

PRELIMINARY OFFICIAL STATEMENT DATED JULY 15, 2026

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, based on present federal laws, regulations, rulings and decisions, and assuming compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and certain covenants of the City, interest to be paid on the Notes is excluded from gross income of the recipient for federal income tax purposes, and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes may affect the federal alternative tax imposed on certain corporations. See "Tax Exemption" herein for a more detailed discussion. The interest on the Notes is not exempt from present Wisconsin income or franchise tax.

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

New Issue

Rating Application Made: Moody's Investors Service, Inc.

CITY OF BLOOMER, WISCONSIN (Chippewa County)

\$2,880,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026B

BID OPENING: July 22, 2026, 10:00 A.M., C.T.

CONSIDERATION: July 22, 2026, 5:15 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,880,000* General Obligation Promissory Notes, Series 2026B (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of Bloomer, Wisconsin (the "City"), for public purposes, including financing public improvements related to the City's Tax Incremental District No. 5. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota.

DATE OF NOTES: August 11, 2026

MATURITY: As follows:

<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>
12/01/2031	\$135,000	12/01/2037	\$165,000	12/01/2043	\$210,000
12/01/2032	140,000	12/01/2038	170,000	12/01/2044	220,000
12/01/2033	140,000	12/01/2039	180,000	12/01/2045	230,000
12/01/2034	145,000	12/01/2040	185,000	06/01/2046	245,000
12/01/2035	155,000	12/01/2041	195,000		
12/01/2036	160,000	12/01/2042	205,000		

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: June 1, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on December 1, 2035 and thereafter are subject to call for prior optional redemption on December 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$2,844,000.

MAXIMUM BID: \$3,168,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$57,600 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Fryberger, Buchanan, Smith & Frederick, P.A.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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CITY OF BLOOMER CITY COUNCIL

		<u>Term Expires</u>
Tony Rubenzer	Mayor	April 2028
Dana Hansen	Alderman	April 2027
Brady Jenneman	Alderman	April 2028
Brandon Poppe	Alderman	April 2028
Jon Reischel	Alderman	April 2027

ADMINISTRATION

Sandi Frion, City Administrator/Clerk-Treasurer

PROFESSIONAL SERVICES

Weld Riley, S.C., City Attorney, Eau Claire, Wisconsin

Fryberger, Buchanan, Smith & Frederick, P.A., Bond Counsel, Duluth, Minnesota

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

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Bloomer, Wisconsin (the "City") and the issuance of its \$2,880,000* General Obligation Promissory Notes, Series 2026B (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Authorizing Resolution") to be adopted by the City Council on July 22, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Minneapolis, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of August 11, 2026. The Notes will mature on December 1 in the years and amounts set forth on the cover of this Preliminary Official Statement, except the final maturity is on June 1, 2046. Interest will be payable on June 1 and December 1 of each year, commencing June 1, 2027, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after December 1, 2035 shall be subject to optional redemption prior to maturity on December 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

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

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing public improvements related to the City's Tax Incremental District No. 5.

ESTIMATED SOURCES AND USES*

Sources

Par Amount of Notes	<u>\$2,880,000</u>	
Total Sources		\$2,880,000

Uses

Estimated Underwriter's Discount	\$36,000	
Costs of Issuance	61,650	
Capitalized Interest	277,107	
Deposit to Construction Fund	2,504,754	
Rounding Amount	<u>489</u>	
Total Uses		\$2,880,000

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the City will be irrevocably pledged. The City will levy a direct, annual, irrevocable tax on all taxable property in the City sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the City, with the exception of any outstanding credit enhanced issues, is currently rated "Aa3" by Moody's Investors Service, Inc. ("Moody's"). The City has requested a rating on the Notes from Moody's, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

CONTINUING DISCLOSURE

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

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

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

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

Legal matters incident to the issuance and sale of the Bonds and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX EXEMPTION" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

TAX EXEMPTION

The following discussion is not intended to be an exhaustive discussion of collateral tax consequences arising from ownership or disposition of the Notes or receipt of interest on the Notes. Prospective purchasers should consult their tax advisors with respect to collateral tax consequences, including without limitation, the determination of gain or loss on the sale of a bond, the calculation of alternative minimum tax liability; the inclusion of Social Security or other retirement payments in taxable income, the disallowance of deductions for certain expenses attributable to the Notes, and applicable state and local tax rules.

In the opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, as Bond Counsel, based on present federal laws, regulations, rulings and decisions, and on certifications to be furnished at closing, and assuming compliance by the City with certain tax covenants, interest to be paid on the Notes is excluded from gross income for purposes of federal income taxation. Interest on the Notes is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may affect the federal alternative tax imposed on certain corporations.

Certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), however, impose continuing requirements that must be met after the issuance of the Notes in order that interest on the Notes be and remain excludable from federal gross income. These requirements include, but are not limited to, provisions regarding the use of bond proceeds and the facilities financed or refinanced with such proceeds; restrictions on the investment of bond proceeds and other amounts; and provisions requiring that certain investment earnings be rebated periodically to the federal government. Noncompliance with such requirements of the Code may cause interest on the Notes to be includable in federal gross income retroactively to their date of issue.

No provision has been made for redemption of or for an increase in the interest rate on the Notes in the event that interest on the same becomes includable in federal gross income.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax exempt status of interest on the Notes or the tax consequences of ownership of the Notes. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly affect the exclusion of the interest on the Notes from gross income for federal income tax purposes.

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

Proposed Federal Legislation

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

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

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2024 and DRAFT basic financial statements of the City for the fiscal year ended December 31, 2025 have been audited by CliftonLarsonAllen LLP, Eau Claire, Wisconsin, independent auditors (the "Auditor"). The City expects delivery of the basic financial statements for the fiscal year ended December 31, 2025 in substantially the form attached hereto, but such financial statements are subject to final approval by the City. The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

RISK FACTORS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

CURRENT PROPERTY VALUATIONS

2025 Equalized Value	\$485,683,800
2025 Equalized Value Reduced by Tax Increment Valuation	\$431,024,200
2025 Assessed Value	\$349,558,800

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value¹	Percent of Total Equalized Value
Residential	\$351,290,900	72.329%
Commercial	92,173,800	18.978%
Manufacturing	42,114,400	8.671%
Agricultural	55,100	0.011%
Undeveloped	4,600	0.001%
Ag Forest	30,600	0.006%
Forest	<u>14,400</u>	<u>0.003%</u>
Total	<u><u>\$485,683,800</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2021	\$329,446,100	\$328,651,200	9.11%
2022	335,499,500	355,053,700	8.03%
2023	343,924,100	412,849,500	16.28%
2024	345,885,900	442,707,300	7.23%
2025	349,558,800	485,683,800	9.71%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value ¹	Percent of City's Total Equalized Value
Bloomer Propco LLC	Real Estate	\$10,890,400	2.24%
Ruff Properties LLC	Real Estate	9,785,600	2.01%
Bloomer Real Estate LLC	Real Estate	9,572,700	1.97%
Processed Metals Innovators LLC	Metal Fabrication/Stamping	6,402,200	1.32%
Southworth Properties LLC	Real Estate	5,301,500	1.09%
AJM Real Estate LLC	Real Estate	4,981,500	1.03%
Marik Properties LLC	Real Estate	4,684,400	0.96%
Mayo Clinic Health System - Northwest Wisconsin Region	Medical Facility/Hospital	4,268,800	0.88%
GVS Real Estate US Inc.	Real Estate	3,893,700	0.80%
Bloomer Nursing Realty LLC	Assisted Living/Rehab	<u>3,783,600</u>	<u>0.78%</u>
Total		\$63,564,400	13.09%

City's Total 2025 Equalized Value² \$485,683,800

Source: The City.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)* \$14,365,228

*Preliminary, subject to change.

Revenue Debt (see schedules following)

Total revenue debt secured by electric revenues \$920,000

Total revenue debt secured by sewerage revenues \$11,486,143

Total revenue debt secured by water revenues \$12,633,200

¹ Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the City.

² Includes tax increment valuation.

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

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	\$485,683,800
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$24,284,190
Less: General Obligation Debt (includes the Notes)*	<u>(14,365,228)</u>
Unused Debt Limit*	<u><u>\$9,918,962</u></u>

*Preliminary, subject to change.

City of Bloomer, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 08/11/2026)

	Refunding Bonds Series 2015A		Promissory Notes Series 2018A		Promissory Note Series 2021A		Promissory Note Series 2025A		Promissory Notes Series 2026A	
Dated	05/07/2015		10/04/2018		02/03/2021		07/16/2025		03/17/2026	
Amount	\$2,085,000		\$1,035,000		\$144,084		\$6,800,000		\$3,730,000	
Maturity	12/01		10/01		02/01		06/01		09/01 Final Maturity 03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	225,000	2,813	60,000	9,825	0	0	0	0	0	0
2027			295,000	17,850	14,517	1,347	6,800,000	282,200	215,000	231,943
2028			300,000	9,000	14,776	1,087			115,000	148,600
2029					15,041	822			130,000	142,850
2030					15,310	553			135,000	136,350
2031					15,584	279			140,000	129,600
2032									145,000	122,600
2033									150,000	115,350
2034									160,000	107,850
2035									170,000	99,850
2036									175,000	91,350
2037									185,000	82,600
2038									190,000	75,200
2039									200,000	67,600
2040									210,000	59,600
2041									215,000	51,200
2042									220,000	43,675
2043									230,000	35,975
2044									240,000	27,638
2045									245,000	18,938
2046									260,000	4,875
	225,000	2,813	655,000	36,675	75,228	4,088	6,800,000	282,200	3,730,000	1,793,643

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City of Bloomer, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/11/2026)

Promissory Notes Series 2026B								
Dated	08/11/2026							
Amount	\$2,880,000*							
Maturity	12/01							
	Final Maturity 06/01							
Calendar Year Ending	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	0	285,000	12,638	297,638	14,080,228	1.98%	2026
2027	0	156,916	7,324,517	690,255	8,014,772	6,755,711	52.97%	2027
2028	0	120,191	429,776	278,878	708,654	6,325,935	55.96%	2028
2029	0	120,191	145,041	263,863	408,904	6,180,894	56.97%	2029
2030	0	120,191	150,310	257,094	407,404	6,030,584	58.02%	2030
2031	135,000	120,191	290,584	250,070	540,654	5,740,000	60.04%	2031
2032	140,000	115,601	285,000	238,201	523,201	5,455,000	62.03%	2032
2033	140,000	110,701	290,000	226,051	516,051	5,165,000	64.05%	2033
2034	145,000	105,731	305,000	213,581	518,581	4,860,000	66.17%	2034
2035	155,000	100,439	325,000	200,289	525,289	4,535,000	68.43%	2035
2036	160,000	94,471	335,000	185,821	520,821	4,200,000	70.76%	2036
2037	165,000	88,151	350,000	170,751	520,751	3,850,000	73.20%	2037
2038	170,000	81,469	360,000	156,669	516,669	3,490,000	75.71%	2038
2039	180,000	74,329	380,000	141,929	521,929	3,110,000	78.35%	2039
2040	185,000	66,589	395,000	126,189	521,189	2,715,000	81.10%	2040
2041	195,000	58,541	410,000	109,741	519,741	2,305,000	83.95%	2041
2042	205,000	50,000	425,000	93,675	518,675	1,880,000	86.91%	2042
2043	210,000	40,980	440,000	76,955	516,955	1,440,000	89.98%	2043
2044	220,000	31,635	460,000	59,273	519,273	980,000	93.18%	2044
2045	230,000	21,735	475,000	40,673	515,673	505,000	96.48%	2045
2046	245,000	5,635	505,000	10,510	515,510	0	100.00%	2046
	2,880,000	1,683,685	14,365,228	3,803,103	18,168,331			

* Preliminary, subject to change.

City of Bloomer, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Electric Revenues
(As of 08/11/2026)

Electric System Revenue Bonds
Series 2012A

Dated	08/29/2012
Amount	\$2,000,000
Maturity	12/01
Calendar	
Year Ending	PrincipalInterest
2026	120,00013,795
2027	125,00024,290
2028	125,00020,540
2029	130,00016,790
2030	135,00012,890
2031	140,0008,840
2032	145,0004,640
	920,000101,785

City of Bloomer, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewerage Revenues
(As of 08/11/2026)

Sewerage System Revenue Bonds (CWFL) ¹⁾ Series 2018		Sewerage System Revenue Bonds Series 2020A		Sewerage System Mortgage Revenue Bonds Series 2024A-1		Sewerage System Mortgage Revenue Bonds Series 2024A-2								
Dated	01/24/2018		04/22/2020		05/30/2024		05/30/2024							
Amount	\$904,528		\$1,418,391		\$9,950,000		\$406,000							
Maturity	05/01		05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	0	0	4,673	0	66,346	0	4,208	0	75,227	75,227	11,486,143	.00%	2026
2027	46,381	0	73,590	9,007	193,200	130,270	6,800	8,274	319,971	147,551	467,523	11,166,171	2.79%	2027
2028	46,381	0	74,270	8,324	195,500	127,951	6,900	8,151	323,051	144,426	467,477	10,843,120	5.60%	2028
2029	46,381	0	74,957	7,634	198,500	124,889	7,100	7,980	326,938	140,503	467,441	10,516,183	8.44%	2029
2030	46,381	0	75,649	6,938	201,300	122,140	7,200	7,828	330,530	136,906	467,437	10,185,652	11.32%	2030
2031	46,381	0	76,348	6,236	204,100	119,353	7,400	7,673	334,229	133,262	467,491	9,851,423	14.23%	2031
2032	46,381	0	77,054	5,527	206,600	116,852	7,500	7,535	337,535	129,915	467,450	9,513,889	17.17%	2032
2033	46,381	0	77,766	4,812	209,800	113,666	7,700	7,353	341,647	125,831	467,478	9,172,242	20.15%	2033
2034	46,381	0	78,484	4,090	212,700	110,761	7,900	7,187	345,465	122,039	467,504	8,826,777	23.15%	2034
2035	46,381	0	79,210	3,362	215,600	107,817	8,100	7,017	349,290	118,196	467,486	8,477,487	26.19%	2035
2036	46,381	0	79,941	2,627	218,300	105,125	8,200	6,863	352,822	114,614	467,436	8,124,664	29.27%	2036
2037	46,381	0	80,680	1,884	221,600	101,809	8,400	6,668	357,061	110,361	467,422	7,767,603	32.37%	2037
2038			81,426	1,136	224,700	98,740	8,600	6,487	314,726	106,363	421,088	7,452,878	35.11%	2038
2039			82,178	380	227,800	95,629	8,800	6,302	318,778	102,311	421,089	7,134,100	37.89%	2039
2040					230,700	92,735	8,900	6,131	239,600	98,866	338,466	6,894,500	39.98%	2040
2041					234,100	89,281	9,200	5,922	243,300	95,203	338,503	6,651,200	42.09%	2041
2042					237,400	86,040	9,300	5,725	246,700	91,765	338,465	6,404,500	44.24%	2042
2043					240,700	82,752	9,500	5,525	250,200	88,278	338,478	6,154,300	46.42%	2043
2044					243,800	79,644	9,700	5,336	253,500	84,980	338,480	5,900,800	48.63%	2044
2045					247,400	76,044	10,000	5,112	257,400	81,156	338,556	5,643,400	50.87%	2045
2046					250,800	72,619	10,200	4,897	261,000	77,516	338,516	5,382,400	53.14%	2046
2047					254,300	69,146	10,400	4,678	264,700	73,824	338,524	5,117,700	55.44%	2047
2048					257,600	65,811	10,600	4,468	268,200	70,279	338,479	4,849,500	57.78%	2048
2049					261,400	62,058	10,800	4,228	272,200	66,286	338,486	4,577,300	60.15%	2049
2050					265,000	58,439	11,100	3,995	276,100	62,434	338,534	4,301,200	62.55%	2050
2051					268,700	54,770	11,300	3,757	280,000	58,527	338,527	4,021,200	64.99%	2051
2052					272,200	51,196	11,500	3,525	283,700	54,721	338,421	3,737,500	67.46%	2052
2053					276,100	47,281	11,800	3,267	287,900	50,548	338,448	3,449,600	69.97%	2053
2054					280,000	43,458	12,100	3,013	292,100	46,471	338,571	3,157,500	72.51%	2054
2055					283,800	39,581	12,300	2,754	296,100	42,335	338,435	2,861,400	75.09%	2055
2056					287,700	35,755	12,600	2,497	300,300	38,252	338,552	2,561,100	77.70%	2056
2057					291,800	31,668	12,900	2,218	304,700	33,886	338,586	2,256,400	80.36%	2057
2058					295,800	27,628	13,100	1,942	308,900	29,570	338,470	1,947,500	83.04%	2058
2059					299,900	23,532	13,400	1,661	313,300	25,193	338,493	1,634,200	85.77%	2059
2060					304,000	19,439	13,700	1,377	317,700	20,816	338,516	1,316,500	88.54%	2060
2061					308,200	15,171	14,000	1,078	322,200	16,249	338,449	994,300	91.34%	2061
2062					312,500	10,903	14,300	778	326,800	11,681	338,481	667,500	94.19%	2062
2063					316,800	6,577	14,600	470	331,400	7,047	338,447	336,100	97.07%	2063
2064					321,200	2,202	14,900	158	336,100	2,360	338,460	0	100.00%	2064
	510,189	0	1,011,553	66,631	9,571,600	2,785,078	392,800	184,037	11,486,143	3,035,746	14,521,888			

1) The interest rate is zero for this issue.

City of Bloomer, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 08/11/2026)

	Water System Mortgage Revenue Bonds Series 2024B-1		Water System Mortgage Revenue Bonds Series 2024B-2		Water System Mortgage Revenue Bonds Series 2024B-3							
Dated Amount	05/30/2024 \$9,000,000		05/30/2024 \$3,500,000		05/30/2024 \$629,000							
Maturity	05/01		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	60,011	0	23,338	0	6,520	0	89,868	89,868	12,633,200	.00%	2026
2027	174,700	117,832	67,900	45,824	10,500	12,820	253,100	176,477	429,577	12,380,100	2.00%	2027
2028	176,800	115,735	68,800	45,009	10,700	12,630	256,300	173,374	429,674	12,123,800	4.03%	2028
2029	179,600	112,965	69,800	43,931	11,000	12,364	260,400	169,261	429,661	11,863,400	6.09%	2029
2030	182,100	110,479	70,800	42,965	11,200	12,129	264,100	165,572	429,672	11,599,300	8.18%	2030
2031	184,600	107,957	71,800	41,984	11,500	11,887	267,900	161,829	429,729	11,331,400	10.30%	2031
2032	186,800	105,696	72,700	41,105	11,700	11,673	271,200	158,474	429,674	11,060,200	12.45%	2032
2033	189,700	102,815	73,800	39,984	11,900	11,390	275,400	154,189	429,589	10,784,800	14.63%	2033
2034	192,400	100,188	74,800	38,962	12,200	11,134	279,400	150,284	429,684	10,505,400	16.84%	2034
2035	195,000	97,525	75,800	37,926	12,500	10,871	283,300	146,323	429,623	10,222,100	19.09%	2035
2036	197,500	95,090	76,800	36,980	12,700	10,633	287,000	142,702	429,702	9,935,100	21.36%	2036
2037	200,500	92,090	78,000	35,813	13,000	10,390	291,500	138,233	429,733	9,643,600	23.66%	2037
2038	203,200	89,314	79,000	34,734	13,300	10,051	295,500	134,099	429,599	9,348,100	26.00%	2038
2039	206,000	86,501	80,100	33,640	13,600	9,765	299,700	129,906	429,606	9,048,400	28.38%	2039
2040	208,700	83,883	81,200	32,621	13,800	9,501	303,700	126,004	429,704	8,744,700	30.78%	2040
2041	211,800	80,758	82,400	31,406	14,200	9,177	308,400	121,341	429,741	8,436,300	33.22%	2041
2042	214,700	77,826	83,500	30,265	14,500	8,872	312,700	116,963	429,663	8,123,600	35.70%	2042
2043	217,700	74,853	84,700	29,109	14,800	8,560	317,200	112,522	429,722	7,806,400	38.21%	2043
2044	220,500	72,041	85,800	28,015	15,100	8,266	321,400	108,322	429,722	7,485,000	40.75%	2044
2045	223,800	68,785	87,000	26,748	15,400	7,919	326,200	103,452	429,652	7,158,800	43.33%	2045
2046	226,900	65,687	88,200	25,544	15,800	7,587	330,900	98,818	429,718	6,827,900	45.95%	2046
2047	230,000	62,545	89,500	24,322	16,100	7,248	335,600	94,116	429,716	6,492,300	48.61%	2047
2048	233,000	59,529	90,600	23,149	16,400	6,922	340,000	89,600	429,600	6,152,300	51.30%	2048
2049	236,400	56,135	91,900	21,829	16,800	6,550	345,100	84,514	429,614	5,807,200	54.03%	2049
2050	239,700	52,861	93,200	20,556	17,200	6,189	350,100	79,607	429,707	5,457,100	56.80%	2050
2051	243,000	49,543	94,500	19,266	17,500	5,820	355,000	74,629	429,629	5,102,100	59.61%	2051
2052	246,200	46,310	95,800	18,009	17,900	5,459	359,900	69,778	429,678	4,742,200	62.46%	2052
2053	249,800	42,769	97,100	16,631	18,300	5,059	365,200	64,459	429,659	4,377,000	65.35%	2053
2054	253,200	39,311	98,500	15,287	18,700	4,666	370,400	59,263	429,663	4,006,600	68.29%	2054
2055	256,700	35,805	99,800	13,923	19,100	4,264	375,600	53,992	429,592	3,631,000	71.26%	2055
2056	260,200	32,344	101,200	12,577	19,500	3,865	380,900	48,787	429,687	3,250,100	74.27%	2056
2057	263,900	28,648	102,600	11,140	19,900	3,435	386,400	43,223	429,623	2,863,700	77.33%	2057
2058	267,600	24,993	104,100	9,719	20,300	3,008	392,000	37,720	429,720	2,471,700	80.43%	2058
2059	271,300	21,288	105,500	8,278	20,800	2,572	397,600	32,138	429,738	2,074,100	83.58%	2059
2060	275,000	17,585	106,900	6,838	21,200	2,132	403,100	26,555	429,655	1,671,000	86.77%	2060
2061	278,800	13,725	108,400	5,337	21,700	1,669	408,900	20,731	429,631	1,262,100	90.01%	2061
2062	282,700	9,864	109,900	3,836	22,100	1,204	414,700	14,904	429,604	847,400	93.29%	2062
2063	286,600	5,950	111,500	2,314	22,600	729	420,700	8,993	429,693	426,700	96.62%	2063
2064	290,600	1,992	113,000	775	23,100	245	426,700	3,012	429,712	0	100.00%	2064
	8,657,700	2,519,229	3,366,900	979,688	608,600	285,115	12,633,200	3,784,033	16,417,233			

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value ²	% In City	Total G.O. Debt ³	City's Proportionate Share
Chippewa County	\$11,102,672,700	4.3745%	\$6,630,000	\$290,029
Chippewa Valley Technical College	47,521,516,561	1.0220%	86,350,000	882,497
Bloomer School District	1,142,079,289	42.5263%	9,305,000	<u>3,957,072</u>
City's Share of Total Overlapping Debt				<u><u>\$5,129,599</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$485,683,800	Debt/ Per Capita 3,732 ⁴
Total General Obligation Debt*	\$14,365,228	2.96%	\$3,849.20
City's Share of Total Overlapping Debt	<u>5,129,599</u>	<u>1.06%</u>	<u>1,374.49</u>
Total*	\$19,494,827	4.01%	\$5,223.69

*Preliminary, subject to change.

¹ Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

⁴ Estimated 2025 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2021/22	\$1,100,000	100%	\$3.67
2022/23	1,100,000	100%	3.44
2023/24	1,100,000	100%	2.98
2024/25	1,200,000	100%	3.05
2025/26	1,225,000	In Progress	2.84

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current State law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. Uncollected personal property taxes owed by an entity that had ceased operations or filed a petition for bankruptcy, or were due on personal property that had been removed from the next assessment roll were formerly collected from each taxing entity in the year following the levy year. The personal property tax has been repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax has been replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$10.14	\$2.92	\$3.67	\$16.73
2022/23	7.80	2.57	3.44	13.81
2023/24	7.35	2.28	2.98	12.61
2024/25	7.25	2.16	3.05	12.46
2025/26	7.11	2.01	2.84	11.96

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

LEVY LIMITS

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

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

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

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

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

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

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

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of State programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2025, the City received approximately \$906,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$886,000 received in 2024. The City is expected

to receive approximately \$937,000 in shared revenue under Chapter 79, Wis. Stats. in 2026. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1920 and is governed by a Mayor and a four-member City Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to two-year terms. The appointed City Administrator/Clerk-Treasurer and Deputy Clerk/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 31 full-time, three part-time, and one seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2023, the fiscal year ended December 31, 2024 and the fiscal year ended December 31, 2025 ("Fiscal Year 2025"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$137,655, \$148,377 and \$180,440, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2025, the City reported a liability of \$296,804 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2024 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.01008573% of the aggregate WRS net pension liability as of December 31, 2024.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

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

The following bargaining unit represents employees of the City:

Bargaining Unit	Expiration Date of Current Contract
Wisconsin Professional Police Association	December 31, 2026

OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent

¹ On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature’s intervening motion to dismiss the plaintiffs’ challenge to the different classifications the Act created regarding collective bargaining rights. The court’s order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court’s order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs’ motion for judgment on the pleadings and striking down substantial portions of the Act. The court’s decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

Financial Statements (Audit) shows a total OPEB liability of \$969,518 as of December 31, 2024. The City has been funding these obligations on a pay-as-you-go basis. The City's most recent completed actuarial valuation of its OPEB liabilities was dated December 31, 2023. The City is currently in the process of obtaining an updated actuarial valuation as of December 31, 2025, which has not yet been finalized.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or State law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of June 30, 2026)

