,723,458	1,028,097	5,302,471	38,309
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>8,369,319</u>	<u>12,006,114</u>	<u>4,377,840</u>	<u>24,753,273</u>	<u>454,522</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 8,920,235</u>	<u>\$ 15,729,572</u>	<u>\$ 5,405,937</u>	<u>\$ 30,055,744</u>	<u>\$ 492,831</u>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 1,831,040	\$ 380,725	\$ 311,670	\$ 2,523,435	\$ (42,947)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities					
Noncash items included in operating income					
Depreciation expense	1,386,711	951,598	575,584	2,913,893	-
Depreciation charged to other accounts	173,034	-	-	173,034	-
Changes in assets and liabilities and deferred outflows/ inflows of resources:					
Accounts receivable	(465,273)	(63,320)	3,483	(525,110)	-
Lease receivable	(333,089)	-	-	(333,089)	-
Receivable from municipality	149,863	634,489	19,481	803,833	-
Receivable from wastewater	(193,990)	-	-	(193,990)	-
Receivable from water	-	(8,821)	-	(8,821)	-
Receivable from water resource management	22,650	-	-	22,650	-
Prepays	4,480	-	5,889	10,369	-
Pension related inflow	(108,353)	(82,375)	(11,111)	(201,839)	-
OPEB related inflow	(10,622)	(9,559)	-	(20,181)	-
Net pension liability	(136,921)	(95,921)	(15,385)	(248,227)	-
Accounts payable	(892)	14,093	(8,377)	4,824	-
Accrued liabilities	2,912	-	(9,746)	(6,834)	81,256
Lease related inflow	333,089	-	-	333,089	-
Net OPEB obligation	5,028	4,524	-	9,552	-
Pension related outflow	235,361	180,003	26,112	441,476	-
OPEB related outflow	4,308	3,877	-	8,185	-
Payable to municipality	(101,100)	2,652	31,197	(67,251)	-
Payable to wastewater	9,409	-	(588)	8,821	-
Payable to water	-	194,104	(22,650)	171,454	-
Net Cash Flows From Operating Activities	\$ 2,807,645	\$ 2,106,069	\$ 905,559	\$ 5,819,273	\$ 38,309
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET ASSETS					
Cash and cash equivalents - unrestricted	\$ 9,452,863	\$ 18,168,139	\$ 5,405,937	\$ 33,026,939	\$ 492,831
Cash and cash equivalents - restricted	-	359,494	-	359,494	-
Less: Non-cash equivalents	(532,628)	(2,798,061)	-	(3,330,689)	-
CASH AND CASH EQUIVALENTS	\$ 8,920,235	\$ 15,729,572	\$ 5,405,937	\$ 30,055,744	\$ 492,831
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES					
Cost of utility plant installed and/or financed by city	\$ 41,736	\$ -	\$ -	\$ 41,736	\$ -
Capital assets included in accounts payable	\$ 480	\$ 31,461	\$ -	\$ 31,941	\$ -
Amortization of bond premium	\$ 10,530	\$ -	\$ -	\$ 10,530	\$ -
See accompanying notes to financial statements.					

CITY OF NEW BERLIN

FIDUCIARY FUNDS STATEMENT OF FIDUCIARY NET POSITION As of December 31, 2024

	Custodial Funds		
	Collection Fund	Deposit Fund	Total
ASSETS			
Cash and investments	\$ 51,866,637	\$ 1,807,125	\$ 53,673,762
Taxes receivable	8,335,168	-	8,335,168
TOTAL ASSETS	\$ 60,201,805	\$ 1,807,125	\$ 62,008,930
LIABILITIES			
Due to other taxing units	\$ 60,201,805	\$ -	\$ 60,201,805
Deposits	-	1,807,125	1,807,125
TOTAL LIABILITIES	\$ 60,201,805	\$ 1,807,125	\$ 62,008,930
NET POSITION - END OF YEAR	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

CITY OF NEW BERLIN

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION For the Year Ended December 31, 2024

	Custodial Funds		
	Tax Collection Fund	Deposit Fund	Total
ADDITIONS			
Tax Collections	\$ 51,576,523	\$ -	\$ 51,576,523
Deposit Collections	-	574,498	574,498
TOTAL ADDITIONS	51,576,523	574,498	52,151,021
DEDUCTIONS			
Payments to overlying districts	51,576,523	-	51,576,523
Deposit Payments	-	574,498	574,498
TOTAL DEDUCTIONS	51,576,523	574,498	52,151,021
Change in Fiduciary Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the City of New Berlin. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The City has not identified any organizations that meet this criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented effective January 1, 2024.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements

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

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

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

The city reports the following major governmental funds:

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

General Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than TID or enterprise debt.

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The City reports the following major enterprise funds:

Water Utility – accounts for operations of the water system.
Wastewater Utility – accounts for operations of the wastewater system.
Water Resource Management Utility – accounts for operations of the storm water system.

The City reports the following non-major governmental funds:

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

Park & Open Space	Concession Stand	Landscape
Trail Fees	Park & Recreation	Building Maintenance
Impact Fees	Police	Technology Fee
Wastewater RCA Fees	Fire	Tourism Commission Fund
Golf Course	Mayor	Tax Increment District
Fourth of July	Special Assessment	Grant
Library	Garbage/Recycling	

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

Equipment Equipment Replacement

In addition, the city reports the following fund types:

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

General Liability Insurance

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

Tax Collection
Deposit

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

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

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

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

The proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Wastewater, and Water Resource Management Utilities are charges to customers for sales and services. The rates used in the Water Utility were approved by the Public Service Commission. Wastewater and Water Resource Management service charges are billed at rates established by the city's common council. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All Financial Statements

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the city considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.
See Note IV.A. for further information.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables

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

Property tax calendar – 2024 tax roll:

Lien date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	March 31, 2025
Third installment due	May 31, 2025
Tax sale – 2024 delinquent real estate taxes	October 2027

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the utilities because they have the right by law to place delinquent bills on the tax roll.

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

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

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. Any materials and supplies on hand at year-end are considered immaterial.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

3. Inventories and Prepaid Items (cont.)

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

4. Restricted Assets

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

5. Capital Assets

Government –Wide Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, \$10,000 for infrastructure assets, \$1,000 for utility system assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	20-50 Years
Land Improvements	10-50 Years
Machinery and Equipment	5-50 Years
Intangible Asset	4-20 Years
Utility System	4-100 Years
Infrastructure	25-75 Years

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets (cont.)

Financial Statements

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

6. Deferred Outflows of Resources

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

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

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Vacation and sick leave pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations/Conduit Debt

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations/Conduit Debt (cont.)

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

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

The city has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the city. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is \$3,992,201, made up of two issues. The issue matures in 2030 & 2036.

9. Leases

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

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

10. Deferred Inflows of Resources

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

11. Equity Classifications

Government-Wide Statements

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

11. Equity Classifications (cont.)

- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

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

Fund Statements

Governmental fund balances displayed as follows:

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

11. Equity Classifications (cont.)

Fund Statements (cont.)

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

The City has a formal minimum fund balance policy. That policy is to maintain a working capital reserve to pay for needs caused by unforeseen emergencies. This reserve will be maintained at a minimum of not less than fifteen percent of the subsequent year's general fund budgeted expenditures. The balance at year end was \$8,226,603 or 15.0% and is included in unassigned general fund balance.

12. Pension

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

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- 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 WRS. For this purpose, benefit payments (including refund of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City OPEB Plan and additions to/deductions from the City OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the City Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains “other long-term assets that are not available to pay for current period expenditures and therefore are unavailable in the funds”. The details of this difference are as follows:

Special Assessments	\$ 14,159
Subsequent period collections	<u>89,417</u>
Combined Adjustment for unavailable revenue	<u>\$ 103,576</u>

Long-term liabilities applicable to the city’s governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

Bonds and notes payable	\$ 99,560,000
Compensated absences	1,616,131
Net OPEB obligation	5,106,132
Accrued interest	417,503
Lease payable	210,970
Unamortized debt premium (to be amortized over life of debt)	<u>3,445,463</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 110,356,199</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities.” The details of this difference are as follows:

Subsequent period collections	\$ (24,982)
Current period collections	<u>89,417</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 64,435</u>

Another element of that reconciliation states “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” Also, governmental fund report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The details of this (\$4,814,418) difference are as follows:

Debt issued or incurred:	
Issuance of general obligation notes	\$ (13,950,000)
Premium from sale of bonds, net of amortization	(15,349)
Lease	(37,092)
Principal repayments:	
General obligation debt	9,025,000
Lease	<u>163,023</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (4,814,418)</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (cont.)

Another element of that reconciliation states, “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 governmental funds.” The details of this \$1,081,579 difference are as follows:

Compensated absences	\$ 201,322
Net pension liability	5,464,476
Deferred outflows related to pension	(9,071,970)
Deferred inflows related to pension	4,354,047
Net OPEB liability	(14,680)
Deferred outflows related to OPEB	(69,784)
Deferred inflows related to OPEB	172,072
Accrued interest	<u>46,096</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,081,579</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I C. except that actual (non-GAAP) expenditures presented reflect actual (GAAP) expenditures adjusted for expenditures liquidated under the prior period budget and encumbrances expected to be liquidated under the current period budget.

A budget has been adopted for the general, special revenue, and debt service funds. Budgets have not been formally adopted for capital project funds, except for the Equipment and Equipment Replacement Funds.

The budgeted amounts presented include any amendments made during the year. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action. There were no supplemental appropriations during the year. Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were not material. Budgets are adopted at the fund level of expenditure.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

<u>Fund</u>	<u>Budget Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Special Revenue Funds			
Police Fund	\$ 54,000	\$ 100,322	\$ 46,322
Building Maintenance Fund	30,000	77,998	47,998
Landscape Fund	40,000	174,605	134,605
Tax Increment District Fund	450	633,681	633,231
Garbage/Recycling Fund	2,154,725	2,177,386	22,661
Grant Fund	5,000	94,980	89,980
Library Fund	13,000	46,627	33,627
Capital Projects Fund			
Equipment Fund	-	4,250	4,250
Debt Service Fund	12,179,361	12,222,510	43,149

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. LIMITATIONS ON THE CITY TAX LEVY

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash equivalents and investments as shown on the city's Statement of Net Position are subject to the following risks:

	Carrying Value	Bank Balance	Associated Risks
Petty Cash	\$ 3,810	\$ -	N/A
Money market account	18,360,178	3,164,015	Custodial credit
Money market mutual fund	2,469,747	2,469,747	Credit and interest rate
Municipal securities	893,324	893,324	Custodial credit, credit, interest rate and concentration of credit
U.S. Government agency securities	4,416,807	4,416,807	Custodial credit, credit, interest rate and concentration of credit
U.S. Government treasury securities	3,078,592	3,078,592	Custodial credit and interest rate
Certificates of deposit - negotiable	4,393,560	4,393,560	Custodial Credit, credit, interest rate and concentration of credit
Local government investment pool	94,769,680	94,769,680	Credit
Total Cash and investments	<u>\$ 128,385,698</u>	<u>\$ 113,185,725</u>	

Reconciliation to financial statements

Per Statement of Net Position

Cash and investment	\$ 74,352,442
Restricted - cash and investment	359,494

Per statement of fiduciary net position:

Custodial funds	<u>53,673,762</u>
Total	<u>\$ 128,385,698</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

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

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

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024 the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements

Wisconsin Statute 66.0603 authorizes the City to invest in the following type of instruments:

1. Time deposits in any credit union, bank, savings bank or trust company.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The City of New Berlin has adopted an investment policy. The investment policy limits investments to the following:

- U.S. Treasury obligations with maturities not exceeding five years from trade settlement date.
- Federal instrumentalities with maturities not exceeding five years from trade settlement date.
- Local government investment pools meeting Wisconsin statute 25.50 or 66.0301.
- Repurchase agreements with the city's deposit bank collateralized with 102% of market value of principal and accrued interest.
- Interest-bearing certificates of deposit collateralized with 102% of market value of principal and accrued interest.
- Commercial securities of the highest or second highest ratings.

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission but invests its funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At December 31, 2024, the City's share of the WISC's assets was substantially equal to the amount reported above.

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

The City's investments are categorized are as follows:

Investment Type	December 31, 2024			
	Level 1	Level 2	Level 3	Total
U.S. Government agencies securities	\$ -	\$ 4,416,807	\$ -	\$ 4,416,807
U.S. Government treasury securities	-	3,078,592	-	3,078,592
Municipal Securities	-	893,324	-	893,324
Certificates of Deposit - negotiable	-	4,393,560	-	4,393,560
Money market mutual fund	2,469,747	-	-	2,469,747
Total	\$ 2,469,747	\$ 12,782,283	\$ -	\$ 15,252,030

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk – Deposits: Is the risk that in the event of a financial institution failure, the city's deposits may not be returned to the city. The carrying value for deposits was \$18,360,178 and the bank's carrying value was \$3,164,015. To meet current obligations, deposits are maintained in overnight repurchase agreements and transferred to a master control bank account as checks are presented for payment.

As of December 31, 2024, \$576,736 of the City's total demand deposit bank balances of \$3,177,310 was uninsured and uncollateralized.

Custodial Credit Risk – Investments: Is the risk that in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments exposed to custodial risk are held by the city's agent in the city's name.

Interest Rate Risk – Is the risk that changes in interest rates will adversely affect the value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the city's investment policy limits the maturity of any security to no more than five years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is less. In addition, the policy indicates that the investment portfolio should be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior maturity. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city's total investment portfolio will be invested in a single security type.

The city had the following investments and maturities as of December 31, 2024:

	Fair Value	Investment Maturities (in years)		
		Less than 1	1-3	3-5
U.S. Government agency securities	\$ 4,416,807	\$ 1,832,590	\$ 2,584,217	\$ -
U.S. Government treasury securities	3,078,592	542,743	1,339,958	1,195,891
Certificates of Deposit - negotiable	4,393,560	3,031,255	1,362,305	-
Money Market Mutual Fund	2,469,747	2,469,747	-	-
Municipal Securities	893,324	386,627	506,697	-
Total investments	<u>\$ 15,252,030</u>	<u>\$ 8,262,962</u>	<u>\$ 5,793,177</u>	<u>\$ 1,195,891</u>

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The city's investment policy minimizes credit risk by limiting investments to the safest type of securities and diversifying the investment portfolio. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city's total investment portfolio will be invested with a single financial institution.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

As of December 31, 2024, the city's investments in municipal securities, U.S. government agency securities were rated Aa1, Aaa and Aaa, respectively, by Moody's Investor Services.

The Local Government Investment Pool and negotiable certificates of deposit are not rated.

Concentration of Credit Risk: Is the risk of loss attributed to the magnitude of the city's investment in a single issuer. At December 31, 2024 none of the City's investments in a single issuer exceeded 5%.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year-end for the city's individual major funds, non-major funds and fiduciary funds, including the applicable allowances for uncollectible accounts, are detailed on the governmental funds' balance sheet, proprietary funds' statement of net position and the fiduciary fund's statement of fiduciary net position. All amounts are expected to be collected within one year except for \$89,417 and \$2,966,875 reported in the general fund and \$14,159 in non-major governmental funds.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 37,497,243	\$ -
Special assessments not yet due	-	14,159
Lease receivable	3,267,367	-
Subsequent period prepayments	246,493	-
Subsequent period collections	-	89,417
Special charges on tax roll	<u>2,307,175</u>	<u>-</u>
Total Unearned/Unavailable Revenue for Governmental Funds	<u>\$ 43,318,278</u>	<u>\$ 103,576</u>
Unearned revenue included in liabilities	\$ 246,493	
Unearned lease receivable included in deferred inflows	3,267,367	
Unearned revenue included in deferred inflows	<u>39,804,418</u>	
Total Unearned Revenue for Governmental Funds	<u>\$ 43,318,278</u>	

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Equipment Replacement Account

The wastewater utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources. The balance of this account is \$359,494.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, was as follows:

	Balance	Additions	Deletions	Balance
Governmental Activities				
Capital assets not being depreciated/amortized:				
Land	\$ 18,321,606	\$ 13,822	\$ (69,156)	\$ 18,266,272
Construction in progress	14,852,135	2,270,319	(14,569,847)	2,552,607
Total Capital Assets				
Not Being Depreciated/Amortized	33,173,741	2,284,141	(14,639,003)	20,818,879
Capital Assets Being Depreciated/Amortized				
Land improvements	5,738,376	633,634	-	6,372,010
Buildings	43,112,870	14,541,388	-	57,654,258
Machinery and equipment	34,749,947	2,626,003	(1,365,273)	36,010,677
Roads	111,090,744	1,024,247	-	112,114,991
Sidewalks/Bikepaths	4,064,833		-	4,064,833
Street lighting	3,071,750	201,257	-	3,273,007
Intangible assets	1,728,771		-	1,728,771
Easements	30,000	-	-	30,000
Total Capital Assets				
Being Depreciated/Amortized	203,587,291	19,026,529	(1,365,273)	221,248,547
Less: Accumulated Depreciation/Amortization for:				
Land improvements	(2,566,810)	(204,584)	-	(2,771,394)
Buildings	(16,224,684)	(1,267,698)	-	(17,492,382)
Machinery and equipment	(17,752,543)	(2,195,312)	1,196,331	(18,751,524)
Roads	(72,872,822)	(1,357,728)	-	(74,230,550)
Sidewalks/Bikepaths	(2,659,283)	(146,110)	-	(2,805,393)
Street lighting	(699,496)	(90,639)	-	(790,135)
Intangible assets	(1,521,526)	(50,098)	-	(1,571,624)
Total Accumulated Depreciation/Amortization	(114,297,164)	(5,312,169)	1,196,331	(118,413,002)
Net Capital Assets				
Being Depreciated/Amortized	89,290,127	13,714,360	(168,942)	102,835,545
Total governmental activities capital assets, excluding lease assets	\$122,463,868	\$ 15,998,501	\$ (14,807,945)	\$ 123,654,424
Lease assets, net (Note 3)				\$ 285,162
Total governmental activities capital assets, net as reported in the statement of net position				\$ 123,939,586

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/Amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 653,141
Protection of persons and property	1,206,391
Highway and transportation, which includes the depreciation of infrastructure	2,074,636
Library	369,604
Parks and recreation	<u>1,096,604</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$5,400,376</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciated/amortized:				
Land	\$ 1,415,910	\$ -	\$ -	\$ 1,415,910
Construction in progress	2,700,710	980,408	(3,609,797)	71,321
Total Capital Assets				
Not Being Depreciated/Amortized	4,116,620	980,408	(3,609,797)	1,487,231
Capital Assets Being Depreciated/Amortized				
Intangible asset	1,500,000	-	-	1,500,000
Buildings	4,698,789	731,615	-	5,430,404
Machinery and equipment	8,274,775	918,316	(805,062)	8,388,029
Wastewater infrastructure	57,930,221	2,463,187	(863,203)	59,530,205
Water Infrastructure	63,813,034	368,607	(529,739)	63,651,902
Water Resource infrastructure	38,574,600	-	-	38,574,600
Total Capital Assets				
Being Depreciated/Amortized	174,791,419	4,481,725	(2,198,004)	177,075,140
Less: Accumulated Depreciation/Amortization				
Intangible asset	(1,125,000)	(75,000)	-	(1,200,000)
Buildings	(2,267,332)	(156,136)	-	(2,423,468)
Machinery and equipment	(5,921,367)	(578,342)	799,412	(5,700,297)
Wastewater infrastructure	(17,663,532)	(714,450)	863,203	(17,514,779)
Water Infrastructure	(20,901,788)	(1,101,836)	523,555	(21,480,069)
Water Resource infrastructure	(13,863,513)	(536,164)	-	(14,399,677)
Total Accumulated Depreciation/Amortization	(61,742,532)	(3,161,928)	2,186,170	(62,718,290)
Net Capital Assets				
Being Depreciated/Amortized	113,048,887	1,319,797	(11,834)	114,356,850
Business-Type Activities				
Capital Assets, Net of Accumulated Depreciation/Amortization	\$ 117,165,507	\$ 2,300,205	\$ (3,621,631)	\$ 115,844,081

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/Amortization expense was charged to functions as follows:

Business-Type Activities	
Water	\$ 1,386,711
Wastewater	951,598
Water Resource Management	<u>575,584</u>
Total Business-Type Activities	
Depreciation/amortization Expense	<u>\$ 2,913,893</u>

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

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water Resource Management Fund	\$ 107,083
General Fund	Wastewater Fund	66,019
General Fund	Water Fund	133,723
Water Fund	General Fund	297,747
Wastewater Fund	General Fund	1,086,609
Water Resource Management Fund	General Fund	<u>84,772</u>
Total Fund Financial Statements		1,775,953
Add: Interfund Advances		1,167,432
Less: Government-Wide Eliminations		<u>(5,273,120)</u>
Total Internal Balances - Government-Wide		
Statement of Net Position		<u>\$ (2,329,735)</u>
 <u>Receivable Fund</u>	 <u>Payable Fund</u>	 <u>Amount</u>
Governmental Activities	Business-type Activities	\$ 306,825
Business-type Activities	Governmental Activities	<u>(2,636,560)</u>
Total Government-Wide Financial Statements		<u>\$ (2,329,735)</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

The principal purpose of these inter-funds is the collection of delinquent utility bills on the tax roll. All remaining balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are due within one year.

For the statement of net position, inter-fund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of inter-fund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Amount Due Within One Year</u>
Wastewater Utility	Water Utility	3%	\$ 5,130,000	\$ 210,000
Wastewater Utility	Capital Projects	3%	553,766	61,450
Wastewater Utility	Capital Projects	3%	613,666	59,900
Total Fund Financial Statements			6,297,432	
Less: Government-Wide Eliminations			(5,130,000)	
Total Government-Wide Financial Statements			<u>\$ 1,167,432</u>	

Repayment schedule for advances follows:

<u>Years</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 121,350	\$ 35,022	\$ 210,000	\$ 153,900
2026	126,450	31,382	220,000	147,600
2027	131,000	27,590	225,000	141,000
2028	135,000	23,660	230,000	134,250
2029	138,800	19,610	250,000	127,350
2030-2034	514,832	35,754	1,390,000	517,800
2035-2039	-	-	1,555,000	300,150
2040-2042	-	-	1,050,000	63,600
	<u>\$ 1,167,432</u>	<u>\$ 173,018</u>	<u>\$ 5,130,000</u>	<u>\$ 1,585,650</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

The following is a schedule of inter-fund transfers:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	Special Revenue Fund		
	Golf Course	Tax Stabilization transfer	\$ 135,000
	Enterprise Fund		
	Water Utility	Tax equivalent payment	695,655
	Wastewater Utility	Tax equivalent payment	12,562
Debt Service Fund	Special Revenue Fund		
	Golf Course	Debt service costs	97,000
	Impact Fee Fund	Debt service costs	10,000
	Tax increment Fund	Debt service costs	819,252
Capital Projects Fund			
Equipment Replacement Fund	General Fund	Equipment Replacement	<u>240,000</u>
Subtotal - Fund Financial Statements			2,009,469
Less: Capital assets contributed to Enterprise Funds			(41,736)
Less: Fund eliminations			<u>(1,301,252)</u>
Total Transfers - Government-Wide Statement of Activities			<u>\$ 666,481</u>
<u>Transfer In</u>	<u>Transfer Out</u>		<u>Amount</u>
Governmental Activities	Business-type Activities		\$ 708,217
Business-type Activities	Governmental Activities		(41,736)
			<u>\$ 666,481</u>

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

General Obligation Debt

Long-term obligations activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 94,635,000	\$ 13,950,000	\$ 9,025,000	\$ 99,560,000	\$ 10,895,000
Add/Subtract deferred amounts for					
Bond premium	3,430,114	748,936	733,587	3,445,463	-
Total bonds/notes payable	<u>98,065,114</u>	<u>14,698,936</u>	<u>9,758,587</u>	<u>103,005,463</u>	<u>10,895,000</u>
Other Liabilities					
Lease payable	336,901	37,092	163,023	210,970	71,174
Net OPEB liability	5,091,452	14,680	-	5,106,132	-
Compensated absences	<u>1,817,453</u>	<u>1,616,131</u>	<u>1,817,453</u>	<u>1,616,131</u>	<u>1,616,131</u>
Total Other Liabilities	<u>7,245,806</u>	<u>1,667,903</u>	<u>1,980,476</u>	<u>6,933,233</u>	<u>1,687,305</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 105,310,920</u>	<u>\$ 16,366,839</u>	<u>\$ 11,739,063</u>	<u>\$ 109,938,696</u>	<u>\$ 12,582,305</u>
Business-Type Activities					
General obligation notes	\$ 435,000	\$ -	\$ 435,000	\$ -	\$ -
Revenue bonds from direct placements	2,495,770	-	145,648	2,350,122	148,428
Add/Subtract deferred amounts for					
Bond premium	<u>10,530</u>	<u>-</u>	<u>10,530</u>	<u>-</u>	<u>-</u>
Total bonds/notes payable	<u>2,941,300</u>	<u>-</u>	<u>591,178</u>	<u>2,350,122</u>	<u>148,428</u>
Other Liabilities					
Net OPEB liability	480,651	9,552	-	490,203	-
Compensated absences	<u>642,070</u>	<u>585,309</u>	<u>642,070</u>	<u>585,309</u>	<u>585,309</u>
Total Other Liabilities	<u>1,122,721</u>	<u>594,861</u>	<u>642,070</u>	<u>1,075,512</u>	<u>585,309</u>
Total Business Type Activities Long-Term Liabilities	<u>\$ 4,064,021</u>	<u>\$ 594,861</u>	<u>\$ 1,233,248</u>	<u>\$ 3,425,634</u>	<u>\$ 733,737</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the city may not exceed five percent of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2024, was \$402,327,940. Total general obligation debt outstanding at year-end was \$99,560,000.