Fund	Total Cash and Investments
General	\$4,502,262
Electric Fund	860,679
Water Fund	1,088,827
Sewer Fund	<u>572,373</u>
Total Funds on Hand	<u><u>\$7,024,141</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2023 Audited	2024 Audited	DRAFT 2025 Audited
Electric Utility			
Total Operating Revenues	\$5,591,939	\$5,851,277	\$6,261,851
Less: Operating Expenses	<u>(5,361,068)</u>	<u>(5,711,527)</u>	<u>(6,198,939)</u>
Operating Income	\$230,871	\$139,750	\$62,912
Plus: Depreciation	341,351	357,084	378,769
Interest Income	<u>42,327</u>	<u>50,828</u>	<u>101,802</u>
Revenues Available for Debt Service	<u><u>\$614,549</u></u>	<u><u>\$547,662</u></u>	<u><u>\$543,483</u></u>
Water Utility			
Total Operating Revenues	\$869,821	\$1,145,791	\$1,152,811
Less: Operating Expenses	<u>(860,697)</u>	<u>(1,026,573)</u>	<u>(1,068,303)</u>
Operating Income	\$9,124	\$119,218	\$84,508
Plus: Depreciation	252,899	377,723	477,333
Interest Income	<u>141,718</u>	<u>147,698</u>	<u>71,131</u>
Revenues Available for Debt Service	<u><u>\$403,741</u></u>	<u><u>\$644,639</u></u>	<u><u>\$632,972</u></u>
Sewer Utility			
Total Operating Revenues	\$1,136,749	\$1,170,519	\$1,260,576
Less: Operating Expenses	<u>(1,393,733)</u>	<u>(1,571,692)</u>	<u>(1,999,686)</u>
Operating Income	<u>(\$256,984)</u>	<u>(\$401,173)</u>	<u>(\$739,110)</u>
Plus: Depreciation	590,111	661,005	728,280
Interest Income	<u>107,393</u>	<u>52,824</u>	<u>23,627</u>
Revenues Available for Debt Service	<u><u>\$440,520</u></u>	<u><u>\$312,656</u></u>	<u><u>\$12,797</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues, expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the City's 2024 and DRAFT 2025 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2021 Audited	2022 Audited	2023 Audited	2024 Audited	DRAFT 2025 Audited
Revenues					
Taxes	\$738,679	\$973,568	\$954,856	\$944,545	\$1,031,018
Special assessments	349	7,034	9,887	3,361	3,529
Intergovernmental	994,424	1,031,603	1,035,458	1,213,708	1,380,035
Licenses and permits	30,009	29,866	28,598	23,774	22,017
Fines and forfeits	9,969	9,387	7,514	8,523	9,018
Charges for services	717,927	687,068	796,576	862,034	844,776
Intergovernmental charges for services	110,375	85,978	88,382	99,288	101,770
Miscellaneous	216,044	205,037	549,733	410,658	349,116
Total Revenues	<u>\$2,817,776</u>	<u>\$3,029,541</u>	<u>\$3,471,004</u>	<u>\$3,565,891</u>	<u>\$3,741,279</u>
Expenditures					
Current:					
General government	\$226,405	\$243,456	\$266,428	\$224,859	\$264,123
Public safety	1,275,527	1,343,328	1,472,059	1,445,034	1,511,564
Transportation	510,235	708,422	862,147	729,295	893,934
Sanitation	504,478	513,457	1,007,194	529,071	516,892
Health and human services	83	155	371	46	82
Culture, recreation and education	88,267	120,073	86,400	79,235	89,949
Conservation and development	26,466	25,263	22,251	19,942	9,142
Capital outlay	318,332	502,498	1,302,868	348,743	445,853
Debt service	0	0	6,700	6,698	6,699
Total Expenditures	<u>\$2,949,793</u>	<u>\$3,456,652</u>	<u>\$5,026,418</u>	<u>\$3,382,923</u>	<u>\$3,738,238</u>
Excess of revenues over (under) expenditures	(\$132,017)	(\$427,111)	(\$1,555,414)	\$182,968	\$3,041
Other Financing Sources (Uses)					
Transfers in	\$190,764	\$153,013	\$189,669	\$233,881	\$265,190
Transfers Out	(78,300)	(81,800)	(80,150)	(78,500)	(81,850)
Long-term debt issued	144,084	0	35,404	0	0
Insurance recoveries	0	0	953,677	248,800	4,405
Sale of capital assets	0	174,170	20,777	0	12,554
Total Other Financing Sources (Uses)	<u>\$256,548</u>	<u>\$245,383</u>	<u>\$1,119,377</u>	<u>\$404,181</u>	<u>\$200,299</u>
Net changes in Fund Balances	\$124,531	(\$181,728)	(\$436,037)	\$587,149	\$203,340
General Fund Balance January 1	<u>\$4,598,805</u>	<u>\$4,723,336</u>	<u>\$4,541,608</u>	<u>\$4,105,571</u>	<u>\$4,692,720</u>
General Fund Balance December 31	\$4,723,336	\$4,541,608	\$4,105,571	\$4,692,720	\$4,896,060
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$985,631	\$736,172	\$491,827	\$163,527	\$0
Assigned	1,678,122	1,790,511	1,557,533	1,694,155	1,908,283
Unassigned	2,059,583	2,014,925	2,056,211	2,835,038	2,987,777
Total	<u>\$4,723,336</u>	<u>\$4,541,608</u>	<u>\$4,105,571</u>	<u>\$4,692,720</u>	<u>\$4,896,060</u>

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget¹
Revenues	
Taxes & special assessments	\$1,125,633
Intergovernmental	1,308,395
Licenses and permits	26,400
Fines and forfeits	10,700
Public charges for services	864,000
Intergovernmental charges for services	155,500
Miscellaneous	267,100
Total Revenues	<u>\$3,757,728</u>
Expenditures	
Current:	
General government	\$321,450
Public safety	1,667,229
Public works	1,490,125
Culture and recreation	129,475
Conservation and development	14,450
Debt service	15,863
Principal	0
Interest and fiscal charges	0
Capital outlay	135,000
Total Expenditures	<u>\$3,773,592</u>
Excess of revenues over (under) expenditures	(\$15,864)

¹ The 2026 budget was adopted on December 8th, 2025.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 3,683 and a current estimated population of 3,732 comprises an area of three square miles and is located approximately 80 miles east of St. Paul, Minnesota, and 175 miles northwest of Madison, Wisconsin.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
A-1 Excavating, Inc.	Water and sewer contractor	300
Catalytic Combustion Corporation	Incinerator manufacturer	259
Bloomer School District	Elementary and secondary education	250
Mayo Clinic Chippewa Valley	Hospital, medical clinic and nursing home	231
A.J. Manufacturing, Inc.	Commercial doors and windows	180
Processed Metal Innovators LLC	Metal stamping	131
GVS Filtration	Filtering materials and supplies	125
Charter Nex Films	Polyethylene manufacturer	121
Dove Healthcare-Bloomer	Healthcare	120
McDonalds	Restaurant	45

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

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

BUILDING PERMITS (as of June 30, 2026)

	2022	2023	2024	2025	2026
<u>New Single Family Homes</u>					
No. of building permits	3	2	3	3	0
Valuation	\$792,300	\$625,000	\$925,000	\$1,340,452	\$0
<u>New Two Family Buildings</u>					
No. of building permits	7	3	2	2	0
Valuation	\$2,790,000	\$600,000	\$710,000	\$900,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	6	2	2	3	2
Valuation	\$8,775,000	\$700,000	\$635,000	\$3,711,271	\$10,500,000
<u>All Building Permits</u> (including additions and remodelings)					
No. of building permits	16	7	7	8	2
Valuation	\$12,357,300	\$1,925,000	\$2,270,000	\$5,951,723	\$10,500,000

Source: The City.

U.S. CENSUS DATA**Population Trend:** The City

2010 U.S. Census Population	3,539
2020 U.S. Census Population	3,683
Percent of Change 2010 - 2020	4.07%
2025 Estimated Population	3,732

Income and Age Statistics

	The City	Chippewa County	State of Wisconsin	United States
2024 per capita income	\$31,614	\$38,156	\$43,373	\$44,673
2024 median household income	\$58,106	\$74,680	\$77,485	\$80,734
2024 median family income	\$66,875	\$97,912	\$100,141	\$99,999
2024 median gross rent	\$895	\$963	\$1,087	\$1,413
2024 median value owner occupied units	\$214,000	\$257,900	\$266,500	\$332,700
2024 median age	38.0 yrs.	42.2 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
City % of 2024 per capita income	72.89%	70.77%
City % of 2024 median family income	66.78%	66.88%

Housing Statistics

	<u>The City</u>		Percent of Change
	2020	2024	
All Housing Units	1,629	1,628	-0.06%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

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

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Chippewa County	Chippewa County	State of Wisconsin
2022	32,879	3.2%	2.8%
2023	33,263	3.3%	2.8%
2024	33,473	3.3%	3.0%
2025 ¹	33,284	3.7%	3.2%
2026, May ¹	33,550	2.7%	2.9%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City expects delivery of the basic financial statements for the fiscal year ended December 31, 2025 in substantially the form attached hereto, but such financial statements are subject to final approval by the City. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

CITY OF BLOOMER, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

City Council
City of Bloomer, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bloomer, Wisconsin (the City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, pension, and other postemployment benefit schedules as referenced in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

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

Supplementary Information

Our audit for the year ended December 31, 2025, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomer, Wisconsin's basic financial statements. The combining and individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2025, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules *and schedule of expenditures of federal awards* are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2025.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated May 22, 2024, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The individual fund statements and schedules for the year ended December 31, 2024, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 financial statements. The individual fund statements and schedules have been subjected to the audit procedures applied in the audit of the 2024 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2024.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, on our consideration of the City of Bloomer, Wisconsin'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 of Bloomer, Wisconsin'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 City of Bloomer, Wisconsin's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
REPORT DATE

BASIC FINANCIAL STATEMENTS

DRAFT

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2025**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 5,855,492	\$ 7,659,694	\$ 13,515,186
Taxes Receivable	1,357,326	-	1,357,326
Special Assessments Receivable	-	26,614	26,614
Accounts Receivable, Net	134,689	1,420,019	1,554,708
Lease Receivable	154,107	-	154,107
Long-Term Receivables	225,873	-	225,873
Prepaid Supplies and Materials	-	212,589	212,589
Restricted Assets:			
Cash and Investments	-	949,923	949,923
Capital Assets:			
Capital Assets Not Being Depreciated	494,777	2,501,212	2,995,989
Capital Assets Being Depreciated	10,542,900	62,806,479	73,349,379
Accumulated Depreciation	(5,038,934)	(21,032,602)	(26,071,536)
Total Assets	<u>13,726,230</u>	<u>54,543,928</u>	<u>68,270,158</u>
DEFERRED OUTFLOWS OF RESOURCES			
Wisconsin Retirement System Pension Related	698,841	297,882	996,723
Other Postemployment Benefits Related	87,815	47,567	135,382
Total Deferred Outflows of Resources	<u>786,656</u>	<u>345,449</u>	<u>1,132,105</u>
LIABILITIES			
Vouchers and Accounts Payable	145,189	2,960,555	3,105,744
Accrued Interest Payable	6,716	80,129	86,845
Accrued Payroll and Payroll Withholdings	73,092	34,380	107,472
Due to Other Governments	-	23,726	23,726
Long-Term Liabilities:			
Other Postemployment Benefits Liability - Due Within One Year	31,249	16,355	47,604
Other Postemployment Benefits Liability - Due in More than One Year	584,798	317,338	902,136
Wisconsin Retirement System Net Pension Liability	116,196	49,530	165,726
Amounts Due Within One Year	363,103	718,758	1,081,861
Amounts Due in More than One Year	798,964	28,790,521	29,589,485
Total Liabilities	<u>2,119,307</u>	<u>32,991,292</u>	<u>35,110,599</u>
DEFERRED INFLOWS OF RESOURCES			
Subsequent Year's Property Taxes	1,879,013	-	1,879,013
Leases	142,355	-	142,355
Wisconsin Retirement System Pension Related	364,227	155,253	519,480
Other Postemployment Benefits Related	267,698	145,003	412,701
Total Deferred Inflows of Resources	<u>2,653,293</u>	<u>300,256</u>	<u>2,953,549</u>
NET POSITION			
Net Investment in Capital Assets	5,998,743	12,939,314	18,938,057
Restricted for:			
Debt Service	-	218,393	218,393
Capital Projects and Plant Replacement	-	666,447	666,447
Housing/Business Loan Programs	274,791	-	274,791
Library	62,889	-	62,889
Unrestricted	3,403,863	7,773,675	11,177,538
Total Net Position	<u>\$ 9,740,286</u>	<u>\$ 21,597,829</u>	<u>\$ 31,338,115</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
GOVERNMENTAL ACTIVITIES						Totals
General Government	\$ (958,380)	\$ 70,872	\$ -	\$ 170,259	\$ 1,199,511	\$ -
Public Safety	1,724,676	331,827	170,486	85,139	(1,137,224)	-
Transportation Facilities	1,302,672	2,430	254,003	7,934	(1,038,305)	-
Sanitation	519,892	608,534	13,347	-	101,989	-
Health and Human Services	82	169	-	-	87	-
Culture, Recreation, and Education	622,339	12,396	132,978	59,790	(417,175)	-
Conservation and Development	233,050	400	3,702	-	(228,948)	-
Interest and Fiscal Charges	38,042	-	-	-	(38,042)	-
Total Governmental Activities	3,482,373	1,026,628	574,516	323,122	(1,558,107)	-
BUSINESS-TYPE ACTIVITIES						
Electric	6,270,982	6,261,851	-	-	-	(9,131)
Water	1,247,010	1,152,811	-	1,493,000	-	1,398,801
Sewer	2,162,728	1,260,576	-	1,470,712	-	568,560
Total Business-Type Activities	9,680,720	8,675,238	-	2,963,712	-	1,958,230
Total Primary Government	<u>\$ 13,163,093</u>	<u>\$ 9,701,866</u>	<u>\$ 574,516</u>	<u>\$ 3,286,834</u>	(1,558,107)	1,958,230
GENERAL REVENUES						
Taxes:						
Property Taxes, Levied for General Purposes					1,792,067	-
Property Taxes, Levied for Debt Purposes					15,863	-
Other Taxes					23,877	-
Grants and Contributions not Restricted for a Particular Purpose					959,366	-
Investment Earnings					187,480	196,560
Miscellaneous					(29,610)	-
TRANSFERS					265,190	(265,190)
Total General Revenues and Transfers					<u>3,214,233</u>	<u>(68,630)</u>
CHANGE IN NET POSITION					1,656,126	1,889,600
Net Position - Beginning of Year					8,084,160	19,001,723
NET POSITION - END OF YEAR					<u>\$ 9,740,286</u>	<u>\$ 21,597,829</u>
						<u>\$ 31,338,115</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

	General Fund	Debt Service Fund	TID #4 Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 5,451,030	\$ -	\$ 254,098	\$ 150,364	\$ 5,855,492
Taxes Receivable	510,454	15,863	654,013	176,996	1,357,326
Accounts Receivable, Net of Allowance for Uncollectible	134,689	-	-	-	134,689
Lease Receivable	154,107	-	-	-	154,107
Long-Term Receivables	-	-	-	225,873	225,873
Total Assets	<u>\$ 6,250,280</u>	<u>\$ 15,863</u>	<u>\$ 908,111</u>	<u>\$ 553,233</u>	<u>\$ 7,727,487</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers and Accounts Payable	\$ 111,887	\$ -	\$ -	\$ 33,302	\$ 145,189
Accrued Payroll and Payroll Withholdings	67,837	-	-	5,255	73,092
Total Liabilities	<u>179,724</u>	<u>-</u>	<u>-</u>	<u>38,557</u>	<u>218,281</u>
DEFERRED INFLOWS OF RESOURCES					
Subsequent Year's Property Taxes	1,032,141	15,863	654,013	176,996	1,879,013
Lease	142,355	-	-	-	142,355
Unavailable Revenues:					
Long-Term Receivables	-	-	-	225,873	225,873
Total Deferred Inflows of Resources	<u>1,174,496</u>	<u>15,863</u>	<u>654,013</u>	<u>402,869</u>	<u>2,247,241</u>
FUND BALANCES					
Restricted	-	-	-	111,807	111,807
Assigned	1,908,283	-	-	-	1,908,283
Unassigned	2,987,777	-	254,098	-	3,241,875
Total Fund Balances	<u>4,896,060</u>	<u>-</u>	<u>254,098</u>	<u>111,807</u>	<u>5,261,965</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,250,280</u>	<u>\$ 15,863</u>	<u>\$ 908,111</u>	<u>\$ 553,233</u>	<u>\$ 7,727,487</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025**

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS **\$ 5,261,965**

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These capital assets consist of:

Land	\$ 494,777	
Buildings	2,068,163	
Equipment and Vehicles	4,832,316	
Right-to-Use Asset - Equipment	35,404	
Infrastructure	3,607,017	
Accumulated Depreciation/Amortization	<u>(5,038,934)</u>	5,998,743

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

These deferred inflows of resources consist of:

CDBG Program Receivables	225,873	225,873
--------------------------	---------	---------

Multiemployer pension and other postemployment benefit plan assets, liabilities, and related deferred outflows and inflows are recorded only on the statement of net position. Balances at year-end are:

Wisconsin Retirement System (WRS) Pension:		
Net Pension Liability	(116,196)	
Deferred Outflows of Resources	698,841	
Deferred Inflows of Resources	(364,227)	218,418
Other Postemployment Benefits:		
Total Other Postemployment Benefits Liability	(616,047)	
OPEB Related Deferred Outflows of Resources	87,815	
OPEB Related Deferred Inflows of Resources	<u>(267,698)</u>	(795,930)

Premiums and discounts on issuance of long-term debt are reported in the funds as current period revenues and expenditures, but are capitalized in the statement of net position:

Unamortized Debt Premium		(3,896)
--------------------------	--	---------

Some items reported in the statement of net position are not due and payable in the current period and therefore are not reported in the governmental funds. These activities consist of:

General Obligation Debt Payable	(969,489)	
Lease Liability	(18,196)	
Employee Leave Liability	(170,486)	
Accrued Interest on Long-Term Debt	<u>(6,716)</u>	<u>(1,164,887)</u>

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 9,740,286**

CITY OF BLOOMER, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General Fund	Debt Service Fund	TID #4 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 1,031,018	\$ 15,863	\$ 607,930	\$ 176,996	\$ 1,831,807
Special Assessments	3,529	-	-	-	3,529
Intergovernmental	1,380,035	-	48,626	303,237	1,731,898
Licenses and Permits	22,017	-	-	-	22,017
Fines and Forfeits	9,018	-	-	-	9,018
Public Charges for Services	844,776	-	-	3,446	848,222
Intergovernmental Charges for Services	101,770	-	-	-	101,770
Miscellaneous:					
Interest	186,418	-	-	1,062	187,480
Lease Revenue	23,401	-	-	-	23,401
Rent	21,800	-	400	-	22,200
Donations	91,269	-	-	25,903	117,172
Sale of Recycling Materials	14,817	-	-	-	14,817
Insurance Dividends	2,419	-	-	-	2,419
Loan Repayments	-	-	-	6,727	6,727
Other	8,992	-	-	-	8,992
Total Revenues	3,741,279	15,863	656,956	517,371	4,931,469
EXPENDITURES					
General Government	264,123	-	-	-	264,123
Public Safety	1,511,564	-	-	-	1,511,564
Transportation	893,934	-	-	-	893,934
Sanitation	516,892	-	-	-	516,892
Health and Human Services	82	-	-	-	82
Culture, Recreation, and Education	89,949	-	-	349,499	439,448
Conservation and Development	9,142	-	2,396	170,414	181,952
Capital Outlay	445,853	-	-	-	445,853
Debt Service:					
Principal	5,456	294,010	-	-	299,466
Interest and Fiscal Charges	1,243	34,279	6,359	-	41,881
Total Expenditures	3,738,238	328,289	8,755	519,913	4,595,195
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,041	(312,426)	648,201	(2,542)	336,274
OTHER FINANCING SOURCES (USES)					
Transfers In	265,190	312,426	-	-	577,616
Transfers Out	(81,850)	-	(230,576)	-	(312,426)
Insurance Recoveries	4,405	-	-	-	4,405
Sale of Capital Assets	12,554	-	-	-	12,554
Total Other Financing Sources (Uses)	200,299	312,426	(230,576)	-	282,149
NET CHANGE IN FUND BALANCES	203,340	-	417,625	(2,542)	618,423
Fund Balances - Beginning of Year	4,692,720	-	(163,527)	114,349	4,643,542
FUND BALANCES - END OF YEAR	<u>\$ 4,896,060</u>	<u>\$ -</u>	<u>\$ 254,098</u>	<u>\$ 111,807</u>	<u>\$ 5,261,965</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 618,423**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds.

However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 1,229,271	
Depreciation/Amortization Expense Reported in the Statement of Activities	<u>(470,446)</u>	758,825

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase financial resources and trade-ins are not reflected in capital outlays.	(68,392)
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Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.	(6,632)
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OPEB expenditures in the governmental funds are measured by current year employer contributions. OPEB expenses on the statement of activities are measured by the change in total OPEB liability and related deferred outflows and inflows of resources.	40,987
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Pension expenditures in the governmental funds are measured by current year employer contributions. Pension expenses on the statement of activities are measured by the change in total WRS liability and related deferred outflows and inflows of resources.	(26,231)
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Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year these amounts consist of:	
Bond Principal Retirement	220,000
Note Principal Retirement	74,010
Lease Payable Principal Retirement	<u>5,456</u>
	299,466

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds. These activities consist of:

Amortization of Debt Premium	2,767	
Net Change in Compensated Absences	35,841	
Net Change in Accrued Interest Payable	<u>1,072</u>	<u>39,680</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,656,126</u>
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CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
ASSETS				
Current Assets:				
Cash	\$ 3,834,631	\$ 359,010	\$ 1,405,973	\$ 5,599,614
Investments	1,132,407	858,005	69,668	2,060,080
Customer Accounts Receivable	587,030	96,587	122,990	806,607
Other Accounts Receivable	2,909	511,144	99,359	613,412
Prepaid Supplies and Materials	210,600	1,989	-	212,589
Total Current Assets	5,767,577	1,826,735	1,697,990	9,292,302
Restricted Assets:				
Cash and Investments:				
Replacement Fund	5,000	-	661,447	666,447
Debt Service Fund	-	21,630	-	21,630
Revenue Bond Redemption Fund	12,299	-	99,907	112,206
Revenue Bond Reserve Fund	149,640	-	-	149,640
Total Restricted Assets	166,939	21,630	761,354	949,923
Capital Assets:				
Utility Plant in Service	9,307,147	22,466,847	31,105,112	62,879,106
Less: Accumulated Depreciation	(7,378,406)	(3,950,237)	(9,703,959)	(21,032,602)
Net Utility Plant in Service	1,928,741	18,516,610	21,401,153	41,846,504
Construction Work in Progress	1,985,946	-	384,918	2,370,864
Property Held for Future Use	-	8,701	49,020	57,721
Total Capital Assets	3,914,687	18,525,311	21,835,091	44,275,089
Special Assessments Receivable	-	15,814	10,800	26,614
Total Assets	9,849,203	20,389,490	24,305,235	54,543,928
DEFERRED OUTFLOWS OF RESOURCES				
Wisconsin Retirement System Net Pension Asset	198,523	41,422	57,937	297,882
Other Postemployment Benefits Related	14,636	25,613	7,318	47,567
Total Deferred Outflows of Resources	213,159	67,035	65,255	345,449
LIABILITIES				
Current Liabilities:				
From Current Assets:				
Accounts Payable	779,946	980,354	1,200,255	2,960,555
Accrued Payroll and Payroll Withholding	18,097	8,231	8,052	34,380
Due to Other Governments	23,726	-	-	23,726
Accrued Interest Payable	-	15,024	21,652	36,676
Current Portion of Long-Term Debt	-	-	216,591	216,591
Current Portion of Accrued Employee Leave Liability	19,517	4,495	8,648	32,660
Other Postemployment Benefits Liability - Due Within One Year	5,032	8,807	2,516	16,355
Total Current Liabilities Payable from Current Assets	846,318	1,016,911	1,457,714	3,320,943

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
LIABILITIES (CONTINUED)				
Current Liabilities Payable:				
From Restricted Assets:				
Accrued Interest	\$ 43,453	\$ -	\$ -	\$ 43,453
Current Portion of Revenue Bonds	120,000	249,600	99,907	469,507
Total Current Liabilities Payable from Restricted Assets	163,453	249,600	99,907	512,960
Long-Term Liabilities (Net of Current Portion):				
Mortgage Revenue Bonds	4,600,000	12,633,199	11,486,143	28,719,342
Other Postemployment Benefits Liability - Due in More than One Year	97,643	170,874	48,821	317,338
Accrued Employee Leave Liability	45,622	11,727	13,830	71,179
Wisconsin Retirement System Net Pension Liability	33,010	6,887	9,633	49,530
Total Long-Term Liabilities	4,776,275	12,822,687	11,558,427	29,157,389
Total Liabilities	5,786,046	14,089,198	13,116,048	32,991,292
DEFERRED INFLOWS OF RESOURCES				
Wisconsin Retirement System Net Pension Asset	103,468	21,589	30,196	155,253
Other Postemployment Benefits Related	44,616	78,079	22,308	145,003
Total Deferred Inflows of Resources	148,084	99,668	52,504	300,256
NET POSITION				
Net Investment in Capital Assets	(805,313)	4,677,213	9,067,414	12,939,314
Restricted for Plant Replacement	5,000	-	661,447	666,447
Restricted for Debt Service	118,486	-	99,907	218,393
Unrestricted	4,810,059	1,590,446	1,373,170	7,773,675
Total Net Position	\$ 4,128,232	\$ 6,267,659	\$ 11,201,938	\$ 21,597,829

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
OPERATING REVENUES				
Charges for Services	\$ 6,190,744	\$ 1,048,057	\$ 1,246,182	\$ 8,484,983
Rent from Utility Property	-	-	12,000	12,000
Other Operating Revenues	71,107	104,754	2,394	178,255
Total Operating Revenues	6,261,851	1,152,811	1,260,576	8,675,238
OPERATING EXPENSES				
Operation and Maintenance	5,820,170	590,970	1,271,406	7,682,546
Depreciation	378,769	477,333	728,280	1,584,382
Total Operating Expenses	6,198,939	1,068,303	1,999,686	9,266,928
OPERATING INCOME (LOSS)	62,912	84,508	(739,110)	(591,690)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	101,802	71,131	23,627	196,560
Interest Expense	(72,043)	(178,707)	(163,042)	(413,792)
Total Nonoperating Revenues (Expenses)	29,759	(107,576)	(139,415)	(217,232)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	92,671	(23,068)	(878,525)	(808,922)
CAPITAL CONTRIBUTIONS	-	1,493,000	1,470,712	2,963,712
TRANSFERS OUT	(84,045)	(181,145)	-	(265,190)
CHANGE IN NET POSITION	8,626	1,288,787	592,187	1,889,600
Net Position - Beginning of Year	4,119,606	4,612,382	10,269,735	19,001,723
NET POSITION - END OF YEAR	<u>\$ 4,128,232</u>	<u>\$ 6,267,659</u>	<u>\$ 11,201,938</u>	<u>\$ 21,597,829</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025**

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Utility Customers	\$ 6,225,610	\$ 313,522	\$ 1,251,902	\$ 7,791,034
Cash Received for Public Fire Protection	-	329,024	-	329,024
Cash Paid to Suppliers for Goods and Services	(5,178,115)	(485,831)	(755,704)	(6,419,650)
Cash Paid for Employee Services	(287,536)	(231,706)	(299,358)	(818,600)
Net Cash Provided (Used) by Operating Activities	759,959	(74,991)	196,840	881,808
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Payments of Tax Equivalents	(84,045)	(181,145)	-	(265,190)
Cash Received (Paid) for Water Due to General	-	(19,549)	-	(19,549)
Net Cash Used by Noncapital Financing Activities	(84,045)	(200,694)	-	(284,739)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash Payments for Capital Assets	(407,156)	2,178,097	(2,237,408)	(466,467)
Cash Payments for Construction Work in Progress	(1,764,401)	(1,708,008)	-	(3,472,409)
Cash Received for Capital Grants	-	-	1,474,278	1,474,278
Cash Received from Long-Term Debt	3,800,000	554,056	-	4,354,056
Principal Paid on Long-Term Debt	(115,000)	(246,201)	(313,029)	(674,230)
Interest and Fiscal Agent Fees Paid on Long-Term Debt	(31,153)	(178,993)	(154,937)	(365,083)
Net Cash Used by Capital and Related Financing Activities	1,482,290	598,951	(1,231,096)	850,145
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Gain	52,232	35,744	402,005	489,981
Net Cash Provided by Investing Activities	52,232	35,744	402,005	489,981
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,210,436	359,010	(632,251)	1,937,195
Cash and Cash Equivalents - Beginning of Year	1,791,134	21,630	2,799,578	4,612,342
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 4,001,570</u>	<u>\$ 380,640</u>	<u>\$ 2,167,327</u>	<u>\$ 6,549,537</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 62,912	\$ 84,508	\$ (739,110)	\$ (591,690)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	378,769	477,333	728,280	1,584,382
Net Change in Other Postemployment Benefits Related Items:				
Other Postemployment Benefits Liability	(2,138)	(3,741)	(1,069)	(6,948)
Deferred Outflows of Resources	3,110	5,443	1,555	10,108
Deferred Inflows of Resources	15,510	73,227	(3,902)	84,835
Deferred Outflows of Resources	62,925	2,158	(813)	64,270
Deferred Inflows of Resources	(81,137)	(90,794)	(2,625)	(174,556)
(Increase) Decrease in Assets:				
Customer Accounts Receivable	(57,605)	54	(8,674)	(66,225)
Other Accounts Receivable	17,308	(510,319)	-	(493,011)
Inventories	8,820	470	-	9,290
Increase (Decrease) in Liabilities:				
Accounts Payable	347,988	(120,355)	219,011	446,644
Payroll Withholdings	2,361	2,944	(532)	4,773
Due from Other Governmental Units	4,056	-	-	4,056
Accrued Leave Liability	(2,920)	4,081	4,719	5,880
Net Cash Provided (Used) by Operating Activities	<u>\$ 759,959</u>	<u>\$ (74,991)</u>	<u>\$ 196,840</u>	<u>\$ 881,808</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS				
Cash and Investments per Statement of Net Position:				
Cash and Investments	\$ 3,834,631	\$ 359,010	\$ 1,405,973	\$ 5,599,614
Cash and Investments - Restricted	166,939	21,630	761,354	949,923
Cash and Cash Equivalents	<u>\$ 4,001,570</u>	<u>\$ 380,640</u>	<u>\$ 2,167,327</u>	<u>\$ 6,549,537</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Capital Assets Included in Accounts Payable	<u>\$ -</u>	<u>\$ 965,299</u>	<u>\$ 965,036</u>	<u>\$ 1,930,335</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025**

	Custodial Fund
ASSETS	
Cash and Investments	\$ 1,098,162
Taxes Receivable	<u>2,835,952</u>
Total Assets	<u>3,934,114</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes Levied for the Subsequent Year	<u>3,934,114</u>
NET POSITION	
Restricted	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGE IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2025**

	<u>Custodial Fund</u>
ADDITIONS	
Tax Collections for Other Governments	\$ 4,560,792
DEDUCTIONS	
Payments of Taxes to Other Governments	<u>4,560,792</u>
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Bloomer is governed by a mayor/council form of government. The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the City consist solely of the primary government.

B. Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds) as described below:

Government-Wide Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

Financial statements of the reporting entity 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 equity, revenues, and expenditures/expenses.

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

The City reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the City. It is used to account for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs of governmental funds. For report purposes, the City's individual debt service funds are combined into one fund.

Tax Incremental District (TID) No. 4 Projects Fund – The TID No. 4 Projects Fund, a capital projects fund, is used to account for financial resources to be used for the acquisition or construction of projects within the scope of the District's plan.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports the following major enterprise funds:

Electric Utility – This fund accounts for the operations of the electric utility. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Water Utility – This fund accounts for the operations of the water utility. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Sewer Utility – This fund accounts for the operations of the wastewater collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

Additionally, the City reports the following fiduciary fund:

Custodial Fund – is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units. The custodial fund is primarily used to account for the collection of taxes for other governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. 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 of resources. 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, if material, are recorded as revenues when services are provided. Fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions 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.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues reported in the governmental funds to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent that they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, miscellaneous taxes, public charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

- a) Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.
- b) Bonds or securities issued or guaranteed by the federal government.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

1. Deposits and Investments (Continued)

- c) 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, or by the University of Wisconsin Hospitals and Clinics Authority.
- d) Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- e) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- f) Bonds or securities issued under the authority of the municipality.
- g) The local government investment pool.
- h) Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions, and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds, and debentures. Investments of the City are stated at fair value and amortized cost.

2. Receivables and Payables

Property Taxes

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. Tax roll amounts that have been collected by December 31 for the other taxing jurisdictions are recorded in the City's Custodial fund as amounts due to other governmental units. Since City property taxes are not considered received until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted, therefore.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Property Taxes (Continued)

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Chippewa County Treasurer for collection in February. Chippewa County subsequently settles in full with the City in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the City as collections are received.) Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is nonspendable for the City's investment in delinquent taxes.

Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2025 tax roll are recognized as revenue in 2026). Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable

Ambulance accounts receivable are offset by an allowance for uncollectibles. All other accounts receivable are considered to be collectible in full.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as economic development and housing rehabilitation loans receivable have not been reduced by an allowance for uncollectible accounts. It is the City's policy to record deferred inflows of resources in the fund financial statements for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Lease Receivable

The City is a lessor for noncancellable lease of the golf course. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are classified as nonspendable fund balance in the general fund to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Prepaid Materials and Supplies and Prepaid Items

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.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of one year or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

Assets	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Buildings	5,000	Straight-Line	20 to 50 Years
Equipment and Vehicles	5,000	Straight-Line	3 to 10 Years
Right-to-Use Asset - Equipment	5,000	Straight-Line	3 to 10 Years
Utility Systems	5,000	Straight-Line	4 to 100 Years
Infrastructure	5,000	Straight-Line	20 to 50 Years

The City has elected to report infrastructure assets prospectively from January 1, 2004.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

5. Capital Assets (Continued)

Fund Financial Statements

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

6. Deferred Outflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. Deferred outflows of resources are reported for pension and other postemployment benefit related items.

7. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs for pension and other postemployment benefit related items.

8. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. The City's policies and estimated liabilities at year-end are further discussed in Note 4.B.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

9. Wisconsin Retirement System Pension Plan Benefits

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

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

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

10. Other Postemployment Benefits Payable

Under the provisions of various employee contracts, the City provides a retirement program for certain employees which includes certain health insurance benefits. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis. This amount was actuarially determined in accordance with GASB 75.

11. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

12. Defining Operating Revenues and Expenses

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

13. Use of Restricted Resources

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

14. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the City's financial statements:

Government-Wide Statements

Equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At year-end, there were no restrictions to net position based on enabling legislation. All other net position is displayed as unrestricted.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

14. Equity Classifications (Continued)

Fund Financial Statements

In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board.

Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City will maintain unassigned portion of fund balance of at least 25% of annual general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year-end. Based on resolution of the City Council, the Clerk-Treasurer will have the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the City's policy to use committed, assigned and finally unassigned fund balance.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

General fund expenditures exceeded budgeted amounts at the legally adopted levels as outlined below. These excess expenditures were considered prudent and necessary by the City Council.

	Final Budget	Actual Amounts	Variance with Final Budget
Public Safety	\$ 1,451,605	\$ 1,511,564	\$ (59,959)

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash and investments balances at December 31, 2025, as shown in the financial statements are as follows:

Governmental Funds	\$ 5,855,492
Proprietary Funds	8,609,617
Fiduciary Funds	1,098,162
Total	<u>\$ 15,563,271</u>

The above cash and investments balances consisted of the following:

Deposits in Financial Institutions	\$ 6,336,153
Local Government Investment Pool	1,908,284
Investments in Federal Agency Securities	7,318,534
Petty Cash	300
Total	<u>\$ 15,563,271</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions

The City's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposit accounts at any institution. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$1,000,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned. At December 31, 2025, 100% of the City's deposits were covered by federal depository insurance, the State Guarantee fund, or collateralized.

Investments

The City's investments at December 31, 2025, consisted of investments in the Local Government Investment Pool (an external investment pool) and U.S. government agencies and instrumentalities obligations.

State Local Government Pooled-Investment Fund

The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2025 was 9 days.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

U.S. Government Agencies and Instrumentalities Obligations

The City's investments in these obligations at December 31, 2025, are summarized as follows:

Description	Totals	Investment Maturities (in Years)			
		< 1	1 to 2	2 to 3	> 3
Money Markets	\$ 300,599	\$ 300,599		\$ -	\$ -
Certificate of Deposits	889,682	-	360,925	528,757	
U.S. Government Securities	4,209,464	4,209,464	-	-	-
Asset Backed Security	12,972	12,972	-	-	-
Municipal Bonds	1,905,817	526,463	470,169	633,709	275,476
Total	<u>\$ 7,318,534</u>	<u>\$ 5,049,498</u>	<u>\$ 831,094</u>	<u>\$ 1,162,466</u>	<u>\$ 275,476</u>

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

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

Type	Credit Quality Rating	Amount
Asset Backed Security	AAA	\$ 12,973
Municipal Bonds	AAA	391,232
Municipal Bonds	Aaa	356,742
Municipal Bonds	AA	102,284
Municipal Bonds	AA-	38,965
U.S. Government Securities	Aa1	4,209,464
Municipal Bonds	Aa1	229,540
Municipal Bonds	Aa2	271,564
Municipal Bonds	Aa3	262,522
Municipal Bonds	SP1+	252,968

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the LGIP and the relatively short-term maturities on the other investments mitigate this risk to the City.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. At December 31, 2025, the investment portfolio was concentrated as follows (investment holdings individually greater than 5% of the total investment portfolio):

Type	Amount	Percentage
LGIP	\$ 1,908,284	20.7 %
U.S. Government Securities	4,209,464	45.6
Municipal Bond	1,905,817	20.7

The City uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The City follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the City has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Assets of the City measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
U.S. Government Securities	\$ 4,209,464	\$ -	\$ -	\$ 4,209,464
Certificate of Deposits	889,682	-	-	889,682
Asset Backed Security	12,972	-	-	12,972
Municipal Bonds	1,905,817	-	-	1,905,817
Total	<u>\$ 7,017,935</u>	<u>\$ -</u>	<u>\$ -</u>	
Investments Measured at Amortized Cost -				
Money Market Fund				300,599
LGIP Funds				<u>1,908,284</u>
Total Investments				<u>\$ 9,226,818</u>

B. Receivables

Community Development Block Grant Loans Receivable

The City has participated in the Small Cities Community Development Block (CDBG), parts of which were used to finance economic development loans and housing rehabilitation loans as specified in the grant awards.

Housing and Rehabilitation Loans

The City had 28 deferred mortgage loans outstanding at December 31, 2025, totaling \$225,873. These notes become due and payable in the event that the maker:

- a. no longer continues to occupy the premises securing this note as a full-time residence, or
- b. transfers any legal or equitable interest in the mortgaged premises to anyone for any reason.

These loans are recorded as long-term receivables and deferred inflows of resources in the special revenue fund. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt.

Proceeds from the collection of the above loans are restricted for financing similar housing rehabilitation projects.

Lease Receivable

The City, acting as lessor, leases the Golf Course under a long-term noncancelable lease agreement. The lease expires on December 31, 2031. During the year ended, December 31, 2025, the City recognized \$23,401 and \$8,704 in lease revenue and interest revenue, respectively, pursuant to the contract.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Lease Receivable (Continued)

Total future minimum lease payments to be received under the lease agreement are follows:

	Governmental Activities		
	Principal	Interest	Total
2026	22,442	7,558	30,000
2027	23,649	6,351	30,000
2028	24,921	5,079	30,000
2029	26,261	3,739	30,000
2030	56,834	3,165	59,999
Total	<u>\$ 154,107</u>	<u>\$ 25,892</u>	<u>\$ 179,999</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated/ Amortized:				
Land	\$ 494,777	\$ -	\$ -	\$ 494,777
Construction in Progress	35,417	376,085	411,502	-
Total Capital Assets Not Being Depreciated/Amortized	530,194	376,085	411,502	494,777
Capital Assets Being Depreciated/ Amortized:				
Buildings	2,068,163	-	-	2,068,163
Equipment and Vehicles	4,258,255	1,264,688	690,627	4,832,316
Infrastructure	3,607,017	-	-	3,607,017
Right-to-Use Asset - Equipment	35,404	-	-	35,404
Total Capital Assets Being Depreciated/Amortized	9,968,839	1,264,688	690,627	10,542,900
Total Capital Assets	10,499,033	1,640,773	1,102,129	11,037,677
Accumulated Depreciation/Amortization:				
Buildings	873,061	76,835	-	949,896
Equipment and Vehicles	2,543,283	254,614	622,235	2,175,662
Infrastructure	1,766,708	131,916	-	1,898,624
Right-to-Use Asset - Equipment	7,671	7,081	-	14,752
Total Accumulated Depreciation/ Amortization	5,190,723	470,446	622,235	5,038,934
Net Capital Assets - Governmental Activities	\$ 5,308,310	\$ 1,170,327	\$ 479,894	\$ 5,998,743

Depreciation/Amortization was charged to governmental functions as follows:

General Government	\$ 9,542
Public Safety	67,978
Transportation Facilities	338,733
Sanitation	3,000
Culture, Recreation, and Education	51,193
Total	<u>\$ 470,446</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Electric Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 9,931	\$ -	\$ -	\$ 9,931
Construction in Progress	221,544	1,764,401	-	1,985,945
Total Capital Assets Not Being Depreciated	231,475	1,764,401	-	1,995,876
Capital Assets Being Depreciated:				
Distribution and General Plant	8,521,984	151,719	19,584	8,654,119
Transportation Equipment	387,661	255,437	-	643,098
Total Capital Assets Being Depreciated	8,909,645	407,156	19,584	9,297,217
Total Capital Assets	9,141,120	2,171,557	19,584	11,293,093
Less: Accumulated Depreciation	7,019,221	378,769	19,584	7,378,406
Net Capital Assets - Electric Utility	2,121,899	1,792,788	-	3,914,687
Water Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	8,166	-	-	8,166
Property Held for Future Use	8,701	-	-	8,701
Construction in Progress	110,862	2,673,307	2,784,169	-
Total Capital Assets Not Being Depreciated	127,729	2,673,307	2,784,169	16,867
Capital Assets Being Depreciated:				
Source of Supply	65,915	-	-	65,915
Pumping Plant	199,271	-	-	199,271
Water Treatment Equipment	67,222	5,295	-	72,517
Transmission and Distribution	18,884,405	2,460,267	42,022	21,302,650
Administration and General Assets	818,328	-	-	818,328
Total Capital Assets Being Depreciated	20,035,141	2,465,562	42,022	22,458,681
Total Capital Assets	20,162,870	5,138,869	2,826,191	22,475,548
Less: Accumulated Depreciation	3,514,926	477,333	42,022	3,950,237
Net Capital Assets - Water Utility	16,647,944	4,661,536	2,784,169	18,525,311

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 56,600	\$ -	\$ -	\$ 56,600
Property Held for Future Use	46,950	-	-	46,950
Construction in Progress	102,335	2,235,686	1,953,102	384,919
Total Capital Assets Not Being Depreciated	205,885	2,235,686	1,953,102	488,469
Capital Assets Being Depreciated:				
Collection System	17,569,817	2,394,267	-	19,964,084
Treatment and Disposal Equipment	8,444,250	11,886	-	8,456,136
General Plant	2,628,291	-	-	2,628,291
Property Held for Future Use	2,070	-	-	2,070
Total Capital Assets Being Depreciated	28,644,428	2,406,153	-	31,050,581
Total Capital Assets	28,850,313	4,641,839	1,953,102	31,539,050
Less: Accumulated Depreciation	8,975,679	728,280	-	9,703,959
Net Capital Assets - Sewer Utility	19,874,634	3,913,559	1,953,102	21,835,091
Net Capital Assets - Business-Type Activities	\$ 38,644,477	\$ 10,367,883	\$ 4,737,271	\$ 44,275,089

Depreciation was charged to business-type activities as follows:

Electric	\$ 378,769
Water	477,333
Sewer	728,280
Total	<u>\$ 1,584,382</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2025, was as follows:

Interfund Transfers

Fund Transferred to	Fund Transferred from	Amount
General Fund	Electric Utility	\$ 84,045
General Fund	Water Utility	181,145
Debt Service Fund	General Fund	81,850
Debt Service Fund	TID #4 Fund	230,576
Total		<u>\$ 577,616</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

The property tax equivalents paid by the electric and water utilities to the general fund are reflected as interfund transfers in the financial statements. The transfer from the TID fund to the debt service fund was made to finance the TID's share of current year debt maturities.

Interfund balances owed within the governmental activities and business-type activities are eliminated in the statement of net position.

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in the City's long-term obligations for the year ended December 31, 2025, are summarized as follows:

	Balance January 1, 2025	Issued	Retired	Balance December 31, 2025	Amounts Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	\$ 444,999	\$ -	\$ 220,000	\$ 224,999	\$ 225,000
General Obligation Notes - Direct Placement	818,500	-	74,010	744,490	74,261
Subtotal	1,263,499	-	294,010	969,489	299,261
Plus: Unamortized Premium	6,663	-	2,767	3,896	2,093
Lease Payable	23,652	-	5,456	18,196	5,750
Employee Leave Liability - Net	206,327	-	35,841	170,486	55,999
Governmental Activities - Long-Term Liabilities	<u>\$ 1,500,141</u>	<u>\$ -</u>	<u>\$ 338,074</u>	<u>\$ 1,162,067</u>	<u>\$ 363,103</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

	Balance January 1, 2025	Issued	Retired	Balance December 31, 2025	Amounts Due Within One Year
Business-Type Activities:					
General Obligation Notes	\$ -	\$ 3,800,000	\$ -	\$ 3,800,000	\$ -
Mortgage Revenue Bonds	25,725,614	554,056	674,230	25,605,440	686,098
Subtotal	25,725,614	554,056	674,230	29,405,440	686,098
Employee Leave Liability - Net	97,959	5,880	-	103,839	32,660
Business-Type Activities - Long-Term Liabilities	<u>\$ 25,823,573</u>	<u>\$ 559,936</u>	<u>\$ 674,230</u>	<u>\$ 29,509,279</u>	<u>\$ 718,758</u>

The City's estimated liability for employee leave is discussed in Note 4.B.

Security and Default

The outstanding long-term debt obligations of the City contain the following provisions:

General Obligation Bonds: The notes are general obligations to the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal and interest on the notes as they become due. The levy, under current tax law, may be levied without limitation to rate or amount.

Electric Revenue Bonds: The bonds are payable from a pledge of revenues of the electric utility system. Principal and interest paid for the current year and total operating revenues were \$145,753 and \$6,261,851, respectively.

Sewerage System Revenue Bonds: The bonds are payable from a pledge of revenues of the sewer utility system. Principal and interest paid for the current year and total operating revenues were \$467,967 and \$1,260,576, respectively.

Water System Revenue Bonds: The bonds are payable from a pledge of revenues of the water utility system. Principal and interest paid for the current year and total operating revenues were \$425,193 and \$1,152,811, respectively.

General Obligation Debt Limitation

Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5% of the equalized value of all property in the City. At December 31, 2025, the City's debt limit amounted to \$21,551,210 and long-term indebtedness subject to the limitation totaled \$4,769,489.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

General Obligation Debt Limitation (Continued)

All general obligation bonds and notes payable are backed by the full faith and credit of the City. Bonds and notes payable will be retired by future property tax levies or tax increments accumulated by the debt service fund. Annual retirement requirements of long-term debt issued to finance expenditures of the tax incremental district are anticipated to be financed from revenues of the TID.

Individual general obligation long-term debt issues outstanding at December 31, 2025, are shown below:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Refunding Bonds, Series 2015A	5/7/15	12/1/26	2.00%-2.50%	\$ 2,085,000	\$ 225,000
General Obligation Promissory Notes, Series 2018A	10/4/18	10/1/28	3.00%	1,035,000	655,000
General Obligation Promissory Notes, Series 2021A	2/3/21	2/1/31	1.79%	144,084	89,489
Business-Type Activities:					
Electric Revenue Bonds, Series 2012	8/29/12	12/1/32	2.00%-3.20%	2,000,000	920,000
Sewerage System Revenue Bonds, Series 2018	1/24/18	5/1/37	0.00%	904,528	556,570
Sewerage System Revenue Bonds, Series 2020	4/22/20	5/1/39	0.92%	1,372,662	1,084,470
Sewerage System Revenue Bonds, Series 2024A	5/30/24	5/1/64	1.41%	10,356,000	10,161,600
Water System Revenue Bonds, Series 2024B	5/30/24	5/1/64	1.41%	13,129,000	12,882,800
Electric General Obligation Promissory Note Series 2025A	7/16/25	6/1/27	4.15%	6,800,000	3,800,000
Total					<u>\$ 30,374,929</u>

Annual Requirements for Retirement

Minimum annual principal and interest payments required to retire long-term debt, together with the expected funding sources, are shown below:

Year	Governmental Activities			Funding Sources		
	Bonds and Notes		Total	General Fund	TID #4 Fund	Total
	Principal	Interest				
2026	\$ 299,261	\$ 26,877	\$ 326,138	\$ 95,513	\$ 230,625	\$ 326,138
2027	309,517	19,197	328,714	328,714	-	328,714
2028	314,776	10,087	324,863	324,863	-	324,863
2029	15,041	822	15,863	15,863	-	15,863
2030	15,310	553	15,863	15,863	-	15,863
2030-2031	15,584	279	15,863	15,863	-	15,863
Total	<u>\$ 969,489</u>	<u>\$ 57,815</u>	<u>\$ 1,027,304</u>	<u>\$ 796,679</u>	<u>\$ 230,625</u>	<u>\$ 1,027,304</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

Annual Requirements for Retirement (Continued)

Year	Business-Type Activities			Funding Sources			
	Bonded Debt		Total	Electric Utility	Water Utility	Sewer Utility	Total
	Principal	Interest					
2026	\$ 686,098	\$ 358,611	\$ 1,044,709	\$ 147,590	\$ 429,611	\$ 467,508	\$ 1,044,709
2027	698,071	595,243	1,293,314	396,215	429,577	467,522	1,293,314
2028	4,504,351	620,539	5,124,890	4,227,740	429,674	467,476	5,124,890
2029	717,338	326,553	1,043,891	146,790	429,661	467,440	1,043,891
2030	729,630	315,367	1,044,997	147,890	429,672	467,435	1,044,997
2030-2034	3,370,367	1,413,823	4,784,190	298,480	2,148,299	2,337,411	4,784,190
2035-2039	3,060,385	1,203,462	4,263,847	-	2,148,344	2,115,503	4,263,847
2040-2044	2,837,000	1,003,982	3,840,982	-	2,148,500	1,692,482	3,840,982
2045-2049	3,043,900	796,995	3,840,895	-	2,148,355	1,692,540	3,840,895
2050-2054	3,265,900	574,722	3,840,622	-	2,148,221	1,692,401	3,840,622
2055-2059	3,504,900	318,140	3,823,040	-	2,148,423	1,674,617	3,823,040
2060-2064	2,987,500	84,979	3,072,479	-	1,718,640	1,353,839	3,072,479
Total	<u>\$ 29,405,440</u>	<u>\$ 7,612,416</u>	<u>\$ 37,017,856</u>	<u>\$ 5,364,705</u>	<u>\$ 16,756,977</u>	<u>\$ 14,896,174</u>	<u>\$ 37,017,856</u>

The City's outstanding debt through the State of Wisconsin Environmental Improvement Fund loan program related to business type activities of \$556,570 contains the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

Mortgage Revenue Bonds

Electric System Revenue Bonds

On August 29, 2012, the City issued electric system revenue bonds in the amount of \$2,000,000 for the purpose of electric system improvements. The bonds bear interest at 2.0% to 3.2% with annual maturities through December 2032. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2025, are shown below.

	Year	Principal	Interest	Total
Electric System Revenue Bonds, \$2,000,000, dated 8/29/12, due 12/1/32, interest at 2.0%-3.2%	2026	\$ 120,000	\$ 27,590	\$ 147,590
	2027	125,000	24,290	149,290
	2028	125,000	20,540	145,540
	2029	130,000	16,790	146,790
	2030	135,000	12,890	147,890
	2031-2032	285,000	13,480	298,480
	Total	<u>\$ 920,000</u>	<u>\$ 115,580</u>	<u>\$ 1,035,580</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Electric System Revenue Bonds (Continued)

According to the resolution authorizing the issuance of the electric system revenue bonds, the utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. The above funds have been established on the utility records at December 31, 2025.

Sewerage System Revenue Bonds

The City authorized the issuance of up to \$927,864 in sewerage system revenue bonds for the purpose of financing treatment plant improvements. The revenue bonds were issued to the State of Wisconsin Clean Water Fund in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$904,528. The revenue bonds are zero interest and are being amortized over twenty years through May 2037. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2025, are shown below.

	Year	Principal	Interest	Total
Sewerage System Revenue Bonds, \$927,864 authorized, \$904,528 issued, dated 1/24/18, due 5/1/37, interest at 0.0%	2026	\$ 46,381	\$ -	\$ 46,381
	2027	46,381	-	46,381
	2028	46,381	-	46,381
	2029	46,381	-	46,381
	2030	46,381	-	46,381
	2031-2035	231,905	-	231,905
	2036-2037	92,760	-	92,760
	Total	<u>\$ 556,570</u>	<u>\$ -</u>	<u>\$ 556,570</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Sewerage System Revenue Bonds (Continued)

The City authorized the issuance of up to \$1,464,670 in sewerage system revenue bonds for the purpose of phosphorous removal. The revenue bonds were issued to the State of Wisconsin Clean Water Fund in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$1,372,662. The bonds bear interest at .924% with annual maturities through May 2039. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2025, are shown below.

	Year	Principal	Interest	Total
Sewage System Revenue Bonds, \$1,372,662, dated 4/22/2020, due 5/1/39, interest at 0.924%	2026	\$ 72,917	\$ 9,684	\$ 82,601
	2027	73,590	9,007	82,597
	2028	74,270	8,323	82,593
	2029	74,957	7,634	82,591
	2030	75,649	6,937	82,586
	2031-2035	388,862	24,028	412,890
	2036-2039	324,225	6,028	330,253
	Total	<u>\$ 1,084,470</u>	<u>\$ 71,641</u>	<u>\$ 1,156,111</u>

The City authorized the issuance of up to \$10,356,000 in sewerage system revenue bonds for the purpose of utility improvement projects. The revenue bonds were issued to Rural Development in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit does not back the note, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The note bears interest at 1.406% with annual maturities through May 2064. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2025 are shown below.

	Year	Principal	Interest	Total
Sewage System Revenue Bonds 2024A \$10,356,000, dated 5/30/2024, due 05/01/2064, interest at 1.406%	2026	\$ 197,200	\$ 141,326	\$ 338,526
	2027	200,000	138,544	338,544
	2028	202,400	136,102	338,502
	2029	205,600	132,868	338,468
	2030	208,500	129,968	338,468
	2031-2035	1,087,400	605,216	1,692,616
	2036-2040	1,166,000	526,490	1,692,490
	2041-2045	1,251,100	441,382	1,692,482
	2046-2050	1,342,200	350,340	1,692,540
	2051-2055	1,439,800	252,601	1,692,401
	2056-2060	1,544,900	129,717	1,674,617
	2061-2064	1,316,500	37,339	1,353,839
		<u>\$ 10,161,600</u>	<u>\$ 3,021,893</u>	<u>\$ 13,183,493</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Water System Revenue Bond

The City authorized the issuance of up to \$13,129,000 in water system revenue bonds for the purpose of utility improvement projects. The revenue bonds were issued to Rural Development in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the anticipation note, which is instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$13,129,000. The note bears interest at 1.406% with annual maturities through May 2064. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2025, are shown below.

	Year	Principal	Interest	Total
Water System Revenue Bonds 2024B \$13,129,000, dated 5/30/2024, due 05/01/2064, interest at 1.406%	2026	\$ 249,600	\$ 180,011	\$ 429,611
	2027	253,100	176,477	429,577
	2028	256,300	173,374	429,674
	2029	260,400	169,261	429,661
	2030	264,100	165,572	429,672
	2031-2035	1,377,200	771,099	2,148,299
	2036-2040	1,477,400	670,944	2,148,344
	2041-2045	1,585,900	562,600	2,148,500
	2046-2050	1,701,700	446,655	2,148,355
	2051-2055	1,826,100	322,121	2,148,221
	2056-2060	1,960,000	188,423	2,148,423
	2061-2064	1,671,000	47,640	1,718,640
		<u>\$ 12,882,800</u>	<u>\$ 3,874,177</u>	<u>\$ 16,756,977</u>

According to the resolution authorizing the issuance of revenue bonds, the utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Water System Revenue Bond (Continued)

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. The above funds, with the exception of the surplus fund, have been established on the utility records at December 31, 2025.