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2024
Governmental Activities Long-Term Obligations					
General Obligation Debt					
Bonds	2013	6/1/28	2.0-3.375%	\$ 4,685,000	\$ 1,435,000
Notes	2016	6/1/26	1.35-2.0	7,735,000	2,115,000
Notes	2017	6/1/27	2.0	8,215,000	3,190,000
Notes	2018	6/1/28	2.25-3.0	9,060,000	5,815,000
Notes	2019	6/1/29	1.80-3.0	8,095,000	4,875,000
Notes	2020	6/1/30	1.10-3.0	9,815,000	7,380,000
Bonds	2021	6/1/41	1.50-5.0	9,550,000	9,120,000
Notes	2021	6/1/31	1.50-5.0	19,325,000	12,760,000
Bonds	2022	6/1/42	4.0-5.0	13,865,000	13,865,000
Notes	2022	6/1/32	4.0-5.0	7,825,000	7,385,000
Notes	2023	6/1/33	4.0-5.0	13,150,000	11,520,000
Bonds	2023	6/1/36	4.0-5.0	6,150,000	6,150,000
Notes	2024	6/1/44	4.0-5.0	13,950,000	13,950,000
Total Government Activities - General Obligation Debt					<u>\$ 99,560,000</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities	
	Principal	Interest
2025	\$ 10,895,000	\$ 3,394,390
2026	10,345,000	2,881,613
2027	10,555,000	2,506,485
2028	10,290,000	2,137,198
2029	10,170,000	1,796,383
2030-2034	30,870,000	5,126,145
2035-2039	10,850,000	1,919,818
2040-2044	5,585,000	363,378
Totals	<u>\$ 99,560,000</u>	<u>\$ 20,125,410</u>

REVENUE DEBT

Revenue debt payable at December 31, 2024 consists of the following:

	Balance 12/31/2023	Additions	Retirements	Balance 12/31/2024	Due Within One Year
Revenue Bonds	\$ 2,495,770	\$ -	\$ 145,648	\$ 2,350,122	\$ 148,428
	<u>\$ 2,495,770</u>	<u>\$ -</u>	<u>\$ 145,648</u>	<u>\$ 2,350,122</u>	<u>\$ 148,428</u>

Date	Maturity	Interest Rates	Original Issue	Outstanding 12/31/24
06/13/17	5/1/2037	1.87%	\$ 1,206,457	\$ 868,403
05/23/18	5/1/2038	1.87%	774,620	571,559
06/26/19	5/2/2039	1.98%	1,158,141	910,160
				<u>\$ 2,350,122</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Revenue bond debt service requirements to maturity follows:

December 31	Principal	Interest	Total
2025	\$ 148,428	\$ 43,532	\$ 191,960
2026	151,262	40,671	191,933
2027	154,150	37,756	191,906
2028	157,093	34,785	191,878
2029	160,092	31,757	191,849
2030 - 2034	847,489	110,704	958,193
2035 - 2039	731,608	29,734	761,342
	<u>\$ 2,350,122</u>	<u>\$ 328,939</u>	<u>\$ 2,679,061</u>

The Utility's outstanding revenue bonds from direct borrowings related to business type activities of \$2,350,122 contains provisions that in an event of default, outstanding amounts are recoverable by the State by deducting those amounts from any State payments due to the utility, adding a special charge to the amount of taxes apportioned to and levied upon the county in which the utility is located.

All utility revenues net of specified operating expenses are pledged as a security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2024 was \$191,987. Total customer net revenues as defined for the same period was \$3,668,788. Annual principal and interest payments are expected to require 7.19% of net revenues on average.

Lease Liabilities

Refer to Note IV. G.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

Other Debt Information

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

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The city believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

G. LEASE DISCLOSURES

Lessor – Lease Receivables

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Receivable Balance Dec 31, 2024</u>
Governmental Activities:				
Cellular antennas	1994-2004	2027-2049	2.40%	\$ 3,267,367
Business-Type Activities:				
Cellular antennas	1998-2019	2024-2032	2.40%	\$ 1,396,283

The governmental activities of the City recognized \$166,387 in lease revenue and \$16,562 in lease interest revenue during the year. The business-type activities of the City recognized \$188,595 in lease revenue and \$43,526 in lease interest revenue during the year.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 300,492	\$ 16,242	\$ 316,734	\$ 155,611	\$ 39,076	\$ 194,687
2026	305,563	15,997	321,560	170,018	34,403	204,421
2027	310,804	15,757	326,561	186,845	27,798	214,643
2028	274,039	14,485	288,524	119,951	24,346	144,297
2029	247,877	13,472	261,349	130,629	20,883	151,512
2030-2034	548,864	44,849	593,713	326,995	63,182	390,177
2035-2039	603,727	36,977	640,704	306,234	22,201	328,435
2040-2044	386,272	22,408	408,680	-	-	-
2045-2049	289,729	10,475	300,204	-	-	-
Totals	<u>\$ 3,267,367</u>	<u>\$ 190,662</u>	<u>\$ 3,458,029</u>	<u>\$ 1,396,283</u>	<u>\$ 231,889</u>	<u>\$ 1,628,172</u>

Lessee – Lease Payable

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Equipment, leased	\$ 257,921	\$ 37,092	\$ 84,043	\$ 210,970	\$ 71,174
Intangibles, leased	<u>78,980</u>	<u>-</u>	<u>78,980</u>	<u>-</u>	<u>-</u>
	<u>336,901</u>	<u>37,092</u>	<u>163,023</u>	<u>210,970</u>	<u>71,174</u>

In prior years, the city acquired capital assets through lease agreements. The gross amount of these assets under capital leases is \$459,584, which is included in capital assets in the governmental activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2024, are as follows:

	Governmental Activities
2025	\$ 71,174
2026	71,174
2027	33,709
2028	33,709
2029	<u>8,971</u>
Sub-Total	218,737
Less: Amount representing interest	<u>(7,767)</u>
Present Value of Minimum Lease Payments	<u>\$ 210,970</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Leased assets being amortized				
Equipment, leased	\$ 343,512	\$ 37,092	\$ -	\$ 380,604
Intangibles, leased	<u>78,980</u>	<u>-</u>	<u>-</u>	<u>78,980</u>
Total leased assets being amortized	<u>422,492</u>	<u>37,092</u>	<u>-</u>	<u>459,584</u>
Less accumulated depreciation				
Intangibles, leased	(78,317)	(72,411)	-	(150,728)
Equipment, leased	<u>(7,898)</u>	<u>(15,796)</u>	<u>-</u>	<u>(23,694)</u>
Total accumulated amortization	<u>(86,215)</u>	<u>(88,207)</u>	<u>-</u>	<u>(174,422)</u>
Governmental activities leased assets, net	<u>\$ 336,277</u>	<u>\$ (51,115)</u>	<u>\$ -</u>	<u>\$ 285,162</u>

H. NET POSITION

Governmental activities net position reported on the government wide statement of net position at December 31, 2024 includes the following:

Governmental Activities	
Net Investment in capital assets	
Construction in progress	\$ 2,552,607
Land	18,266,272
Other capital assets, net of accumulated depreciation/amortization	103,120,707
Less: Long-term debt outstanding, including bond premium	(103,216,433)
Plus: Unspent capital related debt proceeds	<u>11,313,309</u>
Total Net Investment in Capital Assets	<u>32,036,462</u>
Restricted for	
Debt service	1,133,600
Impact fees	97,087
Wastewater RCA fees	1,998,228
Culture and recreational programs	1,842,139
Public safety programs	331,928
Public works	877,656
Community development	666,703
Tax increment district	1,723,523
Capital projects	<u>2,304,012</u>
Total Restricted	<u>10,974,876</u>
Unrestricted (deficit)	<u>14,065,112</u>
Total Governmental Activities Net Position	<u>\$ 57,076,450</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION (cont.)

Business-Type Activities

Business-type activities net position reported on the government wide statement of net position at December 31, 2024 includes the following:

Net Investment in capital assets	
Construction work in progress	\$ 71,321
Land	1,415,910
Other capital assets, net of accumulated depreciation	114,356,850
Less: Long-term debt outstanding	<u>(2,350,122)</u>
Total Investment in Capital Assets	<u>113,493,959</u>
 Restricted for	
Replacement	<u>359,494</u>
Total Restricted	<u>359,494</u>
 Unrestricted	<u>39,613,830</u>
 Total Business-type Activities Net Position	<u>\$ 153,467,283</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

General Information about the Pension Plan

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Post-retirement adjustments. The Employee Trust Fund 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 %
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

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

During the reporting period, the WRS recognized \$2,055,922 in contributions from the city.

Contribution rates for the plan year reported as of December 31, 2024 are:

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

At December 31, 2024 the city reported a liability of \$2,276,558 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. 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, 2023, the city's proportion was 0.15311739%, which was an increase of 0.00231128% from its' proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the city recognized pension (revenue) expense of \$1,300,781.

At December 31, 2024, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 9,179,061	\$ 12,157,723
Changes of actuarial assumptions	992,286	-
Net differences between projected and actual investment earnings on pension plan investment.	7,933,487	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,698	53,020
Employer contributions subsequent to measurement date	<u>2,309,152</u>	<u>-</u>
Total	<u>\$ 20,416,684</u>	<u>\$ 12,210,743</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$2,309,152 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2025	\$ 1,201,324
2026	1,259,202
2027	4,966,590
2028	(1,530,377)

Actuarial assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	December 31, 2022
Measurement Date of Net Pension Liability	December 31, 2023
Experience Study:	January 1, 2018 – December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% -5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

**No post-retirement 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 post-retirement 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, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Asset Allocation Targets and Expected Returns* as of December 31, 2023

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Public Equity	40.0%	7.3%	4.5%
Public Fixed Income	27.0	5.8	3
Inflation Sensitive	19.0	4.4	1.7
Real Estate	8.0	5.8	3
Private Equity/Debt	18.0	9.6	6.7
Leverage	(12.0)	3.7	1
Total Core Fund	100	7.4	4.6
<u>Variable Fund Asset</u>			
US Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

** New England Pension Consultants Long Term US CPI (inflation) Forecast; 2.7%

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Single discount rate. A single discount rate of 6.8% was used to measure the total pension liability, for the current and prior year. This discount rate was based on the expected rate of return on pension plan investments 6.8 percent and a municipal bond rate of 3.77 percent. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the city's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the city's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8 percent, 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 (5.8 percent) or 1-percentage-point higher (7.8 percent) than the current rate:

	Discount Rate (5.8%)	Current Discount Rate (6.8%)	Discount Rate (7.8%)
The City's proportionate share of the net pension liability (asset)	\$ 22,005,037	\$ 2,276,558	\$ (11,527,593)

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

At December 31, 2024, the city reported a payable to the pension plan of \$282,518, which represents contractually required contributions outstanding as of the end of the year.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The city purchases general, auto liability/physical damage and workers compensation insurance from the Cities and Villages Mutual Insurance Company (CVMIC). The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

In 1987, the City invested \$802,060 for participation in the Wisconsin Municipal Insurance commission (WMIC). The WMIC is an intergovernmental cooperation commission formed to facilitate the formation of Cities and Villages Mutual Insurance Company (CVMIC). CVMIC is a separate and distinct entity independent of the WMIC and owned by the participating cities and villages of the WMIC. CVMIC was formed to provide liability insurance to Wisconsin municipalities as of January 1, 1988.

CVMIC provides the City with \$5,000,000 of liability coverage for losses over its self-insurance retention level of \$50,000 per occurrence with a \$200,000 annual aggregate stop loss.

An annual premium is charged to cover expected claims and administrative costs. The claims component of the premium is determined by independent actuaries and allocated among the participating municipalities based on payroll and loss history. The City and other participating cities and villages are subject to cover loss experiences that exceed predictions through retrospective assessments.

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

At December 31, 2024 the Risk Management Fund, an Internal Service Fund had net position of \$1,138,114 available for future claims related to prior years. The balance includes \$492,831 in cash and \$802,060 in non-cash assets.

The City has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred by not recorded (IBNR). This liability is based upon estimates from an annual actuarial study. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

Changes in the fund's unpaid claims liability amount in fiscal 2023 and 2024 were:

	Beginning Balance	Current Claims and Changes in Estimates	Claims Paid/ Settled	Ending Balance
2023	\$ 95,694	\$ (20,173)	\$ -	\$ 75,521
2024	75,521	81,256	-	156,777

The City's percentage participation in WMIC and CVMIC at December 31, 2024 was 2.67%. Percentage participation can be affected by acceptance of new members to WMIC and CVMIC. Upon dissolution, the City would be entitled to a lump sum payment from CVMIC that may vary significantly from the amount of its deposit referred to above, based on the then financial condition of CVMIC.

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

C. COMMITMENTS AND CONTINGENCIES

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

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

Federal and State Grants

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

Construction Commitments

The city has active construction projects as of December 31, 2024. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected in accounts payable and expenditures.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

Impact Fees

The city receives impact fees for new development projects. The fees are to be used to fund specific projects within a specific period of time. In the event the projects are not completed or the time period elapses, the city will be required to refund the impact fees to the owners of the property on which the fees were originally charged.

Encumbrances

The City has the following encumbrances outstanding at year end, relating to funds on hand:

General Fund	\$184,022
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D. OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The city's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the city. RBP is a single-employer defined benefit OPEB plan administered by the city. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Common Council.

Benefits provided. The city's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. The result is another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

Employees covered by benefit terms. At December 31, 2024 the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	25
Active plan members	181
	<u>206</u>

Contributions. Contribution requirements are established through collective bargaining agreements and other city agreements and may be amended only through negotiations between city and the union, or for non-union employees pursuant to employment policies adopted by the Common Council.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Investments

Investment policy. The City is authorized to invest funds of the RBP only in investments which the District is permitted to make under Section 66.0603 of the Wisconsin state statutes. See Note IV.A for further information.

Concentrations. All OPEB plan assets have been invested in an interest-bearing account.

Rate of return. The annual money-weighted rate of return on investments, net of investment expense, was 13.89 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2024.

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

Actuarial Valuation Date	December 31, 2024
Measurement Date of Net OPEB Liability	December 31, 2024
Actuarial Cost Method	Entry Age
Long-Term Expected Rate of Return	5.00%
Discount Rate:	
General Employees	4.28%
Police Employees	5.00%
Healthcare Cost Trend Rates	5.00% for 2024 and beyond
Salary Increases:	
Merit and Cost of Living	3.0%
Mortality:	Wisconsin 2020 Mortality Table

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

CHANGES IN THE TOTAL AND NET OPEB LIABILITY

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2023	\$ 7,068,940	\$ 1,496,837	\$5,572,103
Changes for the year:			
Service cost	328,539	-	328,539
Interest cost	303,712	-	303,712
Changes in assumptions	(65,892)	-	(65,892)
Contributions - employer	-	90,653	(90,653)
Net investment income (loss)	-	118,432	(118,432)
Estimated Benefit payments	(461,879)	(113,645)	(348,234)
Administrative expense	-	(15,192)	15,192
Net Changes	104,480	80,248	24,232
Balances at December 31, 2024	<u>\$ 7,173,420</u>	<u>\$ 1,577,085</u>	<u>\$5,596,335</u>

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the city, as well as what the city's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3 percent) or 1-percentage-point higher (5 percent) than the current rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 7,587,004	\$ 7,173,420	\$ 6,785,376
Plan Fiduciary Net Position	1,577,085	1,577,085	1,577,085
Net OPEB liability	<u>\$ 6,009,919</u>	<u>\$ 5,596,335</u>	<u>\$ 5,208,291</u>

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the city, as well as what the city's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4 percent) or 1-percentage-point higher (6 percent) than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 6,671,857	\$ 7,173,420	\$ 7,740,144
Plan Fiduciary Net Position	1,577,085	1,577,085	1,577,085
Net OPEB liability	<u>\$ 5,094,772</u>	<u>\$ 5,596,335</u>	<u>\$ 6,163,059</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2024, the city recognized OPEB expense of \$333,642. At December 31, 2024, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

Schedule of Deferred Inflows/Outflows	December 31, 2024	
	Deferred Inflows	Deferred Outflows
Differences Between Expected and Actual Experiences	\$ 698,253	\$ 65,530
Differences Between Projected and Actual Earnings	131,374	-
Changes in Assumptions	1,083,904	409,092
Total	<u>\$ 1,913,531</u>	<u>\$ 474,622</u>

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

Year Ended December 31:	Deferred Outflow of Resources and Deferred Inflow of Resources (Net)
2025	\$ (210,153)
2026	(193,823)
2027	(178,273)
2028	(140,375)
2029	(131,920)
Thereafter	(584,365)

E. JOINT TRUST

In 1997, the City and the New Berlin Professional Police Association (Association) entered into an agreement to establish a plan to pay a retiree health care insurance premium subsidy and to create the City of New Berlin Police Retiree Health Care Trust (Trust) for the accumulation of funds from which to pay the subsidy benefits. The City and Association are joint trustees with the Association as the plan administrator. The Trust document names the City trustee as custodian of the Trust; however in practice the Association trustee administers and performs all functions of the Trust including custodian of the Trust. The City trustee's only involvement is the payment of the annual contribution to the Trust and signing checks for the subsidy payment which requires the signature of both trustees. The annual contribution for 2024 was \$90,653. The estimated fair value of the

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

Trust assets at December 31, 2024 is \$1,577,085.

NOTE V – OTHER INFORMATION (cont.)

F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

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

- > Statement No. 102, *Certain Risk Disclosures*
- > Statement No. 103, *Financial Reporting Model Improvements*
- > Statement No. 104, *Disclosure of Certain Capital Assets*

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW BERLIN

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS As of December 31, 2024

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service cost	\$ 322,755	\$ 359,674	\$ 291,725	\$ 286,537	\$ 411,751	\$ 423,600	\$ 318,857	\$ 328,539
Interest	276,701	246,743	265,098	271,394	227,902	250,295	303,730	303,712
Differences between expected and actual experience	-	-	(156,478)	-	9,525	-	(653,984)	-
Changes of assumptions	312,656	(521,085)	(708,976)	356,664	(93,957)	(488,781)	69,340	(65,892)
Benefit payments	(296,709)	(322,850)	(351,574)	(400,180)	(365,281)	(391,092)	(407,216)	(461,879)
Net Change in Total OPEB Liability	615,403	(237,518)	(660,205)	514,415	189,940	(205,978)	(369,273)	104,480
Total OPEB Liability - Beginning	7,222,156	7,837,559	7,600,041	6,939,836	7,454,251	7,644,191	7,438,213	7,068,940
Total OPEB Liability - Ending (a)	<u>\$ 7,837,559</u>	<u>\$ 7,600,041</u>	<u>\$ 6,939,836</u>	<u>\$ 7,454,251</u>	<u>\$ 7,644,191</u>	<u>\$ 7,438,213</u>	<u>\$ 7,068,940</u>	<u>\$ 7,173,420</u>
Plan Fiduciary Net Position								
Employer contributions	\$ 78,855	\$ 80,038	\$ 81,238	\$ 82,457	\$ 83,693	\$ 84,993	\$ 89,313	\$ 90,653
Net investment income (loss)	205,176	(63,603)	226,996	156,963	155,592	103,142	189,416	118,432
Benefit Payments	(95,351)	(30,557)	(47,450)	(64,281)	(65,978)	(85,185)	(110,218)	(113,645)
Administrative expenses	(10,473)	(11,783)	(10,696)	(12,474)	(14,315)	(15,182)	(353,911)	(15,192)
Net Change in Plan Fiduciary Net Position	178,207	(25,905)	250,088	162,665	158,992	87,768	(185,400)	80,248
Fiduciary Net Position - Beginning	870,422	1,048,629	1,022,724	1,272,812	1,435,477	1,594,469	1,682,237	1,496,837
Fiduciary Net Position - Ending (b)	<u>\$ 1,048,629</u>	<u>\$ 1,022,724</u>	<u>\$ 1,272,812</u>	<u>\$ 1,435,477</u>	<u>\$ 1,594,469</u>	<u>\$ 1,682,237</u>	<u>\$ 1,496,837</u>	<u>\$ 1,577,085</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 6,788,930</u>	<u>\$ 6,577,317</u>	<u>\$ 5,667,024</u>	<u>\$ 6,018,774</u>	<u>\$ 6,049,722</u>	<u>\$ 5,755,976</u>	<u>\$ 5,572,103</u>	<u>\$ 5,596,335</u>
Covered-employee payroll	\$ 11,176,567	\$ 11,511,864	\$ 11,319,221	\$ 11,299,636	\$ 13,997,469	\$ 13,903,287	\$ 13,908,774	\$ 13,849,126
Total OPEB liability as a percentage of covered-employee payroll	60.74%	57.14%	50.07%	53.27%	43.22%	41.40%	40.06%	40.41%

Notes to Schedule:

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017.
Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

See independent auditors' report.

CITY OF NEW BERLIN

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB PLAN As of December 31, 2024

	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially contractual determined contribution	\$ 78,855	\$ 80,038	\$ 81,238	\$ 82,457	\$ 83,693	\$ 84,993	\$ 89,313	\$ 90,653
Contributions in relation to the actuarially determined contribution	78,855	80,038	81,238	82,457	83,693	84,993	89,313	90,653
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 11,176,567	\$ 11,511,864	\$ 11,319,221	\$ 11,299,636	\$ 13,997,469	\$ 13,903,287	\$ 13,908,774	\$ 13,849,126
Contributions as a percentage of covered-employee payroll	0.71%	0.70%	0.72%	0.73%	0.60%	0.61%	0.64%	0.65%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Fair market value
Healthcare cost trend rates	5.0 percent initial, increasing 5.0 percent per year
Salary increases	3.0 percent, average, including inflation
Retirement age	In the 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actuarial experience.
Mortality	The 2024 actuarial valuations, assumed life expectancies were adjusted as a result of using the Wisconsin 2020 Mortality Table with generational projection using Scale MP-2021.

Other information:

In accordance with GASB 75, the discount rate as of December 31, 2023 and December 31, 2024 is the single discount rate based on a depletion projection performed using the respective asset values and projected benefit payments. As of December 31, 2023 a rate of 4.00% was used for general employees, while a rate of 5.00% was used for police. As of December 31, 2024 a rate of 4.28% was used for general employees, while a rate of 5.00% was used for police.

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

See independent auditors' report.

CITY OF NEW BERLIN

SCHEDULE OF THE CITY OF NEW BERLIN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2024

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.134433880%	\$ (2,302,064)	\$ 15,084,689	21.89%	102.74%
12/31/15	0.133820430%	2,174,556	15,767,562	13.79%	98.20%
12/31/16	0.134003610%	1,104,510	15,709,595	7.03%	99.12%
12/31/17	0.138273800%	(4,105,513)	16,589,276	24.75%	102.93%
12/31/18	0.141949060%	5,050,102	16,880,777	29.92%	96.45%
12/31/19	0.145561940%	(4,693,581)	17,420,633	26.94%	102.96%
12/31/20	0.146559660%	(9,149,922)	17,748,852	51.55%	105.26%
12/31/21	0.147933990%	(11,923,751)	18,260,893	65.30%	106.02%
12/31/22	0.150806110%	7,989,261	18,999,360	42.05%	95.72%
12/31/23	0.153117390%	2,276,558	19,789,851	11.50%	98.85%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2024

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 1,297,584	\$ 1,297,584	\$ -	\$ 15,767,562	8.23%
12/31/16	1,276,131	1,276,131	-	15,709,595	8.12%
12/31/17	1,473,147	1,473,147	-	16,589,276	8.88%
12/31/18	1,499,516	1,499,516	-	16,880,777	8.88%
12/31/19	1,521,710	1,521,710	-	17,420,634	8.74%
12/31/20	1,677,230	1,677,230	-	17,751,906	9.45%
12/31/21	1,742,741	1,742,741	-	18,260,893	9.54%
12/31/22	1,813,281	1,813,281	-	18,999,360	9.54%
12/31/23	2,055,973	2,055,973	-	19,789,851	10.39%
12/31/24	2,309,152	2,309,152	-	20,597,613	11.21%

Wisconsin Retirement System

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

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

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

*Lowering the long-term expected rate of return from 7.0% to 6.8%

*Lowering the discount rate from 7.0% to 6.8%

*Lowering the price inflation rate from 2.5% to 2.4%

*Lowering the post-retirement adjustments from 1.9% to 1.7%

*Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Morality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017 the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-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 price inflation rate from 3.2% to 3.0%

*Lowering the post-retirement adjustments from 2.1% to 1.9%

*Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Morality Table to the 2018 WRS Experience Mortality Table.

See independent auditors' report.

SUPPLEMENTARY INFORMATION

CITY OF NEW BERLIN

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

As of December 31, 2024

	Special Revenue Funds			
	Park and Open Space Fund	Trail Fees Fund	Impact Fees Fund	Wastewater RCA Fees Fund
ASSETS				
Cash and investments	\$ 1,582,846	\$ 18,214	\$ 97,087	\$ 1,998,228
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Special assessments receivable	-	-	-	-
Total Assets	<u>\$ 1,582,846</u>	<u>\$ 18,214</u>	<u>\$ 97,087</u>	<u>\$ 1,998,228</u>
LIABILITIES				
Accounts payable	\$ -	\$ 18,214	\$ -	\$ -
Unearned revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>18,214</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	1,582,846	-	97,087	1,998,228
Committed	-	-	-	-
Assigned	-	-	-	-
Total Fund Balances	<u>1,582,846</u>	<u>-</u>	<u>97,087</u>	<u>1,998,228</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 1,582,846</u>	<u>\$ 18,214</u>	<u>\$ 97,087</u>	<u>\$ 1,998,228</u>

Special Revenue Funds					
Golf Course Fund	Fourth of July Fund	Concession Stand Fund	Park & Recreation Fund	Police Fund	Fire Fund
\$ 482,503	\$ 133,332	\$ 23,656	\$ 59,902	\$ 266,356	\$ 65,827
-	-	-	-	-	-
228,351	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 710,854</u>	<u>\$ 133,332</u>	<u>\$ 23,656</u>	<u>\$ 59,902</u>	<u>\$ 266,356</u>	<u>\$ 65,827</u>
\$ 258	\$ 45	\$ -	\$ 23	\$ 1,362	\$ -
-	-	-	-	-	-
<u>258</u>	<u>45</u>	<u>-</u>	<u>23</u>	<u>1,362</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	133,287	-	59,879	264,994	65,827
710,596	-	23,656	-	-	-
-	-	-	-	-	-
<u>710,596</u>	<u>133,287</u>	<u>23,656</u>	<u>59,879</u>	<u>264,994</u>	<u>65,827</u>
<u>\$ 710,854</u>	<u>\$ 133,332</u>	<u>\$ 23,656</u>	<u>\$ 59,902</u>	<u>\$ 266,356</u>	<u>\$ 65,827</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

(Concluded)

As of December 31, 2024

	Special Revenue Funds			
	Mayor Fund	Special Assessment Fund	Landscape Fund	Building Maintenance Fund
ASSETS				
Cash and investments	\$ 2,239	\$ -	\$ 515,930	\$ 698,846
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Special assessments receivable	-	14,159	-	-
Total Assets	<u>\$ 2,239</u>	<u>\$ 14,159</u>	<u>\$ 515,930</u>	<u>\$ 698,846</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,600
Unearned revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
Unavailable revenues	-	14,159	-	-
Total Deferred inflows of Resources	<u>-</u>	<u>14,159</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	2,239	-	-	696,246
Committed	-	-	515,930	-
Assigned	-	-	-	-
Total Fund Balances	<u>2,239</u>	<u>-</u>	<u>515,930</u>	<u>696,246</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,239</u>	<u>\$ 14,159</u>	<u>\$ 515,930</u>	<u>\$ 698,846</u>

Special Revenue Funds						Capital Projects Funds		Total Nonmajor Funds
Technology Fee Fund	Tourism Commision Fund	Tax Increment District Fund	Grant Fund	Library Fund	Garbage/ Recycling Fund	Equipment Fund	Equipment Replacement Fund	
\$ 50,159	\$ 227,067	\$ 1,769,810	\$ 44,059	\$ 66,364	\$ 1,046,656	\$ 1,607,766	\$ 519,129	\$ 11,275,976
-	-	1,176,664	-	-	-	-	-	1,176,664
-	111,426	-	-	-	-	-	-	339,777
-	-	-	-	-	-	-	-	14,159
<u>\$ 50,159</u>	<u>\$ 338,493</u>	<u>\$ 2,946,474</u>	<u>\$ 44,059</u>	<u>\$ 66,364</u>	<u>\$ 1,046,656</u>	<u>\$ 1,607,766</u>	<u>\$ 519,129</u>	<u>\$ 12,806,576</u>
\$ -	\$ 6,261	\$ 46,287	\$ -	\$ 237	\$ 169,000	\$ -	\$ 15,640	\$ 259,927
-	-	-	19,400	-	-	-	-	19,400
-	6,261	46,287	19,400	237	169,000	-	15,640	279,327
-	-	1,176,664	-	-	-	-	-	1,176,664
-	-	-	-	-	-	-	-	14,159
-	-	1,176,664	-	-	-	-	-	1,190,823
-	332,232	1,723,523	24,659	66,127	877,656	1,607,766	-	9,532,596
50,159	-	-	-	-	-	-	-	1,300,341
-	-	-	-	-	-	-	503,489	503,489
<u>50,159</u>	<u>332,232</u>	<u>1,723,523</u>	<u>24,659</u>	<u>66,127</u>	<u>877,656</u>	<u>1,607,766</u>	<u>503,489</u>	<u>11,336,426</u>
<u>\$ 50,159</u>	<u>\$ 338,493</u>	<u>\$ 2,946,474</u>	<u>\$ 44,059</u>	<u>\$ 66,364</u>	<u>\$ 1,046,656</u>	<u>\$ 1,607,766</u>	<u>\$ 519,129</u>	<u>\$ 12,806,576</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2024

	Special Revenue Funds			
	Park and Open Space Fund	Trail Fees Fund	Impact Fees Fund	Wastewater RCA Fees Fund
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-
Intergovernmental	-	-	-	-
Public charges for services	-	-	-	-
Public improvement revenues	124,006	-	34,850	-
Investment income	70,447	-	3,650	85,282
Miscellaneous revenues	-	-	-	-
Total Revenues	<u>194,453</u>	<u>-</u>	<u>38,500</u>	<u>85,282</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Protection of persons and property	-	-	-	-
Public works	-	-	-	-
Library	-	-	-	-
Parks and recreation	-	-	-	-
Conservation and development	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>194,453</u>	<u>-</u>	<u>38,500</u>	<u>85,282</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(10,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>
Net Change in Fund Balances	194,453	-	28,500	85,282
FUND BALANCES -				
Beginning of Year	<u>1,388,393</u>	<u>-</u>	<u>68,587</u>	<u>1,912,946</u>
FUND BALANCES -				
END OF YEAR	<u>\$ 1,582,846</u>	<u>\$ -</u>	<u>\$ 97,087</u>	<u>\$ 1,998,228</u>

Special Revenue Funds					
Golf Course Fund	Fourth of July Fund	Concession Stand Fund	Park & Recreation Fund	Police Fund	Fire Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	7,000	-	-	119,760	8,804
-	-	-	-	-	-
-	-	-	-	-	-
35,169	-	-	-	3,924	-
365,851	125,097	19,073	45,194	69,594	19,102
401,020	132,097	19,073	45,194	193,278	27,906
-	-	-	90	-	-
-	-	-	-	100,322	13,151
-	-	-	-	-	-
-	-	-	-	-	-
1,032	157,835	12,515	20,769	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,032	157,835	12,515	20,859	100,322	13,151
399,988	(25,738)	6,558	24,335	92,956	14,755
-	-	-	-	-	-
(232,000)	-	-	-	-	-
(232,000)	-	-	-	-	-
167,988	(25,738)	6,558	24,335	92,956	14,755
542,608	159,025	17,098	35,544	172,038	51,072
\$ 710,596	\$ 133,287	\$ 23,656	\$ 59,879	\$ 264,994	\$ 65,827

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Concluded) For the Year Ended December 31, 2024

	Special Revenue Funds			
	Mayor Fund	Special Assessment Fund	Landscape Fund	Building Maintenance Fund
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	117,054
Intergovernmental	-	-	-	-
Public charges for services	-	-	44,595	-
Public improvement revenues	-	-	-	-
Investment income	-	-	-	-
Miscellaneous revenues	-	-	-	-
Total Revenues	-	-	44,595	117,054
EXPENDITURES				
Current				
General government	-	-	-	-
Protection of persons and property	-	-	-	-
Public works	-	-	-	66,640
Library	-	-	-	-
Parks and recreation	-	-	-	11,358
Conservation and development	-	-	174,605	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	174,605	77,998
Excess (deficiency) of revenues over expenditures	-	-	(130,010)	39,056
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	(130,010)	39,056
FUND BALANCES -				
Beginning of Year	2,239	-	645,940	657,190
FUND BALANCES -				
END OF YEAR	\$ 2,239	\$ -	\$ 515,930	\$ 696,246

Special Revenue Funds						Capital Projects Funds		
Technology Fee Fund	Tourism Fund	Tax Incremental District Fund	Grant Fund	Library Fund	Garbage/ Recycling Fund	Equipment Fund	Equipment Replacement Fund	Total Nonmajor Funds
\$ -	\$ -	\$ 895,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,690
-	128,282	-	-	-	-	-	-	245,336
-	-	-	118,532	-	-	-	-	254,096
-	-	-	-	-	2,171,213	-	-	2,215,808
20,237	-	-	-	-	-	25,798	-	204,891
-	-	108,034	-	-	-	59,058	-	365,564
-	-	-	-	42,801	-	191,439	2,968	881,119
<u>20,237</u>	<u>128,282</u>	<u>1,003,724</u>	<u>118,532</u>	<u>42,801</u>	<u>2,171,213</u>	<u>276,295</u>	<u>2,968</u>	<u>5,062,504</u>
-	-	450	12,500	-	-	4,250	33,834	51,124
-	-	-	82,480	-	-	-	11,635	207,588
-	-	127,654	-	-	2,177,386	-	8,415	2,380,095
-	-	-	-	46,627	-	-	-	46,627
-	-	-	-	-	-	-	42,330	245,839
5,861	55,589	-	-	-	-	-	-	236,055
-	-	505,577	-	-	-	-	82,574	588,151
<u>5,861</u>	<u>55,589</u>	<u>633,681</u>	<u>94,980</u>	<u>46,627</u>	<u>2,177,386</u>	<u>4,250</u>	<u>178,788</u>	<u>3,755,479</u>
<u>14,376</u>	<u>72,693</u>	<u>370,043</u>	<u>23,552</u>	<u>(3,826)</u>	<u>(6,173)</u>	<u>272,045</u>	<u>(175,820)</u>	<u>1,307,025</u>
-	-	-	-	-	-	410,309	240,000	650,309
-	-	(819,252)	-	-	-	-	-	(1,061,252)
-	-	(819,252)	-	-	-	410,309	240,000	(410,943)
-	-	-	-	-	-	-	-	-
14,376	72,693	(449,209)	23,552	(3,826)	(6,173)	682,354	64,180	896,082
<u>35,783</u>	<u>259,539</u>	<u>2,172,732</u>	<u>1,107</u>	<u>69,953</u>	<u>883,829</u>	<u>925,412</u>	<u>439,309</u>	<u>10,440,344</u>
<u>\$ 50,159</u>	<u>\$ 332,232</u>	<u>\$ 1,723,523</u>	<u>\$ 24,659</u>	<u>\$ 66,127</u>	<u>\$ 877,656</u>	<u>1,607,766</u>	<u>503,489</u>	<u>\$ 11,336,426</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Park and Open Space Fund			Impact Fees Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	15,000	124,006	109,006	7,000	34,850	27,850
Investment income	50,000	70,447	20,447	2,600	3,650	1,050
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	<u>65,000</u>	<u>194,453</u>	<u>129,453</u>	<u>9,600</u>	<u>38,500</u>	<u>28,900</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>65,000</u>	<u>194,453</u>	<u>129,453</u>	<u>9,600</u>	<u>38,500</u>	<u>28,900</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(10,000)	(10,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Net Change in Fund Balances	65,000	194,453	129,453	9,600	28,500	18,900
FUND BALANCES -						
Beginning of Year	<u>1,388,393</u>	<u>1,388,393</u>	<u>-</u>	<u>68,587</u>	<u>68,587</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,453,393</u>	<u>\$ 1,582,846</u>	<u>\$ 129,453</u>	<u>\$ 78,187</u>	<u>\$ 97,087</u>	<u>\$ 18,900</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Wastewater RCA Fees Fund			Golf Course Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	76,000	85,282	9,282	12,000	35,169	23,169
Miscellaneous revenues	-	-	-	240,000	365,851	125,851
Total Revenues	76,000	85,282	9,282	252,000	401,020	149,020
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	1,094	1,032	62
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	1,094	1,032	62
Excess (deficiency) of revenues over expenditures	76,000	85,282	9,282	250,906	399,988	149,082
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(232,000)	(232,000)	-
Total Other Financing Sources (Uses)	-	-	-	(232,000)	(232,000)	-
Net Change in Fund Balances	76,000	85,282	9,282	18,906	167,988	149,082
FUND BALANCES -						
Beginning of Year	1,912,946	1,912,946	-	542,608	542,608	-
FUND BALANCES - END OF YEAR	\$ 1,988,946	\$ 1,998,228	\$ 9,282	\$ 561,514	\$ 710,596	\$ 149,082

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Fourth of July Fund			Concession Stand Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	7,000	7,000	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	113,000	125,097	12,097	14,000	19,073	5,073
Total Revenues	113,000	132,097	19,097	14,000	19,073	5,073
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	163,616	157,835	5,781	15,106	12,515	2,591
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	163,616	157,835	5,781	15,106	12,515	2,591
Excess (deficiency) of revenues over expenditures	(50,616)	(25,738)	24,878	(1,106)	6,558	7,664
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	(50,616)	(25,738)	24,878	(1,106)	6,558	7,664
FUND BALANCES -						
Beginning of Year	159,025	159,025	-	17,098	17,098	-
FUND BALANCES - END OF YEAR	\$ 108,409	\$ 133,287	\$ 24,878	\$ 15,992	\$ 23,656	\$ 7,664

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Park & Recreation Fund			Police Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	20,000	119,760	99,760
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	-	-	-	2,000	3,924	1,924
Miscellaneous revenues	26,000	45,194	19,194	38,700	69,594	30,894
Total Revenues	26,000	45,194	19,194	60,700	193,278	132,578
EXPENDITURES						
Current						
General government	60	90	(30)	-	-	-
Protection of persons and property	-	-	-	54,000	100,322	(46,322)
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	12,000	20,769	(8,769)	-	-	-
Conservation and development	-	-	-	-	-	-
Capital Outlay	70,000	-	70,000	-	-	-
Total Expenditures	82,060	20,859	61,201	54,000	100,322	(46,322)
Excess (deficiency) of revenues over expenditures	(56,060)	24,335	80,395	6,700	92,956	86,256
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	(56,060)	24,335	80,395	6,700	92,956	86,256
FUND BALANCES -						
Beginning of Year	35,544	35,544	-	172,038	172,038	-
FUND BALANCES - END OF YEAR	\$ (20,516)	\$ 59,879	\$ 80,395	\$ 178,738	\$ 264,994	\$ 86,256

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Fire Fund			Mayor Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	7,500	8,804	1,304	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	7,000	19,102	12,102	-	-	-
Total Revenues	14,500	27,906	13,406	-	-	-
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	15,500	13,151	2,349	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	15,500	13,151	2,349	-	-	-
Excess (deficiency) of revenues over expenditures	(1,000)	14,755	15,755	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	(1,000)	14,755	15,755	-	-	-
FUND BALANCES -						
Beginning of Year	51,072	51,072	-	2,239	2,239	-
FUND BALANCES - END OF YEAR	\$ 50,072	\$ 65,827	\$ 15,755	\$ 2,239	\$ 2,239	\$ -

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Landscape Fund			Building Maintenance Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	117,053	117,054	1
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	44,595	44,595	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	-	44,595	44,595	117,053	117,054	1
EXPENDITURES						
Current						
General government	-	-	-	30,000	-	30,000
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	66,640	(66,640)
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	11,358	(11,358)
Conservation and development	40,000	174,605	(134,605)	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	40,000	174,605	(134,605)	30,000	77,998	(47,998)
Excess (deficiency) of revenues over expenditures	(40,000)	(130,010)	(90,010)	87,053	39,056	(47,997)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	(40,000)	(130,010)	(90,010)	87,053	39,056	(47,997)
FUND BALANCES -						
Beginning of Year	645,940	645,940	-	657,190	657,190	-
FUND BALANCES - END OF YEAR	\$ 605,940	\$ 515,930	\$ (90,010)	\$ 744,243	\$ 696,246	\$ (47,997)

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Technology Fund			Tourism Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	120,000	128,282	8,282
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	10,000	20,237	10,237	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	10,000	20,237	10,237	120,000	128,282	8,282
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	10,000	5,861	4,139	120,000	55,589	64,411
Capital Outlay	-	-	-	-	-	-
Total Expenditures	10,000	5,861	4,139	120,000	55,589	64,411
Excess (deficiency) of revenues over expenditures	-	14,376	14,376	-	72,693	72,693
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	14,376	14,376	-	72,693	72,693
FUND BALANCES -						
Beginning of Year	35,783	35,783	-	259,539	259,539	-
FUND BALANCES - END OF YEAR	\$ 35,783	\$ 50,159	\$ 14,376	\$ 259,539	\$ 332,232	\$ 72,693

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Tax Increment District Fund			Grant Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ 724,415	\$ 895,690	\$ 171,275	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	5,000	118,532	113,532
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Investment income	-	108,034	108,034	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	<u>724,415</u>	<u>1,003,724</u>	<u>279,309</u>	<u>5,000</u>	<u>118,532</u>	<u>113,532</u>
EXPENDITURES						
Current						
General government	450	450	-	-	12,500	(12,500)
Protection of persons and property	-	-	-	5,000	82,480	(77,480)
Public works	-	127,654	(127,654)	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	505,577	(505,577)	-	-	-
Total Expenditures	<u>450</u>	<u>633,681</u>	<u>(633,231)</u>	<u>5,000</u>	<u>94,980</u>	<u>(89,980)</u>
Excess (deficiency) of revenues over expenditures	<u>723,965</u>	<u>370,043</u>	<u>(353,922)</u>	<u>-</u>	<u>23,552</u>	<u>23,552</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(743,579)	(819,252)	(75,673)	-	-	-
Total Other Financing Sources (Uses)	<u>(743,579)</u>	<u>(819,252)</u>	<u>(75,673)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(19,614)	(449,209)	(429,595)	-	23,552	23,552
FUND BALANCES -						
Beginning of Year	<u>2,172,732</u>	<u>2,172,732</u>	<u>-</u>	<u>1,107</u>	<u>1,107</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,153,118</u>	<u>\$ 1,723,523</u>	<u>\$ (429,595)</u>	<u>\$ 1,107</u>	<u>\$ 24,659</u>	<u>\$ 23,552</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Special Revenue Funds					
	Library Fund			Garbage/Recycling Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	2,166,372	2,171,213	4,841
Public improvement revenues	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	13,000	42,801	29,801	-	-	-
Total Revenues	13,000	42,801	29,801	2,166,372	2,171,213	4,841
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	2,154,725	2,177,386	(22,661)
Library	13,000	46,627	(33,627)	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	13,000	46,627	(33,627)	2,154,725	2,177,386	(22,661)
Excess (deficiency) of revenues over expenditures	-	(3,826)	(3,826)	11,647	(6,173)	(17,820)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	(3,826)	(3,826)	11,647	(6,173)	(17,820)
FUND BALANCES -						
Beginning of Year	69,953	69,953	-	883,829	883,829	-
FUND BALANCES - END OF YEAR	\$ 69,953	\$ 66,127	\$ (3,826)	\$ 895,476	\$ 877,656	\$ (17,820)

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Capital Projects Funds					
	Equipment Fund			Equipment Replacement Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	25,798	25,798	-	-	-
Investment income	10,000	59,058	49,058	-	-	-
Miscellaneous revenues	-	191,439	191,439	-	2,968	2,968
Total Revenues	10,000	276,295	266,295	-	2,968	2,968
EXPENDITURES						
Current						
General government	-	4,250	(4,250)	55,000	33,834	21,166
Protection of persons and property	-	-	-	-	11,635	(11,635)
Public works	-	-	-	-	8,415	(8,415)
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	42,330	(42,330)
Conservation and development	-	-	-	-	-	-
Capital Outlay	-	-	-	245,000	82,574	162,426
Total Expenditures	-	4,250	(4,250)	300,000	178,788	121,212
Excess (deficiency) of revenues over expenditures	10,000	272,045	262,045	(300,000)	(175,820)	124,180
OTHER FINANCING SOURCES (USES)						
Transfers in	-	410,309	410,309	300,000	240,000	(60,000)
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	410,309	410,309	300,000	240,000	(60,000)
Net Change in Fund Balances	10,000	682,354	672,354	-	64,180	64,180
FUND BALANCES -						
Beginning of Year	925,412	925,412	-	439,309	439,309	-
FUND BALANCES - END OF YEAR	\$ 935,412	\$ 1,607,766	\$ 672,354	\$ 439,309	\$ 503,489	\$ 64,180

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Total			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 724,415	\$ 724,415	\$ 895,690	\$ 171,275
Room taxes	237,053	237,053	245,336	8,283
Intergovernmental	32,500	32,500	254,096	221,596
Public charges for services	2,166,372	2,166,372	2,215,808	49,436
Public improvement revenues	32,000	32,000	204,891	172,891
Investment income	152,600	152,600	365,564	212,964
Miscellaneous revenues	451,700	451,700	881,119	429,419
Total Revenues	<u>3,796,640</u>	<u>3,796,640</u>	<u>5,062,504</u>	<u>1,265,864</u>
EXPENDITURES				
Current				
General government	85,510	85,510	51,124	34,386
Protection of persons and property	74,500	74,500	207,588	(133,088)
Public works	2,154,725	2,154,725	2,380,095	(225,370)
Library	13,000	13,000	46,627	(33,627)
Parks and recreation	191,816	191,816	245,839	(54,023)
Conservation and development	170,000	170,000	236,055	(66,055)
Capital Outlay	315,000	315,000	588,151	(273,151)
Total Expenditures	<u>3,004,551</u>	<u>3,004,551</u>	<u>3,755,479</u>	<u>(750,928)</u>
Excess (deficiency) of revenues over expenditures	<u>792,089</u>	<u>792,089</u>	<u>1,307,025</u>	<u>514,936</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	300,000	300,000	650,309	350,309
Transfers out	(975,579)	(975,579)	(1,061,252)	(85,673)
Total Other Financing Sources (Uses)	<u>(675,579)</u>	<u>(410,943)</u>	<u>(410,943)</u>	<u>264,636</u>
Net Change in Fund Balances	116,510	872,530	896,082	779,572
FUND BALANCES -				
Beginning of Year	<u>10,440,344</u>	<u>10,440,344</u>	<u>10,440,344</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,556,854</u>	<u>\$ 11,312,874</u>	<u>\$ 11,336,426</u>	<u>\$ 779,572</u>

CITY OF NEW BERLIN

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
TAXES				
General property taxes	23,421,674	23,421,674	\$ 23,421,674	\$ -
Payment in lieu of taxes	17,500	17,500	18,593	1,093
Agriculture Use Conversion	-	-	14,411	14,411
Interest and penalties on taxes	70,000	70,000	74,998	4,998
TOTAL TAXES	<u>23,509,174</u>	<u>23,509,174</u>	<u>23,529,676</u>	<u>20,502</u>
INTERGOVERNMENTAL				
State shared revenues				
Per capita	1,517,603	1,517,603	1,517,603	-
Special utility	168,325	168,325	186,853	18,528
Exempt computer aid	150,089	150,089	150,089	-
Video Service Provider	117,681	117,681	117,681	-
Personal Property Tax	365,004	365,004	365,004	-
Medical care transport	110,000	110,000	30,668	(79,332)
Fire Insurance - dues distribution	282,038	282,038	315,920	33,882
Federal grants	1,370,429	1,370,429	1,245,045	(125,384)
State grants	-	-	2,882	2,882
State grants - transportation aids	2,145,500	2,145,500	2,162,374	16,874
Local grants	20,343	20,343	23,453	3,110
New Berlin School District	277,843	277,843	277,843	-
TOTAL INTERGOVERNMENTAL	<u>6,524,855</u>	<u>6,524,855</u>	<u>6,395,415</u>	<u>(129,440)</u>
LICENSES AND PERMITS				
Licenses				
Beer and liquor	39,600	39,600	41,188	1,588
Bartenders	13,550	13,550	16,075	2,525
Sealer of weights	8,125	8,125	4,425	(3,700)
Sundry	25,525	25,525	30,771	5,246
Permits				
Building	381,000	381,000	453,137	72,137
Electrical	127,000	127,000	186,234	59,234
Plumbing	100,000	100,000	110,782	10,782
Well	39,000	39,000	30,480	(8,520)