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2025, consisted of the following:

	Total	Nonspendable	Restricted	Assigned	Unassigned
Major Funds:					
General Fund:					
Sick Pay	\$ 181,080	\$ -	\$ -	\$ 181,080	\$ -
City Hall Outlay	38,545	-	-	38,545	-
City Buildings Outlay	411,149	-	-	411,149	-
Police Car Outlay	28,174	-	-	28,174	-
Bike Safety Program	1,592	-	-	1,592	-
Fire Station Outlay	57,188	-	-	57,188	-
Fire Truck Outlay	268,086	-	-	268,086	-
Fire Turnout Gear	14,759	-	-	14,759	-
Emergency Government	14,133	-	-	14,133	-
Ambulance Depreciation Fund	185,648	-	-	185,648	-
Ambulance Equipment Fund	8,014	-	-	8,014	-
Ambulance Building	16,115	-	-	16,115	-
Machinery and Equipment Outlay	12,699	-	-	12,699	-
Streets and Alleys Outlay	175,991	-	-	175,991	-
Curb and Gutter Outlay	12,539	-	-	12,539	-
Storm Sewer Outlay	47,573	-	-	47,573	-
Sidewalk Outlay	1,961	-	-	1,961	-
Bridges Outlay	63,358	-	-	63,358	-
Sign Equipment	8,632	-	-	8,632	-
Golf Course Outlay	48,508	-	-	48,508	-
Parks Outlay	180,505	-	-	180,505	-
Lake Como Improvements	14,370	-	-	14,370	-
Forestry Outlay	9,571	-	-	9,571	-
Recycling Center Outlay	16,190	-	-	16,190	-
Street Department Vehicle	91,903	-	-	91,903	-
Unassigned	2,987,777	-	-	-	2,987,777
Subtotal General Fund	4,896,060	-	-	1,908,283	2,987,777
Capital Projects Fund:					
Tax Incremental District #4	254,098	-	-	-	254,098
Nonmajor Funds:					
Special Revenue Funds:					
Library Fund	62,889	-	62,889	-	-
Housing Rehab Revolving Loan Fund	48,918	-	48,918	-	-
Total Governmental Fund Balances at December 31, 2025	<u>\$ 5,261,965</u>	<u>\$ -</u>	<u>\$ 111,807</u>	<u>\$ 1,908,283</u>	<u>\$ 3,241,875</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental District

As of December 31, 2025, the City has created four tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

TID No. 4 was the only tax incremental district in existence during the year ended December 31, 2025. The City had terminated TID No. 1, TID No. 2, and TID No. 3 since project costs had been fully recovered. The resolution creating TID No. 4 was dated August 10, 2006. The Statutes provide for a maximum life before extensions, if any, of twenty years and a project expenditure period of fifteen years (five years prior to termination). TID No. 4 has been declared a distressed district by the state and has had the maximum life of the district extended from August 10, 2025, to August 10, 2035. The project plan, on file in the offices of the City Clerk-Treasurer, details the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components. Project costs uncollected at the dissolution date are absorbed by the municipality.

A summary of project costs and revenues of TID No. 4 from inception through December 31, 2025 are summarized as follows:

Accumulated Project Costs:	
Project Expenditures	\$ 3,580,745
Administrative Costs	103,645
Interest and Fiscal Charges	1,748,313
Debt Discount and Issuance Costs	92,607
Capitalized Interest Transferred to Debt Service Fund	284,327
Accumulated Project Costs	<u>5,809,637</u>
Accumulated Project Revenues	<u>5,838,735</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ (29,098)</u>

The preceding summary of transactions is reconcilable to the fund balance in TID No. 4 at December 31, 2025, as follows:

Outstanding Long-Term Debt Payable from TID No. 4:	
G.O. Refunding Bonds Dated 5/7/15	\$ 225,000
Less: Unrecovered Costs at Year-End	<u>(29,098)</u>
Capital Projects Fund Balance at December 31, 2025	<u>\$ 254,098</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

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.

ETF issues a standalone Annual Comprehensive Financial Report, 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 State executive participants, if hired on or before 12/31/16) are entitled to 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 periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contribution plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

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

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Contributions

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

During the reporting period January 1, 2025, through December 31, 2025, the WRS recognized \$180,440 in contributions from the employer.

Contribution rates as of December 31, 2025, are:

	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executive, and Elected Official)	6.95 %	6.95 %
Protective With Social Security	6.95	14.95
Protective Without Social Security	6.95	18.95

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

At December 31, 2025, the City reported a liability of \$296,804 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation and the measurement date. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2024, the City's proportion was 0.01008573%, which was an increase of 0.02408800% from its proportion measured as of December 31, 2023.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

For the year ended December 31, 2025, the City recognized pension expense (revenue) of \$206,779. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 514,668	\$ 483,626
Changes of Assumptions	49,174	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	251,828	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	614	35,854
City Contributions Subsequent to the Measurement Date	180,440	-
Total	<u>\$ 996,724</u>	<u>\$ 519,480</u>

The \$180,440 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2026	\$ 82,643
2027	330,448
2028	(89,358)
2029	(26,928)

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% to 5.70%
Postretirement Adjustments*	1.70%
Mortality:	2020 WRS Experience Mortality Table

*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 postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from the prior year, including seniority (merit) and separation rates. The total pension liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Long-Term Expected Return on Plan Assets

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

	<u>Asset Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Fund Asset Class:			
Public Equity	38 %	7.0 %	4.3 %
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	20	9.5	6.7
Cash	(12)	3.7	1.1
Total Core Fund	<u>100 %</u>	7.5	4.8
Variable Fund Asset Class:			
U.S. Equities	70 %	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	<u>100 %</u>	6.9	4.2

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

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

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

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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

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

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

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 1,554,719</u>	<u>\$ 165,725</u>	<u>\$ (821,115)</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Vacation and Sick Leave Liabilities

It is the City's policy to permit employees to accumulate vacation and sick leave benefits. Employees earn eight hours of sick leave per month which shall accumulate to an unlimited amount. Unused sick leave, up to and including 130 days, shall be paid to the employee upon retirement. Employees leaving the employment of the City after ten years of services will be paid all of their unused sick leave to a maximum of 130 days provided the employee notifies the City at least two weeks in advance of his/her departure. City employees are granted vacation in varying amounts based on length of service. Vacation must be used by the end of each calendar year, except in special circumstances.

Liabilities for accumulated vacation and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The estimated liabilities for unused vacation and sick leave payable from governmental funds at December 31, 2025, were \$13,754 and \$156,733, respectively. The estimated liabilities in the proprietary funds at that date were \$10,801 and \$93,039, respectively.

C. Other Postemployment Benefit Other Than Pensions (OPEB)

The City reports its OPEB in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. The City engaged an actuary to determine the City's liability for postemployment healthcare benefits other than pensions.

Single-Employer Plan Description

Plan Description

The City of Bloomer, Wisconsin's has a single-employer defined benefit plan used to provide postemployment benefits other than pensions (OPEB). The City's OPEB consists of several interdependent pieces arising from the rules of the plan. The amounts paid by the City for continued health care for all classifications that are entitled to a benefit are briefly outlined below. The City Council of the City of Bloomer, Wisconsin is designated as the administrator of the OPEB plan and it reserves the right to alter, amend or terminate the OPEB at any time for any reason, without consent.

Benefits Provided

The City offers the benefits below to employees eligible for retirement with WRS for police or at least age 60 and subject to the "Rule of 80" for all others.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Benefits Provided (Continued)

Police Department: Employees hired prior to 2005 will receive one year of paid medical premiums for every three years of service accumulated as of December 31, 2014. Employees hired between 1993 and 2004 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2004 will receive only the credit for unused accumulated sick leave described above.

Electric Department: Employees hired prior to 1991 will receive one year of paid medical premiums for every three years of service accumulated as of January 1, 2004. Employees hired between 1991 and 2003 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2003 will receive only the credit for unused accumulated sick leave described above.

Other Employees: Employees hired prior to 1991 will receive one year of paid medical premiums for every three years of service accumulated as of December 31, 2014. Employees hired between 1992 and 2004 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2004 will receive only the credit for unused accumulated sick leave described above.

Employees covered by benefit terms. As of the December 31, 2024, actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefit Payments	7
Active Plan Members	30
Total	<u>37</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Total OPEB Liability

The City does not accumulate assets in a trust for payment of OPEB liabilities. Accordingly, the City reports its total OPEB liability. The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2024. At December 31, 2025, the City reported a total OPEB liability of \$949,741. Changes in the City's total OPEB liability were as follows:

	<u>Total OPEB Liability</u>
Balance - December 31, 2024	\$ 969,518
Changes for the Year:	
Service Cost	23,536
Interest	38,293
Changes of Benefit Terms	-
Differences Between Expected and Actual	
Experience	(19,739)
Changes of Assumptions or Other Input	(13,691)
Benefit Payments	(48,176)
Net Changes	<u>(19,777)</u>
Balance - December 31, 2025	<u>\$ 949,741</u>

Actuarial Assumptions

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

Valuation Date:	December 31, 2023
Measurement Date:	December 31, 2024
Actuarial Cost Method:	Entry Age Normal (Level Percent of Salary)
Health Care Trend:	7.0% decreasing down to 6.5%, then decreasing by .1% per year down to 4.5%, and level thereafter.
Discount Rate:	4.28%
Municipal Bond Rate Source:	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions:	Based on an Experience Study Conducted in 2018 Using Wisconsin Retirement System (WRS) Experience from 2018-20
Mortality Assumptions:	Wisconsin 2020 Mortality Table Adjusted for Future Mortality Improvements Using the MP-2021 Fully Generated Improvement Scale
Inflation Rate:	2.5%

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 4.28%. The discount rate is based upon all years of projected payments discounted at a municipal bond rate of 4.28%.

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

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

		1% Decrease (3.28%)	Current Discount Rate (4.28%)	1% Increase (5.28%)
Total OPEB Liability	12/31/2024	<u>\$ 1,009,390</u>	<u>\$ 949,741</u>	<u>\$ 892,845</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB Liability	12/31/2024	<u>\$ 882,369</u>	<u>\$ 949,741</u>	<u>\$ 1,024,765</u>

For the year ended December 31, 2025, the City recognized OPEB revenue of \$16,636. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 312,950
Changes of Assumptions or Other Input	88,833	99,751
Benefit Payments Made Subsequent to the Measurement Date	46,549	-
Total	<u>\$ 135,382</u>	<u>\$ 412,701</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Benefit payments made subsequent to the measurement date will reduce the total OPEB liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>OPEB Expense Amount</u>
2026	\$ (78,465)
2027	(54,084)
2028	(53,856)
2029	(60,093)
2030	(36,593)
Thereafter	(40,777)

D. Risk Management

The City is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the last three years.

E. Subsequent Event

On March 17, 2026, the City issued a \$3,730,000 General Obligation Promissory Note for interim financing on the substation project. The note accrues interest at 5.00% and matures March 1, 2046.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

**CITY OF BLOOMER, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 907,141	\$ 907,141	\$ 1,031,018	\$ 123,877
Special Assessments	6,200	6,200	3,529	(2,671)
Intergovernmental	1,237,160	1,237,160	1,380,035	142,875
Licenses and Permits	26,200	26,200	22,017	(4,183)
Fines and Forfeits	12,200	12,200	9,018	(3,182)
Public Charges for Services	789,000	789,000	844,776	55,776
Intergovernmental Charges for Services	104,000	104,000	101,770	(2,230)
Miscellaneous:				
Interest	145,000	145,000	186,418	41,418
Lease Revenue	30,000	30,000	23,401	(6,599)
Rent	16,100	16,100	21,800	5,700
Donations	-	-	91,269	91,269
Sale of Recycling Materials	28,500	28,500	14,817	(13,683)
Insurance Dividends	5,000	5,000	2,419	(2,581)
Other	23,000	23,000	8,992	(14,008)
Total Revenues	3,329,501	3,329,501	3,741,279	411,778
EXPENDITURES				
General Government	306,385	306,385	264,123	42,262
Public Safety	1,451,605	1,451,605	1,511,564	(59,959)
Transportation Facilities	975,046	975,046	893,934	81,112
Sanitation	539,100	539,100	516,892	22,208
Health and Human Services	500	500	82	418
Culture, Recreation, and Education	102,750	102,750	89,949	12,801
Conservation and Development	19,115	19,115	9,142	9,973
Capital Outlay	130,000	1,857,203	445,853	1,411,350
Debt Service	-	-	6,699	(6,699)
Total Expenditures	3,524,501	5,251,704	3,738,238	1,513,466
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(195,000)	(1,922,203)	3,041	1,925,244
OTHER FINANCING SOURCES (USES)				
Transfer In	195,000	195,000	265,190	70,190
Transfer Out	-	-	(81,850)	(81,850)
Insurance Recovery	-	-	4,405	4,405
Total Other Financing Sources (Uses)	195,000	195,000	200,299	5,299
NET CHANGE IN FUND BALANCE	\$ -	\$ (1,727,203)	203,340	\$ 1,930,543
Fund Balance - Beginning of Year			4,692,720	
FUND BALANCE - END OF YEAR			<u>\$ 4,896,060</u>	

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CHANGES IN THE CITY'S OPEB LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT PERIODS

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability:								
Service Cost	\$ 28,662	\$ 28,662	\$ 25,904	\$ 27,761	\$ 31,202	\$ 35,821	\$ 24,758	\$ 23,536
Interest	54,944	54,722	59,676	35,731	29,230	30,017	50,586	38,293
Changes of Benefit Terms	-	-	15,929	-	-	-	16,384	-
Differences Between Expected and Actual Experience	-	-	(221,155)	-	(1,469)	(27,995)	(329,946)	(19,739)
Changes of Assumptions or Other Input	-	(44,008)	50,494	32,640	45,096	(136,487)	70,626	(13,691)
Benefit Payments	(92,127)	(87,782)	(131,374)	(117,384)	(78,719)	(64,075)	(48,380)	(48,176)
Net Change in Total OPEB Liability	(8,521)	(48,406)	(200,526)	(21,252)	25,340	(162,719)	(215,972)	(19,777)
Total OPEB Liability - Beginning of Year	1,601,574	1,593,053	1,544,647	1,344,121	1,322,869	1,348,209	1,185,490	969,518
Total OPEB Liability - End of Year	<u>\$ 1,593,053</u>	<u>\$ 1,544,647</u>	<u>\$ 1,344,121</u>	<u>\$ 1,322,869</u>	<u>\$ 1,348,209</u>	<u>\$ 1,185,490</u>	<u>\$ 969,518</u>	<u>\$ 949,741</u>
Covered Employee Payroll	\$ 1,399,352	\$ 1,399,352	\$ 1,483,451	\$ 1,483,451	\$ 1,729,512	\$ 1,729,512	\$ 2,012,487	\$ 2,012,487
City's Total OPEB Liability as a Percentage of Covered Employee Payroll	1.14 %	110.38 %	90.61 %	89.18 %	77.95 %	68.54 %	48.18 %	47.19 %

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CITY'S CONTRIBUTIONS TO
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2025	\$ 180,440	\$ (180,440)	\$ -	\$ 1,981,142	9.11
12/31/2024	260,247	(260,247)	-	1,619,878	16.07
12/31/2023	242,027	(242,027)	-	1,533,340	15.78
12/31/2022	113,943	(113,943)	-	1,321,146	8.62
12/31/2021	108,728	(108,728)	-	1,244,060	8.74
12/31/2020	54,689	(54,689)	-	471,445	11.60
12/31/2019	44,976	(44,976)	-	419,554	10.72
12/31/2018	42,737	(42,737)	-	391,008	10.93
12/31/2017	40,460	(40,460)	-	374,633	10.80
12/31/2016	35,889	(35,889)	-	378,171	9.49

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in WRS.

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 Mortality Table to the 2020 WRS Experience Mortality Table.

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

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

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE
WISCONSIN RETIREMENT SYSTEM NET PENSION LIABILITY (ASSET)
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

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
12/31/2024	0.01008573 %	\$ 165,725	\$ 1,619,878	10.23	98.79 %
12/31/2023	0.00984485	146,373	1,533,336	9.55	98.85
12/31/2022	0.00801436	424,577	1,320,698	32.15	95.72
12/31/2021	0.00006239	(502,906)	1,244,060	(40.42)	105.26
12/31/2020	0.00004399	(274,642)	471,445	(58.26)	105.26
12/31/2019	0.00004073	(131,347)	419,554	(31.31)	102.96
12/31/2018	0.00003911	139,145	391,008	35.59	96.45
12/31/2017	0.00003735	(110,899)	374,633	(29.60)	102.93
12/31/2016	0.00003510	28,927	378,171	7.65	99.12
12/31/2015	0.00003427	55,689	359,774	15.48	98.20

See accompanying Note to Required Supplementary Information.

**CITY OF BLOOMER, WISCONSIN
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

NOTE 1 BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the City's annual operating budget.

The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with accounting principles generally accepted in the United States of America. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds.

Budget amounts in the financial statements include both the original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

SUPPLEMENTARY INFORMATION

DRAFT

COMBINING AND INDIVIDUAL FUND STATEMENTS

DRAFT

**CITY OF BLOOMER, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025**

	Library Fund	Housing Rehabilitation Revolving Loan Fund	American Rescue Plan Act Special Revenue Fund	Total Nonmajor Funds
ASSETS				
Cash and Investments	\$ 101,446	\$ 48,918	\$ -	\$ 150,364
Taxes Receivable	176,996	-	-	176,996
Long-Term Receivables	-	225,873	-	225,873
Total Assets	<u>\$ 278,442</u>	<u>\$ 274,791</u>	<u>\$ -</u>	<u>\$ 553,233</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 33,302	\$ -	\$ -	\$ 33,302
Accrued Payroll and Payroll Withholdings	5,255	-	-	5,255
Unearned Revenue	-	-	-	-
Total Liabilities	<u>38,557</u>	<u>-</u>	<u>-</u>	<u>38,557</u>
DEFERRED INFLOWS OF RESOURCES				
Subsequent Year's Property Taxes	176,996	-	-	176,996
Unavailable Revenues:				
Long-Term Receivables	-	225,873	-	225,873
Total Deferred Inflows of Resources	<u>176,996</u>	<u>225,873</u>	<u>-</u>	<u>402,869</u>
FUND BALANCES				
Restricted	62,889	48,918	-	111,807
Total Fund Balance	<u>62,889</u>	<u>48,918</u>	<u>-</u>	<u>111,807</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 278,442</u>	<u>\$ 274,791</u>	<u>\$ -</u>	<u>\$ 553,233</u>

**CITY OF BLOOMER, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2025**

	Library Fund	Housing Rehabilitation Revolving Loan Fund	American Rescue Plan Act Special Revenue Fund	Total Nonmajor Funds
REVENUES				
Taxes	\$ 176,996	\$ -	\$ -	\$ 176,996
Intergovernmental	132,978	-	170,259	303,237
Public Charges for Services	3,446	-	-	3,446
Miscellaneous:				
Interest	598	464	-	1,062
Donations	25,903	-	-	25,903
Loan Repayments	-	6,727	-	6,727
Total Revenues	<u>339,921</u>	<u>7,191</u>	<u>170,259</u>	<u>517,371</u>
EXPENDITURES				
Culture, Recreation, and Education	349,499	-	-	349,499
Conservation and Development	-	155	170,259	170,414
Total Expenditures	<u>349,499</u>	<u>155</u>	<u>170,259</u>	<u>519,913</u>
NET CHANGE IN FUND BALANCE	(9,578)	7,036	-	(2,542)
Fund Balance - Beginning of Year	<u>72,467</u>	<u>41,882</u>	<u>-</u>	<u>114,349</u>
FUND BALANCE - END OF YEAR	<u>\$ 62,889</u>	<u>\$ 48,918</u>	<u>\$ -</u>	<u>\$ 111,807</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2025
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)**

	2025	2024
ASSETS		
Cash and Investments	\$ 5,451,030	\$ 4,871,293
Current Taxes Receivable	510,454	623,879
Accounts Receivable:		
Ambulance Customer/Patient	109,526	166,094
Accumulated Allowance for Doubtful Accounts	(30,642)	(29,550)
Other	55,805	24,198
Lease Receivable	154,107	175,403
Due from Other Funds:		
Water Utility	-	19,549
Advance to TID #4 Capital Projects Fund	-	163,527
	<u>\$ 6,250,280</u>	<u>\$ 6,014,393</u>
Total Assets		
	<u>\$ 6,250,280</u>	<u>\$ 6,014,393</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Vouchers and Accounts Payable	\$ 111,887	\$ 95,839
Accrued Payroll and Payroll Withholdings	67,837	52,937
Total Liabilities	179,724	148,776
DEFERRED INFLOWS OF RESOURCES		
Subsequent Year's Property Taxes	1,032,141	1,007,141
Lease	142,355	165,756
Total Deferred Inflows of Resources	1,174,496	1,172,897
FUND BALANCE		
Nonspendable	-	163,527
Assigned	1,908,283	1,694,155
Unassigned	2,987,777	2,835,038
Total Fund Balance	4,896,060	4,692,720
	<u>\$ 6,250,280</u>	<u>\$ 6,014,393</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance		
	<u>\$ 6,250,280</u>	<u>\$ 6,014,393</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2025**

	Balance January 1, 2025	Tax Levy	Other Revenues	Intrafund Transfers		Total Available	Expenditures	Balance December 31, 2025
				In	Out			
General Fund Assigned:								
Sick Pay	\$ 181,080	\$ -	\$ -	\$ -	\$ -	\$ 181,080	\$ -	\$ 181,080
City Hall Outlay	36,923	-	1,622	-	-	38,545	-	38,545
City Buildings Outlay	385,095	-	17,176	9,949	1,071	411,149	-	411,149
Police Car Outlay	8,737	-	917	35,000	16,480	28,174	-	28,174
Bike Safety Program	1,525	-	67	-	-	1,592	-	1,592
Fire Station Outlay	54,781	-	2,407	-	-	57,188	-	57,188
Fire Truck Outlay	256,802	-	11,284	-	-	268,086	-	268,086
Fire Turnout Gear	53,064	-	1,195	15,000	54,500	14,759	-	14,759
Emergency Government	13,538	-	595	-	-	14,133	-	14,133
Ambulance Depreciation Fund	171,123	-	7,715	30,000	23,190	185,648	-	185,648
Ambulance Equipment Fund	21,610	-	543	-	14,139	8,014	-	8,014
Ambulance Building	15,437	-	678	-	-	16,115	-	16,115
Machinery and Equipment Outlay	2,310	-	389	10,000	-	12,699	-	12,699
Streets and Alleys Outlay	97,276	-	14,090	65,000	375	175,991	-	175,991
Curb and Gutter Outlay	12,011	-	528	-	-	12,539	-	12,539
Storm Sewer Outlay	45,571	-	2,002	-	-	47,573	-	47,573
Sidewalk Outlay	1,878	-	83	-	-	1,961	-	1,961
Bridges Outlay	60,691	-	2,667	-	-	63,358	-	63,358
Sign Equipment	8,269	-	363	-	-	8,632	-	8,632
Golf Course Outlay	48,413	-	2,070	1,000	2,975	48,508	-	48,508
Parks Outlay	105,702	-	6,606	104,930	36,733	180,505	-	180,505
Lake Como Improvements	14,875	-	621	-	1,126	14,370	-	14,370
Forestry Outlay	13,609	-	468	-	4,506	9,571	-	9,571
Recycling Center Outlay	15,509	-	681	-	-	16,190	-	16,190
Street Department Vehicle	68,326	-	3,577	20,000	-	91,903	-	91,903
Total General Fund Assigned	1,694,155	-	78,344	290,879	155,095	1,908,283	-	1,908,283
Nonspendable:								
Advances to Other Funds:								
TID Capital Projects Fund	163,527	-	-	-	163,527	-	-	-
General Fund Unassigned	2,835,038	1,007,141	2,856,093	318,622	290,879	6,726,015	3,738,238	2,987,777
Total	\$ 4,692,720	\$ 1,007,141	\$ 2,934,437	\$ 609,501	\$ 609,501	\$ 8,634,298	\$ 3,738,238	\$ 4,896,060

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance	
	Final		with	2024
	Budget	Actual	Final Budget	Actual
REVENUES				
Taxes:				
General Property Taxes	\$ 877,141	\$ 1,007,141	\$ 130,000	\$ 918,873
Payment in Lieu of Taxes	30,000	23,877	(6,123)	25,567
Total Taxes	907,141	1,031,018	123,877	944,545
Special Assessments:				
Public Improvements	6,200	3,529	(2,671)	3,361
Intergovernmental:				
State Shared Taxes	906,136	906,136	-	885,817
Fire Insurance Taxes	17,000	20,985	3,985	18,753
State Aid for Law Enforcement	-	1,600	1,600	1,200
Highway Transportation Aids	254,204	254,003	(201)	261,318
State Aid for Recycling	13,500	13,347	(153)	13,536
State Aid for Ambulance - Act 102	25,000	147,901	122,901	10,035
State Aid for Computers	4,604	4,604	-	4,604
State Aid for Personal Property	13,014	27,757	14,743	14,743
State Aid - Forestry Aid	3,702	3,702	-	3,702
Total Intergovernmental	1,237,160	1,380,035	142,875	1,213,708
Licenses and Permits:				
Liquor and Malt Beverage	11,500	10,049	(1,451)	10,274
Operators	2,000	2,755	755	1,595
Cigarette	150	100	(50)	120
Dog License	1,700	-	(1,700)	1,658
Juke Box and Live Music Licenses	700	425	(275)	890
Other Licenses	1,750	2,050	300	1,500
Building Permits	6,000	5,143	(857)	5,597
Zoning Permits	1,000	335	(665)	590
Sundry Permits	1,400	1,160	(240)	1,550
Total Licenses and Permits	26,200	22,017	(4,183)	23,774
Fines and Forfeits:				
Court Penalties and Costs	10,000	6,164	(3,836)	7,492
Parking Violations	2,000	2,685	685	840
Dog Forfeitures	200	169	(31)	191
Total Fines and Forfeits	12,200	9,018	(3,182)	8,523

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance	
	Final		with	2024
	Budget	Actual	Final Budget	Actual
REVENUES (CONTINUED)				
Public Charges for Services:				
General Government:				
Clerk's Fees	\$ 1,250	\$ 1,259	\$ 9	\$ 587
License Publication Fees	200	184	(16)	176
Public Safety:				
Alarm Services	400	-	(400)	445
Police Department Fees	3,500	4,494	994	5,431
Ambulance	260,000	241,791	(18,209)	314,794
Fire Department Fees	7,000	5,185	(1,815)	8,107
Public Works:				
Snow and Ice Control	500	-	(500)	-
Gravel Sales	2,500	2,310	(190)	2,590
Wood Stubble	150	120	(30)	-
Garbage and Refuse Collection	481,000	546,109	65,109	498,411
Recycling Revenue - Cardboard	28,000	32,986	4,986	26,768
Weed Control	-	1,388	1,388	-
Leisure Activities:				
Park Revenues	4,500	8,950	4,450	4,725
Total Public Charges for Services	789,000	844,776	55,776	862,034
Intergovernmental Charges for Services:				
Public Safety:				
Fire Department	65,000	69,898	4,898	55,499
Ambulance	21,000	3,821	(17,179)	6,077
Sanitation:				
Recycling	18,000	28,051	10,051	37,712
Total Intergovernmental Charges for Services	104,000	101,770	(2,230)	99,288
Miscellaneous:				
Interest:				
Temporary Investments	130,000	179,882	49,882	178,824
Special Assessments	-	176	176	168
Interest on Advance to TID	15,000	6,360	(8,640)	9,685
Rent of City Property	16,100	21,800	5,700	17,300
Lease of Golf Course Club House	30,000	23,401	(6,599)	23,401
Donations:				
Fire Department Equipment	-	5,900	5,900	1,500
Ambulance	-	78,034	78,034	-
K-9	-	1,205	1,205	3,577
Parks	-	6,130	6,130	113,208
Other	-	-	-	11,100

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance with Final Budget	2024 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Miscellaneous (Continued):				
Sale of Recycling Materials	\$ 28,500	\$ 14,817	\$ (13,683)	\$ 31,370
Insurance Dividends	5,000	2,419	(2,581)	1,745
Other	23,000	8,992	(14,008)	18,780
Total Miscellaneous	<u>247,600</u>	<u>349,116</u>	<u>101,516</u>	<u>410,658</u>
 Total Revenues	3,329,501	3,741,279	411,778	3,565,891
 EXPENDITURES				
General Government:				
Legislative:				
Council	9,900	9,630	270	11,201
Executive:				
Mayor	6,325	5,845	480	5,877
General Administration:				
Legislative Support	49,600	34,837	14,763	22,025
Elections	16,850	18,521	(1,671)	16,515
Licenses and Permits	775	1,966	(1,191)	577
Property Taxes	12,610	13,508	(898)	11,539
Central Duplicating	2,500	2,223	277	1,937
Financial Administration:				
Assessment of Property	14,500	18,979	(4,479)	18,256
Treasurer	6,225	6,294	(69)	4,889
Internal Accounting	65,400	74,718	(9,318)	65,013
Special Accounting and Auditing	15,000	15,540	(540)	17,655
Legal:				
City Attorney	20,000	9,019	10,981	2,685
Prosecution	3,500	1,425	2,075	988
Buildings and Plant:				
Hall	15,600	23,973	(8,373)	17,222
Other General Government:				
Property and Liability Insurance	66,000	27,339	38,661	27,491
Sundry Unclassified	1,600	306	1,294	989
Total General Government	<u>306,385</u>	<u>264,123</u>	<u>42,262</u>	<u>224,859</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance	
	Final		with	2024
	Budget	Actual	Final Budget	Actual
EXPENDITURES (CONTINUED)				
Public Safety:				
Police Department:				
Administration	\$ 436,405	\$ 417,353	\$ 19,052	\$ 466,137
Patrol and Investigation	552,050	500,561	51,489	484,239
Police Station	44,525	44,126	399	41,725
K-9	-	252	(252)	651
Fire:				
Administration	17,400	15,851	1,549	14,417
Suppression	41,925	68,163	(26,238)	58,950
Other	41,900	90,801	(48,901)	38,917
Building Inspector	6,125	6,091	34	6,091
Flood Control	2,800	-	2,800	141
Dam Maintenance	14,850	13,908	942	15,743
Tornado Warning System	500	-	500	-
Ambulance	278,900	345,430	(66,530)	307,761
First Responders	13,975	8,894	5,081	10,149
Fire Alarm System	250	134	116	113
Total Public Safety	1,451,605	1,511,564	(59,959)	1,445,034
Transportation Facilities:				
Machinery and Equipment	43,100	39,269	3,831	39,773
Garages and Sheds	49,000	33,241	15,759	34,785
Pits and Quarries	1,850	1,569	281	1,192
Street Maintenance	527,671	435,963	91,708	415,335
Bridges and Culverts	2,050	4,527	(2,477)	412
Curb and Gutter Maintenance	10,850	10,925	(75)	9,538
Street Cleaning	22,300	23,526	(1,226)	24,469
Snow and Ice Control	85,700	103,297	(17,597)	47,542
Traffic Control	13,100	23,054	(9,954)	15,481
Limited Purpose Roads	38,750	36,344	2,406	21,019
Street Lighting	50,000	38,716	11,284	42,422
Tree and Brush Control	68,800	61,475	7,325	64,075
Sidewalks and Crosswalks	1,900	2,622	(722)	1,668
Storm Sewers	34,700	54,028	(19,328)	11,556
Parking Lots	25,275	25,378	(103)	28
Total Public Works	975,046	893,934	81,112	729,295

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance with Final Budget	2024 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Sanitation:				
Garbage and Refuse Collection	\$ 203,500	\$ 196,428	\$ 7,072	\$ 216,198
Incinerator Tipping Fees	129,800	100,850	28,950	125,828
Recycling Expense	98,500	85,028	13,472	84,248
Cardboard	26,300	26,771	(471)	22,138
Landfill	58,800	89,129	(30,329)	61,277
Weed Control	22,200	18,686	3,514	19,382
Total Sanitation	539,100	516,892	22,208	529,071
Health and Human Services:				
Cemetery	-	28	(28)	-
Animal Control	500	54	446	46
Total Health and Human Services	500	82	418	46
Culture, Recreation, and Education:				
Culture:				
Museum	1,675	2,462	(787)	1,229
Community and Youth Center	7,175	10,726	(3,551)	9,186
Recreation:				
Swimming Beach	6,300	4,548	1,752	3,540
Golf Course	9,600	5,229	4,371	4,233
Other Summer Recreation	-	171	(171)	75
Celebrations	14,500	16,628	(2,128)	15,333
Boat Landing	1,300	157	1,143	93
Fairgrounds	3,700	2,328	1,372	4,019
Splashpad	20,400	11,155	9,245	-
Public Areas:				
Parks	38,100	36,545	1,555	41,527
Total Culture, Recreation, and Education	102,750	89,949	12,801	79,235

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025		Variance with Final Budget	2024 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Conservation and Development:				
Leaf Control	\$ 8,400	\$ 4,421	\$ 3,979	\$ 10,048
Zoning	3,950	1,644	2,306	712
Advertising and Promotion	500	77	423	89
Industrial Development	6,000	3,000	3,000	9,000
Economic Development	265	-	265	93
Total Conservation and Development	19,115	9,142	9,973	19,942
Capital Outlay:				
General Government:				
City Hall Outlay	38,545	1,504	37,041	-
City Buildings Outlay	411,149	11,846	399,303	-
Public Safety:				
Police Car Outlay	63,174	-	63,174	67,155
Bike Safety Program	1,592	-	1,592	-
Fire Turnout Gear	14,759	(5,000)	19,759	39,500
Fire Station Outlay	57,188	-	57,188	-
Fire Truck Outlay	268,086	-	268,086	-
Emergency Communications	14,133	-	14,133	-
Ambulance Depreciation Fund	215,648	-	215,648	-
Ambulance Equipment	8,014	148,603	(140,589)	95,061
Ambulance Building	16,115	-	16,115	-
Transportation Facilities:				
Machinery and Equipment	114,602	8,475	106,127	-
Streets and Alleys	230,991	60,367	170,624	107,611
Sidewalks and Crosswalks	1,961	-	1,961	-
Curb and Gutter	12,539	-	12,539	-
Storm Sewers	47,573	-	47,573	-
Bridge Outlay	63,358	-	63,358	-
Sign Equipment	8,632	-	8,632	-
Sanitation:				
Recycling Center Outlay	16,190	-	16,190	-
Culture, Recreation, and Education:				
Golf Course Outlay	48,508	-	48,508	(75)
Parks Outlay	180,505	212,158	(31,653)	36,733
Lake Como Improvements	14,370	396	13,974	1,126
Conservation and Development:				
Forestry Outlay	9,571	7,504	2,067	1,632
Total Capital Outlay	1,857,203	445,853	1,411,350	348,743

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2024)**

	2025			
	Final Budget	Actual	Variance with Final Budget	2024 Actual
EXPENDITURES (CONTINUED)				
Debt Service:				
Lease Principal	\$ -	\$ 5,456	\$ (5,456)	\$ 5,178
Lease Interest	-	1,243	(1,243)	1,520
Total Debt Service	-	6,699	(6,699)	6,698
Total Expenditures	5,251,704	3,738,238	1,513,466	3,382,923
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,922,203)	3,041	1,925,244	182,968
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	195,000	265,190	70,190	233,881
Transfers to Other Funds	-	(81,850)	(81,850)	(78,500)
Sale of Capital Assets	-	12,554	12,554	-
Insurance Recovery	-	4,405	4,405	248,800
Total Other Financing Sources (Uses)	195,000	200,299	5,299	404,181
NET CHANGE IN FUND BALANCE	<u>\$ (1,727,203)</u>	203,340	<u>\$ 1,930,543</u>	587,149
Fund Balance - Beginning of Year		4,692,720		4,105,571
FUND BALANCE - END OF YEAR		<u>\$ 4,896,060</u>		<u>\$ 4,692,720</u>

SINGLE AUDIT SECTION

DRAFT

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

<u>Federal Grantor/ Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity</u>	<u>Pass-Through Entity Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>					
Direct Grant - USDA:					
Water and Waste Disposal Systems for Rural Communities	10.76	N/A	N/A	-	2,913,644
Total Expenditures of Federal Awards				<u>\$ -</u>	<u>\$ 2,913,644</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF BLOOMER, WISCONSIN
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Bloomer, Wisconsin (the City) under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

City Council
City of Bloomer, Wisconsin
Bloomer, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Bloomer, Wisconsin, (City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated REPORT DATE.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001, 2025-002, and 2025-003 that we consider to be material weaknesses.

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*.

Response to Findings

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

Purpose of this Report

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

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
REPORT DATE

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

City Council
City of Bloomer, Wisconsin
Bloomer, Wisconsin

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Bloomer, Wisconsin's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
REPORT DATE

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section I – Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs:

Assistance Listing Number

10.760

Name of Federal Program or Cluster

Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings

Finding: 2025-001 Limited Segregation of Duties

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The auditors noted during the audit that the available staff precludes a proper separation of duties to assure adequate internal control.

Criteria: Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

Cause: The condition is due to limited staff available.

Effect: Lack of segregation of duties could result in a financial statement misstatement, caused by error or fraud that would not be detected or prevented by City staff.

Recommendation: The City should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Repeat Finding: This audit finding was reported in the prior year.

Views of Responsible Officials: The City will continue to work to achieve segregation of duties whenever cost effective. The Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Finding: 2025-002 Material Audit Adjustments

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The audit firm proposed, and the City posted to its general ledger accounts journal entries for correcting certain misstatements.

Criteria: The City should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

Cause: The City has not established controls to ensure that all accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

Effect: The financial statements of the City may include inaccurate information not detected or prevented by City staff.

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings (Continued)

Finding: 2025-002 Material Audit Adjustments (Continued)

Recommendation: The City should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

Repeat Finding: This audit finding was reported in the prior year.

Views of Responsible Officials: The City will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Finding: 2025-003 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The City does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

Criteria: The City is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements included related disclosures, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

Cause: The City relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have designated an individual with suitable skill, knowledge, or experience to oversee their preparation and have reviewed, approved, and accepted responsibility for the annual financial statements and the related footnote disclosures.

Effect: The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the City's internal controls.

Recommendation: The City should continue to evaluate its internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

Repeat Finding: This audit finding was reported in the prior year.

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings (Continued)

Finding: 2025-003 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP) (Continued)

Views of Responsible Officials: The City will continue to rely upon the audit firm to prepare the annual financial statements and related footnote disclosures in accordance with GAAP. Management will review, approve, and accept responsibility for these financial statements and related footnote disclosures prior to issuance. The Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Section III – Findings and Questioned Costs – Major Federal Program

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

CITY OF BLOOMER, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2024



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INDEPENDENT AUDITORS' REPORT

City Council
City of Bloomer, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bloomer, Wisconsin (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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, pension, and other postemployment benefit schedules as referenced in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

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

Supplementary Information

Our audit for the year ended December 31, 2024, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomer, Wisconsin's basic financial statements. The combining and individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* for the year ended December 31, 2024, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2024, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules *and schedule of expenditures of federal awards* are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2024.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated May 22, 2024, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The individual fund statements and schedules for the year ended December 31, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 financial statements. The individual fund statements and schedules have been subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2023.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2025, on our consideration of the City of Bloomer, Wisconsin'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 of Bloomer, Wisconsin'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 City of Bloomer, Wisconsin's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 4, 2025

BASIC FINANCIAL STATEMENTS

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 5,168,116	\$ 5,921,792	\$ 11,089,908
Taxes Receivable	1,424,668	-	1,424,668
Special Assessments Receivable	-	26,614	26,614
Accounts Receivable, Net	160,742	864,349	1,025,091
Lease Receivable	175,403	-	175,403
Long-Term Receivables	232,505	-	232,505
Prepaid Supplies and Materials	-	221,879	221,879
Internal Balances	19,549	(19,549)	-
Restricted Assets:			
Cash and Investments	-	1,044,051	1,044,051
Capital Assets:			
Capital Assets Not Being Depreciated	530,194	565,089	1,095,283
Capital Assets Being Depreciated	9,968,839	57,589,214	67,558,053
Accumulated Depreciation	(5,190,723)	(19,509,826)	(24,700,549)
Total Assets	<u>12,489,293</u>	<u>46,703,613</u>	<u>59,192,906</u>
DEFERRED OUTFLOWS OF RESOURCES			
Wisconsin Retirement System Pension Related	952,609	362,152	1,314,761
Other Postemployment Benefits Related	<u>106,479</u>	<u>57,675</u>	<u>164,154</u>
Total Deferred Outflows of Resources	<u>1,059,088</u>	<u>419,827</u>	<u>1,478,915</u>
LIABILITIES			
Vouchers and Accounts Payable	104,278	1,437,299	1,541,577
Accrued Interest Payable	7,788	31,420	39,208
Accrued Payroll and Payroll Withholdings	56,713	29,607	86,320
Due to Other Governments	-	19,670	19,670
Unearned Revenue	170,259	-	170,259
Long-Term Liabilities:			
Other Postemployment Benefits Liability - Due Within One Year	31,249	16,926	48,175
Other Postemployment Benefits Liability - Due in More than One Year	597,628	323,715	921,343
Wisconsin Retirement System Net Pension Liability	106,055	40,318	146,373
Amounts Due Within One Year	317,541	687,127	1,004,668
Amounts Due in More than One Year	<u>1,182,600</u>	<u>25,136,446</u>	<u>26,319,046</u>
Total Liabilities	<u>2,574,111</u>	<u>27,722,528</u>	<u>30,296,639</u>
DEFERRED INFLOWS OF RESOURCES			
Subsequent Year's Property Taxes	1,807,930	-	1,807,930
Leases	165,756	-	165,756
Wisconsin Retirement System Pension Related	601,905	228,825	830,730
Other Postemployment Benefits Related	<u>314,519</u>	<u>170,364</u>	<u>484,883</u>
Total Deferred Inflows of Resources	<u>2,890,110</u>	<u>399,189</u>	<u>3,289,299</u>
NET POSITION			
Net Investment in Capital Assets	4,014,496	11,954,278	15,968,774
Restricted for:			
Debt Service	-	258,907	258,907
Capital Projects and Plant Replacement	-	760,951	760,951
Housing/Business Loan Programs	274,387	-	274,387
Library	72,467	-	72,467
Unrestricted	<u>3,722,810</u>	<u>6,027,587</u>	<u>9,750,397</u>
Total Net Position	<u>\$ 8,084,160</u>	<u>\$ 19,001,723</u>	<u>\$ 27,085,883</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
GOVERNMENTAL ACTIVITIES							
General Government	\$ 204,470	\$ 65,833	\$ -	\$ 43,452	\$ (95,185)	\$ -	\$ (95,185)
Public Safety	1,588,921	398,090	29,988	5,077	(1,155,766)	-	(1,155,766)
Transportation Facilities	1,167,122	2,590	261,318	252,161	(651,053)	-	(651,053)
Sanitation	532,071	562,891	13,536	-	44,356	-	44,356
Health and Human Services	46	191	-	-	145	-	145
Culture, Recreation, and Education	352,665	7,529	112,763	147,377	(84,996)	-	(84,996)
Conservation and Development	84,960	-	3,702	-	(81,258)	-	(81,258)
Interest and Fiscal Charges	47,420	-	-	-	(47,420)	-	(47,420)
Total Governmental Activities	3,977,675	1,037,124	421,307	448,067	(2,071,177)	-	(2,071,177)
BUSINESS-TYPE ACTIVITIES							
Electric	5,745,301	5,851,277	-	-	-	105,976	105,976
Water	1,276,099	1,145,791	-	-	-	(130,308)	(130,308)
Sewer	1,842,384	1,170,519	-	2,883,781	-	2,211,916	2,211,916
Total Business-Type Activities	8,863,784	8,167,587	-	2,883,781	-	2,187,584	2,187,584
Total Primary Government	\$ 12,841,459	\$ 9,204,711	\$ 421,307	\$ 3,331,848	(2,071,177)	2,187,584	116,407
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					1,641,942	-	1,641,942
Property Taxes, Levied for Debt Purposes					15,863	-	15,863
Other Taxes					25,672	-	25,672
Grants and Contributions not Restricted for a Particular Purpose					906,126	-	906,126
Investment Earnings					189,165	251,350	440,515
Miscellaneous					51,895	-	51,895
TRANSFERS					233,881	(233,881)	-
Total General Revenues and Transfers					3,064,544	17,469	3,082,013
CHANGE IN NET POSITION							
Net Position - Beginning of Year					993,367	2,205,053	3,198,420
NET POSITION - END OF YEAR					7,090,793	16,796,670	23,887,463
					\$ 8,084,160	\$ 19,001,723	\$ 27,085,883

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

ASSETS										
Cash and Investments	\$	4,871,293	\$	-	\$	296,823	\$	5,168,116		
Taxes Receivable		623,879		15,863		607,930		1,424,668		
Accounts Receivable, Net of Allowance for Uncollectible		160,742		-		-		160,742		
Lease Receivable		175,403		-		-		175,403		
Due from Other Funds		19,549		-		-		19,549		
Advances to Other Funds		163,527		-		-		163,527		
Long-Term Receivables		-		-		-		232,505		
Total Assets	\$	6,014,393	\$	15,863	\$	607,930	\$	7,344,510		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Vouchers and Accounts Payable	\$	95,839	\$	-	\$	-	\$	8,439	\$	104,278
Accrued Payroll and Payroll Withholdings		52,937		-		-		3,776		56,713
Due To Other Funds		-		-		-		-		-
Advances from Other Funds		-		-		163,527		-		163,527
Unearned Revenue		-		-		-		170,259		170,259
Total Liabilities		148,776		-		163,527		182,474		494,777
DEFERRED INFLOWS OF RESOURCES										
Subsequent Year's Property Taxes		1,007,141		15,863		607,930		176,996		1,807,930
Lease		165,756		-		-		-		165,756
Unavailable Revenues:		-		-		-		232,505		232,505
Long-Term Receivables		1,172,897		15,863		607,930		409,501		2,206,191
Total Deferred Inflows of Resources										
FUND BALANCES										
Nonspendable		163,527		-		-		-		163,527
Restricted		-		-		-		114,349		114,349
Assigned		1,694,155		-		-		-		1,694,155
Unassigned		2,835,038		-		(163,527)		-		2,671,511
Total Fund Balances		4,692,720		-		(163,527)		114,349		4,643,542
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	6,014,393	\$	15,863	\$	607,930	\$	706,324	\$	7,344,510

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS \$ 4,643,542

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These capital assets consist of:

Land	\$ 494,777	
Construction in Progress	35,417	
Buildings	2,068,163	
Equipment and Vehicles	4,258,255	
Right-to-Use Asset - Equipment	35,404	
Infrastructure	3,607,017	
Accumulated Depreciation/Amortization	<u>(5,190,723)</u>	5,308,310

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

These deferred inflows of resources consist of:

CDBG Program Receivables	232,505	232,505
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Multiemployer pension and other postemployment benefit plan assets, liabilities, and related deferred outflows and inflows are recorded only on the statement of net position. Balances at year-end are:

Wisconsin Retirement System (WRS) Pension:		
Net Pension Liability	(106,055)	
Deferred Outflows of Resources	952,609	
Deferred Inflows of Resources	(601,905)	244,649
Other Postemployment Benefits:		
Total Other Postemployment Benefits Liability	(628,877)	
OPEB Related Deferred Outflows of Resources	106,479	
OPEB Related Deferred Inflows of Resources	<u>(314,519)</u>	(836,917)

Premiums and discounts on issuance of long-term debt are reported in the funds as current period revenues and expenditures, but are capitalized in the statement of net position:

Unamortized Debt Premium		(6,663)
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Some items reported in the statement of net position are not due and payable in the current period and therefore are not reported in the governmental funds. These activities consist of:

General Obligation Debt Payable	(1,263,499)	
Lease Liability	(23,652)	
Employee Leave Liability	(206,327)	
Accrued Interest on Long-Term Debt	<u>(7,788)</u>	<u>(1,501,266)</u>

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 8,084,160**

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General Fund	Debt Service Fund	TID #4 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 944,545	\$ 15,863	\$ 557,805	\$ 165,264	\$ 1,683,477
Special Assessments	3,361	-	-	-	3,361
Intergovernmental	1,213,708	-	15,705	145,115	1,374,528
Licenses and Permits	23,774	-	-	-	23,774
Fines and Forfeits	8,523	-	-	-	8,523
Public Charges for Services	862,034	-	-	2,804	864,838
Intergovernmental Charges for Services	99,288	-	-	-	99,288
Miscellaneous:					
Interest	188,677	-	-	488	189,165
Lease Revenue	23,401	-	-	-	23,401
Rent	17,300	-	-	-	17,300
Donations	129,385	-	-	19,426	148,811
Sale of Recycling Materials	31,370	-	-	-	31,370
Insurance Dividends	1,745	-	-	-	1,745
Loan Repayments	-	-	-	28,420	28,420
Other	18,780	-	-	-	18,780
Total Revenues	3,565,891	15,863	573,510	361,517	4,516,781
EXPENDITURES					
General Government	224,859	-	-	-	224,859
Public Safety	1,445,034	-	-	-	1,445,034
Transportation	729,295	-	-	-	729,295
Sanitation	529,071	-	-	-	529,071
Health and Human Services	46	-	-	-	46
Culture, Recreation, and Education	79,235	-	-	268,742	347,977
Conservation and Development	19,942	-	550	54,757	75,249
Capital Outlay	348,743	-	-	-	348,743
Debt Service:					
Principal	5,178	288,764	-	-	293,942
Interest and Fiscal Charges	1,520	40,575	9,684	-	51,779
Total Expenditures	3,382,923	329,339	10,234	323,499	4,045,995
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	182,968	(313,476)	563,276	38,018	470,786
OTHER FINANCING SOURCES (USES)					
Transfers In	233,881	313,476	-	-	547,357
Transfers Out	(78,500)	-	(234,976)	-	(313,476)
Insurance Recoveries	248,800	-	-	-	248,800
Total Other Financing Sources (Uses)	404,181	313,476	(234,976)	-	482,681
NET CHANGE IN FUND BALANCES	587,149	-	328,300	38,018	953,467
Fund Balances - Beginning of Year	4,105,571	-	(491,827)	76,331	3,690,075
FUND BALANCES - END OF YEAR	<u>\$ 4,692,720</u>	<u>\$ -</u>	<u>\$ (163,527)</u>	<u>\$ 114,349</u>	<u>\$ 4,643,542</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 953,467**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 204,046	
Depreciation/Amortization Expense Reported in the Statement of Activities	<u>(411,823)</u>	(207,777)

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.		(8,273)
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OPEB expenditures in the governmental funds are measured by current year employer contributions. OPEB expenses on the statement of activities are measured by the change in total OPEB liability and related deferred outflows and inflows of resources.		(24,007)
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Pension expenditures in the governmental funds are measured by current year employer contributions. Pension expenses on the statement of activities are measured by the change in total WRS liability and related deferred outflows and inflows of resources.		35,488
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Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year these amounts consist of:

Bond Principal Retirement	220,000	
Note Principal Retirement	68,764	
Lease Payable Principal Retirement	<u>5,178</u>	293,942

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds. These activities consist of:

Amortization of Debt Premium	3,375	
Net Change in Compensated Absences	(53,832)	
Net Change in Accrued Interest Payable	<u>984</u>	<u>(49,473)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 993,367</u>
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CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
ASSETS				
Current Assets:				
Cash	\$ 1,624,348	\$ -	\$ 1,943,943	\$ 3,568,291
Investments	1,082,837	822,618	448,046	2,353,501
Customer Accounts Receivable	529,425	96,641	114,316	740,382
Other Accounts Receivable	20,217	825	102,925	123,967
Prepaid Supplies and Materials	219,420	2,459	-	221,879
Total Current Assets	3,476,247	922,543	2,609,230	7,008,020
Restricted Assets:				
Cash and Investments:				
Replacement Fund	5,000	-	755,951	760,951
Debt Service Fund	-	21,630	-	21,630
Revenue Bond Redemption Fund	12,146	-	99,684	111,830
Revenue Bond Reserve Fund	149,640	-	-	149,640
Total Restricted Assets	166,786	21,630	855,635	1,044,051
Capital Assets:				
Utility Plant in Service	8,919,575	20,043,307	28,698,959	57,661,841
Less: Accumulated Depreciation	(7,019,221)	(3,514,926)	(8,975,679)	(19,509,826)
Net Utility Plant in Service	1,900,354	16,528,381	19,723,280	38,152,015
Construction Work in Progress	221,545	110,862	102,334	434,741
Property Held for Future Use	-	8,701	49,020	57,721
Total Capital Assets	2,121,899	16,647,944	19,874,634	38,644,477
Special Assessments Receivable	-	15,814	10,800	26,614
Total Assets	5,764,932	17,607,931	23,350,299	46,723,162
DEFERRED OUTFLOWS OF RESOURCES				
Wisconsin Retirement System Net Pension Asset	261,448	43,580	57,124	362,152
Other Postemployment Benefits Related	17,746	31,056	8,873	57,675
Total Deferred Outflows of Resources	279,194	74,636	65,997	419,827
LIABILITIES				
Current Liabilities:				
From Current Assets:				
Accounts Payable	431,958	135,410	869,931	1,437,299
Accrued Payroll and Payroll Withholding	15,736	5,287	8,584	29,607
Due to Other Governments	19,670	-	-	19,670
Due to Other Funds	-	19,549	-	19,549
Accrued Interest Payable	-	15,310	13,547	28,857
Current Portion of Long-Term Debt	-	-	213,346	213,346
Current Portion of Accrued Employee Leave Liability	8,793	1,414	2,690	12,897
Other Postemployment Benefits Liability - Due Within One Year	5,208	9,114	2,604	16,926
Total Current Liabilities Payable from Current Assets	481,365	186,084	1,110,702	1,778,151

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
LIABILITIES (CONTINUED)				
Current Liabilities Payable:				
From Restricted Assets:				
Accrued Interest	\$ 2,563	\$ -	\$ -	\$ 2,563
Current Portion of Revenue Bonds	115,000	246,200	99,684	460,884
Total Current Liabilities Payable from Restricted Assets	117,563	246,200	99,684	463,447
Long-Term Liabilities (Net of Current Portion):				
Mortgage Revenue Bonds	920,000	12,328,744	11,802,640	25,051,384
Other Postemployment Benefits Liability - Due in More than One Year	99,605	174,308	49,802	323,715
Accrued Employee Leave Liability	59,266	10,727	15,069	85,062
Wisconsin Retirement System Net Pension Liability	29,106	4,852	6,360	40,318
Total Long-Term Liabilities	1,107,977	12,518,631	11,873,871	25,500,479
Total Liabilities	1,706,905	12,950,915	13,084,257	27,742,077
DEFERRED INFLOWS OF RESOURCES				
Wisconsin Retirement System Net Pension Asset	165,195	27,536	36,094	228,825
Other Postemployment Benefits Related	52,420	91,734	26,210	170,364
Total Deferred Inflows of Resources	217,615	119,270	62,304	399,189
NET POSITION				
Net Investment in Capital Assets	1,086,899	3,962,138	6,905,241	11,954,278
Restricted for Plant Replacement	5,000	-	755,951	760,951
Restricted for Debt Service	159,223	-	99,684	258,907
Unrestricted	2,868,484	650,244	2,508,859	6,027,587
Total Net Position	\$ 4,119,606	\$ 4,612,382	\$ 10,269,735	\$ 19,001,723