CITY OF NEW BERLIN

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.) For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
LICENSES AND PERMITS (cont.)				
Permits (cont.)				
Sign	4,450	4,450	\$ 11,124	\$ 6,674
Fire Department	30,000	30,000	23,350	(6,650)
Sundry	100,000	100,000	121,998	21,998
Cable television fees	475,000	475,000	442,063	(32,937)
 TOTAL LICENSES AND PERMITS	 1,343,250	 1,343,250	 1,471,627	 128,377
FINES, FORFEITURES AND PENALTIES				
Court fines	330,000	330,000	392,635	62,635
PUBLIC CHARGES FOR SERVICES				
General government				
Special assessment written reports	7,500	7,500	11,460	3,960
Workers' compensation dividend	20,000	20,000	45,224	25,224
Wage Reimbursement - Workers comp			6,862	6,862
CVMIC dividend	29,432	29,432	24,982	(4,450)
Health and social service				
Dog licenses	-	-	4,733	4,733
Dog license refund	3,105	3,105	3,069	(36)
Cat licenses	700	700	1,122	422
Protection of persons and property				
Miscellaneous police revenue	40,000	40,000	155,473	115,473
Fire Department fees	133,823	133,823	133,852	29
Engine response fee	9,000	9,000	13,238	4,238
Interfacility Transport	5,000	5,000	-	(5,000)
Ambulance fees	1,400,000	1,400,000	1,385,620	(14,380)
Public works				
Highway Department labor charges	25,000	25,000	17,618	(7,382)
Engineering services fees	26,550	26,550	42,650	16,100
Curb and ditch	1,500	1,500	3,500	2,000
Erosion Control Fee	5,000	5,000	13,720	8,720
Leisure activities				
Park and recreation	883,170	883,170	730,701	(152,469)

CITY OF NEW BERLIN

GENERAL FUND DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.) For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
PUBLIC CHARGES FOR SERVICES (cont.)				
Library Fees	\$ 63,000	\$ 63,000	\$ 69,944	\$ 6,944
Planning Commission	56,300	56,300	34,546	(21,754)
Planning Service fees	36,000	36,000	18,198	(17,802)
Filing Fee	8,750	8,750	9,600	850
Board of Appeals	800	800	1,800	1,000
TOTAL PUBLIC CHARGES FOR SERVICES	<u>2,754,630</u>	<u>2,754,630</u>	<u>2,727,912</u>	<u>(26,718)</u>
INTERDEPARTMENTAL				
Administrative charges -				
Garbage/Recycling Fund	144,725	144,725	144,725	-
Tourism Fund	1,000	1,000	1,283	283
Water, Wastewater, Water Resource Utilities	<u>494,374</u>	<u>494,374</u>	<u>426,144</u>	<u>(68,230)</u>
TOTAL INTERDEPARTMENTAL	<u>640,099</u>	<u>640,099</u>	<u>572,152</u>	<u>(67,947)</u>
INVESTMENT INCOME				
Interest Income	1,000,000	1,000,000	2,376,094	1,376,094
Unrealized gain (loss)	<u>-</u>	<u>-</u>	<u>172,592</u>	<u>172,592</u>
TOTAL INVESTMENT INCOME	<u>1,000,000</u>	<u>1,000,000</u>	<u>2,548,686</u>	<u>1,548,686</u>
MISCELLANEOUS REVENUES				
Tower rental	168,846	168,846	189,724	20,878
Miscellaneous	<u>64,000</u>	<u>64,000</u>	<u>87,839</u>	<u>23,839</u>
TOTAL MISCELLANEOUS REVENUES	<u>232,846</u>	<u>232,846</u>	<u>277,563</u>	<u>44,717</u>
TOTAL REVENUES	<u>\$ 36,334,854</u>	<u>\$ 36,334,854</u>	<u>\$ 37,915,666</u>	<u>\$ 1,580,812</u>

CITY OF NEW BERLIN

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP) For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
GENERAL GOVERNMENT				
Mayor's office	\$ 249,729	\$ 249,729	\$ 253,652	\$ (3,923)
Common Council	90,299	90,299	90,289	10
Customer Service Committee	1,500	1,500	1,349	151
Human Resources	716,641	741,477	659,492	81,985
Finance	594,037	594,037	570,074	23,963
Assessor	528,995	528,995	509,840	19,155
City Attorney	303,300	303,300	296,924	6,376
Municipal Court	216,590	216,590	214,891	1,699
Crime prevention	9,386	9,386	9,385	1
Engineering	550,736	550,736	451,398	99,338
Facilities Management	1,888,055	1,888,055	1,789,639	98,416
Insurance	698,799	698,799	824,166	(125,367)
City Clerk	740,003	740,003	726,479	13,524
Information Technology	1,719,372	1,719,372	1,591,596	127,776
TOTAL GENERAL GOVERNMENT	8,307,442	8,332,278	7,989,174	343,104
PROTECTION OF PERSONS AND PROPERTY				
Police and Fire Commission	12,000	12,000	22,345	(10,345)
Police Department	11,862,246	11,862,246	11,464,573	397,673
Fire Department	7,542,256	7,542,256	6,967,516	574,740
Emergency government	108,077	108,077	109,211	(1,134)
Hydrant rental	705,893	705,893	964,674	(258,781)
Inspection Department	642,031	642,031	665,627	(23,596)
Sealer of weights and measures	7,200	7,200	8,250	(1,050)
Landmarks	2,000	2,000	40	1,960
TOTAL PROTECTION OF PERSONS AND PROPERTY	20,881,703	20,881,703	20,202,236	679,467
PUBLIC WORKS	3,907,335	3,907,335	3,836,610	70,725

CITY OF NEW BERLIN

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP) (cont.) For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
LIBRARY	<u>\$ 1,757,642</u>	<u>\$ 1,757,642</u>	<u>\$ 1,829,329</u>	<u>\$ (71,687)</u>
PARKS AND RECREATION				
Parks	1,044,081	1,044,081	1,002,209	41,872
Recreation	984,141	984,141	1,084,551	(100,410)
Athletic	20,300	20,300	30,232	(9,932)
4th of July	15,000	15,000	15,000	-
TOTAL PARKS AND RECREATION	<u>2,063,522</u>	<u>2,063,522</u>	<u>2,131,992</u>	<u>(68,470)</u>
CONSERVATION AND DEVELOPMENT				
Community Development	406,868	406,868	411,865	(4,997)
Planning	350,342	350,342	325,072	25,270
TOTAL CONSERVATION AND DEVELOPMENT	<u>757,210</u>	<u>757,210</u>	<u>736,937</u>	<u>20,273</u>
CONTINGENCY	<u>300,000</u>	<u>275,164</u>	<u>-</u>	<u>275,164</u>
TOTAL EXPENDITURES	<u>\$ 37,974,854</u>	<u>\$ 37,974,854</u>	<u>\$ 36,726,278</u>	<u>\$ 1,248,576</u>

CITY OF NEW BERLIN

DEBT SERVICE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL DEBT SERVICE FUND For the Year Ended December 31, 2024

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 10,508,850	\$ 10,508,850	\$ -
Interest Income	-	5,050	5,050
Room taxes	-	117,053	117,053
Total Revenues	<u>10,508,850</u>	<u>10,630,953</u>	<u>122,103</u>
EXPENDITURES			
Debt Service			
Principal retirement	9,025,000	9,025,000	-
Interest and fiscal charges	<u>3,154,361</u>	<u>3,197,510</u>	<u>(43,149)</u>
Total Expenditures	<u>12,179,361</u>	<u>12,222,510</u>	<u>(43,149)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,670,511)</u>	<u>(1,591,557)</u>	<u>78,954</u>
OTHER FINANCING SOURCES			
Premium on bond issued	-	748,936	748,936
Transfers in	<u>1,049,319</u>	<u>926,252</u>	<u>(123,067)</u>
Total Other Financing Sources	<u>1,049,319</u>	<u>1,675,188</u>	<u>625,869</u>
Net Change in Fund Balances	(621,192)	83,631	<u>\$ 704,823</u>
FUND BALANCES - Beginning of Year	<u>1,467,472</u>	<u>1,467,472</u>	
FUND BALANCES - END OF YEAR	<u>\$ 846,280</u>	<u>\$ 1,551,103</u>	

CITY OF NEW BERLIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE BY FUNCTION AND ACTIVITY As of December 31, 2024

Function and Activity	Land	Land Improvements	Buildings	Machinery and Equipment	Infrastructure	Intangibles	Total
General Government							
Clerk	\$ -	\$ -	\$ -	\$ 299,713	\$ -	\$ -	\$ 299,713
Information services	-	-	-	2,084,995	-	1,367,008	3,452,003
Building maintenance	280,000	-	3,095,217	2,723,710	-	-	6,098,927
Other - unclassified	136,050	9,878	-	742,770	-	-	888,698
Total General Government	416,050	9,878	3,095,217	5,851,188	-	1,367,008	10,739,341
Protection of Persons and Property							
Police	-	12,304	7,295,204	4,848,395	-	440,743	12,596,646
Fire	237,168	100,919	4,702,996	7,193,919	-	-	12,235,002
Emergency government	-	-	-	439,861	-	-	439,861
Total Public Safety	237,168	113,223	11,998,200	12,482,175	-	440,743	25,271,509
Highway and Transportation							
Maintenance	-	-	5,859,997	8,787,856	-	-	14,647,853
Sidewalks/Bikepaths	-	-	-	-	4,064,831	-	4,064,831
Street system	9,565,553	-	-	1,009,897	115,388,000	-	125,963,450
Total Streets	9,565,553	-	5,859,997	9,797,753	119,452,831	-	144,676,134
Library	849,336	5,193	8,936,592	3,253,068	-	-	13,044,189
Parks and Recreation	7,198,165	6,243,716	27,764,252	5,007,097	-	30,000	46,243,230
Total Governmental Funds Capital Assets	\$ 18,266,272	\$ 6,372,010	\$ 57,654,258	\$ 36,391,281	\$ 119,452,831	\$ 1,837,751	\$ 239,974,403

CITY OF NEW BERLIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY As of December 31, 2024

Function and Activity	Governmental Funds Capital Assets January 1, 2024	Additions	Deductions	Governmental Funds Capital Assets December 31, 2024
General Government				
Clerk	\$ 305,790	\$ -	\$ 6,077	\$ 299,713
Information services	3,452,003	-	-	3,452,003
Building maintenance	6,063,659	65,561	30,293	6,098,927
Other - unclassified	416,495	472,203	-	888,698
Total General Government	<u>10,237,947</u>	<u>537,764</u>	<u>36,370</u>	<u>10,739,341</u>
Protection of Persons and Property				
Police	12,409,542	312,435	125,331	12,596,646
Fire	12,545,321	232,489	542,808	12,235,002
Emergency government	448,189	24,676	33,004	439,861
Total Public Safety	<u>25,403,052</u>	<u>569,600</u>	<u>701,143</u>	<u>25,271,509</u>
Highway and Transportation				
Maintenance	14,561,074	287,954	201,175	14,647,853
Sidewalks/Bikepaths	4,064,831	-	-	4,064,831
Street system	124,737,945	1,225,505	-	125,963,450
Total Streets	<u>143,363,850</u>	<u>1,513,459</u>	<u>201,175</u>	<u>144,676,134</u>
Library	<u>12,885,758</u>	<u>278,046</u>	<u>119,615</u>	<u>13,044,189</u>
Parks and Recreation	<u>30,477,874</u>	<u>16,141,482</u>	<u>376,126</u>	<u>46,243,230</u>
Total Governmental Funds Capital Assets	<u>\$ 222,368,481</u>	<u>\$ 19,040,351</u>	<u>\$ 1,434,429</u>	<u>\$ 239,974,403</u>

STATISTICAL SECTION

Table 1
City of New Berlin
Net Position by Component
Last Ten Years
(amounts expressed in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental Activities										
Net investment in capital assets*	\$ 33,153	\$ 31,315	\$ 31,448	\$ 32,615	\$ 32,403	\$ 33,608	\$ 33,914	\$ 22,268	\$ 31,403	\$ 32,036
Restricted	9,571	7,185	7,763	11,021	7,516	11,808	16,090	32,947	10,023	10,975
Unrestricted	<u>8,464</u>	<u>10,688</u>	<u>7,761</u>	<u>4,393</u>	<u>7,463</u>	<u>(69)</u>	<u>(1,549)</u>	<u>(2,235)</u>	<u>10,953</u>	<u>14,065</u>
Total governmental activities net position	<u>\$ 51,188</u>	<u>\$ 49,188</u>	<u>\$ 46,972</u>	<u>\$ 48,029</u>	<u>\$ 47,382</u>	<u>\$ 45,347</u>	<u>\$ 48,455</u>	<u>\$ 52,980</u>	<u>\$ 52,379</u>	<u>\$ 57,076</u>
Business-type activities										
Net investment in capital assets*	\$ 98,177	\$ 98,771	\$ 100,030	\$ 103,541	\$ 104,711	\$ 103,011	\$ 103,273	\$ 105,090	\$ 114,224	\$ 113,494
Restricted	889	713	720	833	588	655	885	1,025	559	359
Unrestricted	<u>28,003</u>	<u>30,535</u>	<u>31,976</u>	<u>31,113</u>	<u>32,910</u>	<u>36,506</u>	<u>38,915</u>	<u>38,666</u>	<u>35,624</u>	<u>39,614</u>
Total business-type activities net position	<u>\$ 127,069</u>	<u>\$ 130,019</u>	<u>\$ 132,726</u>	<u>\$ 135,487</u>	<u>\$ 138,209</u>	<u>\$ 140,172</u>	<u>\$ 143,073</u>	<u>\$ 144,781</u>	<u>\$ 150,407</u>	<u>\$ 153,467</u>
Primary government										
Net investment in capital assets*	\$ 131,330	\$ 130,086	\$ 131,478	\$ 136,156	\$ 137,114	\$ 136,619	\$ 137,187	\$ 127,358	\$ 145,627	\$ 145,530
Restricted	10,460	7,898	8,483	11,854	8,104	12,463	16,975	33,972	10,582	11,334
Unrestricted	<u>36,467</u>	<u>41,223</u>	<u>39,737</u>	<u>35,506</u>	<u>40,373</u>	<u>36,437</u>	<u>37,366</u>	<u>36,431</u>	<u>46,577</u>	<u>53,679</u>
Total primary government net position	<u>\$ 178,257</u>	<u>\$ 179,207</u>	<u>\$ 179,698</u>	<u>\$ 183,516</u>	<u>\$ 185,591</u>	<u>\$ 185,519</u>	<u>\$ 191,528</u>	<u>\$ 197,761</u>	<u>\$ 202,786</u>	<u>\$ 210,543</u>

*Net of related debt

Table 2
City of New Berlin
Changes in Net Position
Last Ten Years
(amounts expressed in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Expenses										
Governmental activities:										
General government	\$ 6,356	\$ 6,635	\$ 6,736	\$ 6,415	\$ 6,636	\$ 8,454	\$ 5,587	\$ 6,944	\$ 7,403	\$ 9,275
Protection of persons and property	14,838	15,975	17,457	17,126	18,403	18,008	16,667	16,519	23,472	20,649
Highway and transportation	11,145	10,190	9,309	8,873	9,249	9,947	9,681	10,523	10,642	10,808
Library	1,466	1,629	1,706	1,715	1,720	1,818	1,672	1,658	1,875	1,986
Parks and recreation	1,799	1,897	2,074	1,932	2,233	1,978	2,097	2,693	3,053	3,838
Conservation and development	744	799	820	801	824	1,010	666	816	1,035	943
Interest and fiscal charges	<u>946</u>	<u>922</u>	<u>937</u>	<u>980</u>	<u>1,092</u>	<u>1,080</u>	<u>1,222</u>	<u>1,475</u>	<u>2,356</u>	<u>2,576</u>
Total governmental activities expenses	<u>37,294</u>	<u>38,047</u>	<u>39,039</u>	<u>37,842</u>	<u>40,157</u>	<u>42,295</u>	<u>37,592</u>	<u>40,628</u>	<u>49,836</u>	<u>50,075</u>
Business type activities:										
Water	4,673	4,171	4,240	4,486	4,334	4,391	4,507	4,435	4,878	4,831
Wastewater	10,384	10,157	10,340	11,804	10,615	10,116	10,115	10,630	12,304	10,750
Stormwater	<u>1,352</u>	<u>1,787</u>	<u>1,507</u>	<u>1,597</u>	<u>1,536</u>	<u>1,470</u>	<u>1,571</u>	<u>1,591</u>	<u>1,748</u>	<u>1,494</u>
Total business type activities expenses:	<u>16,409</u>	<u>16,115</u>	<u>16,087</u>	<u>17,887</u>	<u>16,485</u>	<u>15,977</u>	<u>16,193</u>	<u>16,656</u>	<u>18,930</u>	<u>17,075</u>
Total primary government expenses	<u>\$ 53,703</u>	<u>\$ 54,162</u>	<u>\$ 55,126</u>	<u>\$ 55,729</u>	<u>\$ 56,642</u>	<u>\$ 58,272</u>	<u>\$ 53,785</u>	<u>\$ 57,284</u>	<u>\$ 68,766</u>	<u>\$ 67,150</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 996	\$ 957	\$ 932	\$ 989	\$ 1,031	\$ 878	\$ 926	\$ 864	\$ 1,003	\$ 960
Protection of persons and property	2,263	2,480	2,809	3,065	2,791	2,787	2,773	2,673	2,601	3,018
Highway and transportation	1,644	2,163	1,925	2,255	2,235	2,246	2,427	2,291	2,431	2,751
Library	77	95	92	114	113	67	90	98	116	113
Parks and recreation	841	823	705	622	680	369	805	828	1,080	1,248
Conservation and development	122	120	139	107	113	88	124	91	137	96
Operating grants and contributions	2,537	2,769	2,736	2,938	3,114	4,027	3,309	4,756	5,194	4,750
Capital grants and contributions	<u>307</u>	<u>650</u>	<u>330</u>	<u>1,175</u>	<u>817</u>	<u>59</u>	<u>408</u>	<u>636</u>	<u>1,072</u>	<u>383</u>
Total governmental activities program revenues	<u>8,787</u>	<u>10,057</u>	<u>9,668</u>	<u>11,265</u>	<u>10,894</u>	<u>10,521</u>	<u>10,862</u>	<u>12,237</u>	<u>13,634</u>	<u>13,319</u>

Business type activities:

Charges for services:

Water	5,273	5,327	5,188	5,269	5,179	5,328	5,445	5,312	5,419	6,372
Wastewater	10,400	10,395	10,311	11,031	11,138	11,119	11,256	11,226	11,384	11,070
Stormwater	1,709	1,726	1,743	1,746	1,748	1,742	1,767	1,780	1,791	1,804
Operating grants and contributions	238	293	-	765	176	286	83	-	1,787	65
Capital grants and contributions	<u>272</u>	<u>291</u>	<u>2,146</u>	<u>1,206</u>	<u>450</u>	<u>7</u>	<u>479</u>	<u>231</u>	<u>559</u>	<u>-</u>
Total business-type activities program revenues	<u>17,892</u>	<u>18,032</u>	<u>19,388</u>	<u>20,017</u>	<u>18,691</u>	<u>18,482</u>	<u>19,030</u>	<u>18,549</u>	<u>20,940</u>	<u>19,311</u>
Total primary government program revenues	<u>\$ 26,679</u>	<u>\$ 28,089</u>	<u>\$ 29,056</u>	<u>\$ 31,282</u>	<u>\$ 29,585</u>	<u>\$ 29,003</u>	<u>\$ 29,892</u>	<u>\$ 30,786</u>	<u>\$ 34,574</u>	<u>\$ 32,630</u>

Net (Expense)/Revenue

Governmental activities	\$ (28,507)	\$ (27,990)	\$ (29,371)	\$ (26,577)	\$ (29,263)	\$ (31,774)	\$ (26,730)	\$ (28,391)	\$ (36,202)	\$ (36,756)
Business type activities	<u>1,483</u>	<u>1,917</u>	<u>3,301</u>	<u>2,130</u>	<u>2,206</u>	<u>2,505</u>	<u>2,837</u>	<u>1,893</u>	<u>2,010</u>	<u>2,236</u>
Total primary government net expense	<u>\$ (27,024)</u>	<u>\$ (26,073)</u>	<u>\$ (26,070)</u>	<u>\$ (24,447)</u>	<u>\$ (27,057)</u>	<u>\$ (29,269)</u>	<u>\$ (23,893)</u>	<u>\$ (26,498)</u>	<u>\$ (34,192)</u>	<u>\$ (34,520)</u>

General Revenues and Other Changes in Net Position

Governmental activities:

Taxes

Property taxes	\$ 24,681	\$ 24,968	\$ 25,251	\$ 25,550	\$ 25,675	\$ 26,592	\$ 28,304	\$ 30,400	\$ 33,130	\$ 34,088
Other taxes	414	443	435	361	395	493	319	343	460	1,238
Intergovernmental revenues	1,020	1,026	1,221	897	1,200	1,402	1,178	1,216	1,054	2,161
Investment earnings (loss)	108	206	386	843	1,218	405	(42)	254	2,850	3,182
Miscellaneous	117	134	105	135	106	81	111	141	113	118
Transfers	<u>582</u>	<u>(787)</u>	<u>783</u>	<u>(153)</u>	<u>23</u>	<u>766</u>	<u>(32)</u>	<u>562</u>	<u>(2,005)</u>	<u>666</u>
Total Governmental activities	<u>26,922</u>	<u>25,990</u>	<u>28,181</u>	<u>27,633</u>	<u>28,617</u>	<u>29,739</u>	<u>29,838</u>	<u>32,916</u>	<u>35,602</u>	<u>41,453</u>

Business type activities:

Investment earnings	232	246	281	478	538	224	32	297	1,593	1,490
Miscellaneous	-	-	-	-	-	-	-	79	17	-
Transfers	<u>(582)</u>	<u>787</u>	<u>(783)</u>	<u>153</u>	<u>(23)</u>	<u>(766)</u>	<u>32</u>	<u>(562)</u>	<u>2,005</u>	<u>(666)</u>
Total business-type activities	<u>(350)</u>	<u>1,033</u>	<u>(502)</u>	<u>631</u>	<u>515</u>	<u>(542)</u>	<u>64</u>	<u>(186)</u>	<u>3,615</u>	<u>824</u>
Total primary government	<u>\$ 26,572</u>	<u>\$ 27,023</u>	<u>\$ 27,679</u>	<u>\$ 28,264</u>	<u>\$ 29,132</u>	<u>\$ 29,197</u>	<u>\$ 29,902</u>	<u>\$ 32,730</u>	<u>\$ 39,217</u>	<u>\$ 42,277</u>

Change in Net Position

Governmental activities	\$ (1,585)	\$ (2,000)	\$ (1,190)	\$ 1,056	\$ (646)	\$ (2,035)	\$ 3,108	\$ 4,525	\$ (600)	\$ 4,697
Business type activities	<u>1,133</u>	<u>2,950</u>	<u>2,799</u>	<u>2,761</u>	<u>2,721</u>	<u>1,963</u>	<u>2,901</u>	<u>1,707</u>	<u>5,625</u>	<u>3,060</u>
Total primary government	<u>\$ (452)</u>	<u>\$ 950</u>	<u>\$ 1,609</u>	<u>\$ 3,817</u>	<u>\$ 2,075</u>	<u>\$ (72)</u>	<u>\$ 6,009</u>	<u>\$ 6,232</u>	<u>\$ 5,025</u>	<u>\$ 7,757</u>

Table 3
City of New Berlin
Fund Balances, Governmental Funds,
Last Ten Years
(amounts expressed in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Nonspendable	\$ 50	\$ 117	\$ 67	\$ 343	\$ 306	\$ 59	\$ 677	\$ 479	\$ 175	\$ 219
Assigned	956	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,500
Unassigned	<u>7,797</u>	<u>8,196</u>	<u>8,476</u>	<u>8,724</u>	<u>8,820</u>	<u>9,070</u>	<u>7,635</u>	<u>7,927</u>	<u>10,923</u>	<u>12,140</u>
Total general fund	<u>\$ 8,803</u>	<u>\$ 9,313</u>	<u>\$ 9,543</u>	<u>\$ 10,067</u>	<u>\$ 10,126</u>	<u>\$ 10,129</u>	<u>\$ 9,312</u>	<u>\$ 9,406</u>	<u>\$ 12,098</u>	<u>\$ 13,859</u>
All Other Governmental Funds										
Restricted	\$ 10,471	\$ 11,250	\$ 13,314	\$ 14,624	\$ 15,469	\$ 13,033	\$ 15,956	\$ 38,350	\$ 15,790	\$ 22,212
Committed	1,956	1,553	1,007	978	801	762	782	875	1,241	1,300
Assigned	382	313	337	340	486	604	233	352	1,439	503
Unassigned	<u>-</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>(40)</u>	<u>(10)</u>	<u>-</u>	<u>(538)</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 12,809</u>	<u>\$ 13,116</u>	<u>\$ 14,650</u>	<u>\$ 15,942</u>	<u>\$ 16,716</u>	<u>\$ 14,389</u>	<u>\$ 16,971</u>	<u>\$ 39,039</u>	<u>\$ 18,470</u>	<u>\$ 24,015</u>

Table 4
City of New Berlin
Changes in Fund Balances, Governmental Funds,
Last Ten Years
(amounts expressed in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES										
Taxes	\$ 25,095	\$25,411	\$25,686	\$25,912	\$26,071	\$ 27,084	\$ 28,623	\$ 30,743	\$ 33,590	\$ 35,498
Intergovernmental	3,248	3,462	3,620	3,480	3,779	4,913	4,137	5,975	6,229	6,650
Licenses and permits	1,454	1,338	1,353	1,621	1,459	1,386	1,276	1,449	1,131	1,471
Fines and penalties	361	453	384	348	309	286	327	304	337	393
Charges for services	3,497	4,225	4,471	4,534	4,504	4,024	4,190	3,996	4,641	4,899
Public improvement revenues	101	26	340	260	66	69	39	92	93	205
Special assessments	1	1	1	1	-	-	-	-	-	-
Interdepartmental revenues	330	402	149	461	414	397	572	560	677	572
Investment income (loss)	108	206	386	843	1,218	406	(42)	266	2,850	3,182
Miscellaneous revenues	719	873	949	722	892	570	1,740	903	1,155	1,159
Total Revenues	<u>34,914</u>	<u>36,397</u>	<u>37,339</u>	<u>38,182</u>	<u>38,712</u>	<u>39,135</u>	<u>40,862</u>	<u>44,288</u>	<u>50,703</u>	<u>54,029</u>
EXPENDITURES										
General government	5,920	6,058	6,037	6,047	6,236	5,954	6,323	7,056	7,349	8,049
Protection of persons and property	14,239	14,617	15,631	16,030	16,565	16,994	17,931	17,944	19,137	20,474
Public Works	4,200	4,477	4,337	4,620	4,899	4,723	5,563	5,648	5,937	6,184
Library	1,373	1,424	1,498	1,553	1,519	1,623	1,537	1,561	1,771	1,913
Parks and recreation	1,400	1,445	1,467	1,391	1,609	1,293	1,515	1,858	2,071	2,378
Conservation and development	725	775	758	780	727	768	726	842	801	973
Capital outlay	7,050	8,353	7,851	8,098	8,119	12,942	18,607	14,958	28,468	9,816
Debt service										
Principal retirement	6,060	5,930	5,975	5,950	5,890	6,755	22,780	7,125	21,580	9,025
Interest and fiscal charges	1,226	1,204	1,185	1,205	1,302	1,292	1,371	2,177	2,890	3,355
Total Expenditures	<u>42,193</u>	<u>44,283</u>	<u>44,739</u>	<u>45,674</u>	<u>46,866</u>	<u>52,344</u>	<u>76,353</u>	<u>59,169</u>	<u>90,004</u>	<u>62,167</u>

Excess of revenues over (under) expenditures	<u>(7,279)</u>	<u>(7,886)</u>	<u>(7,400)</u>	<u>(7,492)</u>	<u>(8,154)</u>	<u>(13,209)</u>	<u>(35,491)</u>	<u>(14,881)</u>	<u>(39,301)</u>	<u>(8,138)</u>
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**OTHER FINANCING
SOURCES (USES)**

Proceeds from long-term debt	8,230	7,735	8,215	9,060	8,095	9,815	20,805	21,795	19,300	13,950
Refunding debt issued	-	-	-		-	-	13,170	13,865	-	-
Premium on bond issue	244	167	161	164	102	195	2,228	698	1,353	749
Capital lease	72	-	63		-	110	343	-	106	37
Transfers in	1,534	1,393	1,477	1,515	1,410	1,508	1,673	1,531	1,450	2,420
Transfers out	<u>(694)</u>	<u>(592)</u>	<u>(752)</u>	<u>(1,432)</u>	<u>(619)</u>	<u>(742)</u>	<u>(963)</u>	<u>(846)</u>	<u>(785)</u>	<u>(1,712)</u>
Total other financing sources (uses)	<u>9,386</u>	<u>8,703</u>	<u>9,164</u>	<u>9,307</u>	<u>8,988</u>	<u>10,886</u>	<u>37,256</u>	<u>37,043</u>	<u>21,424</u>	<u>15,444</u>

Net change in fund balances	<u>\$ 2,107</u>	<u>\$ 817</u>	<u>\$ 1,764</u>	<u>\$ 1,815</u>	<u>\$ 834</u>	<u>\$ (2,323)</u>	<u>\$ 1,765</u>	<u>\$ 22,162</u>	<u>\$ (17,877)</u>	<u>\$ 7,306</u>
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Debt service as a percentage of noncapital expenditures	20.7%	19.9%	19.4%	19.0%	18.6%	20.4%	41.8%	21.0%	39.8%	23.6%
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Table 5
City of New Berlin
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

(amounts expressed in thousands)

Year	Residential Property	Commercial Property	Manufacturing Property	Other Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2015	\$ 3,359,201	\$ 1,047,565	\$ 197,897	\$ 15,346	\$ 144,184	\$ 4,764,193	\$ 4,808,728	99.07%	\$ 5.2408
2016	3,375,849	1,065,173	205,622	15,131	159,107	4,820,882	4,957,311	97.16%	5.2378
2017	3,399,510	1,087,933	196,725	14,940	154,307	4,853,415	5,186,500	93.58%	5.2644
2018	3,812,419	1,146,847	207,896	16,000	102,149	5,285,311	5,408,748	97.72%	4.8579
2019	3,856,282	1,163,578	201,424	16,272	94,213	5,331,769	5,714,406	93.30%	4.9990
2020	3,903,183	1,159,170	212,481	15,497	100,294	5,390,625	5,849,284	92.21%	5.1810
2021	3,942,882	1,176,737	199,345	15,792	83,521	5,418,277	6,270,870	86.36%	5.5232
2022	3,975,858	1,211,968	184,278	14,955	85,684	5,472,743	7,105,119	77.02%	5.9713
2023	4,004,827	1,222,904	178,347	14,861	78,303	5,499,242	7,871,954	69.62%	6.2584
2024	5,570,354	1,533,785	268,667	13,100	-	7,385,906	8,046,559	91.79%	4.9779

Source: New Berlin City Assessors Office

Note: State law requires average assessment ratios to be within 10% of market value once every 4 years. Additionally, state statutes require each taxation district to assess property at full value at least once in every 5 year period. The City Assessor's office has formulated a policy of conducting revaluations on a biennial basis.

Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

Personal Property taxes were eliminated by the State in 2024.

Table 6
City of New Berlin
Direct and Overlapping Property Tax Rates,
Last Ten Years

(rate per \$1,000 of assessed value)

Levy Year	City Direct Rates			Overlapping Rates				Total Gross Rate
	Basic Rate	General Obligation Debt Service	Total Direct	New Berlin School District	Waukesha County Technical College	Waukesha County	State of Wisconsin	
2015	3.8448	1.3960	5.2408	11.3358	0.3833	2.0608	0.1712	19.1919
2016	3.8546	1.3832	5.2378	11.4779	0.3788	2.0529	0.1745	19.3219
2017	3.8904	1.3740	5.2644	11.5694	0.3939	2.0858	-	19.3135
2018	3.5963	1.2617	4.8579	10.4435	0.3705	1.9341	-	17.6060
2019	3.7484	1.2507	4.9990	10.0299	0.3860	1.9503	-	17.3653
2020	3.7924	1.3886	5.1810	9.2594	0.3815	1.9135	-	16.7354
2021	3.9911	1.5321	5.5232	8.7589	0.3497	1.9497	-	16.5815
2022	5.9713	1.5257	5.9713	8.9401	0.3475	1.9847	-	17.2436
2023	6.2584	1.7170	6.2584	8.4005	0.3585	1.9901	-	17.0075
2024	3.4415	1.5364	4.9779	6.4200	0.2804	1.4685	-	13.1468

Note: The City has four tax rates dependent upon the school district the property is located. The total shown is for only the largest school district (New Berlin), State of Wisconsin property taxes were eliminated in 2017.

Table 7
City of New Berlin
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>2024</u>			<u>2015</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Taxable Assessed Value</u>
Froedert Health	\$ 34,952,300	1	0.65%	\$ 36,747,500	3	0.77%
Buy Seasons	32,870,200	2	0.61%	\$ 35,319,200	4	0.74%
Clark Building Joint Venture	31,864,100	3	0.59%	-	-	-
Tdc Lincoln, LLC	27,372,500	4	0.51%	-	-	-
Fountain Square	26,576,000	5	0.49%	-	-	-
Stonegate Condo LLC	23,986,700	6	0.44%	18,954,200	8	0.40%
Sanctuary of Woodshire	23,915,600	7	0.44%	-	-	-
Stag Industrial Holdings, LLC	23,126,000	8	0.43%	-	-	-
Wyndridge Nominee, LLC	22,249,800	9	0.41%	17,432,100	9	0.37%
Stag Industrial Holdings, LLC	21,602,300	10	0.40%	-	-	-
Individual	-	-	-	63,040,400	1	1.32%
Individual	-	-	-	47,382,900	2	0.99%
FXG, Inc	-	-	-	30,512,200	5	0.64%
MSP	-	-	-	27,451,800	6	0.58%
Towne-Luterbach	-	-	-	25,560,100	7	0.54%
Pinewood Apartments	-	-	-	14,360,800	10	0.30%
	<u>\$ 268,515,500</u>		<u>4.96%</u>	<u>\$ 316,761,200</u>		<u>6.65%</u>

Source: New Berlin City Assessor

Table 8
City of New Berlin
Property Tax Levies & Collections
Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Collections Prior to Transfer</u>		<u>Total Collections to Date</u>	
		<u>of Tax Roll on August 1</u>	<u>Percent of Levy Collected</u>	<u>Amount</u>	<u>Percentage of Levy</u>
2015	\$ 24,681,517	\$ 24,567,841	99.54%	\$ 24,665,383	99.93%
2016	24,968,332	24,864,003	99.58%	24,947,440	99.92%
2017	25,251,000	25,136,214	99.55%	25,245,738	99.98%
2018	25,550,392	25,456,313	99.63%	25,543,854	99.97%
2019	25,675,618	25,574,501	99.61%	25,655,517	99.92%
2020	26,592,266	26,495,336	99.64%	26,567,825	99.91%
2021	27,813,189	27,740,955	99.74%	27,772,740	99.85%
2022	29,748,131	29,669,174	99.73%	29,711,290	99.88%
2023	32,440,834	32,292,619	99.54%	32,396,313	99.86%
2024	34,087,231	33,951,254	99.60%	34,036,111	99.85%

Note: The amount of outstanding taxes represents uncollected personal property taxes at the end of the year. The portion of delinquent taxes attributable to overlapping jurisdictions is charged back to those jurisdictions in the subsequent year.

Table 9
City of New Berlin
Ratio of Outstanding Debt by Type
Last Ten Years
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Lease	Advance from Sewer	State Trust Fund Loan	Water Revenue Bonds	Water Advance from Sewer	Water General Obligation	WRM Advance from Sewer			
2015	\$ 45,719	\$ 80	\$ -	\$ 360	\$ -	\$ 1,310	\$ 3,715	\$ 1,230	\$ 52,414	3.21%	\$ 1,304
2016	46,319	60	-	250	-	925	3,445	1,020	52,019	3.11%	1,293
2017	48,685	82	-	125	62	505	3,165	810	53,434	3.12%	1,335
2018	51,920	50	-	-	1,979	255	2,875	590	57,669	3.24%	1,429
2019	54,125	26	-	-	1,944	-	2,380	430	58,905	3.17%	1,451
2020	57,185	97	-	-	2,903	-	1,890	325	62,400	3.16%	1,537
2021	68,380	398	-	-	2,779	-	1,290	220	73,067	3.60%	1,790
2022	82,945	301	666	13,970	2,639	-	875	110	101,506	4.59%	2,511
2023	94,635	337	1,280	-	2,496	-	435	55	99,238	4.42%	2,473
2024	99,560	211	1,167	-	2,350	-	-	-	103,288	4.61%	2,579

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Table 10
City of New Berlin
Ratio of Net General Bonded Debt Outstanding
Last Ten Years
(dollars in thousands, except per capita)

Fiscal Year	General Bonded Debt Outstanding				Funds Restricted for Principal	Net Bonded Debt Outstanding	Percentage of	
	General Obligation Bonds	WRM General Obligation	Water General Obligation	Total			Actual Taxable Value of Property	Per Capita
2015	\$ 46,079	\$ -	\$ 3,715	\$ 49,794	\$ -	\$ 49,794	1.04%	\$ 1,239
2016	46,569	-	3,445	50,014	-	50,014	1.01%	1,243
2017	48,810	-	3,165	51,975	-	51,975	1.00%	1,298
2018	51,920	-	2,875	54,795	-	54,795	1.01%	1,358
2019	54,125	-	2,380	56,505	-	56,505	0.99%	1,392
2020	57,185	-	1,890	59,075	-	59,075	1.01%	1,455
2021	68,380	-	1,290	69,670	-	69,670	1.11%	1,707
2022	96,915	-	875	97,790	-	97,790	1.38%	2,419
2023	94,635	-	435	95,070	-	95,070	1.21%	2,369
2024	99,560	-	-	99,560	-	99,560	1.24%	2,486

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Table 11
City of New Berlin
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024
(dollars in thousands)

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Waukesha County	\$ 87,115	9.2739%	\$ 8,079
Elmbrook School District	20,145	1.2408%	250
Muskego-Norway School District	68,425	0.1202%	82
New Berlin School District	1,854	100.0000%	1,854
West Allis School District	74,075	5.4890%	4,066
Waukesha County Technical College	25,130	8.4985%	2,136
Milwaukee Area Technical College	102,815	0.4017%	<u>413</u>
Subtotal, overlapping debt			16,880
City direct debt			<u>99,560</u>
Total direct and overlapping debt			<u>\$ 116,440</u>

Sources: Assessed value data provided by the City Assessor's office. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of New Berlin. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Table 12
City of New Berlin
Legal Debt Margin Information,
Last Ten Years

(dollars in thousands)

Legal debt margin calculation for 2024	
Equalized Valuation	\$ 8,046,559
Debt Limit (5% of equalized value)	402,328
Debt applicable to limit:	
General Obligation Debt	99,560
Less: Available funds designated for principal debt retirement	-
Total net debt applicable to limit	99,560
Legal debt margin	<u>\$ 302,768</u>

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt Limit	\$ 235,180	\$ 240,436	\$ 247,866	\$ 259,325	\$ 285,720	\$ 292,464	\$ 313,544	\$ 355,256	\$ 393,598	\$ 402,328
Total net debt applicable to limit	<u>46,251</u>	<u>49,901</u>	<u>49,811</u>	<u>51,787</u>	<u>56,282</u>	<u>58,852</u>	<u>69,227</u>	<u>83,500</u>	<u>94,710</u>	<u>99,560</u>
Legal debt margin	<u>\$ 188,929</u>	<u>\$ 190,535</u>	<u>\$ 198,055</u>	<u>\$ 207,538</u>	<u>\$ 229,438</u>	<u>\$ 233,612</u>	<u>\$ 244,317</u>	<u>\$ 393,918</u>	<u>\$ 298,888</u>	<u>\$ 302,768</u>
Total net debt applicable to the limit as a percentage of debt limit	19.67%	20.75%	20.10%	19.97%	19.70%	20.12%	22.08%	23.50%	24.06%	24.75%

Note: Under state law the city's outstanding general obligation debt cannot exceed 5 percent of total equalized property value. However, the city has established a more conservative internal limit of not more than 2.5 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Table 13
City of New Berlin
Pledged-Revenue Coverage,
Last ten years

Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Maximum Annual Debt Service Requirement			Total
				Principal	Interest	Coverage	
2015	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	n/a	\$ n/a
2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2017	5,264,980	2,876,287	2,388,693	2,575	1,131	644.55	3,706
2018	5,417,489	3,081,448	2,336,041	87,253	34,580	19.17	121,833
2019	5,337,794	2,893,109	2,444,685	89,379	35,580	19.56	124,959
2020	5,377,379	2,953,084	2,424,295	137,615	54,461	12.62	192,076
2021	5,445,963	3,023,388	2,422,575	137,615	54,461	12.61	192,076
2022	5,312,313	2,907,305	2,405,008	137,615	54,461	12.52	192,076
2023	5,848,634	3,179,520	2,669,114	145,648	46,339	13.90	191,987
2024	6,821,936	3,154,603	3,667,333	186,845	27,798	17.09	214,643

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenues are operating revenues plus interest. Operating expenses do not include interest, depreciation or amortization.

Table 14
City of New Berlin
Demographic and Economic Statistics
Last Ten Years

Year	Population	New Berlin Per Capita Income	Personal Income (thousands of dollars)	School Enrollment	Unemployment Rate
2015	40,195	\$ 40,678	\$ 1,635,052	4,528	3.70%
2016	40,227	41,546	1,671,271	4,445	3.50%
2017	40,027	42,788	1,712,675	4,410	2.90%
2018	40,349	44,119	1,780,158	4,348	2.70%
2019	40,596	45,732	1,856,536	4,362	2.90%
2020	40,600	48,563	1,971,658	4,250	6.20%
2021	40,821	49,691	2,028,436	4,241	3.20%
2022	40,426	54,748	2,213,243	4,256	2.70%
2023	40,135	55,915	2,244,149	4,253	2.70%
2024	40,055	55,915	2,239,675	4,334	2.40%

Sources: Population provided by State Department of Revenue. Per capita income is from the US Census Bureau and personal income is population times per capita. School enrollment data from WI Dept of Public Instruction. Unemployment data provided by State Department of Workforce Development.

Notes: Personal income data from Wisconsin Department of Administration, Demographic Services Center. Unemployment rate information is annual average. School enrollment is based on census at the middle of the school year and includes public schools only.

Table 15
City of New Berlin
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	Approximate Number of Employees	Rank	Percentage of Total City Employment	Approximate Number of Employees	Rank	Percentage of Total City Employment
Spring City/Pieper Electric	1,200	1	5.63%	-	-	-
ACS Group	700	2	3.28%	-	-	-
Ideal Mechanical	550	3	2.58%	-	-	-
New Berlin School District	485	4	2.27%	-	-	-
Modern Maintenance Building	400	5	1.88%	400	5	1.90%
Regency Janitorial Service, Inc.	400	6	1.88%	-	-	-
City of New Berlin	379	7	1.78%	392	6	1.87%
ABB Industrial Systems Inc.	350	8	1.64%	650	2	3.09%
ACS Group	259	9	1.21%	650	2	3.09%
Industrial Towel & Uniform	250	10	1.17%	250	10	1.19%
GMR Marketing	-	-	-	400	4	1.84%
Chris Hansen, Inc	-	-	-	780	1	3.71%
Linden Grove	-	-	-	611	3	2.91%
Humana	-	-	-	373	7	1.77%
Dematic Corp	-	-	-	250	8	1.19%
Gortie	-	-	-	250	9	1.19%
Total	4,973		23.32%	5,006		18.58%

Source: City Official Statement - ReferenceUSA, written and telephone survey (August, 2019), *Wisconsin Manufacturers Register*,
and the Wisconsin Department of Workforce Development

Table 16
City of New Berlin
Full-time Equivalent City Employees by Function/Program,
Last Ten Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<i>GENERAL GOVERNMENT</i>										
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Human Resources	2.00	2.00	2.50	3.00	3.00	3.00	3.33	3.66	3.00	3.00
Finance	4.75	4.81	5.31	5.31	5.31	5.31	5.31	5.31	5.23	5.23
Assessor	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.00	4.00	4.00
Municipal Court	2.10	2.10	2.10	2.20	2.04	2.04	2.04	2.04	2.04	2.04
Engineering	2.50	2.50	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Parks, Facilities & Grounds	12.00	13.00	13.00	14.00	12.50	13.50	13.50	13.50	15.00	19.00
Parks, Facilities & Grounds - Pt	4.88	5.88	6.60	6.10	5.01	5.53	5.53	5.53	2.26	2.38
Clerk	4.34	4.50	4.70	4.60	4.60	4.60	4.87	5.14	5.00	4.00
Information Technology	3.50	3.50	3.50	3.50	3.50	3.50	4.01	4.52	4.00	4.00
Protection of Persons and Property										
Police	79.75	80.75	81.25	84.00	84.00	84.00	84.00	81.00	81.00	81.00
Fire	33.00	36.00	36.00	39.00	40.00	42.00	42.00	45.00	55.00	56.00
Fire - Pt	11.00	11.02	11.12	11.50	11.00	12.43	12.43	12.43	0.50	-
Emergency Management					0.50	0.50	0.50	0.50	0.50	0.50
Inspection	6.00	6.00	5.50	5.50	5.50	5.50	5.50	7.00	7.00	7.00
Library	4.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Library - Pt	13.00	13.41	13.41	12.66	12.66	12.66	12.66	12.66	10.48	10.16
Recreation	3.00	2.00	3.00	3.00	4.00	4.00	4.00	5.00	8.00	8.00
Recreation - Pt	9.70	8.60	6.84	6.84	6.34	5.42	5.42	6.19	5.38	6.41
Streets	27.00	27.00	27.50	28.50	27.50	27.50	27.50	27.50	27.50	27.50
Public Works					1.00	1.00	1.00	1.00	1.00	2.00
Conservation & Development	7.50	7.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
<i>ENTERPRISE FUNDS</i>										
Sewer Utility	4.85	6.65	6.65	6.65	6.95	6.95	6.95	6.95	8.70	8.70
Water Utility	12.15	11.35	11.35	11.35	11.05	11.05	11.05	11.05	10.30	10.30
Water Resource Management	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	255.52	262.07	264.58	271.96	270.71	274.74	275.85	279.73	276.64	282.97

Source: City budget document

Table 17
City of New Berlin
Operating Indicators by Function/Program
Last Ten Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Police Protection:										
Calls for service	31,241	30,716	31,076	28,418	29,302	25,466	27,041	26,156	27,299	26,579
Citations issued	5,016	4,877	3,834	3,987	4,420	3,941	4,777	4,571	6,044	6,544
Fire Protection:										
Fire calls answered	799	847	913	964	1,016	948	1,173	1,142	1,009	1,821
Medical calls answered	2,847	3,279	3,953	4,010	3,941	3,666	3,787	3,809	3,584	3,380
Inspections	2,832	2,822	2,779	3,072	2,923	2,419	2,676	2,835	2,757	2,782
Other Public Works										
Street Resurfacing (miles)	10.9	13.32	15.17	15.24	13.55	11.06	6.54	5.3	10.97	3.55
Recycling Center Visitors	110,106	110,344	110,448	115,211	118,627	120,903	*	*	93,412	100,054
Library										
Volumes in collection	149,595	147,047	146,396	150,003	150,497	148,040	148,275	143,373	145,279	145,312
Total Volumes borrowed	349,290	365,702	374,801	392,043	405,089	296,711	343,711	339,694	362,527	366,422
Water System:										
New connections	39	84	15	41	77	43	29	11	11	5
Water main breaks	13	8	11	20	7	4	11	9	13	7
Average Daily consumption (thousands of gallons)	2,337	2,296	2,192	2,630	2,460	2,585	2,616	2528	2,554	2,517
Peak daily consumption (thousands of gallons)	4,429	4,684	4,347	5,919	4,432	4,838	5,298	4538	4,384	4,222

Sources: Various city departments

* Visitor counts unavailable

Table 18
City of New Berlin
Capital Asset Statistics by Function/Program,
Last Ten Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Police Protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	20	20	20	20	20	20	20	20	20	20
Fire Stations	5	5	5	5	5	5	5	5	5	5
Other public works										
Miles of streets	226.7	226.73	226.73	227.76	229.54	229.81	230.34	230.34	231.16	231.16
Number of street lights	515	589	589	589	589					
Park and Recreation										
Parks	27	27	27	29	30	30	30	30	30	30
Park & Conservancy Areas Acreage	894	894	894	914	915	917	917	917	917	917
Golf course & Disc Golf	2	2	2	2	2	2	2	2	2	2
Hiking trails	8	8	8	8	8	8	8	8	8	8
Tennis courts	14	14	14	14	14	14	14	14	14	14
Water System:										
Water mains (miles)	169.7	170.14	172.52	173.1	174	174	174.58	174.74	176.17	176.17
Fire hydrants	2,075	2,083	2,111	2,114	2,117	2,117	2,130	2,149	2,167	2,168
Storage capacity (thousand gallons)	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040
Wastewater System:										
Miles of sanitary sewers	180.9	180.97	182.3	182.91	183.2	183.2	183.44	183.44	183.44	183.44
Number of service connections	10,523	10,537	10,548	10,568	10,593	10,621	10,718	10,758	10,771	10,774
Stormwater System:										
Miles of stormsewers	68.5	69.75	70.7	73.7	75.6	75.6	76.7	77.1	78.14	78.14
Culverts	742	743	746	747	748	748	751	751	773	773

Sources: Various city departments

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

Independent Auditors' Report

To the City Council of
City of New Berlin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Berlin (the City), as of and for the year ended December 31, 2024, 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 25, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

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

The City's Response to Finding

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

Purpose of This Report

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

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

Milwaukee, Wisconsin
July 25, 2025

**Financial Statement Findings Required to be Reported in Accordance With
Government Auditing Standards**

Finding 2024-001: Internal Control Over Journal Entry Approval

Criteria: An effective system of internal control should be in place that does not allow one individual to have the ability to create and post a journal entry without approval from another authorized individual. This process should be documented to ensure accountability and traceability.