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
OPERATING REVENUES				
Charges for Services	\$ 5,807,352	\$ 1,037,849	\$ 1,156,467	\$ 8,001,668
Rent from Utility Property	-	-	12,000	12,000
Other Operating Revenues	43,925	107,942	2,052	153,919
Total Operating Revenues	5,851,277	1,145,791	1,170,519	8,167,587
OPERATING EXPENSES				
Operation and Maintenance	5,354,443	648,850	910,687	6,913,980
Depreciation	357,084	377,723	661,005	1,395,812
Total Operating Expenses	5,711,527	1,026,573	1,571,692	8,309,792
OPERATING INCOME (LOSS)	139,750	119,218	(401,173)	(142,205)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	50,828	147,698	52,824	251,350
Interest Expense	(33,774)	(249,526)	(270,692)	(553,992)
Total Nonoperating Revenues (Expenses)	17,054	(101,828)	(217,868)	(302,642)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	156,804	17,390	(619,041)	(444,847)
CAPITAL CONTRIBUTIONS	-	-	2,883,781	2,883,781
TRANSFERS OUT	(82,476)	(151,405)	-	(233,881)
CHANGE IN NET POSITION	74,328	(134,015)	2,264,740	2,205,053
Net Position - Beginning of Year	4,045,278	4,746,397	8,004,995	16,796,670
NET POSITION - END OF YEAR	<u>\$ 4,119,606</u>	<u>\$ 4,612,382</u>	<u>\$ 10,269,735</u>	<u>\$ 19,001,723</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Utility Customers	\$ 5,824,825	\$ 819,167	\$ 1,157,387	\$ 7,801,379
Cash Received for Public Fire Protection	-	323,735	-	323,735
Cash Paid to Suppliers for Goods and Services	(5,123,241)	(388,426)	(3,575,591)	(9,087,258)
Cash Paid for Employee Services	(185,228)	(254,460)	(293,774)	(733,462)
Net Cash Provided (Used) by Operating Activities	516,356	500,016	(2,711,978)	(1,695,606)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Payments of Tax Equivalents	(82,476)	(151,405)	-	(233,881)
Cash Received (Paid) for Water Due to General	-	(1,391,591)	-	(1,391,591)
Net Cash Used by Noncapital Financing Activities	(82,476)	(1,542,996)	-	(1,625,472)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash Payments for Capital Assets	(205,947)	(60,280)	(3,405,327)	(3,671,554)
Cash Payments for Construction Work in Progress	(167,161)	(3,880,724)	-	(4,047,885)
Cash Received for Capital Grants	-	-	2,780,856	2,780,856
Cash Received for Salvage of Plant Retirement	536	-	-	536
Cash Received from Long-Term Debt	-	12,574,944	10,356,000	22,930,944
Principal Paid on Long-Term Debt	(110,000)	(13,129,000)	(10,473,969)	(23,712,969)
Interest and Fiscal Agent Fees Paid on Long-Term Debt	(34,012)	(407,047)	(369,606)	(810,665)
Net Cash Used by Capital and Related Financing Activities	(516,584)	(4,902,107)	(1,112,046)	(6,530,737)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Gain	819	18,675	3,820	23,314
Redemption of Investments	-	5,948,042	2,730,824	8,678,866
Net Cash Provided by Investing Activities	819	5,966,717	2,734,644	8,702,180
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(81,885)	21,630	(1,089,380)	(1,149,635)
Cash and Cash Equivalents - Beginning of Year	1,873,019	-	3,888,958	5,761,977
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,791,134</u>	<u>\$ 21,630</u>	<u>\$ 2,799,578</u>	<u>\$ 4,612,342</u>

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 139,750	\$ 119,218	\$ (401,173)	\$ (142,205)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	357,084	377,723	661,005	1,395,812
Net Change in Other Postemployment Benefits Related Items:				
Other Postemployment Benefits Liability	(16,776)	(29,358)	(69,183)	(115,317)
Deferred Outflows of Resources	(5,348)	(9,359)	3,525	(11,182)
Deferred Inflows of Resources	26,125	45,719	(85)	71,759
Deferred Outflows of Resources	37,035	398	(7,740)	29,693
Deferred Inflows of Resources	(53,483)	(4,120)	1,458	(56,145)
(Increase) Decrease in Assets:				
Customer Accounts Receivable	(9,211)	(2,955)	(13,132)	(25,298)
Other Accounts Receivable	(18,425)	66	-	(18,359)
Inventories	4,373	193	279	4,845
Increase (Decrease) in Liabilities:				
Accounts Payable	16,165	(5,095)	(2,900,483)	(2,889,413)
Payroll Withholdings	8,297	219	2,504	11,020
Due from Other Governmental Units	1,184	-	-	1,184
Accrued Leave Liability	29,586	7,367	11,047	48,000
Net Cash Provided (Used) by Operating Activities	<u>\$ 516,356</u>	<u>\$ 500,016</u>	<u>\$ (2,711,978)</u>	<u>\$ (1,695,606)</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS				
Cash and Investments per Statement of Net Position:				
Cash and Investments	\$ 1,624,348	\$ -	\$ 1,943,943	\$ 3,568,291
Cash and Investments - Restricted	166,786	21,630	855,635	1,044,051
Cash and Cash Equivalents	<u>\$ 1,791,134</u>	<u>\$ 21,630</u>	<u>\$ 2,799,578</u>	<u>\$ 4,612,342</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Capital Assets Included in Accounts Payable	<u>\$ -</u>	<u>\$ 110,862</u>	<u>\$ 853,723</u>	<u>\$ 964,585</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024**

	Custodial Fund
ASSETS	
Cash and Investments	\$ 1,018,631
Taxes Receivable	<u>3,542,161</u>
Total Assets	<u>4,560,792</u>
 DEFERRED INFLOWS OF RESOURCES	
Taxes Levied for the Subsequent Year	<u>4,560,792</u>
 NET POSITION	
Restricted	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF BLOOMER, WISCONSIN
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGE IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	<u>Custodial Fund</u>
ADDITIONS	
Tax Collections for Other Governments	\$ 3,551,270
DEDUCTIONS	
Payments of Taxes to Other Governments	<u>3,551,270</u>
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Bloomer is governed by a mayor/council form of government. The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the City consist solely of the primary government.

B. Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds) as described below:

Government-Wide Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

Financial statements of the reporting entity 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 equity, revenues, and expenditures/expenses.

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

The City reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the City. It is used to account for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs of governmental funds. For report purposes, the City's individual debt service funds are combined into one fund.

Tax Incremental District (TID) No. 4 Projects Fund – The TID No. 4 Projects Fund, a capital projects fund, is used to account for financial resources to be used for the acquisition or construction of projects within the scope of the District's plan.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports the following major enterprise funds:

Electric Utility – This fund accounts for the operations of the electric utility. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Water Utility – This fund accounts for the operations of the water utility. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Sewer Utility – This fund accounts for the operations of the wastewater collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

Additionally, the City reports the following fiduciary fund:

Custodial Fund – is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units. The custodial fund is primarily used to account for the collection of taxes for other governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. 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 of resources. 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, if material, are recorded as revenues when services are provided. Fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions 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.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues reported in the governmental funds to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent that they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, miscellaneous taxes, public charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

- a) Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.
- b) Bonds or securities issued or guaranteed by the federal government.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

1. Deposits and Investments (Continued)

- c) 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, or by the University of Wisconsin Hospitals and Clinics Authority.
- d) Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- e) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- f) Bonds or securities issued under the authority of the municipality.
- g) The local government investment pool.
- h) Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions, and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds, and debentures. Investments of the City are stated at fair value and amortized cost.

2. Receivables and Payables

Property Taxes

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. Tax roll amounts that have been collected by December 31 for the other taxing jurisdictions are recorded in the City's Custodial fund as amounts due to other governmental units. Since City property taxes are not considered received until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted, therefore.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Property Taxes (Continued)

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Chippewa County Treasurer for collection in February. Chippewa County subsequently settles in full with the City in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the City as collections are received.) Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is nonspendable for the City's investment in delinquent taxes.

Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2024 tax roll are recognized as revenue in 2025). Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable

Ambulance accounts receivable are offset by an allowance for uncollectibles. All other accounts receivable are considered to be collectible in full.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as economic development and housing rehabilitation loans receivable have not been reduced by an allowance for uncollectible accounts. It is the City's policy to record deferred inflows of resources in the fund financial statements for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Lease Receivable

The City is a lessor for noncancellable lease of the golf course. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are classified as nonspendable fund balance in the general fund to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Prepaid Materials and Supplies and Prepaid Items

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.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of one year or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

Assets	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Buildings	5,000	Straight-Line	20 to 50 Years
Equipment and Vehicles	5,000	Straight-Line	3 to 10 Years
Right-to-Use Asset - Equipment	5,000	Straight-Line	3 to 10 Years
Utility Systems	5,000	Straight-Line	4 to 100 Years
Infrastructure	5,000	Straight-Line	20 to 50 Years

The City has elected to report infrastructure assets prospectively from January 1, 2004.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

5. Capital Assets (Continued)

Fund Financial Statements

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

6. Deferred Outflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. Deferred outflows of resources are reported for pension and other postemployment benefit related items.

7. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs for pension and other postemployment benefit related items.

8. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. The City's policies and estimated liabilities at year-end are further discussed in Note 4.B.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

9. Wisconsin Retirement System Pension Plan Benefits

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

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

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

10. Other Postemployment Benefits Payable

Under the provisions of various employee contracts, the City provides a retirement program for certain employees which includes certain health insurance benefits. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis. This amount was actuarially determined in accordance with GASB 75.

11. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

12. Defining Operating Revenues and Expenses

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

13. Use of Restricted Resources

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

14. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the City's financial statements:

Government-Wide Statements

Equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At year-end, there were no restrictions to net position based on enabling legislation. All other net position is displayed as unrestricted.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

14. Equity Classifications (Continued)

Fund Financial Statements

In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board.

Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City will maintain unassigned portion of fund balance of at least 25% of annual general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year-end. Based on resolution of the City Council, the Clerk-Treasurer will have the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the City's policy to use committed, assigned and finally unassigned fund balance.

E. Adoption of New Accounting Standard

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This standard requires that liabilities from compensated absences be recognized for leave that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not been paid in cash or settled through noncash means and certain other types of leave.

The City adopted the requirements of the guidance effective January 1, 2024, and has applied the provisions of this standard to the beginning of the period of adoption. The adoption of this standard has no impact on the City's financial statements.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Accounting principles generally accepted in the United States of America require the disclosure of individual funds that have deficit balances at year-end. At December 31, 2024, Tax Incremental District #4 had a deficit balance of \$163,527. The deficit in the Tax Incremental District fund is financed by an advance from the general fund as discussed in Note 3.D. The advance will be refunded as funds become available in the Tax Incremental District fund.

General fund expenditures exceeded budgeted amounts at the legally adopted levels as outlined below. These excess expenditures were considered prudent and necessary by the City Council.

	Final Budget	Actual Amounts	Variance with Final Budget
Sanitation	\$ 528,800	\$ 529,071	\$ (271)
Debt Service	-	6,698	(6,698)

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash and investments balances at December 31, 2024, as shown in the financial statements are as follows:

Governmental Funds	\$ 5,168,116
Proprietary Funds	6,965,843
Fiduciary Funds	1,018,631
Total	<u>\$ 13,152,590</u>

The above cash and investments balances consisted of the following:

Deposits in Financial Institutions	\$ 7,716,967
Local Government Investment Pool	1,694,155
Investments in Federal Agency Securities	3,741,169
Petty Cash	300
Total	<u>\$ 13,152,591</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions

The City's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposit accounts at any institution. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$1,000,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned. At December 31, 2024, 100% of the City's deposits were covered by federal depository insurance, the State Guarantee fund, or collateralized.

Investments

The City's investments at December 31, 2024, consisted of investments in the Local Government Investment Pool (an external investment pool) and U.S. government agencies and instrumentalities obligations.

State Local Government Pooled-Investment Fund

The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2024 was 13 days.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

U.S. Government Agencies and Instrumentalities Obligations

The City's investments in these obligations at December 31, 2024, are summarized as follows:

Description	Totals	Investment Maturities (in Years)			
		< 1	1 to 2	2 to 3	> 3
Money Market Fund	\$ 102,683	\$ 102,683	\$ -	\$ -	\$ -
Certificate of Deposit	1,124,643	348,703	-	518,846	257,094
U.S. Treasury Securities	1,061,003	614,990	446,013	-	-
U.S. Government Bonds	424,917	424,917	-	-	-
Asset Backed Security	16,962	-	16,962	-	-
Municipal Bonds	1,010,961	249,485	511,425	250,051	-
Total	<u>\$ 3,741,169</u>	<u>\$ 1,740,778</u>	<u>\$ 974,400</u>	<u>\$ 768,897</u>	<u>\$ 257,094</u>

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

As of December 31, 2024, the City's investments were rated as follows:

Type	Credit Quality Rating	Amount
Asset Backed Security	AAA	\$ 16,962
Municipal Bonds	Aaa	147,104
U.S. Treasury Securities	Aaa	1,061,003
Municipal Bonds	AA	43,743
Municipal Bonds	AA-	135,515
U.S. Government Bonds	A-1+	424,917
Municipal Bonds	Aa1	110,952
Municipal Bonds	Aa2	323,597
Municipal Bonds	SP1+	250,052

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the LGIP and the relatively short-term maturities on the other investments mitigate this risk to the City.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. At December 31, 2024, the investment portfolio was concentrated as follows (investment holdings individually greater than 5% of the total investment portfolio):

Type	Amount	Percentage
LGIP	\$ 1,694,155	31.2 %
U.S. Government Bonds	424,917	7.8
Municipal Bond	1,010,961	18.6

The City uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The City follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the City has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Assets of the City measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
U.S. Treasuries	\$ 1,061,003	\$ -	\$ -	\$ 1,061,003
U.S. Government Bonds	424,917	-	-	424,917
Certificate of Deposits	1,124,644	-	-	1,124,644
Asset Backed Security	16,962	-	-	16,962
Municipal Bonds	1,010,961	-	-	1,010,961
Total	<u>\$ 3,638,487</u>	<u>\$ -</u>	<u>\$ -</u>	
Investments Measured at Amortized Cost -				
Money Market Fund				102,682
LGIP Funds				1,694,155
Total Investments				<u>\$ 5,435,324</u>

B. Receivables

Community Development Block Grant Loans Receivable

The City has participated in the Small Cities Community Development Block (CDBG), parts of which were used to finance economic development loans and housing rehabilitation loans as specified in the grant awards.

Housing and Rehabilitation Loans

The City had 30 deferred mortgage loans outstanding at December 31, 2024, totaling \$232,505. These notes become due and payable in the event that the maker:

- a. no longer continues to occupy the premises securing this note as a full-time residence, or
- b. transfers any legal or equitable interest in the mortgaged premises to anyone for any reason.

These loans are recorded as long-term receivables and deferred inflows of resources in the special revenue fund. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt.

Proceeds from the collection of the above loans are restricted for financing similar housing rehabilitation projects.

Lease Receivable

The City, acting as lessor, leases the Golf Course under a long-term noncancelable lease agreement. The lease expires on December 31, 2031. During the year ended, December 31, 2024, the City recognized \$23,401 and \$9,791 in lease revenue and interest revenue, respectively, pursuant to the contract.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Lease Receivable (Continued)

Total future minimum lease payments to be received under the lease agreement are follows:

	Governmental Activities		
	Principal	Interest	Total
2025	\$ 21,296	\$ 8,704	\$ 30,000
2026	22,442	7,558	30,000
2027	23,649	6,351	30,000
2028	24,921	5,079	30,000
2029	26,261	3,739	30,000
2030-2031	56,834	3,165	59,999
Total	<u>\$ 175,403</u>	<u>\$ 34,596</u>	<u>\$ 209,999</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated/ Amortized:				
Land	\$ 494,777	\$ -	\$ -	\$ 494,777
Construction in Progress	-	35,417	-	35,417
Total Capital Assets Not Being Depreciated/Amortized	494,777	35,417	-	530,194
Capital Assets Being Depreciated/ Amortized:				
Buildings	2,038,163	30,000	-	2,068,163
Equipment and Vehicles	4,119,626	138,629	-	4,258,255
Infrastructure	3,607,017	-	-	3,607,017
Right-to-Use Asset - Equipment	35,404	-	-	35,404
Total Capital Assets Being Depreciated/Amortized	9,800,210	168,629	-	9,968,839
Total Capital Assets	10,294,987	204,046	-	10,499,033
Accumulated Depreciation/Amortization:				
Buildings	796,206	76,855	-	873,061
Equipment and Vehicles	2,347,312	195,971	-	2,543,283
Infrastructure	1,634,792	131,916	-	1,766,708
Right-to-Use Asset - Equipment	590	7,081	-	7,671
Total Accumulated Depreciation/ Amortization	4,778,900	411,823	-	5,190,723
Net Capital Assets - Governmental Activities	<u>\$ 5,516,087</u>	<u>\$ (207,777)</u>	<u>\$ -</u>	<u>\$ 5,308,310</u>

Depreciation/Amortization was charged to governmental functions as follows:

General Government	\$ 9,995
Public Safety	56,367
Transportation Facilities	312,603
Sanitation	3,000
Culture, Recreation, and Education	29,858
Total	<u>\$ 411,823</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Electric Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 9,931	\$ -	\$ -	\$ 9,931
Construction in Progress	54,384	167,160	-	221,544
Total Capital Assets Not Being Depreciated	64,315	167,160	-	231,475
Capital Assets Being Depreciated:				
Distribution and General Plant	8,399,656	128,870	6,542	8,521,984
Transportation Equipment	310,583	77,078	-	387,661
Total Capital Assets Being Depreciated	8,710,239	205,948	6,542	8,909,645
Total Capital Assets	8,774,554	373,108	6,542	9,141,120
Less: Accumulated Depreciation	6,668,143	357,620	6,542	7,019,221
Net Capital Assets - Electric Utility	2,106,411	15,488	-	2,121,899
Water Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	8,166	-	-	8,166
Property Held for Future Use	8,701	-	-	8,701
Construction in Progress	3,975,000	3,991,586	7,855,724	110,862
Total Capital Assets Not Being Depreciated	3,991,867	3,991,586	7,855,724	127,729
Capital Assets Being Depreciated:				
Source of Supply	65,915	-	-	65,915
Pumping Plant	182,029	17,242	-	199,271
Water Treatment Equipment	67,222	-	-	67,222
Transmission and Distribution	11,287,921	7,898,762	302,278	18,884,405
Administration and General Assets	818,328	-	-	818,328
Total Capital Assets Being Depreciated	12,421,415	7,916,004	302,278	20,035,141
Total Capital Assets	16,413,282	11,907,590	8,158,002	20,162,870
Less: Accumulated Depreciation	3,439,481	377,723	302,278	3,514,926
Net Capital Assets - Water Utility	12,973,801	11,529,867	7,855,724	16,647,944

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 56,600	\$ -	\$ -	\$ 56,600
Property Held for Future Use	46,950	-	-	46,950
Construction in Progress	4,111,970	4,052,504	8,062,139	102,335
Total Capital Assets Not Being Depreciated	4,215,520	4,052,504	8,062,139	205,885
Capital Assets Being Depreciated:				
Collection System	9,910,786	8,062,138	403,107	17,569,817
Treatment and Disposal Equipment	8,444,250	-	-	8,444,250
General Plant	2,628,291	-	-	2,628,291
Property Held for Future Use	2,070	-	-	2,070
Total Capital Assets Being Depreciated	20,985,397	8,062,138	403,107	28,644,428
Total Capital Assets	25,200,917	12,114,642	8,465,246	28,850,313
Less: Accumulated Depreciation	8,717,782	661,004	403,107	8,975,679
Net Capital Assets - Sewer Utility	16,483,135	11,453,638	8,062,139	19,874,634
Net Capital Assets - Business-Type Activities	\$ 31,563,347	\$ 22,998,993	\$ 15,917,863	\$ 38,644,477

Depreciation was charged to business-type activities as follows:

Electric	\$ 357,620
Water	377,723
Sewer	661,004
Total	<u>\$ 1,396,347</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2024, was as follows:

Interfund Transfers

Fund Transferred to	Fund Transferred from	Amount
General Fund	Electric Utility	\$ 82,476
General Fund	Water Utility	151,405
Debt Service Fund	General Fund	78,500
Debt Service Fund	TID #4 Fund	234,976
Total		<u>\$ 547,357</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

The property tax equivalents paid by the electric and water utilities to the general fund are reflected as interfund transfers in the financial statements. The transfer from the TID fund to the debt service fund was made to finance the TID's share of current year debt maturities.

Advances from/to Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Tax Incremental District #4 Fund	<u>\$ 163,527</u>

Due from/to Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Water Fund	<u>\$ 19,549</u>	Cash Flow

A long-term interfund advance was recorded from the City's general fund to the Tax Incremental District #4 fund at December 31, 2024, to finance the deficit in that fund at that date. This advance is to be repaid as cash flows of the tax incremental district fund permit.

Interfund balances owed within the governmental activities and business-type activities are eliminated in the statement of net position.

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in the City's long-term obligations for the year ended December 31, 2024, are summarized as follows:

	Balance January 1, 2024	Issued	Retired	Balance December 31, 2024	Amounts Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	\$ 664,999	\$ -	\$ 220,000	\$ 444,999	\$ 220,000
General Obligation Notes - Direct Placement	887,264	-	68,764	818,500	74,010
Subtotal	1,552,263	-	288,764	1,263,499	294,010
Plus: Unamortized Premium	10,038	-	3,375	6,663	3,375
Lease Payable	28,830	-	5,178	23,652	5,457
Employee Leave Liability - Net	152,495	53,832	-	206,327	14,699
Governmental Activities - Long-Term Liabilities	<u>\$ 1,743,626</u>	<u>\$ 53,832</u>	<u>\$ 297,317</u>	<u>\$ 1,500,141</u>	<u>\$ 317,541</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

	Balance January 1, 2024	Issued	Retired	Balance December 31, 2024	Amounts Due Within One Year
Business-Type Activities:					
Bond Anticipation Notes	\$ 23,485,000	\$ -	\$ 23,485,000	\$ -	\$ -
Mortgage Revenue Bonds	3,022,639	22,930,944	227,969	25,725,614	674,230
Subtotal	26,507,639	22,930,944	23,712,969	25,725,614	674,230
Employee Leave Liability - Net	49,959	48,000	-	97,959	12,897
Business-Type Activities - Long-Term Liabilities	<u>\$ 26,557,598</u>	<u>\$ 22,978,944</u>	<u>\$ 23,712,969</u>	<u>\$ 25,823,573</u>	<u>\$ 687,127</u>

The City's estimated liability for employee leave is discussed in Note 4.B.

Security and Default

The outstanding long-term debt obligations of the City contain the following provisions:

General Obligation Bonds: The notes are general obligations to the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal and interest on the notes as they become due. The levy, under current tax law, may be levied without limitation to rate or amount.

Electric Revenue Bonds: The bonds are payable from a pledge of revenues of the electric utility system. Principal and interest paid for the current year and total operating revenues were \$143,613 and \$5,851,277, respectively.

Sewerage System Revenue Bonds: The bonds are payable from a pledge of revenues of the sewer utility system. Principal and interest paid for the current year and total operating revenues were \$487,574 and \$1,170,519, respectively.

Water System Revenue Bonds: The bonds are payable from a pledge of revenues of the water utility system. Principal and interest paid for the current year and total operating revenues were \$407,047 and \$1,145,791, respectively.

General Obligation Debt Limitation

Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5% of the equalized value of all property in the City. At December 31, 2024, the City's debt limit amounted to \$22,135,365 and long-term indebtedness subject to the limitation totaled \$1,263,499.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

General Obligation Debt Limitation (Continued)

All general obligation bonds and notes payable are backed by the full faith and credit of the City. Bonds and notes payable will be retired by future property tax levies or tax increments accumulated by the debt service fund. Annual retirement requirements of long-term debt issued to finance expenditures of the tax incremental district are anticipated to be financed from revenues of the TID.

Individual general obligation long-term debt issues outstanding at December 31, 2024, are shown below:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Refunding Bonds, Series 2015A	5/7/15	12/1/26	2.00%-2.50%	\$ 2,085,000	\$ 444,999
General Obligation Promissory Notes, Series 2018A	10/4/18	10/1/28	3.00%	1,035,000	715,000
General Obligation Promissory Notes, Series 2021A	2/3/21	2/1/31	1.79%	144,084	103,500
Business-Type Activities:					
Electric Revenue Bonds, Series 2012	8/29/12	12/1/32	2.00%-3.20%	2,000,000	1,035,000
Sewerage System Revenue Bonds, Series 2018	1/24/18	5/1/37	0.00%	904,528	602,951
Sewerage System Revenue Bonds, Series 2020	4/22/20	5/1/39	0.92%	1,372,662	1,156,719
Sewerage System Revenue Bonds, Series 2024A	5/30/24	5/1/64	1.41%	10,356,000	10,356,000
Water System Revenue Bonds, Series 2024B	5/30/24	5/1/64	1.41%	13,129,000	12,574,944
Total					<u>\$ 26,989,113</u>

Annual Requirements for Retirement

Minimum annual principal and interest payments required to retire long-term debt, together with the expected funding sources, are shown below:

Year	Governmental Activities			Funding Sources		
	Bonds and Notes		Total	General	TID #4	Total
	Principal	Interest		Fund	Fund	
2025	\$ 294,010	\$ 33,878	\$ 327,888	\$ 97,313	\$ 230,575	\$ 327,888
2026	299,261	26,877	326,138	95,513	230,625	326,138
2027	309,517	19,197	328,714	328,714	-	328,714
2028	314,776	10,087	324,863	324,863	-	324,863
2029	15,041	822	15,863	15,863	-	15,863
2030-2031	30,894	832	31,726	31,726	-	31,726
Total	<u>\$ 1,263,499</u>	<u>\$ 91,693</u>	<u>\$ 1,355,192</u>	<u>\$ 893,992</u>	<u>\$ 461,200</u>	<u>\$ 1,355,192</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

Annual Requirements for Retirement (Continued)

Year	Business-Type Activities			Funding Sources			
	Bonded Debt		Total	Electric Utility	Water Utility	Sewer Utility	Total
	Principal	Interest					
2025	\$ 674,230	\$ 368,671	\$ 1,042,901	\$ 145,752	\$ 429,697	\$ 467,452	\$ 1,042,901
2026	686,098	358,611	1,044,709	147,590	429,611	467,508	1,044,709
2027	698,071	348,318	1,046,389	149,290	429,577	467,522	1,046,389
2028	704,351	338,339	1,042,690	145,540	429,674	467,476	1,042,690
2029	717,338	326,553	1,043,891	146,790	429,661	467,440	1,043,891
2030-2034	3,467,406	1,464,672	4,932,078	446,370	2,148,348	2,337,360	4,932,078
2035-2039	3,149,676	1,243,111	4,392,787	-	2,148,263	2,244,524	4,392,787
2040-2044	2,796,700	1,044,243	3,840,943	-	2,148,552	1,692,391	3,840,943
2045-2049	3,001,300	839,562	3,840,862	-	2,148,300	1,692,562	3,840,862
2050-2054	3,220,400	620,436	3,840,836	-	2,148,336	1,692,500	3,840,836
2055-2059	3,455,800	367,096	3,822,896	-	2,148,360	1,674,536	3,822,896
2060-2064	3,154,244	132,350	3,286,594	-	1,594,239	1,692,355	3,286,594
Total	<u>\$ 25,725,614</u>	<u>\$ 7,451,962</u>	<u>\$ 33,177,576</u>	<u>\$ 1,181,332</u>	<u>\$ 16,632,618</u>	<u>\$ 15,363,626</u>	<u>\$ 33,177,576</u>

The City's outstanding debt through the State of Wisconsin Environmental Improvement Fund loan program related to business type activities of \$602,951 contains the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

Mortgage Revenue Bonds

Electric System Revenue Bonds

On August 29, 2012, the City issued electric system revenue bonds in the amount of \$2,000,000 for the purpose of electric system improvements. The bonds bear interest at 2.0% to 3.2% with annual maturities through December 2032. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2024, are shown below.

	Year	Principal	Interest	Total
Electric System Revenue Bonds, \$2,000,000, dated 8/29/12, due 12/1/32, interest at 2.0%-3.2%	2025	\$ 115,000	\$ 30,752	\$ 145,752
	2026	120,000	27,590	147,590
	2027	125,000	24,290	149,290
	2028	125,000	20,540	145,540
	2029	130,000	16,790	146,790
	2030-2032	420,000	26,370	446,370
	Total	<u>\$ 1,035,000</u>	<u>\$ 146,332</u>	<u>\$ 1,181,332</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Electric System Revenue Bonds (Continued)

According to the resolution authorizing the issuance of the electric system revenue bonds, the utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. The above funds have been established on the utility records at December 31, 2024.

Sewerage System Revenue Bonds

The City authorized the issuance of up to \$927,864 in sewerage system revenue bonds for the purpose of financing treatment plant improvements. The revenue bonds were issued to the State of Wisconsin Clean Water Fund in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$904,528. The revenue bonds are zero interest and are being amortized over twenty years through May 2037. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2024, are shown below.