Condition: It has been observed that journal entries are being created and posted by the same individual without the approval from another authorized individual.

Cause: Proper policies and procedures were not in place to require a formal review of journal entries prior to being recorded.

Effect or Potential Effect: The effect of this results in an increased risk of errors or fraudulent entries going undetected.

Recommendation: Within the financial software that the City uses, there is a feature that does not allow a journal entry to be posted to the general ledger unless it has the proper approval. We recommend that the City implement this feature as it also will track the approval for an audit trail.

Management's Response:

Journal entries were prepared by the finance director & posted by the deputy finance director, because of the way the city financial system (MUNIS) processes them there was no trail or documentation of that happening. The finance director would create the journal entries in excel, the deputy finance director would reformat & import them into MUNIS, then post them. We have changed how we process them in MUNIS so it is clearly documented.

RESOLUTION NO. 2025-19

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF \$10,590,000 GENERAL OBLIGATION PROMISSORY
NOTES, SERIES 2025A

WHEREAS, on July 22, 2025, the Common Council of the City of New Berlin, Waukesha County, Wisconsin (the "City") adopted a resolution (the "Set Sale Resolution"), providing for the sale of General Obligation Promissory Notes, Series 2025A (the "Notes") for public purposes, including paying the cost of the City's 2025 capital improvement projects, including building and grounds improvements, equipment, street improvements and park improvements (collectively, the "Project");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Notes to pay the cost of the Project;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on September 3, 2025;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Notes for public sale on September 3, 2025;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of TEN MILLION FIVE HUNDRED NINETY THOUSAND DOLLARS (\$10,590,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be applied in accordance with the Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2025A"; shall be issued in the aggregate principal amount of \$10,590,000; shall be dated September 25, 2025; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on June 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2026. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on June 1, 2034 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on June 1, 2033 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity, by lot (as selected by DTC (defined herein)), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Proposal specifies that [some of] the Notes shall be subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.]

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2025 through 2034 for the payments due in the years 2026 through 2035 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There shall be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2025A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants

that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 11. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 13. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 15. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to a financial institution selected by Ehlers at Closing for further distribution as directed by Ehlers.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the

Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded September 3, 2025.

David A. Ament
Mayor

ATTEST:

Rubina R. Medina
City Clerk

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

DRAFT

[EXHIBIT MRP

Mandatory Redemption Provision

The Notes due on June 1, ____, ____, and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on June 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on June 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____
____	____ (maturity)

For the Term Bonds Maturing on June 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____
____	____ (maturity)

For the Term Bonds Maturing on June 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____
____	____ (maturity)

For the Term Bonds Maturing on June 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____
____	____ (maturity)]

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
WAUKESHA COUNTY
NO. R-____ CITY OF NEW BERLIN \$_____
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2025A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
June 1, _____ September 25, 2025 _____% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of New Berlin, Waukesha County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2026 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the City Clerk or the City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$10,590,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of the City's 2025 capital improvement projects, including building and grounds improvements, equipment, street improvements and park improvements, as authorized by a resolution adopted on September 3, 2025. Said resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on June 1, 2034 and thereafter are subject to redemption prior to maturity, at the option of the City, on June 1, 2033 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

【The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the resolution referred to above, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in

whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of New Berlin, Waukesha County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF NEW BERLIN
WAUKESHA COUNTY, WISCONSIN

By: _____
David A. Ament
Mayor

(SEAL)

By: _____
Rubina R. Medina
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

September 3, 2025

SALE DAY REPORT FOR:

City of New Berlin, Wisconsin

**\$10,480,000 General Obligation Promissory Notes,
Series 2025A**



Prepared by:

Ehlers
N19W24400 Riverwood Drive,
Suite 100
Waukesha, WI 53188

Greg Johnson,
Senior Municipal Advisor

Harry Allen,
Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

Competitive Sale Results

PURPOSE:	For public purposes, including paying the cost of the City's 2025 capital improvement projects, including building and grounds improvements, equipment, street improvements and park improvements.
RATING:	Moody's Investor's Service "Aaa"
NUMBER OF BIDS:	7
LOW BIDDER:	TD Securities (USA) LLC, New York, New York

COMPARISON FROM LOWEST TO HIGHEST BID: (TIC as bid)

LOW BID:*	3.0200%
HIGH BID:	3.1739%

Summary of Sale Results:	
Principal Amount*:	\$10,480,000
Underwriter's Discount:	\$46,531
Reoffering Premium:	\$781,326
True Interest Cost:	3.0166%
Costs of Issuance:	\$117,000
Yield:	2.31%-3.49%
Total Net P&I	\$12,052,957

NOTES:	The City Treasurer will serve as Paying Agent on the Notes. The Notes maturing June 1, 2034 and thereafter are callable June 1, 2033 or any date thereafter.
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* Subsequent to bid opening, the issue size was decreased to \$10,480,000.

CLOSING DATE:	September 25, 2025
COMMON COUNCIL ACTION:	Adopt a resolution awarding the sale of \$10,480,000 General Obligation Promissory Notes, Series 2025A.

SUPPLEMENTARY ATTACHMENTS

- Bid Tabulation
- Existing G.O. Debt Base Case
- 2025 Capital Improvement Plan
- 2026-2029 Capital Improvement Plan
- Sources and Uses of Funds
- Updated Debt Service Schedules
- Tax Impact Schedule
- G.O. Debt Capacity Analysis
- Rating Report
- BBI Graph - 1-year

BID TABULATION

\$10,590,000* General Obligation Promissory Notes, Series 2025A

City of New Berlin, Wisconsin

SALE: September 3, 2025

AWARD: TD SECURITIES (USA) LLC

Rating: Moody's Investor's Service "Aaa"

Tax Exempt - Non-Bank Qualified

NAME OF INSTITUTION	MATURITY (June 1)	COUPON RATE	REOFFERING YIELD	PRICE	TRUE INTEREST RATE
TD SECURITIES (USA) LLC New York, New York	2026	5.000%	2.340%	\$11,362,766.10	3.0200%
	2027	5.000%	2.330%		
	2028	5.000%	2.310%		
	2029	5.000%	2.340%		
	2030	5.000%	2.450%		
	2031	5.000%	2.630%		
	2032	5.000%	2.830%		
	2033	5.000%	3.000%		
	2034	4.000%	3.320%		
	2035	4.000%	3.490%		
HUNTINGTON SECURITIES, INC Chicago, Illinois					3.0220%
UMB BANK, N.A. Kansas City, Missouri					3.0342%
HILLTOP SECURITIES Dallas, Texas					3.0430%
PIPER SANDLER & CO. Minneapolis, Minnesota					3.0716%

* Subsequent to bid opening the issue size was decreased to \$10,480,000.

Adjusted Price: \$11,214,794.50 Adjusted Net Interest Cost: \$1,572,957.17 Adjusted TIC: 3.0165%

NAME OF INSTITUTION	TRUE INTEREST RATE
BAIRD Milwaukee, Wisconsin	3.0750%
FIDELITY CAPITAL MARKETS Boston, Massachusetts	3.1739%

Table 1
Existing G.O. Debt Base Case

City of New Berlin, WI

Year Ending	Existing Debt									Year Ending
	Total G.O. Debt Payments	Less: Golf Course	Less: TID #3	Less: TID #5	Less: Debt Service Fund	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes \$300,000 Home	
2025	14,289,390	(97,375)	(391,246)	(334,850)	(797,422)	12,668,497	7,949,009,900	\$1.59	\$478.12	2025
2026	13,226,613		(535,940)	(644,850)	(68,514)	11,977,310	8,259,983,700	\$1.45	\$435.01	2026
2027	13,061,485		(551,090)	(807,225)		11,703,170	8,571,513,873	\$1.37	\$409.61	2027
2028	12,427,198		(624,063)	(780,200)		11,022,936	8,894,793,591	\$1.24	\$371.78	2028
2029	11,966,383		(622,753)	(753,400)		10,590,230	9,230,265,994	\$1.15	\$344.20	2029
2030	10,347,168		(623,535)	(726,600)		8,997,033	9,578,390,938	\$0.94	\$281.79	2030
2031	9,801,738		(558,425)	(699,800)		8,543,513	9,939,645,620	\$0.86	\$257.86	2031
2032	6,597,025		(540,600)	(775,400)		5,281,025	10,314,525,236	\$0.51	\$153.60	2032
2033	5,430,603		(520,200)	(731,700)		4,178,703	10,703,543,659	\$0.39	\$117.12	2033
2034	3,819,613		0	(770,000)		3,049,613	11,107,234,141	\$0.27	\$82.37	2034
2035	3,129,456			(742,000)		2,387,456	11,526,150,049	\$0.21	\$62.14	2035
2036	3,040,188			(714,000)		2,326,188	11,960,865,619	\$0.19	\$58.34	2036
2037	2,263,950			0		2,263,950	12,411,976,743	\$0.18	\$54.72	2037
2038	2,200,744					2,200,744	12,880,101,790	\$0.17	\$51.26	2038
2039	2,135,481					2,135,481	13,365,882,451	\$0.16	\$47.93	2039
2040	2,069,131					2,069,131	13,869,984,616	\$0.15	\$44.75	2040
2041	2,001,813					2,001,813	14,393,099,293	\$0.14	\$41.72	2041
2042	1,265,634					1,265,634	14,935,943,550	\$0.08	\$25.42	2042
2043	356,800					356,800	15,499,261,499	\$0.02	\$6.91	2043
2044	255,000					255,000	16,083,825,318	\$0.02	\$4.76	2044
2045	0					0	16,690,436,307	\$0.00	\$0.00	2045
Total	119,685,412	(97,375)	(4,967,851)	(8,480,025)	(865,936)	105,274,225				Total

Notes:

1. EV Growth at 3.77%

Legend:

Represents +/- 25% Change over previous year

Table 2

2025 Capital Improvement Plan

City of New Berlin, WI

Projects	Purpose/Dept.	Plan Issue	2025	Totals
HVAC CONTROLS - LIBRARY	Building and Grounds	2025 G.O. Notes	50,000	50,000
FIRE TRAINING TOWER	Building and Grounds	2025 G.O. Notes	210,000	210,000
ROOF REPLACEMENT - FIRE STATION #2	Building and Grounds	2025 G.O. Notes	250,000	250,000
GENERATOR - SAFETY BUILDING	Building and Grounds	2025 G.O. Notes	60,000	60,000
FIRE SUPPRESSION SYSTEM-PUBLIC SAFETY BLDG	Building and Grounds	2025 G.O. Notes	60,000	60,000
16' ROTARY MOWER (2)	Parks	2025 G.O. Notes	75,000	75,000
PLOW TRUCK - 2	Streets and Equipment	2025 G.O. Notes	300,000	300,000
SHOULDER BOX	Streets and Equipment	2025 G.O. Notes	90,000	90,000
ONE TON TRUCK/PLOW & SALTER	Streets and Equipment	2025 G.O. Notes	110,000	110,000
TIGER BOOM FLAIL MOWER ATTACHMENT	Streets and Equipment	2025 G.O. Notes	95,000	95,000
FUEL STATION RECONSTRUCTION	Streets and Equipment	2025 G.O. Notes	500,000	500,000
ROADWAY REHABILITATION	Engineering-Streets	2025 G.O. Notes	2,000,000	2,000,000
SUNNY SLOPE - Grange to College	Engineering-Streets	2025 G.O. Notes	275,000	275,000
GRANGE AVE - Moorland to 124th	Engineering-Streets	2025 G.O. Notes	1,100,000	1,100,000
SUNNY SLOPE - Greenfield to Coldspring	Engineering-Streets	2025 G.O. Notes	575,000	575,000
MOORLAND ROAD - National to Greenfield	Engineering-Streets	2025 G.O. Notes	440,000	440,000
PEDESTRIAN LIGHT POLE MAINTENANCE	Engineering-Improvements	2025 G.O. Notes	50,000	50,000
SIDEWALK REPAIR & MAINTENANCE	Engineering-Improvements	2025 G.O. Notes	50,000	50,000
LIONS PARK - Pickleball Courts	Parks	2025 G.O. Notes	60,000	60,000
PARK SHELTER MAINTENANCE	Parks	2025 G.O. Notes	60,000	60,000
ARC - BIDIRECTIONAL AMPLIFIER SYSTEM	Buildings	2025 G.O. Notes	50,000	50,000
COMMUNITY CENTER - DEMOLITION	Buildings	2025 G.O. Notes	400,000	400,000
CITY HALL - EOC	Buildings	2025 G.O. Notes	134,000	134,000
RECREATION TRANSIT VAN	Fleet	2025 G.O. Notes	90,000	90,000
HICKORY GROVE - Building Renovation - Phase 2	Hickory Grove	2025 G.O. Notes	500,000	500,000
PARK STRUCTURES & TRAIL - MALONE PARK	Malone Park	2025 G.O. Notes	2,990,000	2,990,000
Actual CIP Costs			10,574,000	10,574,000

Table 3

2026-2029 Capital Improvement Plan

City of New Berlin, WI

Projects	Plan Issue	2026	2027	2028	2029	Totals
Building and Grounds	2026 G.O. Notes 10 Year	2,450,000				2,450,000
Building and Grounds	2027 G.O. Notes 10 Year Term		4,010,000			4,010,000
Building and Grounds	2028 G.O. Notes			1,135,000		1,135,000
Building and Grounds	2029 G.O. Notes 10 year				520,000	520,000
Fire Department	2026 G.O. Notes 10 Year	1,851,000				1,851,000
Fire Department	2027 G.O. Notes 10 Year Term		1,500,000			1,500,000
Fire Department	2028 G.O. Notes			496,100		496,100
Fire Department	2029 G.O. Notes 10 year				1,750,000	1,750,000
Parks	2026 G.O. Notes 10 Year	160,000				160,000
DPW Garage	2026 G.O. Notes 10 Year	800,000				800,000
DPW Garage	2027 G.O. Notes 20 Year Term		15,000,000			15,000,000
Streets-Equipment	2026 G.O. Notes 10 Year	2,205,000				2,205,000
Streets-Equipment	2027 G.O. Notes 10 Year Term		960,000			960,000
Streets-Equipment	2028 G.O. Notes			945,000		945,000
Streets-Equipment	2029 G.O. Notes 10 year				640,000	640,000
Engineering - Streets	2026 G.O. Notes 20 Year Term	10,740,000				10,740,000
Engineering - Streets	2027 G.O. Notes 10 Year Term		9,985,000			9,985,000
Engineering - Streets	2028 G.O. Notes			8,650,000		8,650,000
Engineering - Streets	2029 G.O. Notes 10 year				5,600,000	5,600,000
Engineering - Improvements	2026 G.O. Notes 10 Year	2,865,000				2,865,000
Engineering - Improvements	2027 G.O. Notes 10 Year Term		645,000			645,000
Engineering - Improvements	2028 G.O. Notes			520,000		520,000
Engineering - Improvements	2029 G.O. Notes 10 year				335,000	335,000
DCD--Buildings	2026 G.O. Notes 10 Year	269,000				269,000
DCD-Fleet	2026 G.O. Notes 10 Year	60,000				60,000
Parks	2026 G.O. Notes 10 Year	2,575,000				2,575,000
Parks	2027 G.O. Notes 10 Year Term		360,000			360,000
Athletic Complex	2029 G.O. Notes 20 year				11,000,000	11,000,000
Parks	2028 G.O. Notes			2,465,000		2,465,000
Parks	2029 G.O. Notes 10 year				1,495,000	1,495,000
Hickory Grove Phase 2	2028 G.O. Notes			200,000		200,000
Hickory Grove Phase 3	2029 G.O. Notes 20 year				4,000,000	4,000,000
Actual CIP Costs		23,975,000	32,460,000	14,411,100	25,340,000	96,186,100

Table 4

Sources and Uses

City of New Berlin, WI

	2025	
	G.O. Notes	Levy 10 Year Term Portion
CIP Projects		
Captial Projects	10,574,480	10,574,480
Subtotal Project Costs	10,574,480	10,574,480
CIP Projects	10,574,480	10,574,480
Premium		
Underwriter's Premium (built into rates)	(781,326)	(781,326)
Premium Deposit To Debt Service	734,795	734,795
issuance Expenses		
Municipal Advisor	60,500	60,500
Bond Counsel	27,500	27,500
Rating Fee	29,000	29,000
Underwriter's Discount	4.44 46,531	46,531
Paying Agent	0	0
Subtotal Issuance Expenses	163,531	163,531
TOTAL TO BE FINANCED	10,691,480	10,691,480
Estimated Interest Earnings	4.00% (211,480)	(211,480)
Assumed spend down (months)	6.00	
Rounding	-	0
NET ISSUE SIZE	10,480,000	10,480,000

Notes:

REVISED PRE-SALE ESTIMATE 10,590,000
 DIFFERENCE (110,000)

Table 5

Allocation of Debt Service - 2025 G.O. Notes

City of New Berlin, WI

Year Ending	Levy 10 Year Term Portion				
	Principal	Rate	Interest	Premium	Net Total
2025					0
2026	1,790,000	5.00%	345,152	(345,152)	1,790,000
2027	1,255,000	5.00%	415,600	(389,643)	1,280,957
2028	895,000	5.00%	352,850	0	1,247,850
2029	905,000	5.00%	308,100		1,213,100
2030	920,000	5.00%	262,850		1,182,850
2031	935,000	5.00%	216,850		1,151,850
2032	945,000	5.00%	170,100		1,115,100
2033	945,000	5.00%	122,850		1,067,850
2034	945,000	4.00%	75,600		1,020,600
2035	945,000	4.00%	37,800		982,800
Total	10,480,000		2,307,752	(734,795)	12,052,957

Year Ending	Totals			
	Principal (6/1)	Interest	Premium	Net Total
2025	0	0	0	0
2026	1,790,000	345,152	(345,152)	1,790,000
2027	1,255,000	415,600	(389,643)	1,280,957
2028	895,000	352,850	0	1,247,850
2029	905,000	308,100	0	1,213,100
2030	920,000	262,850	0	1,182,850
2031	935,000	216,850	0	1,151,850
2032	945,000	170,100	0	1,115,100
2033	945,000	122,850	0	1,067,850
2034	945,000	75,600	0	1,020,600
2035	945,000	37,800	0	982,800
Total	10,480,000	2,307,752	(734,795)	12,052,957

Notes:

REVISED PRE-SALE ESTIMATE
DIFFERENCE

12,315,947
(262,990)

Table 6
Financing Plan Tax Impact

City of New Berlin, WI

Year Ending	Existing Debt			Proposed Debt										Year Ending						
	Net Debt Service Levy	Equalized Value (TID OUT)	Annual Taxes \$300,000 Home	2025 G.O. Notes 10,480,000 Dated: 9/25/2025		2026 G.O. Notes 23,685,000 Dated: 9/1/2026		2027 G.O. Notes 32,045,000 Dated: 9/1/2027		2028 G.O. Notes 14,240,000 Dated: 9/1/2028		2029 G.O. Notes 25,000,000 Dated: 9/1/2029			Debt Service Levy		Taxes			
				Total	Net P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total	Levy Change from Prior Year		Total Tax Rate for Debt Service	Annual Taxes \$300,000 Home	Annual Taxes Difference From Existing			
2025	12,668,497	7,949,009,900	\$478	2.95%-3.62%		4.25%		4.25%		4.50%		4.50%			12,668,497		\$1.59	\$478	\$0	2025
2026	11,977,310	8,259,983,700	\$435		1,790,000										13,767,310	1,098,813	\$1.67	\$500	\$65	2026
2027	11,703,170	8,571,513,873	\$410		1,280,957	1,881,613									14,865,740	1,098,430	\$1.73	\$520	\$111	2027
2028	11,022,936	8,894,793,591	\$372		1,247,850	1,619,425	2,072,688								15,962,898	1,097,158	\$1.79	\$538	\$167	2028
2029	10,590,230	9,230,265,994	\$344		1,213,100	2,001,800	2,614,513	640,800							17,060,443	1,097,544	\$1.85	\$554	\$210	2029
2030	8,997,033	9,578,390,938	\$282		1,182,850	2,066,750	3,507,750	1,640,800	767,425						18,162,608	1,102,165	\$1.90	\$569	\$287	2030
2031	8,543,513	9,939,645,620	\$258		1,151,850	2,032,025	3,386,463	1,595,800	1,016,575						17,726,225	(436,383)	\$1.78	\$535	\$277	2031
2032	5,281,025	10,314,525,236	\$154		1,115,100	2,241,663	4,752,088	2,150,800	1,664,250						17,204,925	(521,300)	\$1.67	\$500	\$347	2032
2033	4,178,703	10,703,543,659	\$117		1,067,850	3,105,250	4,561,513	2,078,800	1,667,000						16,659,116	(545,809)	\$1.56	\$467	\$350	2033
2034	3,049,613	11,107,234,141	\$82		1,020,600	3,279,525	4,668,275	2,006,800	1,872,500						15,897,313	(761,803)	\$1.43	\$429	\$347	2034
2035	2,387,456	11,526,150,049	\$62		982,800	3,277,113	4,834,838	2,074,800	1,866,525						15,423,531	(473,781)	\$1.34	\$401	\$339	2035
2036	2,326,188	11,960,865,619	\$58		0	3,290,025	4,863,225	2,076,500	1,868,075						14,424,013	(999,519)	\$1.21	\$362	\$303	2036
2037	2,263,950	12,411,976,743	\$55			827,413	4,873,750	2,074,600	1,881,700						11,921,413	(2,502,600)	\$0.96	\$288	\$233	2037
2038	2,200,744	12,880,101,790	\$51			829,250	1,926,838	2,069,100	1,876,725						8,902,656	(3,018,756)	\$0.69	\$207	\$156	2038
2039	2,135,481	13,365,882,451	\$48			825,025	1,927,863	0	1,883,825						6,772,194	(2,130,463)	\$0.51	\$152	\$104	2039
2040	2,069,131	13,869,984,616	\$45			829,950	1,931,550		302,325						5,132,956	(1,639,238)	\$0.37	\$111	\$66	2040
2041	2,001,813	14,393,099,293	\$42			823,600	1,927,688		303,550						5,056,650	(76,306)	\$0.35	\$105	\$64	2041
2042	1,265,634	14,935,943,550	\$25			826,400	1,931,488		304,325						4,327,847	(728,803)	\$0.29	\$87	\$62	2042
2043	356,800	15,499,261,499	\$7			827,925	1,927,525		304,650						3,416,900	(910,947)	\$0.22	\$66	\$59	2043
2044	255,000	16,083,825,318	\$5			828,175	1,931,013		299,525						3,313,713	(103,188)	\$0.21	\$62	\$57	2044
2045		16,690,436,307				837,150	1,931,525		299,175						3,067,850	(245,863)	\$0.18	\$55	\$55	2045
2046		17,973,157,246				844,425	1,929,063		298,375						3,071,863	4,013	\$0.17	\$51	\$51	2046
2047		18,651,025,506				0	1,928,625		302,125						2,230,750	(841,113)	\$0.12	\$36	\$36	2047
2048		19,354,459,969					0		300,200						300,200	(1,930,550)	\$0.02	\$5	\$5	2048
2049		20,084,424,880							297,825						297,825	(2,375)	\$0.01	\$4	\$4	2049
2050		20,841,920,848							0						0	(297,825)	\$0.00	\$0	\$0	2050
Total	105,274,225			12,052,957	33,094,500	59,428,275	18,408,800	19,376,675											3,756	Total

Notes:

Table 7
General Obligation Debt Capacity Analysis - Impact of Financing Plan
City of New Berlin, WI

Existing Debt					Proposed Debt			
Year Ending	Projected Equalized Value (TID IN) ¹	Debt Limit	Existing Principal Outstanding	% of Limit	Combined Principal Existing & Proposed	% of Limit	Residual Capacity	Year Ending
2024	8,046,558,800	402,327,940	99,560,000	24.75%	\$99,560,000	25%	\$302,767,940	2024
2025	8,404,437,700	420,221,885	88,665,000	21.10%	\$99,145,000	24%	\$321,076,885	2025
2026	8,735,256,032	436,762,802	78,320,000	17.93%	\$110,695,000	25%	\$326,067,802	2026
2027	9,079,096,147	453,954,807	67,765,000	14.93%	\$139,485,000	31%	\$314,469,807	2027
2028	9,436,470,613	471,823,531	57,475,000	12.18%	\$141,580,000	30%	\$330,243,531	2028
2029	9,807,912,175	490,395,609	47,305,000	9.65%	\$142,745,000	29%	\$347,650,609	2029
2030	10,193,974,546	509,698,727	38,460,000	7.55%	\$128,885,000	25%	\$380,813,727	2030
2031	10,595,233,235	529,761,662	29,885,000	5.64%	\$115,055,000	22%	\$414,706,662	2031
2032	11,012,286,404	550,614,320	24,265,000	4.41%	\$101,205,000	18%	\$449,409,320	2032
2033	11,445,755,762	572,287,788	19,615,000	3.43%	\$87,405,000	15%	\$484,882,788	2033
2034	11,896,287,489	594,814,374	16,435,000	2.76%	\$74,305,000	12%	\$520,509,374	2034
2035	12,364,553,198	618,227,660	13,845,000	2.24%	\$61,180,000	10%	\$557,047,660	2035
2036	12,851,250,941	642,562,547	11,255,000	1.75%	\$48,540,000	8%	\$594,022,547	2036
2037	13,357,106,246	667,855,312	9,365,000	1.40%	\$38,605,000	6%	\$629,250,312	2037
2038	13,882,873,199	694,143,660	7,475,000	1.08%	\$31,275,000	5%	\$662,868,660	2038
2039	14,429,335,570	721,466,778	5,585,000	0.77%	\$25,770,000	4%	\$695,696,778	2039
2040	14,997,307,978	749,865,399	3,695,000	0.49%	\$21,680,000	3%	\$728,185,399	2040
2041	15,587,637,109	779,381,855	1,805,000	0.23%	\$17,505,000	2%	\$761,876,855	2041
2042	16,201,202,975	810,060,149	590,000	0.07%	\$13,900,000	2%	\$796,160,149	2042
2043	16,838,920,230	841,946,012	250,000	0.03%	\$11,070,000	1%	\$830,876,012	2043
2044	17,501,739,528	875,086,976	0	0.00%	\$8,225,000	1%	\$866,861,976	2044
2045	18,190,648,945	909,532,447			\$5,510,000	1%	\$904,022,447	2045
2046	18,906,675,448	945,333,772			\$2,675,000	0%	\$942,658,772	2046
2047	19,650,886,429	982,544,321			\$560,000	0%	\$981,984,321	2047
2048	20,424,391,296	1,021,219,565			\$285,000	0%	\$1,020,934,565	2048
2049	21,228,343,124	1,061,417,156			\$0	0%	\$1,061,417,156	2049

Notes:

1. EV Growth at 3.94%

CREDIT OPINION

21 August 2025



Send Your Feedback

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Asia Pacific 852-3551-3077
Japan 81-3-5408-4100
EMEA 44-20-7772-5454

City of New Berlin, WI

Update to credit analysis

Summary

[New Berlin, WI's](#) (Aaa) credit profile is characterized by a healthy local economy near Milwaukee, strong financial performance, and elevated long-term leverage compared to peers.