	Year	Principal	Interest	Total
Sewerage System Revenue Bonds, \$927,864 authorized, \$904,528 issued, dated 1/24/18, due 5/1/37, interest at 0.0%	2025	\$ 46,381	\$ -	\$ 46,381
	2026	46,381	-	46,381
	2027	46,381	-	46,381
	2028	46,381	-	46,381
	2029	46,381	-	46,381
	2030-2034	231,905	-	231,905
	2035-2037	139,141	-	139,141
	Total	<u>\$ 602,951</u>	<u>\$ -</u>	<u>\$ 602,951</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Sewerage System Revenue Bonds (Continued)

The City authorized the issuance of up to \$1,464,670 in sewerage system revenue bonds for the purpose of phosphorous removal. The revenue bonds were issued to the State of Wisconsin Clean Water Fund in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the revenue bonds, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$1,372,662. The bonds bear interest at .924% with annual maturities through May 2039. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2024, are shown below.

	Year	Principal	Interest	Total
Sewage System Revenue Bonds, \$1,372,662, dated 4/22/2020, due 5/1/39, interest at 0.924%	2025	\$ 72,249	\$ 10,354	\$ 82,603
	2026	72,917	9,684	82,601
	2027	73,590	9,007	82,597
	2028	74,270	8,323	82,593
	2029	74,957	7,634	82,591
	2030-2034	385,301	27,604	412,905
	2035-2039	403,435	9,390	412,825
	Total	<u>\$ 1,156,719</u>	<u>\$ 81,996</u>	<u>\$ 1,238,715</u>

The City authorized the issuance of up to \$10,356,000 in sewerage system revenue bonds for the purpose of utility improvement projects. The revenue bonds were issued to Rural Development in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit does not back the note, which are instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The note bears interest at 1.406% with annual maturities through May 2064. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2024 are shown below.

	Year	Principal	Interest	Total
Sewage System Revenue Bonds 2024A \$10,356,000, dated 5/30/2024, due 05/01/2064, interest at 1.406%	2025	\$ 194,400	\$ 144,068	\$ 338,468
	2026	197,200	141,326	338,526
	2027	200,000	138,544	338,544
	2028	202,400	136,102	338,502
	2029	205,600	132,868	338,468
	2030-2034	1,072,200	620,350	1,692,550
	2035-2039	1,150,100	542,458	1,692,558
	2040-2044	1,233,300	459,091	1,692,391
	2045-2049	1,323,500	369,062	1,692,562
	2050-2054	1,419,800	272,700	1,692,500
	2055-2059	1,523,300	151,236	1,674,536
	2060-2064	1,634,200	58,155	1,692,355
		<u>\$ 10,356,000</u>	<u>\$ 3,165,960</u>	<u>\$ 13,521,960</u>

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Water System Bond Anticipation Note

The City authorized the issuance of up to \$13,129,000 in water system revenue bonds for the purpose of utility improvement projects. The revenue bonds were issued to Rural Development in accordance with the terms and conditions of a financial assistance agreement. The City's full faith and credit do not back the anticipation note, which is instead backed by a pledge of utility revenues. The terms of the agreement with the State provided for the disbursing of loan proceeds to the City based on approved disbursement requests. The City received \$12,574,944. The note bears interest at 1.406% with annual maturities through May 2064. Scheduled annual principal and interest requirements on the debt outstanding at December 31, 2024, are shown below.

	Year	Principal	Interest	Total
Water System Revenue Bonds 2024B \$13,129,000, dated 5/30/2024, due 05/01/2064, interest at 1.406%	2025	\$ 246,200	\$ 183,497	\$ 429,697
	2026	249,600	180,011	429,611
	2027	253,100	176,477	429,577
	2028	256,300	173,374	429,674
	2029	260,400	169,261	429,661
	2030-2034	1,358,000	790,348	2,148,348
	2035-2039	1,457,000	691,263	2,148,263
	2040-2044	1,563,400	585,152	2,148,552
	2045-2049	1,677,800	470,500	2,148,300
	2050-2054	1,800,600	347,736	2,148,336
	2055-2059	1,932,500	215,860	2,148,360
	2060-2064	1,520,044	74,195	1,594,239
		<u>\$ 12,574,944</u>	<u>\$ 4,057,674</u>	<u>\$ 16,632,618</u>

According to the resolution authorizing the issuance of revenue bonds, the utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Mortgage Revenue Bonds (Continued)

Water System Bond Anticipation Note (Continued)

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. The above funds, with the exception of the surplus fund, have been established on the utility records at December 31, 2024.

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2024, consisted of the following:

	Total	Nonspendable	Restricted	Assigned	Unassigned
Major Funds:					
General Fund:					
Interfund Advances	\$ 163,527	\$ 163,527	\$ -	\$ -	\$ -
Sick Pay	181,080	-	-	181,080	-
City Hall Outlay	36,923	-	-	36,923	-
City Buildings Outlay	385,095	-	-	385,095	-
Police Car Outlay	8,737	-	-	8,737	-
Bike Safety Program	1,525	-	-	1,525	-
Fire Station Outlay	54,781	-	-	54,781	-
Fire Truck Outlay	256,802	-	-	256,802	-
Fire Turnout Gear	53,064	-	-	53,064	-
Emergency Government	13,538	-	-	13,538	-
Ambulance Depreciation Fund	171,123	-	-	171,123	-
Ambulance Equipment Fund	21,610	-	-	21,610	-
Ambulance Building	15,437	-	-	15,437	-
Machinery and Equipment Outlay	2,310	-	-	2,310	-
Streets and Alleys Outlay	97,276	-	-	97,276	-
Curb and Gutter Outlay	12,011	-	-	12,011	-
Storm Sewer Outlay	45,571	-	-	45,571	-
Sidewalk Outlay	1,878	-	-	1,878	-
Bridges Outlay	60,691	-	-	60,691	-
Sign Equipment	8,269	-	-	8,269	-
Golf Course Outlay	48,413	-	-	48,413	-
Parks Outlay	105,702	-	-	105,702	-
Lake Como Improvements	14,875	-	-	14,875	-
Forestry Outlay	13,609	-	-	13,609	-
Recycling Center Outlay	15,509	-	-	15,509	-
Street Department Vehicle	68,326	-	-	68,326	-
Unassigned	<u>2,835,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,835,038</u>
Subtotal General Fund	<u>4,692,720</u>	<u>163,527</u>	<u>-</u>	<u>1,694,155</u>	<u>2,835,038</u>
Capital Projects Fund:					
Tax Incremental District #4	(163,527)	-	-	-	(163,527)
Nonmajor Funds:					
Special Revenue Funds:					
Library Fund	72,467	-	72,467	-	-
Housing Rehab Revolving Loan Fund	<u>41,882</u>	<u>-</u>	<u>41,882</u>	<u>-</u>	<u>-</u>
Total Governmental Fund Balances at December 31, 2024	<u>\$ 4,643,542</u>	<u>\$ 163,527</u>	<u>\$ 114,349</u>	<u>\$ 1,694,155</u>	<u>\$ 2,671,511</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental District

As of December 31, 2024, the City has created four tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

TID No. 4 was the only tax incremental district in existence during the year ended December 31, 2024. The City had terminated TID No. 1, TID No. 2, and TID No. 3 since project costs had been fully recovered. The resolution creating TID No. 4 was dated August 10, 2006. The Statutes provide for a maximum life before extensions, if any, of twenty years and a project expenditure period of fifteen years (five years prior to termination). TID No. 4 has been declared a distressed district by the state and has had the maximum life of the district extended from August 10, 2025, to August 10, 2035. The project plan, on file in the offices of the City Clerk-Treasurer, details the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components. Project costs uncollected at the dissolution date are absorbed by the municipality.

A summary of project costs and revenues of TID No. 4 from inception through December 31, 2024 are summarized as follows:

Accumulated Project Costs:	
Project Expenditures	\$ 3,580,745
Administrative Costs	101,248
Interest and Fiscal Charges	1,731,378
Debt Discount and Issuance Costs	92,607
Capitalized Interest Transferred to Debt Service Fund	284,327
Accumulated Project Costs	<u>5,790,305</u>
Accumulated Project Revenues	<u>5,181,778</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ 608,527</u>

The preceding summary of transactions is reconcilable to the fund balance in TID No. 4 at December 31, 2024, as follows:

Outstanding Long-Term Debt Payable from TID No. 4:	
G.O. Refunding Bonds Dated 5/7/15	\$ 445,000
Less: Unrecovered Costs at Year-End	<u>608,527</u>
Capital Projects Fund Balance at December 31, 2024	<u>\$ (163,527)</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

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.

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

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

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before 12/31/16) are entitled to 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 periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contribution plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
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	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Contributions

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

During the reporting period January 1, 2024, through December 31, 2024, the WRS recognized \$260,247 in contributions from the employer.

Contribution rates as of December 31, 2024, are:

	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executive, and Elected Official)	6.90 %	6.90 %
Protective With Social Security	6.90	14.30
Protective Without Social Security	6.90	19.10

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

At December 31, 2024, the City reported a liability of \$146,373 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 and the measurement date. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2023, the City's proportion was 0.00984485%, which was an increase of 0.18304900% from its proportion measured as of December 31, 2022.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

For the year ended December 31, 2024, the City recognized pension expense (revenue) of \$86,582. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 590,178	\$ 781,694
Changes of Assumptions	63,800	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	510,089	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	2,317	49,036
City Contributions Subsequent to the Measurement Date	148,377	-
Total	<u>\$ 1,314,761</u>	<u>\$ 830,730</u>

The \$148,377 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	Pension Expense Amount
2025	\$ 63,216
2026	66,014
2027	307,997
2028	(101,573)

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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 (Asset):	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:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% to 5.60%
Postretirement Adjustments*	1.70%
Mortality:	2020 WRS Experience Mortality Table

*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 postretirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018, to December 31, 2020. The total pension liability for December 31, 2023, is based upon a roll-forward of the liability calculated from the December 31, 2022, actuarial valuation.

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Long-Term Expected Return on Plan Assets

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

	<u>Asset Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Fund Asset Class:			
Public Equity	40 %	7.3 %	4.5 %
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Cash	(12)	N/A	N/A
Total Core Fund	<u>100 %</u>	7.4	4.6
Variable Fund Asset Class:			
U.S. Equities	70 %	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	<u>100 %</u>	7.3	4.5

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.7%.

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

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

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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 single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (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%, 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%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 1,414,773</u>	<u>\$ 146,373</u>	<u>\$ (741,179)</u>

Pension Plan Fiduciary Net Position

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

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Vacation and Sick Leave Liabilities

It is the City's policy to permit employees to accumulate vacation and sick leave benefits. Employees earn eight hours of sick leave per month which shall accumulate to an unlimited amount. Unused sick leave, up to and including 130 days, shall be paid to the employee upon retirement. Employees leaving the employment of the City after ten years of services will be paid all of their unused sick leave to a maximum of 130 days provided the employee notifies the City at least two weeks in advance of his/her departure. City employees are granted vacation in varying amounts based on length of service. Vacation must be used by the end of each calendar year, except in special circumstances.

Liabilities for accumulated vacation and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The estimated liabilities for unused vacation and sick leave payable from governmental funds at December 31, 2024, were \$14,699 and \$186,384, respectively. The estimated liabilities in the proprietary funds at that date were \$12,896 and \$85,062, respectively.

C. Other Postemployment Benefit Other Than Pensions (OPEB)

The City reports its OPEB in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. The City engaged an actuary to determine the City's liability for postemployment healthcare benefits other than pensions.

Single-Employer Plan Description

Plan Description

The City of Bloomer, Wisconsin's has a single-employer defined benefit plan used to provide postemployment benefits other than pensions (OPEB). The City's OPEB consists of several interdependent pieces arising from the rules of the plan. The amounts paid by the City for continued health care for all classifications that are entitled to a benefit are briefly outlined below. The City Council of the City of Bloomer, Wisconsin is designated as the administrator of the OPEB plan and it reserves the right to alter, amend or terminate the OPEB at any time for any reason, without consent.

Benefits Provided

The City offers the benefits below to employees eligible for retirement with WRS for police or at least age 60 and subject to the "Rule of 80" for all others.

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Benefits Provided (Continued)

Police Department: Employees hired prior to 2005 will receive one year of paid medical premiums for every three years of service accumulated as of December 31, 2014. Employees hired between 1993 and 2004 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2004 will receive only the credit for unused accumulated sick leave described above.

Electric Department: Employees hired prior to 1991 will receive one year of paid medical premiums for every three years of service accumulated as of January 1, 2004. Employees hired between 1991 and 2003 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2003 will receive only the credit for unused accumulated sick leave described above.

Other Employees: Employees hired prior to 1991 will receive one year of paid medical premiums for every three years of service accumulated as of December 31, 2014. Employees hired between 1992 and 2004 will also receive credit for unused accumulated sick leave to a maximum of 1,040 hours or 30 days to be used to pay for medical premiums prior to the above years of service benefit. Employees hired after 2004 will receive only the credit for unused accumulated sick leave described above.

Employees covered by benefit terms. As of the December 31, 2023, actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefit Payments	7
Active Plan Members	<u>30</u>
Total	<u><u>37</u></u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Total OPEB Liability

The City does not accumulate assets in a trust for payment of OPEB liabilities. Accordingly, the City reports its total OPEB liability. The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2023. At December 31, 2024, the City reported a total OPEB liability of \$969,518. Changes in the City's total OPEB liability were as follows:

	Total OPEB Liability
Balance - December 31, 2023	\$ 1,185,490
Changes for the Year:	
Service Cost	24,758
Interest	50,586
Changes of Benefit Terms	16,384
Differences Between Expected and Actual Experience	(329,946)
Changes of Assumptions or Other Input	70,626
Benefit Payments	(48,380)
Net Changes	<u>(215,972)</u>
Balance - December 31, 2024	<u>\$ 969,518</u>

Actuarial Assumptions

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

Valuation Date:	December 31, 2023
Measurement Date:	December 31, 2023
Actuarial Cost Method:	Entry Age Normal (Level Percent of Salary)
Health Care Trend:	7.0% decreasing down to 6.5%, then decreasing by .1% per year down to 4.5%, and level thereafter.
Discount Rate:	4.00%
Municipal Bond Rate Source:	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions:	Based on an Experience Study Conducted in 2018 Using Wisconsin Retirement System (WRS) Experience from 2018-20
Mortality Assumptions:	Wisconsin 2020 Mortality Table Adjusted for Future Mortality Improvements Using the MP-2021 Fully Generated Improvement Scale
Inflation Rate:	2.5%

CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 4.00%. The discount rate is based upon all years of projected payments discounted at a municipal bond rate of 4.00%.

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

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

		1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB Liability	12/31/2024	<u>\$ 1,022,209</u>	<u>\$ 969,518</u>	<u>\$ 918,549</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB Liability	12/31/2024	<u>\$ 904,720</u>	<u>\$ 969,518</u>	<u>\$ 1,041,667</u>

For the year ended December 31, 2024, the City recognized OPEB expense of \$17,441. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 372,724
Changes of Assumptions or Other Input	115,978	112,159
Benefit Payments Made Subsequent to the Measurement Date	48,176	-
Total	<u>\$ 164,154</u>	<u>\$ 484,883</u>

**CITY OF BLOOMER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Other Than Pensions (OPEB) (Continued)

Single-Employer Plan Description (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Benefit payments made subsequent to the measurement date will reduce the total OPEB liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>OPEB Expense Amount</u>
2025	\$ (74,287)
2026	(74,287)
2027	(49,906)
2028	(49,678)
2029	(55,915)
Thereafter	(64,832)

D. Risk Management

The City is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the last three years.

E. Subsequent Event

On June 25, 2025, the City issued a \$6,800,000 General Obligation Promissory Note for interim financing on the substation project. The note accrues interest at 4.15% and matures June 1, 2027.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF BLOOMER, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 948,873	\$ 948,873	\$ 944,545	\$ (4,328)
Special Assessments	-	-	3,361	3,361
Intergovernmental	1,190,633	1,190,633	1,213,708	23,075
Licenses and Permits	28,200	28,200	23,774	(4,426)
Fines and Forfeits	12,600	12,600	8,523	(4,077)
Public Charges for Services	713,700	713,700	862,034	148,334
Intergovernmental Charges for Services	101,500	101,500	99,288	(2,212)
Miscellaneous:				
Interest	110,000	110,000	188,677	78,677
Lease Revenue	30,000	30,000	23,401	(6,599)
Rent	16,100	16,100	17,300	1,200
Donations	-	-	129,385	129,385
Sale of Recycling Materials	40,500	40,500	31,370	(9,130)
Insurance Dividends	5,000	5,000	1,745	(3,255)
Other	-	-	18,780	18,780
Total Revenues	3,197,106	3,197,106	3,565,891	368,785
EXPENDITURES				
General Government	250,675	250,675	224,859	25,816
Public Safety	1,478,141	1,478,141	1,445,034	33,107
Transportation Facilities	883,600	883,600	729,295	154,305
Sanitation	528,800	528,800	529,071	(271)
Health and Human Services	500	500	46	454
Culture, Recreation, and Education	79,525	79,525	79,235	290
Conservation and Development	23,950	23,950	19,942	4,008
Capital Outlay	146,915	1,659,990	348,743	1,311,247
Debt Service	-	-	6,698	(6,698)
Total Expenditures	3,392,106	4,905,181	3,382,923	1,522,258
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(195,000)	(1,708,075)	182,968	1,891,043
OTHER FINANCING SOURCES (USES)				
Transfer In	195,000	195,000	233,881	38,881
Transfer Out	-	-	(78,500)	(78,500)
Insurance Recovery	-	-	248,800	248,800
Total Other Financing Sources (Uses)	195,000	195,000	404,181	209,181
NET CHANGE IN FUND BALANCE	\$ -	\$ (1,513,075)	587,149	\$ 2,100,224
Fund Balance - Beginning of Year			4,105,571	
FUND BALANCE - END OF YEAR			<u>\$ 4,692,720</u>	

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CHANGES IN THE CITY'S OPEB LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT PERIODS

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability:							
Service Cost	\$ 28,662	\$ 28,662	\$ 25,904	\$ 27,761	\$ 31,202	\$ 35,821	\$ 24,758
Interest	54,944	54,722	59,676	35,731	29,230	30,017	50,586
Changes of Benefit Terms	-	-	15,929	-	-	-	16,384
Differences Between Expected and Actual Experience	-	-	(221,155)	-	(1,469)	(27,995)	(329,946)
Changes of Assumptions or Other Input	-	(44,008)	50,494	32,640	45,096	(136,487)	70,626
Benefit Payments	(92,127)	(87,782)	(131,374)	(117,384)	(78,719)	(64,075)	(48,380)
Net Change in Total OPEB Liability	(8,521)	(48,406)	(200,526)	(21,252)	25,340	(162,719)	(215,972)
Total OPEB Liability - Beginning of Year	1,601,574	1,593,053	1,544,647	1,344,121	1,322,869	1,348,209	1,185,490
Total OPEB Liability - End of Year	<u>\$ 1,593,053</u>	<u>\$ 1,544,647</u>	<u>\$ 1,344,121</u>	<u>\$ 1,322,869</u>	<u>\$ 1,348,209</u>	<u>\$ 1,185,490</u>	<u>\$ 969,518</u>
Covered Employee Payroll	\$ 1,399,352	\$ 1,399,352	\$ 1,483,451	\$ 1,483,451	\$ 1,729,512	\$ 1,729,512	\$ 2,012,487
City's Total OPEB Liability as a Percentage of Covered Employee Payroll	1.14 %	110.38 %	90.61 %	89.18 %	77.95 %	68.54 %	48.18 %

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CITY'S CONTRIBUTIONS TO
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2024	\$ 260,247	\$ (260,247)	\$ -	\$ 1,619,878	16.07
12/31/2023	242,027	(242,027)	-	1,533,340	15.78
12/31/2022	113,943	(113,943)	-	1,321,146	8.62
12/31/2021	108,728	(108,728)	-	1,244,060	8.74
12/31/2020	54,689	(54,689)	-	471,445	11.60
12/31/2019	44,976	(44,976)	-	419,554	10.72
12/31/2018	42,737	(42,737)	-	391,008	10.93
12/31/2017	40,460	(40,460)	-	374,633	10.80
12/31/2016	35,889	(35,889)	-	378,171	9.49
12/31/2015	34,646	(34,646)	-	359,774	9.63

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in WRS.

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 Mortality Table to the 2020 WRS Experience Mortality Table.

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

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

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

See accompanying Note to Required Supplementary Information.

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE
WISCONSIN RETIREMENT SYSTEM NET PENSION LIABILITY (ASSET)
LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

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
12/31/2023	0.00984485 %	\$ 146,373	\$ 1,533,336	9.55	98.85 %
12/31/2022	0.00801436	424,577	1,320,698	32.15	95.72
12/31/2021	0.00006239	(502,906)	1,244,060	(40.42)	105.26
12/31/2020	0.00004399	(274,642)	471,445	(58.26)	105.26
12/31/2019	0.00004073	(131,347)	419,554	(31.31)	102.96
12/31/2018	0.00003911	139,145	391,008	35.59	96.45
12/31/2017	0.00003735	(110,899)	374,633	(29.60)	102.93
12/31/2016	0.00003510	28,927	378,171	7.65	99.12
12/31/2015	0.00003427	55,689	359,774	15.48	98.20
12/31/2014	0.00003571	(87,725)	324,375	(27.04)	102.74

See accompanying Note to Required Supplementary Information.

**CITY OF BLOOMER, WISCONSIN
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024**

NOTE 1 BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the City's annual operating budget.

The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with accounting principles generally accepted in the United States of America. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds.

Budget amounts in the financial statements include both the original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**CITY OF BLOOMER, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2024**

	Library Fund	Housing Rehabilitation Revolving Loan Fund	American Rescue Plan Act Special Revenue Fund	Total Nonmajor Funds
ASSETS				
Cash and Investments	\$ 84,682	\$ 41,882	\$ 170,259	\$ 296,823
Taxes Receivable	176,996	-	-	176,996
Long-Term Receivables	-	232,505	-	232,505
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 261,678</u>	<u>\$ 274,387</u>	<u>\$ 170,259</u>	<u>\$ 706,324</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 8,439	\$ -	\$ -	\$ 8,439
Accrued Payroll and Payroll Withholdings	3,776	-	-	3,776
Unearned Revenue	-	-	170,259	170,259
Total Liabilities	<u>12,215</u>	<u>-</u>	<u>170,259</u>	<u>182,474</u>
DEFERRED INFLOWS OF RESOURCES				
Subsequent Year's Property Taxes	176,996	-	-	176,996
Unavailable Revenues:				
Long-Term Receivables	-	232,505	-	232,505
Total Deferred Inflows of Resources	<u>176,996</u>	<u>232,505</u>	<u>-</u>	<u>409,501</u>
FUND BALANCES				
Restricted	<u>72,467</u>	<u>41,882</u>	<u>-</u>	<u>114,349</u>
Total Fund Balance	<u>72,467</u>	<u>41,882</u>	<u>-</u>	<u>114,349</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 261,678</u>	<u>\$ 274,387</u>	<u>\$ 170,259</u>	<u>\$ 706,324</u>

**CITY OF BLOOMER, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2024**

	Library Fund	Housing Rehabilitation Revolving Loan Fund	American Rescue Plan Act Special Revenue Fund	Total Nonmajor Funds
REVENUES				
Taxes	\$ 165,264	\$ -	\$ -	\$ 165,264
Intergovernmental	112,763	-	32,352	145,115
Public Charges for Services	2,804	-	-	2,804
Miscellaneous:				
Interest	390	98	-	488
Donations	19,426	-	-	19,426
Loan Repayments	-	28,420	-	28,420
Total Revenues	<u>300,647</u>	<u>28,518</u>	<u>32,352</u>	<u>361,517</u>
EXPENDITURES				
Culture, Recreation, and Education	268,742	-	-	268,742
Conservation and Development	-	22,405	32,352	54,757
Total Expenditures	<u>268,742</u>	<u>22,405</u>	<u>32,352</u>	<u>323,499</u>
NET CHANGE IN FUND BALANCE	31,905	6,113	-	38,018
Fund Balance - Beginning of Year	<u>40,562</u>	<u>35,769</u>	<u>-</u>	<u>76,331</u>
FUND BALANCE - END OF YEAR	<u>\$ 72,467</u>	<u>\$ 41,882</u>	<u>\$ -</u>	<u>\$ 114,349</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2024
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2023)**

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Investments	\$ 4,871,293	\$ 2,665,026
Current Taxes Receivable	623,879	575,194
Accounts Receivable:		
Ambulance Customer/Patient	166,094	252,495
Accumulated Allowance for Doubtful Accounts	(29,550)	(166,051)
Other	24,198	35,957
Lease Receivable	175,403	195,612
Due from Other Funds:		
Water Utility	19,549	1,411,140
Advance to TID #4 Capital Projects Fund	<u>163,527</u>	<u>491,827</u>
Total Assets	<u>\$ 6,014,393</u>	<u>\$ 5,461,200</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Vouchers and Accounts Payable	\$ 95,839	\$ 175,532
Accrued Payroll and Payroll Withholdings	<u>52,937</u>	<u>44,121</u>
Total Liabilities	148,776	219,653
DEFERRED INFLOWS OF RESOURCES		
Subsequent Year's Property Taxes	1,007,141	946,819
Lease	<u>165,756</u>	<u>189,157</u>
Total Deferred Inflows of Resources	1,172,897	1,135,976
FUND BALANCE		
Nonspendable	163,527	491,827
Assigned	1,694,155	1,557,533
Unassigned	<u>2,835,038</u>	<u>2,056,211</u>
Total Fund Balance	<u>4,692,720</u>	<u>4,105,571</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 6,014,393</u>	<u>\$ 5,461,200</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2024**

	Balance January 1, 2024	Tax Levy	Other Revenues	Intrafund Transfers		Total Available	Expenditures	Balance December 31, 2024
				In	Out			
General Fund Assigned:								
Sick Pay	\$ 171,856	\$ -	\$ 9,224	\$ -	\$ -	\$ 181,080	\$ -	\$ 181,080
City Hall Outlay	35,042	-	1,881	-	-	36,923	-	36,923
City Buildings Outlay	356,863	-	19,529	10,000	1,297	385,095	-	385,095
Police Car Outlay	32,507	-	1,904	25,000	50,674	8,737	-	8,737
Bike Safety Program	-	-	25	1,500	-	1,525	-	1,525
Fire Station Outlay	51,990	-	2,791	-	-	54,781	-	54,781
Fire Truck Outlay	243,720	-	13,082	-	-	256,802	-	256,802
Fire Turnout Gear	50,361	-	2,703	-	-	53,064	-	53,064
Emergency Government	12,849	-	689	-	-	13,538	-	13,538
Ambulance Depreciation Fund	132,811	-	8,312	30,000	-	171,123	-	171,123
Ambulance Equipment Fund	20,509	-	1,101	-	-	21,610	-	21,610
Ambulance Building	12,678	-	759	2,000	-	15,437	-	15,437
Machinery and Equipment Outlay	17,841	-	332	-	15,863	2,310	-	2,310
Streets and Alleys Outlay	116,427	-	7,670	80,415	107,236	97,276	-	97,276
Curb and Gutter Outlay	11,399	-	612	-	-	12,011	-	12,011
Storm Sewer Outlay	43,249	-	2,322	-	-	45,571	-	45,571
Sidewalk Outlay	1,782	-	96	-	-	1,878	-	1,878
Bridges Outlay	57,599	-	3,092	-	-	60,691	-	60,691
Sign Equipment	7,848	-	421	-	-	8,269	-	8,269
Golf Course Outlay	43,970	-	2,393	5,000	2,950	48,413	-	48,413
Parks Outlay	31,415	-	3,933	70,354	-	105,702	-	105,702
Lake Como Improvements	15,203	-	798	-	1,126	14,875	-	14,875
Forestry Outlay	14,489	-	751	-	1,631	13,609	-	13,609
Recycling Center Outlay	14,719	-	790	-	-	15,509	-	15,509
Street Department Vehicle	60,406	-	3,420	4,500	-	68,326	-	68,326
Total General Fund Assigned	1,557,533	-	88,630	228,769	180,777	1,694,155	-	1,694,155
Nonspendable:								
Advances to Other Funds:								
TID Capital Projects Fund	491,827	-	-	-	328,300	163,527	-	163,527
General Fund Unassigned	2,056,211	918,873	2,962,569	509,077	228,769	6,217,961	3,382,923	2,835,038
Total	\$ 4,105,571	\$ 918,873	\$ 3,051,199	\$ 737,846	\$ 737,846	\$ 8,075,643	\$ 3,382,923	\$ 4,692,720