Credit strengths

- » Strong financial position with notable unused levy capacity
- » Improving full value per capita because of the city's growing tax base

Credit challenges

- » While healthy, economic indicators lag medians for Aaa rated peers
- » Elevated long-term leverage compared with peers, driven by debt

Rating outlook

We do not typically assign outlooks to local government issuers with this amount of debt.

Factors that could lead to an upgrade

- » Not applicable

Factors that could lead to a downgrade

- » Narrowing of reserves to levels below 50% of revenue
- » Significant increase in long-term leverage to levels approaching 350% of revenue

Key indicators

Exhibit 1

New Berlin (City of) WI

	2021	2022	2023	2024	Aaa Medians
Economy					
Resident income ratio (%)	132.3%	132.6%	129.8%	N/A	168.9%
Full Value (\$000)	\$6,270,870	\$7,105,119	\$7,871,954	\$8,046,559	\$9,011,663
Population	40,289	40,387	40,384	N/A	36,103
Full value per capita (\$)	\$155,647	\$175,926	\$194,928	N/A	\$218,941
Annual Growth in Real GDP	4.3%	2.7%	1.4%	N/A	2.4%
Financial Performance					
Revenue (\$000)	\$59,463	\$62,979	\$72,701	\$74,837	\$108,194
Available fund balance (\$000)	\$49,735	\$43,500	\$48,938	\$55,421	\$68,159
Net unrestricted cash (\$000)	\$65,861	\$83,572	\$65,831	\$74,352	\$99,090
Available fund balance ratio (%)	83.6%	69.1%	67.3%	74.1%	62.6%
Liquidity ratio (%)	110.8%	132.7%	90.5%	99.4%	95.0%
Leverage					
Debt (\$000)	\$76,961	\$104,091	\$101,343	\$105,567	\$72,678
Adjusted net pension liabilities (\$000)	\$86,687	\$82,590	\$41,820	\$42,625	\$89,696
Adjusted net OPEB liabilities (\$000)	\$5,635	\$5,455	\$5,246	\$5,116	\$10,915
Other long-term liabilities (\$000)	\$1,739	\$7,120	\$6,947	\$7,121	\$4,029
Long-term liabilities ratio (%)	287.6%	316.4%	213.7%	214.4%	217.2%
Fixed costs					
Implied debt service (\$000)	\$4,653	\$5,398	\$7,270	\$7,040	\$4,949
Pension tread water contribution (\$000)	\$723	\$807	\$2,151	N/A	\$2,629
OPEB contributions (\$000)	\$84	\$85	\$89	\$91	\$594
Implied cost of other long-term liabilities (\$000)	\$123	\$122	\$497	\$483	\$274
Fixed-costs ratio (%)	9.4%	10.2%	13.8%	13.0%	10.0%

For definitions of the metrics in the table above please refer to the [US Cities and Counties Methodology](#) or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published [US Cities and Counties Median Report](#).

The real GDP annual growth metric cited above is for the Milwaukee-Waukesha, WI Metropolitan Statistical Area.

Sources: US Census Bureau, New Berlin (City of) WI's financial statements and Moody's Ratings, US Bureau of Economic Analysis

Profile

New Berlin encompasses 36 square miles in Waukesha County, roughly 10 miles southwest of the City of Milwaukee. It provides a full range of municipal services to over 40,000 residents, although water and sewer treatment are performed by the City of Milwaukee.

Detailed credit considerations

New Berlin benefits from a growing tax base and favorable location near Milwaukee. A steady trend of new residential and commercial development has resulted in full value per capita growing to nearly \$210,000. While the city's economic indicators are solid, they lag the medians for Aaa rated cities nationally. The city's unused levy capacity distinguishes it from many peers in the state and helps provide a buffer against strict state imposed limits on increasing the levy. The city has about \$3.8 million of capacity in fiscal 2025 (year-end Dec. 31). Capacity is from the city's abated debt service levy that is paid from other sources, including tax increment district (TID) increment, golf course revenue and utility revenue.

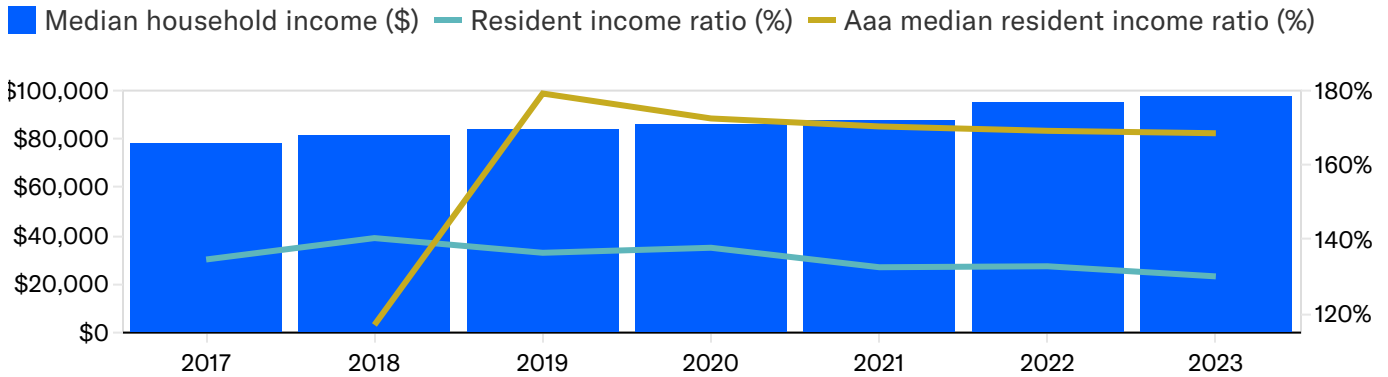
The city conservatively budgeted for a deficit in fiscal 2025, but current performance indicates another positive year for the city across its governmental and business type funds and the available fund balance ratio will likely be above 75%. The city will starting using its unused levy capacity during the fiscal year and will reach the limit by fiscal 2027. Management has been exploring options to increase revenues for future years, which includes going to voters to increase the levy limit. The city's leverage will grow and be slightly elevated compared to peers as they plan to issue about \$60 million through 2029 for various capital projects. However, payout is quick with the majority of outstanding GOULT retired in the next 10 years.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Economy

Exhibit 2

Resident incomes are stable and lower than peers

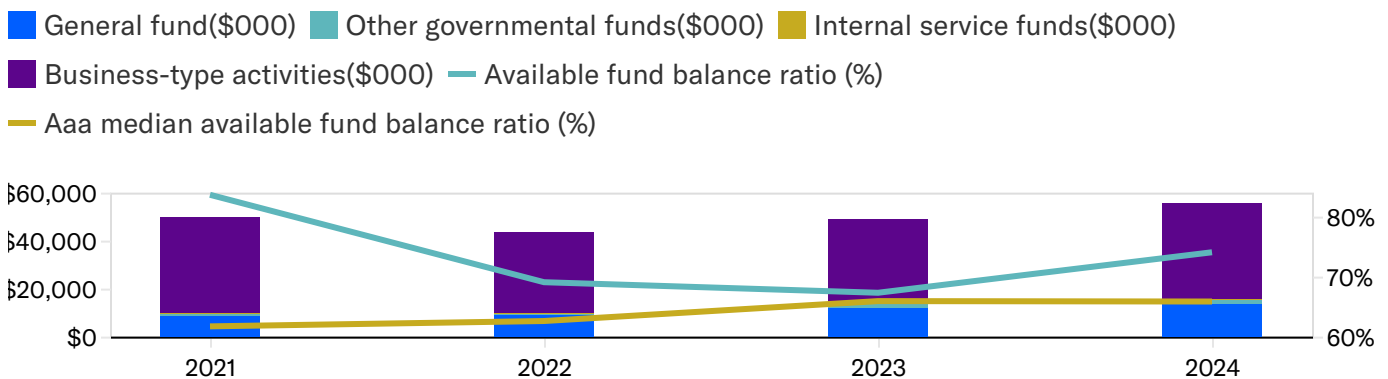


Source: Moody's Ratings

Financial operations

Exhibit 3

Reserves have been maintained at a strong level above peers

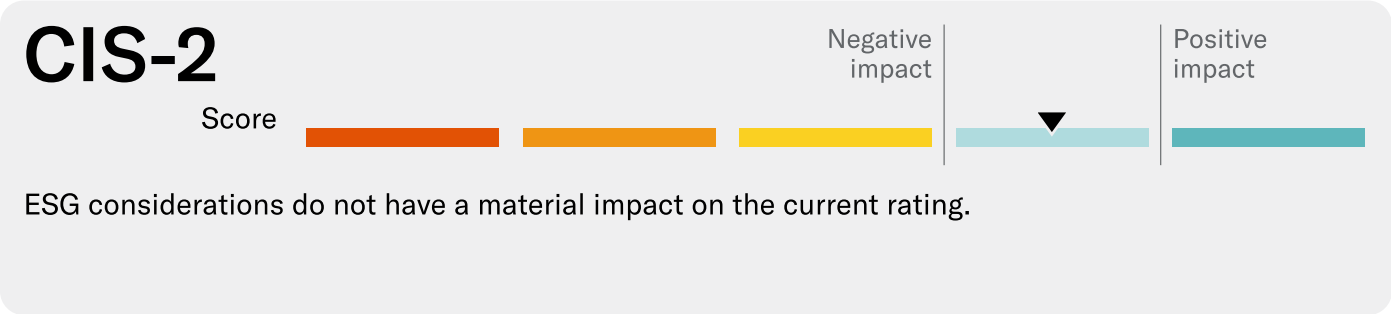


Source: Moody's Ratings

ESG considerations

New Berlin (City of) WI's ESG credit impact score is CIS-2

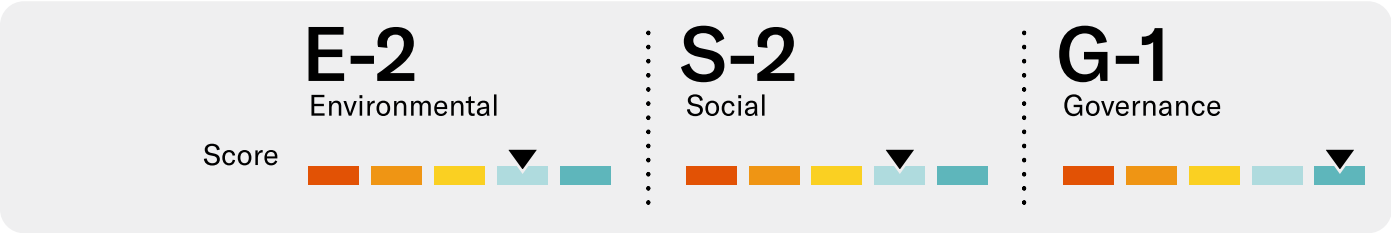
Exhibit 4
ESG credit impact score



Source: Moody's Ratings

New Berlin's ESG Credit Impact Score of **CIS-2** indicates that ESG considerations have a neutral-to-low impact on its credit rating, reflecting neutral to low exposure to environmental, social and governance risks.

Exhibit 5
ESG issuer profile scores



Source: Moody's Ratings

Environmental

New Berlin's E Issuer Profile Score is **E-2** which reflects low exposure to all environmental risks categories, including physical climate risk, carbon transition, water management, natural capital and waste and pollution. Environmental considerations do not play a material role in the city's credit profile. Located in eastern Wisconsin, Waukesha County has a continental climate with four distinct season. Based on data from Moody's ESG Solutions data, Waukesha County has low exposure to extreme rainfall and heat stress relative to counties nationally, though its water stress exposure is high. This measure does not account for the city's abundant groundwater resources. Aquifers supply drinking water to a majority of city residents. Availability will likely remain strong, though heavy reliance on groundwater can occasionally present risks, such as rising levels of nutrients and other contaminants which could require additional treatment. We do not anticipate environmental, climate, or weather related events to materially impact the city's operations in the near term.

Social

New Berlin's S Issuer Profile Score is **S-2** and reflects minimal risks to access to basic services, housing, education, labor and income and demographics. Population is steady and the city's unemployment metric is slightly stronger than nation, with residents having access to ample employment options in the nearby Milwaukee metropolitan area. The city has positive exposure to education and health and safety. The city has above average educational attainment and life expectancy metrics, as well as low violent crime rates. The city has also prioritized ADA accessibility throughout public facilities.

Governance

New Berlin's G Issuer Profile Score is **G-1** reflecting strengths in the city's policy credibility and effectiveness and strong management and budgeting practices. The city's transparency and disclosure is in line with peers, reflected in timely filing of audited financial

statements and budgets. The city currently maintains different investment, budgeting, and fund balance policies to name a few, which it updates every three years. Budget management is strong, proven by the city's solid reserves, its utilization of a long-term capital improvement plan, and its flexibility in revenue raising ability. Unlike most Wisconsin cities, which levy at the maximum allowable amount, New Berlin has consistently maintained a significant amount of unused levy capacity, providing flexibility to increase operating revenues as needed.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Rating methodology and scorecard factors

The US Cities and Counties Methodology includes a scorecard, which summarizes the rating factors generally most important to city and county credit profiles. Because the scorecard is a summary, and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not map closely to the actual rating assigned.

The assigned rating is higher than the scorecard indicated outcome because of the city's trend of maintaining strong reserves, its unused levy capacity and quick amortization schedule with most debt being retired in 10 years.

Exhibit 6

New Berlin (City of) WI

	Measure	Weight	Score
Economy			
Resident income ratio	129.8%	10.0%	Aaa
Full value per capita	208,113	10.0%	Aaa
Economic growth metric	-1.2%	10.0%	A
Financial Performance			
Available fund balance ratio	74.1%	20.0%	Aaa
Liquidity ratio	99.4%	10.0%	Aaa
Institutional Framework			
Institutional Framework	A	10.0%	A
Leverage			
Long-term liabilities ratio	214.4%	20.0%	A
Fixed-costs ratio	13.0%	10.0%	Aa
Notching factors			
No notchings applied			
Scorecard-Indicated Outcome			Aa2
Assigned Rating			Aaa

The Economic Growth metric cited above compares the five-year CAGR of real GDP for Milwaukee-Waukesha, WI Metropolitan Statistical Area Metropolitan Statistical Area to the five-year CAGR of real GDP for the US.

Sources: US Census Bureau, New Berlin (City of) WI's financial statements and Moody's Ratings

Appendix

Exhibit 7

Key Indicators Glossary

	Definition	Typical Source*
Economy		
Resident income ratio	Median Household Income (MHI) for the city or county, adjusted for Regional Price Parity (RPP), as a % of the US MHI	MHI: US Census Bureau - American Community Survey 5-Year Estimates RPP: US Bureau of Economic Analysis
Full value	Estimated market value of taxable property in the city or county	State repositories; audited financial statements; continuing disclosures
Population	Population of the city or county	US Census Bureau - American Community Survey 5-Year Estimates
Full value per capita	Full value / population	
Economic growth metric	Five year CAGR of real GDP for Metropolitan Statistical Area or county minus the five-year CAGR of real GDP for the US	Real GDP: US Bureau of Economic Analysis
Financial performance		
Revenue	Sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions	Audited financial statements
Available fund balance	Sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds, plus unrestricted current assets minus current liabilities from the city's or county's business-type activities and internal services funds	Audited financial statements
Net unrestricted cash	Sum of unrestricted cash in governmental activities, business type activities and internal services fund, net of short-term debt	Audited financial statements
Available fund balance ratio	Available fund balance (including net current assets from business-type activities and internal services funds) / Revenue	
Liquidity ratio	Net unrestricted cash / Revenue	
Leverage		
Debt	Outstanding long-term bonds and all other forms of long-term debt across the governmental and business-type activities, including debt of another entity for which it has provided a guarantee disclosed in its financial statements	Audited financial statements; official statements
Adjusted net pension liabilities (ANPL)	Total primary government's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Adjusted net OPEB liabilities (ANOL)	Total primary government's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Other long-term liabilities (OLTL)	Miscellaneous long-term liabilities reported under the governmental and business-type activities entries	Audited financial statements
Long-term liabilities ratio	Debt + ANPL + ANOL + OLTL / Revenue	
Fixed costs		
Implied debt service	Annual cost to amortize city or county's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Ratings
Pension tread water contribution	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Ratings
OPEB contribution	City or county's actual contribution in a given period	Audited financial statements
Implied cost of OLTL	Annual cost to amortize city or county's other long-term liabilities over 20 years with level payments	Audited financial statements; Moody's Ratings
Fixed-costs ratio	Implied debt service + Pension tread water + OPEB contributions + Implied cost of OLTL / Revenue	

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the [US Cities and Counties Methodology](#).

Source: Moody's Ratings

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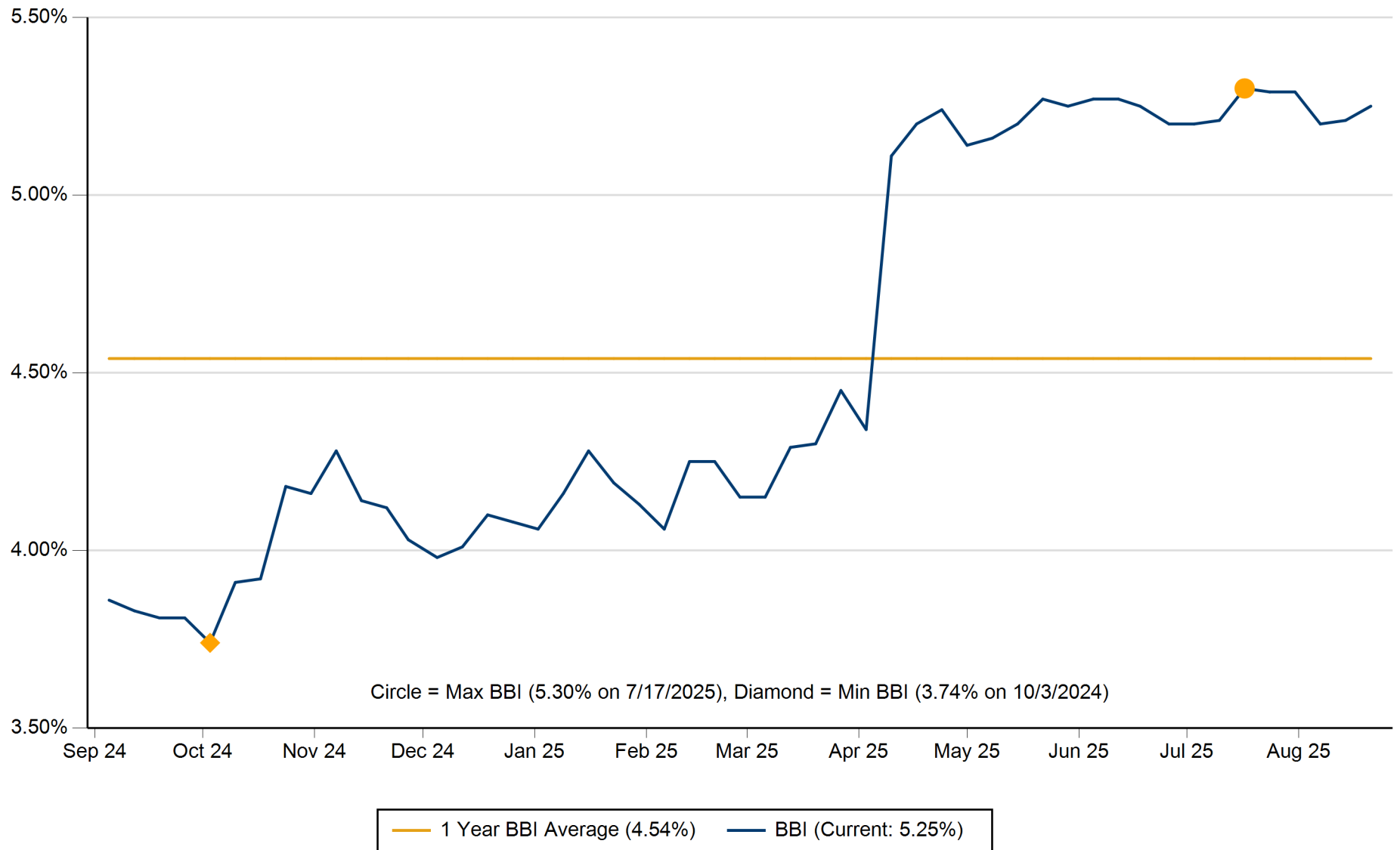
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1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates September, 2024 - September, 2025



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

BID FORM

The Common Council
City of New Berlin, Wisconsin (the "City")

September 3, 2025

RE: **\$10,590,000* General Obligation Promissory Notes, Series 2025A (the "Notes")**
DATED: **September 25, 2025**

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ 11,362,766.10 (not less than \$10,484,100, nor more than \$11,437,200) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

<u>5.00</u>	% due	2026	<u>5.00</u>	% due	2030	<u>4.00</u>	% due	2034
<u>5.00</u>	% due	2027	<u>5.00</u>	% due	2031	<u>4.00</u>	% due	2035
<u>5.00</u>	% due	2028	<u>5.00</u>	% due	2032			
<u>5.00</u>	% due	2029	<u>5.00</u>	% due	2033			

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$211,800 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about September 25, 2025.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: X NO: .

If the competitive sale requirements are not met, we elect to use either the: 10% test, or the hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: TD Securities (USA), LLC
Account Members: Alone

By: 

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from September 25, 2025 of the above bid is \$ 1,668,718.90 and the true interest cost (TIC) is 3.020088 %.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of New Berlin, Wisconsin, on September 3, 2025.

By: _____
Title: _____

By: _____
Title: _____



Department of Finance
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New Berlin, Wisconsin 53151-5097

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Fax (262) 786-6121
www.newberlin.org

REQUESTED ACTION STATEMENT

August 26, 2025

TO: Mayor Ament
Common Council

FROM: Ralph Chipman
Finance Director

ISSUE: Property Tax Billing

REQUESTED:

Outsource property tax billing to Waukesha County

BACKGROUND:

Property taxes are the City's largest revenue source. Since 2004 the City has generated our own property tax bills while outsourcing the printing & mailing of bills. In 2024 the city prepared 15,622 real estate tax bills.

The generation of property tax bills is a complex process that involves the collection and calculation of property taxes, tax credits & special assessments/charges for the City as well as overlying tax jurisdictions. In addition to the city and the county, we collect taxes for 4 different school districts and 2 technical colleges. The accuracy and timeliness of this process is crucial for the City and these entities.

The city has encountered continued and increasing challenges generating tax bills in our Tyler ERP system. The current process is complex & time-consuming with a few key individuals having the specialized knowledge to successfully complete this crucial process for the city. Increasingly large amounts of staff resources from our Finance, Assessor and Information Technology departments have been required to produce accurate tax bills from our ERP system and to meet the tight timeline of mailing tax bills by mid-December. We are also currently reliant on the software vendor's programming and responsiveness. Our experience over the last few years has become a greater concern. The City of Brookfield had similar issues with Tyler and switched to the County in 2024. Our plan is to switch to the same process that they are currently using successfully.

Taxpayers would still pay all three installments here at City Hall and would not notice a change in the process. Information would be uploaded daily to the County website to keep their records up to date, currently we only upload the information 5 times a year.

FISCAL IMPACT:

The County would charge the city a per parcel fee for this service. The 2025 rate was \$1.91 which would calculate out to a charge of \$29,830. If the City were to contract with Waukesha County, we would also need to purchase software for a new tax collection/receipting system. The County has worked with various municipalities to select a vendor, Banyon, for this. There would be a one-time cost of \$7,000 and an annual support fee of \$895. The City would terminate the support fees we pay to our current software vendor for the tax collection module to offset some of these costs.

RATIONALE:

Waukesha County currently provides property tax billing services to 35 of the 37 municipalities within our county. The county has dedicated technology and staffing resources as well as a proven process to generate property tax bills accurately and timely.

This is an opportunity for intergovernmental cooperation with a proven process that has been successfully utilized by most of the other municipalities in the county. The City would be able to more efficiently generate accurate and timely property tax bills. Contracting would address the succession planning considerations of this specialized knowledge area and also address software concerns.



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www.newberlin.org

August 26, 2015

TO: Mayor Ament, Common Council

FROM: Ralph Chipman
Finance Director

ISSUE: 2026 Budget

REQUESTED:

Apply proceeds from the sale city property to debt service payments in the 2026 Budget.

BACKGROUND:

In October of 2024 the city sold a parcel of land connected to the Activity & Recreation Center for development as Nice Bites. The council directed at the time that the proceeds be applied to debt service payments on the recreation center. Debt service payments on the Rec center in 2026 are \$1.4 million.

FISCAL IMPACT:

\$189,937

RATIONALE:

The city is working to close a projected budget gap for 2026. With no specific direction on how to apply these proceeds, other than to debt service, next year would be an opportune time.

RESOLUTION NUMBER 2025-18

A RESOLUTION AMENDING THE 2025 CAPITAL PROJECTS BUDGET

WHEREAS, the bids for the Malone Park project came in significantly under the projected budget amount. It is fiscally prudent for the City to downsize the borrowing to the amount that is necessary.

WHEREAS, It was determined that the Capital Projects Budget had to be amended to reflect this.

NOW THEREFORE BE IT RESOLVED, by the Common Council of the City of New Berlin that the Capital Projects Fund Budget be amended as follows:

REVENUES - Decrease

04011800-49505-C2025	BOND PROCEEDS	\$1,000,000
----------------------	---------------	-------------

EXPENDITURES – Decrease

04252900-61118-C2025	MALONE PARK – STRUCTURES & TRAIL	\$ 1,000,000
----------------------	----------------------------------	--------------

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to publish this resolution in The Freeman within 10 days of adoption by the Common Council.

RESOLUTION ADOPTED by the New Berlin Common Council this 26th day of August 2025.

David Ament, Mayor

Countersigned:

Rubina R Medina, City Clerk

**-RESOLUTION NO. 2025-15-
RESOLUTION OF ELIGIBILITY FOR EXEMPTION
FROM THE 2025 COUNTY LIBRARY TAX LEVY FOR 2026 PURPOSES**

WHEREAS, The City of New Berlin seeks an exemption from the county library tax and must submit a Notice of Exemption to the Bridges Library System; and

WHEREAS, Pursuant to §43.64 Wisconsin Statutes, in order to obtain an exemption from the 2025 County library levy for 2026 purposes, the City of New Berlin must certify that during budget year 2026, its library will be provided and be allowed to expend no less than the County rate in the prior year; and

WHEREAS, Pursuant to state law, listed funding must be only from municipal sources, not the entire library budget and reported amounts must exclude fines, fees and other revenues and capital expenditures are excluded as well; and

WHEREAS, Said Notice of Exemption must be supported by a duly enacted ordinance or resolution of the governing body of the City of New Berlin.

NOW, THEREFORE, BE IT RESOLVED That the Common Council of the City of New Berlin does hereby pledge that it will appropriate and allow the library to tax at a rate of at least \$0.000201512 per \$1,000 of equalized valuation.

BE IT FURTHER RESOLVED That the Mayor is authorized to sign and submit the Notice of Exemption in the name of the City to the Bridges Library System.

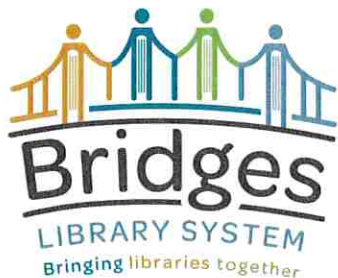
Dated at New Berlin, Wisconsin this 26th day of August 2025.

APPROVED:

David A. Ament, Mayor

Countersigned:

**Kenneth A. Harenda II
Common Council President**



741 N. Grand Ave., #210
Waukesha, WI 53186

P 262.896.8080
W bridgeslibrarysystem.org

To: Chief Elected Officials/Administrators in Municipalities with Libraries, Library Directors
From: Brittany Larson, Bridges Library System Director
Re: Waukesha County Library Tax Exemption Notice
Date: August 15, 2025

Annually, Waukesha County sets a special levy for library services. The funds are distributed to public libraries to compensate them for use by non-residents of their communities. State law (ss. 43.64(2) Wisc. Statutes) provides that municipalities with libraries may avoid double taxation and exempt themselves from this special levy if they meet certain conditions:

- Exempting library municipalities must levy and expend an amount equal to or greater than the mill rate set by Waukesha County in the preceding year with the exception of joint libraries whose participating municipalities have an alternate option for exempting which is to levy and expend an amount not less than the average of the previous 3 years (ss.43.64 (2)(c)).
- Exempting library communities are required to provide written notification to the county annually.
- The County Code requires that the notification be from the **local governing body** rather than from the clerk alone.
- The County Code also requires a deadline of September 30 so that the County Executive Budget available to supervisors and the general public can properly reflect the county library taxation levels in the Adopted Budget in November.
- Exempting communities must also have a library that meets or exceeds minimum service levels and quality assurance standards (included in the Waukesha County Library Services Plan and formally adopted by the Waukesha County Board of Supervisors in 2022) which are certified by the library board. (The libraries have already received their standards certification letters.)

If you would like to exempt your municipality from the Waukesha County library tax, the form (on page 2), ***Request for Exemption from Waukesha County Library Levy 2025 Tax for 2026 Purposes*** must be completed, approved by the municipality's governing body, signed, and returned to Bridges Library System no later than September 30, 2025. A copy of your adopted municipal ordinance or resolution certifying that your library appropriation meets or exceeds the requirements is also required. Email submission is acceptable as long as the form includes the actual signature.

Thank you for providing library services to our citizens. Strong libraries build strong communities and your commitment to support your library is vital and valued!

**Request for Exemption from Waukesha County Library Levy
2025 Tax for 2026 Purposes**

Name of Community: NEW BERLIN

Name of library: NEW BERLIN PUBLIC LIBRARY

We recognize that, pursuant to 43.64 of Wisconsin Statutes, to obtain an exemption from the 2025 county library levy for 2026 purposes, the municipality must certify that during budget year 2026, its library will be provided and be allowed to expend no less than the county library tax rate in the prior year, \$0.201512 per \$1,000 Equalized Value.

In the case of a joint library, an alternate exemption option exists pursuant to ss 43.64 (2) (c). Under this language, each participating municipality in the joint library has the option to certify that during its budget year 2026, the library will be provided and allowed to expend no less than the average of the funding levels of the previous 3 years.

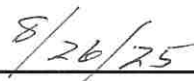
We further recognize that, pursuant to state law, listed funding must be only from municipal sources, not the entire library budget. Reported amounts must exclude fines, fees, and other revenues. Capital expenditures are excluded as well.

I am authorized to certify that the governing body of the municipality has enacted an ordinance or resolution pledging that it will appropriate and allow the library to expend no less than a rate of \$0.201512 per \$1,000 of the actual state Equalized Value amount for the community that was published by the state on August 15, 2025 or, in the case of a joint library whose municipality may choose this option, that the participating municipality will appropriate and allow the library to expend no less than the average of the funding levels of the previous 3 years.

The community meets its requirement stated above and is therefore eligible for exemption from the 2025 Waukesha County library levy.

Name and Title of Person filling out this form:


Signature


Date

This form, along with a copy of the municipal resolution/ordinance, must be filed no later than September 30, 2025.

Send to:

Bridges Library System

741 N. Grand Avenue, Suite 210

Waukesha, WI 53186

Or email to blarson@bridgeslibrarysystem.org



REQUESTED ACTION STATEMENT

MEMO TO: Mayor David Ament
Common Council

CC: Plan Commission (via email)

MEMO FROM: Greg Kessler, Director of Community Development

DATE: August 18, 2025

ISSUE: Theodore Balistreri with PLM III, LLC has filed a petition to rezone the property located at 21040 W. Lincoln Avenue (Tax Key #: 1176.993) from B-2 & C-2 to M-1 & C-2.

REQUESTED: Recommend to the Common Council that a Public Hearing be set for October 6, 2025 at 6:00 pm to be held before the Plan Commission to rezone the property located at 21040 W. Lincoln Avenue (Tax Key #: 1176.993) from B-2 & C-2 to M-1 & C-2.

RATIONALE: Per Chapter 275-22 of the City's Zoning Code, this applicant has filed a completed application and petitioned the City to rezone this property. In addition, per State Statute 62.23(7), the Common Council may refer to the Plan Commission all petitions to rezone a property and require that a public hearing be held to obtain public input and that the Plan Commission formulate a recommendation. This recommendation shall be forwarded to the Common Council for final action.



Office of the City Clerk

City of New Berlin ▪ 3805 S. Casper Drive ▪ New Berlin, Wisconsin 53151-0921 ▪ (262)786-8610 ▪ www.NewBerlinWI.gov

REQUESTED ACTION STATEMENT

DATE: July 28th 2025
TO: Mayor Ament and Common Council
FROM: Joe Stribl- Alderman 5th District

ISSUE:

With Halloween falling on a Friday the 31st, and the current ordinance that states the last Saturday in October. This would put Trick-or-Treating on October 25th.

REQUESTED:

I respectfully request that the Common Council make a change to allow Trick or Treat to be held on either Friday, October 31st, or Saturday, November 1st, 2025, to keep it as close to Halloween as possible.

FISCAL IMPACT:

There are no anticipated budget impacts.

REQUESTED ACTION STATEMENT

DATE: September 3, 2025

TO: Common Council

FROM: Mayor Ament
Melissa Beck, Human Resource Director
Ralph Chipman, Finance Director

REQUESTED ACTION:

Recommendation to Council to authorize the City of New Berlin's health plan to transition from a fully-insured platform to a self-insured platform for the 2026 Budget Year.

FISCAL IMPACT:

In becoming self-insured, the City will be responsible for all the claims costs for the members on the health plan. The City will secure the specific stop loss and the aggregate stoploss reinsurance coverage, however there is always a risk that claims may exceed the projected budget in any given year should the City have an excessive amount of high-cost claimants or a critical illness or injury. Although there is risk to the City, the move to self-insured creates long term financial sustainability.

RATIONALE:

The City of New Berlin has been fully insured since inception. With the increasing costs of providing competitive benefits and the inability to control costs under a fully insured platform, the City needed to evaluate other options for providing health coverage for employees. A self-funded health plan allows the City to manage claims and costs thus allowing us to better manage the fiscal impact to the budget moving forward while still providing a competitive benefits package to employees.

ATTACHMENTS:

Self-Funding Presentation



City of New Berlin Self-Insured

August 2025



Why Are We Looking at Self-Insurance?

Top Performing Health Plans take control of their spend by financing their own risk.

- **Claims vs Premium**

- Fully insured premiums have had little correlation with actual claims and continue to rise.
- CNB has consistently experienced higher-than-target loss ratios.
- CNB has “won” at this game for the last several years.
- A premium reconciliation is coming, and CNB needs to be prepared. Early projections indicate as high as 32% for 2026.
- Self-Funding means paying for actual claims, not forecasted risk and insurance carrier profit margins
- Long-term savings potential when the risk of the group is addressed.
- Data suggests there are significant intervention points that can’t be addressed without unbundling the fully-insured structure.

Goals for Moving Self-Insured

- **Cost Savings** – Claims are the driving cost to any medical and prescription plan. Lowering claims through cost management drivers saves the City and its' employees.
- **Customization** - Benefits that fit our needs.
- **Cash Flow Management** – Funds are not tied up in fixed premiums. Claims are paid when they actually incur.
- **Transparency** – Detailed insights and reporting based on the City's own spend. Additional programs can be pinpointed to exactly what the plan needs without wasting money on programs that will not realize improved health and savings to all.
- **Regulatory Flexibility** – Not required to follow state mandates for health care. Only Federal regulations like ERISA must be followed.
- **Wellness and Prevention** – When promoting wellness programs under a Self-Funded health plan the City will realize real savings. Currently UHC sees those savings and is not required to pass those on at renewal.
- Ensure the City continues to provide a competitive benefits package.
- Reduce health care costs so they are sustainable, and more funds are available for operational resources.

Third Party Administrator (TPA)

UMR's Role as the City's Third-Party Administrator (TPA)

- Administers the City's self-funded health plan on behalf of the employer
- Processes and pays medical claims according to the plan's benefit design
- Manages provider network access (leveraging UnitedHealthcare's national network)
- Handles eligibility, enrollment, and member services support
- Coordinates pre-certifications, utilization management, and medical review services
- Provides online tools, reporting, and analytics to track plan performance
- Supports compliance with federal and state health plan regulations
- Works with the City and other vendors (PBM, wellness, etc.) to ensure smooth plan integration

Viable Options:

Fully Insured:

- UHC Fully Insured
- Anthem
- Network Health

Third Party Claims Administrator (TPA)

- UHC
- UMR
- Anthem

Why UMR vs UHC?

- Keeps UHC's network -Employees still get the same broad provider access through the UnitedHealthcare Choice/Choice Plus network
- Greater flexibility -UMR can work with best-in-class vendors for pharmacy, wellness, stop-loss, and disease management instead of being locked into UHC's in-house options.

Pharmacy Benefit Manager (PBM) & Specialty Drug Program

ServeYouRx (PBM)

- Administers the City's prescription drug benefit
- Processes pharmacy claims and manages the retail and mail-order pharmacy network
- Provides formulary management, clinical review, and prior authorization services
- Offers transparent, pass-through pricing with clear reporting on drug spend and rebates
- Dedicated account management and member support for pharmacy questions

ShaRx (Specialty Drug Oversight)

- Identifies and sources high-cost specialty medications through alternative funding channels
 - Manufacturer Patient assistance programs
 - International Pharmacies
 - Copay cards
 - Foundations
- Works to secure manufacturer assistance programs, grants, and foundation support
- Reduces or eliminates plan and member cost for qualifying specialty drugs
- Coordinates with ServeYouRx to ensure seamless claims handling and compliance

Combined Value

- ServeYouRx manages all day-to-day pharmacy needs
- ShaRx targets big-ticket specialty costs that drive the majority of pharmacy spend
- Improves affordability, transparency, and plan sustainability without reducing member access

Viable Options:

Prescription Benefit Manager (PBM)

- ServeYou
- TrueRx
- Optum
- Maxor

Specialty Drug Programs

- ShaRx
- ARORx

Stoploss

Stop-Loss Insurance: Protecting the City's Health Plan

Purpose -Financial safety net for the City's self-funded health plan

How it works:

- **Specific Stop-Loss:** Protects against unusually large claims from any one member (e.g., major surgery, cancer treatment)
- **Aggregate Stop-Loss:** Caps the City's total annual claims liability across all members

Why it matters -Prevents catastrophic or unexpected claims from jeopardizing the City's budget

Status:

- Budgeted amount is in projection based on preliminary quotes and plan history
- Final stop loss rates will be locked in this fall once updated claims data is available
- Leading provider is SunLife.

Viable Options:

- Berkely Captives
- Sunlife
- Voya
- Maverick/Nationwide
- Optum

Employee Plan Design Changes

Plan design changes shift 100% HSA funding and HRA to the plan design.
In addition, family deductible and out of maximum moving from embedded to non-embedded.

Current Plan Design

Single Deductible / OOP Max

UHC Deductible	\$7,000
HRA Contribution	\$3,700
HSA Contribution	\$1,600
Net Deductible/OOP Max	\$1,700

Family Deductible / OOP Max

UHC Deductible	\$14,000
HRA Contribution	\$7,400
HSA Contribution	\$3,200
Net Deductible/OOP Max	\$3,400

2026 Proposed Plan Design

Single Deductible / OOP Max

Plan Deductible	\$2,000
HRA Contribution	\$0
HSA Contribution	\$300
Net Deductible/OOP Max	\$1,700

Family Deductible / OOP Max

Plan Deductible	\$4,000
HRA Contribution	\$0
HSA Contribution	\$600
Net Deductible/OOP Max	\$3,400

Cost Implications

Total Funding	2025	Estimated 2026 Fully Insured	Estimated 2026 Self-Insured
Fully Insured Premium	\$3,261,676	\$4,501,556	
Self-Insured Budget			\$4,460,083
HSA	\$515,200	\$483,000	\$96,600
HRA	\$644,000	\$684,760	
Annual Funding	\$4,420,876	\$5,669,316	\$4,556,683
<i>\$ Change from current</i>		\$1,248,440	\$135,807
<i>% Change from current</i>		28.2%	3.1%

*Anticipated 2026 UHC renewal is projected at their target loss ratio of 80%. CNB has exceeded that all three years with UHC.

Employee Premiums

Total Premium	2025	Estimated 2026 Self-Insured	2025 to 2026 % Change
Single	\$854.14	\$940.47	10%
Family	\$2,224.18	\$2,445.22	10%

Employee Premium	2025	% of Total	Estimated 2026 Self-Insured	% of Total	2025 to 2026 % Change
Single	\$128.12	15%	141.07	15%	10%
Family	\$333.63	15%	\$366.78	15%	10%

**3.1% to 10% change in rates is because HSA contributions are not part of rate calculation. HSA contributions will decrease because of plan design adjustments.*

Overall Recommendation

- In order to implement a self-insured health plan for the City we would need to begin the process no later than September 15th. The City is requesting that Council approve the transition from a fully insured health plan to a self-funded health plan for the City of New Berlin for the 2026 fiscal year.

QUESTIONS?

Thank you!

REQUESTED ACTION STATEMENT

DATE: September 3, 2025

TO: Common Council

FROM: Mayor Ament
Melissa Beck, Human Resource Director
Ralph Chipman, Finance Director

REQUESTED ACTION:

Recommendation to Council to accept the Liability Proposal from Cities and Villages Mutual Insurance Company (“CVMIC”) at the increased self-insured/aggregate retention of \$75,000/\$300,000 and agree to continue its membership in CVMIC for policy years 2026-2028 based on the premium guarantee by CVMIC for said policy years.

FISCAL IMPACT:

Increasing the SIR and Aggregate Retention levels will provide savings on the premium, however, there the City’s exposure is higher at the time of a claim. Although there is risk to the City, the historical data shows this is minimal.

RATIONALE:

The City of New Berlin was one of the founding municipalities of CVMIC. We have enjoyed a valuable partnership with CVMIC who not only provides our liability insurance, but also our recruitment and training site. We have had great success with them as our insurer.

ATTACHMENTS:

Self-Insured Retention Analysis
City of New Berlin CVMIC Liability Renewal Package – Policy Years 2026, 2027, 2028



Cities & Villages Mutual Insurance Company Self-Insured Retention Analysis

The analysis provided in the table below is intended to assist you in determining if additional risk (Higher SIR) should be considered based on your loss history and premium paid to CVMIC. The claim dollars/payments made within your SIR are only as good as your reporting of claim payments to CVMIC. If you do not believe that all of your claim payments have been submitted, then the analysis below should be adjusted.

Member:	New Berlin, City of
----------------	---------------------

Claims Valued as of:	June 2025
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Year	Current SIR	Premium @ SIR	Claim \$ in SIR	Next Level SIR	Premium @ Next Level SIR	Claim \$ in Next Level SIR
2015	\$ 50,000	\$ 124,016	\$ -	\$ 75,000	\$ 116,575	\$ -
2016	\$ 50,000	\$ 126,496	\$ -	\$ 75,000	\$ 118,906	\$ -
2017	\$ 50,000	\$ 132,587	\$ 10,305	\$ 75,000	\$ 124,632	\$ 10,305
2018	\$ 50,000	\$ 135,901	\$ -	\$ 75,000	\$ 127,747	\$ -
2019	\$ 50,000	\$ 140,618	\$ 23,235	\$ 75,000	\$ 132,181	\$ 23,235
2020	\$ 50,000	\$ 143,430	\$ 130,000	\$ 75,000	\$ 134,824	\$ 180,000
2021	\$ 50,000	\$ 148,449	\$ -	\$ 75,000	\$ 139,542	\$ -
2022	\$ 50,000	\$ 151,418	\$ 100,000	\$ 75,000	\$ 142,333	\$ 100,000
2023	\$ 50,000	\$ 155,706	\$ 40,000	\$ 75,000	\$ 146,364	\$ 40,000
2024	\$ 50,000	\$ 158,820	\$ -	\$ 75,000	\$ 149,291	\$ -

Total Cost @ Current SIR:	\$ 1,720,981
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Total Cost @ Next Level SIR:	\$ 1,685,934
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10 Year Savings/Loss:	\$ 35,046
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Note: Total Cost = Premium + Claim \$ in SIR

SIR Analysis - Total Cost Per Year			
Year	Total Cost @ Current SIR	Total Cost @ Next Level SIR	Additional Cost/Savings
2015	\$ 124,016	\$ 116,575	\$ 7,441
2016	\$ 126,496	\$ 118,906	\$ 7,590
2017	\$ 142,892	\$ 134,936	\$ 7,955
2018	\$ 135,901	\$ 127,747	\$ 8,154
2019	\$ 163,853	\$ 155,416	\$ 8,437
2020	\$ 273,430	\$ 314,824	\$ (41,394)
2021	\$ 148,449	\$ 139,542	\$ 8,907
2022	\$ 251,418	\$ 242,333	\$ 9,085
2023	\$ 195,706	\$ 186,364	\$ 9,342
2024	\$ 158,820	\$ 149,291	\$ 9,529
Total	\$ 1,720,981	\$ 1,685,934	\$ 35,046

ATTACHMENT ONE



City of New Berlin Public Entity Liability Renewal Package Policy Years 2026, 2027, 2028

CVMIC Public Entity Liability Policy Overview

Coverages: General Liability, Auto Liability, Public Officials Liability & Law Enforcement Liability

Self-Insured Retention (SIR): Indicates the Member's amount of Risk Retained **per Occurrence**

Coverage Limit: \$10,000,000 per Occurrence Excess Self-Insured Retention (SIR)

Annual Aggregate Retention: Four (4) Times Selected Self-Insured Retention per Policy Period

City of New Berlin Renewal Options

Current Retention Level (Option 1)			Next Retention Level (Option 2)		
Per Occurrence SIR: \$50,000			Per Occurrence SIR: \$75,000		
Annual Aggregate Retention: \$200,000			Annual Aggregate Retention: \$300,000		
Policy Year	Adopted Premium Range		Policy Year	Adopted Premium Range	
2026	\$170,526		2026	\$160,294	
2027	\$177,059	\$180,897	2027	\$166,436	\$170,043
2028	\$184,141	\$191,750	2028	\$173,093	\$180,245

NOTE: The premiums stated above are based on an expected number of renewals and are subject to review. With that qualification, the premiums are guaranteed for the three-year policy period of 2026, 2027 and 2028.

Please contact Ben Hoverson (benh@cvmic.com) or Ben Rank (benr@cvmic.com) if you would like to discuss your SIR Analysis in greater detail to determine if moving to the "Next Retention Level" may be appropriate.

ATTACHMENT ONE

ACCEPTANCE

The **City of New Berlin** agrees to continue as a member of CVMIC for the policy years 2026, 2027 and 2028 as outlined in **Option 1** _____ (\$50,000) [or] as outlined in **Option 2** _____ (\$75,000) (*please indicate*) at the corresponding guaranteed premiums set forth on the previous page.

ACCEPTED AND AGREED TO this _____ day of _____, 2025.

City of New Berlin

By _____
Signature

Its _____
Title



Please email signed PDF to: benh@cvmic.com