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance	
	Final		with	2023
	Budget	Actual	Final Budget	Actual
REVENUES				
Taxes:				
General Property Taxes	\$ 918,873	\$ 918,873	\$ -	\$ 928,228
Payment in Lieu of Taxes	30,000	25,567	(4,433)	26,624
Interest on Taxes	-	105	105	4
Total Taxes	948,873	944,545	(4,328)	954,856
Special Assessments:				
Public Improvements	-	3,361	3,361	9,887
Intergovernmental:				
State Shared Taxes	885,817	885,817	-	720,811
Fire Insurance Taxes	15,000	18,753	3,753	16,082
State Aid for Law Enforcement	-	1,200	1,200	11,809
Highway Transportation Aids	228,267	261,318	33,051	210,255
State Aid for Recycling	13,500	13,536	36	13,289
State Aid for Ambulance - Act 102	25,000	10,035	(14,965)	38,941
State Aid for Computers	4,604	4,604	-	4,604
State Aid for Personal Property	14,743	14,743	-	14,743
State Aid - Forestry Aid	3,702	3,702	-	3,702
State Aid - COVID Reimbursement	-	-	-	1,222
Total Intergovernmental	1,190,633	1,213,708	23,075	1,035,458
Licenses and Permits:				
Liquor and Malt Beverage	11,500	10,274	(1,226)	11,565
Operators	2,000	1,595	(405)	2,345
Cigarette	150	120	(30)	160
Dog License	1,700	1,658	(42)	1,707
Juke Box and Live Music Licenses	700	890	190	550
Other Licenses	2,250	1,500	(750)	2,525
Building Permits	7,500	5,597	(1,903)	7,741
Zoning Permits	1,000	590	(410)	500
Sundry Permits	1,400	1,550	150	1,505
Total Licenses and Permits	28,200	23,774	(4,426)	28,598
Fines and Forfeits:				
Court Penalties and Costs	10,000	7,492	(2,508)	4,969
Parking Violations	2,500	840	(1,660)	2,285
Dog Forfeitures	100	191	91	260
Total Fines and Forfeits	12,600	8,523	(4,077)	7,514

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance	2023
	Final		with	
	Budget	Actual	Final Budget	Actual
REVENUES (CONTINUED)				
Public Charges for Services:				
General Government:				
Clerk's Fees	\$ 1,250	\$ 587	\$ (663)	\$ 1,195
License Publication Fees	200	176	(24)	192
Public Safety:				
Alarm Services	100	445	345	60
Police Department Fees	3,000	5,431	2,431	3,336
Ambulance	225,000	314,794	89,794	264,829
Fire Department Fees	5,000	8,107	3,107	6,902
Public Works:				
Snow and Ice Control	500	-	(500)	370
Equipment Rental	500	-	(500)	-
Gravel Sales	4,000	2,590	(1,410)	6,249
Wood Stubble	150	-	(150)	445
Garbage and Refuse Collection	442,000	498,411	56,411	480,772
Recycling Revenue - Cardboard	28,000	26,768	(1,232)	26,176
Weed Control	500	-	(500)	-
Leisure Activities:				
Park Revenues	3,500	4,725	1,225	6,050
Total Public Charges for Services	713,700	862,034	148,334	796,576
Intergovernmental Charges for Services:				
Public Safety:				
Fire Department	65,000	55,499	(9,501)	67,917
Ambulance	18,500	6,077	(12,423)	6,130
Sanitation:				
Recycling	18,000	37,712	19,712	14,335
Total Intergovernmental Charges for Services	101,500	99,288	(2,212)	88,382
Miscellaneous:				
Interest:				
Temporary Investments	85,000	178,824	93,824	177,148
Special Assessments	-	168	168	-
Interest on Advance to TID	25,000	9,685	(15,315)	18,142
Rent of City Property	16,100	17,300	1,200	16,100
Lease of Golf Course Club House	30,000	23,401	(6,599)	23,401
Donations:				
Fire Department Equipment	-	1,500	1,500	17,000
Ambulance	-	-	-	1,000
K-9	-	3,577	3,577	22,912
Parks	-	113,208	113,208	43,665
Other	-	11,100	11,100	-

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance with Final Budget	2023 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Miscellaneous (Continued):				
Sale of Recycling Materials	\$ 40,500	\$ 31,370	\$ (9,130)	\$ 40,937
Insurance Dividends	5,000	1,745	(3,255)	4,598
Other	-	18,780	18,780	184,830
Total Miscellaneous	<u>201,600</u>	<u>410,658</u>	<u>209,058</u>	<u>549,733</u>
 Total Revenues	3,197,106	3,565,891	368,785	3,471,004
 EXPENDITURES				
General Government:				
Legislative:				
Council	9,000	11,201	(2,201)	9,145
Executive:				
Mayor	6,325	5,877	448	6,070
General Administration:				
Legislative Support	10,200	22,025	(11,825)	36,739
Elections	15,400	16,515	(1,115)	8,735
Licenses and Permits	3,250	577	2,673	1,120
Property Taxes	10,550	11,539	(989)	14,130
Central Duplicating	2,500	1,937	563	1,137
Financial Administration:				
Assessment of Property	14,500	18,256	(3,756)	16,212
Treasurer	5,000	4,889	111	6,372
Internal Accounting	62,050	65,013	(2,963)	84,106
Special Accounting and Auditing	15,000	17,655	(2,655)	14,688
Legal:				
City Attorney	15,000	2,685	12,315	4,917
Prosecution	3,500	988	2,512	2,358
Buildings and Plant:				
Hall	12,800	17,222	(4,422)	36,617
Other General Government:				
Property and Liability Insurance	64,000	27,491	36,509	24,082
Sundry Unclassified	1,600	989	611	-
Total General Government	<u>250,675</u>	<u>224,859</u>	<u>25,816</u>	<u>266,428</u>

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance	2023
	Final		with	
	Budget	Actual	Final Budget	Actual
EXPENDITURES (CONTINUED)				
Public Safety:				
Police Department:				
Administration	\$ 520,600	\$ 466,137	\$ 54,463	\$ 469,218
Patrol and Investigation	540,316	484,239	56,077	514,740
Police Station	35,550	41,725	(6,175)	39,793
K-9	-	651	(651)	8,686
Fire:				
Administration	17,400	14,417	2,983	15,460
Suppression	42,000	58,950	(16,950)	47,502
Other	40,500	38,917	1,583	35,344
Building Inspector	6,125	6,091	34	6,397
Flood Control	2,800	141	2,659	-
Dam Maintenance	15,200	15,743	(543)	6,120
Tornado Warning System	500	-	500	-
Ambulance	247,900	307,761	(59,861)	317,455
First Responders	9,000	10,149	(1,149)	11,220
Fire Alarm System	250	113	137	124
Total Public Safety	1,478,141	1,445,034	33,107	1,472,059
Transportation Facilities:				
Machinery and Equipment	51,100	39,773	11,327	45,735
Garages and Sheds	47,800	34,785	13,015	77,124
Pits and Quarries	2,350	1,192	1,158	1,703
Street Maintenance	494,650	415,335	79,315	469,499
Bridges and Culverts	2,800	412	2,388	-
Curb and Gutter Maintenance	6,250	9,538	(3,288)	5,011
Street Cleaning	16,900	24,469	(7,569)	15,713
Snow and Ice Control	94,000	47,542	46,458	106,285
Traffic Control	15,550	15,481	69	11,707
Limited Purpose Roads	28,750	21,019	7,731	16,896
Street Lighting	55,000	42,422	12,578	45,891
Tree and Brush Control	45,300	64,075	(18,775)	51,714
Sidewalks and Crosswalks	2,000	1,668	332	1,898
Storm Sewers	20,650	11,556	9,094	12,905
Parking Lots	500	28	472	66
Total Public Works	883,600	729,295	154,305	862,147

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance with	2023
	Final Budget	Actual	Final Budget	Actual
EXPENDITURES (CONTINUED)				
Sanitation:				
Garbage and Refuse Collection	\$ 188,000	\$ 216,198	\$ (28,198)	\$ 408,887
Incinerator Tipping Fees	138,000	125,828	12,172	124,882
Recycling Expense	95,400	84,248	11,152	356,184
Cardboard	26,400	22,138	4,262	27,914
Landfill	58,800	61,277	(2,477)	69,611
Weed Control	22,200	19,382	2,818	19,716
Total Sanitation	528,800	529,071	(271)	1,007,194
Health and Human Services:				
Cemetery	-	-	-	53
Animal Control	500	46	454	318
Total Health and Human Services	500	46	454	371
Culture, Recreation, and Education:				
Culture:				
Museum	1,675	1,229	446	1,146
Community and Youth Center	-	9,186	(9,186)	9,773
Recreation:				
Swimming Beach	13,500	3,540	9,960	6,687
Golf Course	9,625	4,233	5,392	7,725
Other Summer Recreation	-	75	(75)	333
Celebrations	13,500	15,333	(1,833)	12,408
Fishing Pier	500	-	500	-
Boat Landing	1,450	93	1,357	503
Fairgrounds	4,275	4,019	256	7,544
Public Areas:				
Parks	35,000	41,527	(6,527)	40,281
Total Culture, Recreation, and Education	79,525	79,235	290	86,400

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024		Variance with Final Budget	2023 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Conservation and Development:				
Leaf Control	\$ 13,000	\$ 10,048	\$ 2,952	\$ 6,567
Zoning	4,450	712	3,738	3,304
Advertising and Promotion	500	89	411	101
Industrial Development	6,000	9,000	(3,000)	6,000
Economic Development	-	93	(93)	6,279
Total Conservation and Development	23,950	19,942	4,008	22,251
Capital Outlay:				
General Government:				
City Hall Outlay	36,923	-	36,923	400
City Buildings Outlay	385,095	-	385,095	37,265
Public Safety:				
Police Car Outlay	33,737	67,155	(33,418)	10,094
Bike Safety Program	1,525	-	1,525	-
Fire Turnout Gear	53,064	39,500	13,564	36,274
Fire Station Outlay	54,781	-	54,781	-
Fire Truck Outlay	256,802	-	256,802	-
Emergency Communications	13,538	-	13,538	-
Ambulance Depreciation Fund	201,123	-	201,123	-
Ambulance Equipment	21,610	95,061	(73,451)	15,107
Ambulance Building	17,437	-	17,437	-
Transportation Facilities:				
Machinery and Equipment	70,636	-	70,636	325,406
Streets and Alleys	182,191	107,611	74,580	17,254
Sidewalks and Crosswalks	1,878	-	1,878	-
Curb and Gutter	12,011	-	12,011	-
Storm Sewers	45,571	-	45,571	-
Bridge Outlay	60,691	-	60,691	-
Sign Equipment	8,269	-	8,269	-
Sanitation:				
Garbage Truck Outlay	-	-	-	846,136
Recycling Center Outlay	15,509	-	15,509	-
Culture, Recreation, and Education:				
Golf Course Outlay	48,413	(75)	48,488	3,798
Parks Outlay	110,702	36,733	73,969	4,751
Lake Como Improvements	14,875	1,126	13,749	5,219
Conservation and Development:				
Forestry Outlay	13,609	1,632	11,977	1,164
Total Capital Outlay	1,659,990	348,743	1,311,247	1,302,868

**CITY OF BLOOMER, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2023)**

	2024			
	Final Budget	Actual	Variance with Final Budget	2023 Actual
EXPENDITURES (CONTINUED)				
Debt Service:				
Lease Principal	\$ -	\$ 5,178	\$ (5,178)	\$ 5,156
Lease Interest	-	1,520	(1,520)	1,544
Total Debt Service	-	6,698	(6,698)	6,700
Total Expenditures	4,905,181	3,382,923	1,522,258	5,026,418
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,708,075)	182,968	1,891,043	(1,555,414)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	-	35,404
Transfers from Other Funds	195,000	233,881	38,881	189,669
Transfers to Other Funds	-	(78,500)	(78,500)	(80,150)
Sale of Capital Assets	-	-	-	20,777
Insurance Recovery	-	248,800	248,800	953,677
Total Other Financing Sources (Uses)	195,000	404,181	209,181	1,119,377
NET CHANGE IN FUND BALANCE	<u>\$ (1,513,075)</u>	587,149	<u>\$ 2,100,224</u>	(436,037)
Fund Balance - Beginning of Year		4,105,571		4,541,608
FUND BALANCE - END OF YEAR		<u>\$ 4,692,720</u>		<u>\$ 4,105,571</u>

SINGLE AUDIT SECTION

CITY OF BLOOMER, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of the Treasury COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	N/A	\$ -	\$ 32,352
U.S. Department of Agriculture Direct Grant - USDA: Water and Waste Disposal Systems for Rural Communities	10.76	N/A	N/A	-	8,033,430
Total Expenditures of Federal Awards				\$ -	\$ 8,065,782

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF BLOOMER, WISCONSIN
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Bloomer, Wisconsin (the City) under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



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

City Council
City of Bloomer, Wisconsin
Bloomer, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Bloomer, Wisconsin, (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 September 4, 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 City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001, 2024-002, and 2024-003 that we consider to be material weaknesses.

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*.

Response to Findings

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 4, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

City Council
City of Bloomer, Wisconsin
Bloomer, Wisconsin

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Bloomer, Wisconsin's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

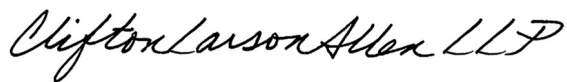
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 4, 2025

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs:

Assistance Listing Number

10.760

Name of Federal Program or Cluster

Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

Finding: 2024-001 Limited Segregation of Duties

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The auditors noted during the audit that the available staff precludes a proper separation of duties to assure adequate internal control.

Criteria: Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

Cause: The condition is due to limited staff available.

Effect: Lack of segregation of duties could result in a financial statement misstatement, caused by error or fraud that would not be detected or prevented by City staff.

Recommendation: The City should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Repeat Finding: This audit finding was reported in the prior year.

Views of Responsible Officials: The City will continue to work to achieve segregation of duties whenever cost effective. The Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Finding: 2024-002 Material Audit Adjustments

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The audit firm proposed, and the City posted to its general ledger accounts journal entries for correcting certain misstatements.

Criteria: The City should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

Cause: The City has not established controls to ensure that all accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

Effect: The financial statements of the City may include inaccurate information not detected or prevented by City staff.

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings (Continued)

Finding: 2024-002 Material Audit Adjustments (Continued)

Recommendation: The City should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

Repeat Finding: This audit finding was reported in the prior year.

Views of Responsible Officials: The City will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Finding: 2024-003 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The City does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

Criteria: The City is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements included related disclosures, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

Cause: The City relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have designated an individual with suitable skill, knowledge, or experience to oversee their preparation and have reviewed, approved, and accepted responsibility for the annual financial statements and the related footnote disclosures.

Effect: The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the City's internal controls.

Recommendation: The City should continue to evaluate its internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

Repeat Finding: This audit finding was reported in the prior year.

**CITY OF BLOOMER, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings (Continued)

Finding: 2024-003 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP) (Continued)

Views of Responsible Officials: The City will continue to rely upon the audit firm to prepare the annual financial statements and related footnote disclosures in accordance with GAAP. Management will review, approve, and accept responsibility for these financial statements and related footnote disclosures prior to issuance. The Administrator-Clerk-Treasurer is the official responsible for ensuring corrective action of the deficiency.

Section III – Findings and Questioned Costs – Major Federal Program

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

FORM OF LEGAL OPINION

(See following pages)

FRYBERGER

— LAW FIRM —

August 11, 2026

City of Bloomer
1503 Main Street
Bloomer, WI 54724

[PURCHASER]

**Re: *City of Bloomer, Wisconsin
\$2,880,000 General Obligation Promissory Notes, Series 2026B***

We have acted as Bond Counsel in connection with the authorization, issuance and delivery by the City of Bloomer, Chippewa County, Wisconsin (the “Issuer”), of the above-referenced bonds dated the date hereof (the “Notes”). The Notes are issued pursuant to Chapter 67, Wisconsin Statutes.

A. Scope of Examination. For the purpose of rendering this opinion letter, we have examined the following:

1. a resolution of the Issuer adopted on July 22, 2026, authorizing the issuance and delivery of the Notes (the “Resolution”);
2. the Tax Exemption Certificate of the Issuer dated the date hereof setting forth and certifying as to certain matters, including but not limited to the use and investment of the proceeds of the Notes (the “Tax Certificate”);
3. applicable law and certified copies of certain proceedings taken, and certain affidavits and certificates furnished by the Issuer and others with respect to the authorization, sale and issuance of the Notes; and
4. such other documents and other materials we considered necessary in order to render this opinion.

B. Reliance. As to questions of fact material to our opinion, we have relied upon certified proceedings, documents and certifications furnished to us by public officials and officers of the Issuer and others without undertaking to verify such facts by independent investigation. We have also relied, without independent investigation, upon representations and certifications made by the Issuer in the Tax Certificate and the representations and certifications made by the Issuer, agents of the Issuer and others in connection with the

FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A

CLOQUET
813 Cloquet Ave.
Cloquet, MN 55720
p: (218) 879-6830

DULUTH
302 West Superior St.
Ste 700
Duluth, MN 55802
p: (218) 722-0861

SUPERIOR
1409 Hammond Ave., Suite 330
Superior, WI 54880
p: (715)392-7405

issuance of the Notes as to: (a) the nature, cost, use and useful economic life of the facilities and/or improvements financed by the Notes, (b) the application to be made of the proceeds of the Notes, (c) the investment of such proceeds and (d) other matters material to the tax-exempt status of the interest borne by the Notes, including the anticipated sources of repayment of the Notes.

C. Assumptions.

1. In rendering the opinions contained in Section D below, we have assumed: (a) the legal capacity for all purposes relevant hereto of all natural persons, (b) with respect to all parties to agreements or instruments relevant hereto other than the Issuer, that such parties had the requisite power and authority (corporate or otherwise) to execute, deliver and perform such agreements or instruments, (c) that such agreements or instruments are the valid, binding and enforceable obligations of each such party, other than the Issuer, (d) the authenticity of all documents submitted to us as originals and the authenticity of the originals, (e) the conformity to original documents of all documents submitted to us as certified or photostatic copies, (f) the genuineness of the signatures on all documents submitted to us, and (g) the accuracy of the facts and representations stated in all documents submitted to us.

2. In rendering the opinions contained in paragraphs 3 and 4 of Section D below, we have assumed that the proceeds of the Notes will be applied in accordance with the provisions of the Resolution and the representations made by the Issuer in the Tax Certificate and that the Issuer will make or cause to be made any necessary calculations and pay to the United States any amounts required under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

3. For the purpose of rendering the opinion set forth in paragraph 3 of Section D, below, we have also assumed compliance by the Issuer with requirements of the Code that must be satisfied subsequent to the issuance of the Notes. The Issuer has covenanted to comply with each such requirement.

D. Opinions. Based upon such examination, assumptions and reliance, on the basis of federal and State of Wisconsin (the "State") laws, regulations, rulings and decisions in effect on the date hereof, but excluding any pending legislation which may have a retroactive date prior to the date hereof, and subject to certain limitations set forth in Section E below, it is our opinion that:

1. The Notes are valid and binding general obligations of the Issuer enforceable in accordance with their terms.

2. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the principal of and interest on the Notes. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent the necessary funds have been

irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

3. The Notes, as of their date of issuance, bear interest which is excluded from gross income of the recipient for federal income tax purposes and is not an item of tax preference which is included in alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes may affect the federal alternative minimum tax imposed on certain corporations.

4. Based solely on factual representations by the Issuer, the Notes have been designated by the Issuer as “qualified tax-exempt obligations” under and within the meaning of Section 265(b)(3)(b) of the Code.

E. Qualifications and Limitations. The opinions expressed in Section D above are subject to the following:

1. We express no opinion as to federal or state tax consequences arising from ownership of the Notes other than as set forth in Section D hereof.

2. The rights of the owners and enforceability of the Notes are subject to and may be limited by (a) state and federal laws, rulings, decisions and principles of equity affecting remedies, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law); (b) the effect of any applicable bankruptcy, moratorium, insolvency, reorganization, fraudulent conveyance or other similar laws affecting the enforcement of creditors’ or secured creditors’ rights or laws relating to creditors’ or secured creditors’ rights against public instrumentalities heretofore or hereafter enacted to the extent constitutionally applicable; (c) the exercise of judicial discretion in appropriate cases; and (d) federal and state securities laws and public policy relating thereto.

3. Failure by the Issuer to comply with applicable requirements of the Code could cause the interest on the Notes to be includable in the gross income of the owners thereof for federal income taxation, either prospectively or retroactively to the date hereof.

4. Our opinions expressed in Section D above are limited to the law of the State and the federal law of the United States of America, and we assume no responsibility as to the applicability to this transaction, or the effect thereon, of the law of any other jurisdiction.

5. Except as expressly stated in this opinion, we express no opinion as to compliance with any federal securities laws or any state securities or Blue Sky laws.

FRYBERGER LAW FIRM

Page 4

6. This opinion is rendered as of the date set forth above and we express no opinion as to circumstances or events which may occur subsequent to such date.

7. The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

8. We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Notes, and we express no opinion relating thereto.

Respectfully submitted,

Fryberger, Buchanan, Smith & Frederick, P.A.

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

LIMITED CONTINUING DISCLOSURE CERTIFICATE

This Limited Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Bloomer, Wisconsin (the “Issuer”) in connection with the issuance of the \$2,880,000 General Obligation Promissory Notes, Series 2026B, dated August 11, 2026 (the “Obligations”). The Obligations are being issued pursuant to a Resolution of the Issuer dated July 22, 2026 (the “Resolution”). The Issuer certifies (i) that it is the only obligated person with respect to the Obligations; and (ii) that on the date hereof, the Issuer is an obligated person with respect to less than \$10,000,000 aggregate amount of outstanding municipal securities, including the Obligations, and thus limited continuing disclosure pursuant to subparagraph (d)(2) of the Rule is required. The Issuer covenants and agrees as follows:

Section 1. (a) Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule (defined below). References in this Disclosure Certificate to holders of the Obligations shall include the beneficial owners of the Obligations. This Disclosure Certificate constitutes the written understanding under the Rule.

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

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

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

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

“Dissemination Agent” means such person from time to time designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” means, with respect to the Issuer a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of one of the foregoing. The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with this rule.

“IRS” means the Internal Revenue Service of the Department of the Treasury.

“Listed Events” means any of the events listed in Sections 5(a) and 5(b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, whose current address is 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Official Statement” means the Preliminary Official Statement, dated July ___, 2026, delivered in connection with the original issuance and sale of the Obligations, together with the final Official Statement and any amendments thereto or supplements thereof.

“Participating Underwriter” means any of the original underwriter(s) of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” means the Securities and Exchange Commission or any successor to its functions governing state and municipal securities.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 12 months after the end of the fiscal year (presently December 31), commencing with the fiscal year ended December 31, 2025, provide to the MSRB, filed in accordance with Section 1(b) of this Disclosure Certificate, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate.

(b) Not later than 15 days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall provide the Annual Report to the Dissemination Agent (if the Issuer is not the Dissemination Agent).

(c) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of such fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Reports. The Issuer’s financial information or operating data shall contain or consist of the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated from time to time by the Governmental Accounting Standards Board.

Section 5. Reporting of Significant Events.

(a) The Issuer shall give, or cause to be given notice of the occurrence of any of the following events with respect to the Obligations, in a timely manner not in excess of ten business days after the occurrence of the event:

- (1) principal and interest payment delinquencies;
 - (2) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (3) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (4) substitution of credit or liquidity providers, if any, or their failure to perform;
 - (5) adverse tax opinions or the issuance by the IRS of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
 - (6) tender offers;
 - (7) defeasances;
 - (8) rating changes;
 - (9) bankruptcy, insolvency, receivership or similar event of the Issuer;
- or
- (10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Obligations, *if material*, in a timely manner not in excess of ten business days after the occurrence of the event:

- (1) non-payment related defaults;
- (2) unless described in (a)(5) above, other notices or determinations by the IRS with respect to the tax-exempt status of the Obligations, or other events affecting the tax-exempt status of the Obligations;
- (3) modifications to rights of holders of the Obligations;
- (4) bond calls;

(5) release, substitution or sale of property securing repayment of the Obligations;

(6) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(7) appointment of a successor or additional trustee or the change of name of a trustee; or

(8) incurrence of a Financial Obligation or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders.

(c) For the purposes of the event identified in subsection (a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(d) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under subsection (b), the Issuer shall as soon as possible determine if such event would constitute material information for holders of Obligations.

(e) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertaking herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Obligations may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Obligations.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Obligations, and shall create no rights in any other person or entity.

Section 13. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 8 hereof, to modify the undertaking under this Disclosure Certificate if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

Dated as of August 11, 2026.

CITY OF BLOOMER, WISCONSIN

By _____
Tony Rubenzer, Mayor

By _____
Sandi Frion, Administrator/Clerk-Treasurer

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NOTICE OF SALE

\$2,880,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026B CITY OF BLOOMER, WISCONSIN

Bids for the purchase of \$2,880,000* General Obligation Promissory Notes, Series 2026B (the "Notes") of the City of Bloomer, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on July 22, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the City Council for consideration for award by resolution at a meeting to be held at 5:15 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including financing public improvements related to the City's Tax Incremental District No. 5. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated August 11, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>
12/01/2031	\$135,000	12/01/2037	\$165,000	12/01/2043	\$210,000
12/01/2032	140,000	12/01/2038	170,000	12/01/2044	220,000
12/01/2033	140,000	12/01/2039	180,000	12/01/2045	230,000
12/01/2034	145,000	12/01/2040	185,000	06/01/2046	245,000
12/01/2035	155,000	12/01/2041	195,000		
12/01/2036	160,000	12/01/2042	205,000		

ADJUSTMENT OPTION

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on June 1 and December 1 of each year, commencing June 1, 2027, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

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

OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after December 1, 2035 shall be subject to optional redemption prior to maturity on December 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about August 11, 2026, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

Legal matters incident to the issuance and sale of the Bonds and with regard to the tax-exempt status of interest on the Notes under existing laws are subject to the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., as Bond Counsel to the City. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in the Official Statement and will express no opinions with respect to such information. Additionally, except for statements on the cover page of the Official Statement and under the caption "TAX EXEMPTION" relating to Bond Counsel's opinion that the interest on the Notes is not includable in gross income for federal income tax purposes, Bond Counsel has not independently verified any of the factual information contained in the Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of the Official Statement. No person is entitled to rely upon their limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained in the Official Statement. See "FORM OF LEGAL OPINION" found in Appendix B.

SUBMISSION OF BIDS

Bids must not be for less than \$2,844,000, ***nor more than \$3,168,000***, plus accrued interest on the principal sum of \$2,880,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$57,600 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

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

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

CUSIP NUMBERS

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

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

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

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

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

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

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

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

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

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

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

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

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

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

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

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

By Order of the City Council

Larisa Jones, Deputy Clerk/Treasurer
City of Bloomer, Wisconsin

BID FORM

The City Council
City of Bloomer, Wisconsin (the "City")

July 22, 2026

RE: **\$2,880,000* General Obligation Promissory Notes, Series 2026B (the "Notes")**
DATED: **August 11, 2026**

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ _____ (not less than \$2,844,000, nor more than \$3,168,000) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing on the stated dates as follows:

_____ % due 12/01/2031	_____ % due 12/01/2037	_____ % due 12/01/2043
_____ % due 12/01/2032	_____ % due 12/01/2038	_____ % due 12/01/2044
_____ % due 12/01/2033	_____ % due 12/01/2039	_____ % due 12/01/2045
_____ % due 12/01/2034	_____ % due 12/01/2040	_____ % due 06/01/2046
_____ % due 12/01/2035	_____ % due 12/01/2041	
_____ % due 12/01/2036	_____ % due 12/01/2042	

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 \$57,600 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 August 11, 2026.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: ____ 10% test, or the ____ hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from August 11, 2026 of the above bid is \$ _____ and the true interest cost (TIC) is ____%.

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of Bloomer, Wisconsin, on July 22, 2026.

By: _____ By: _____
Title: _____ Title: _____