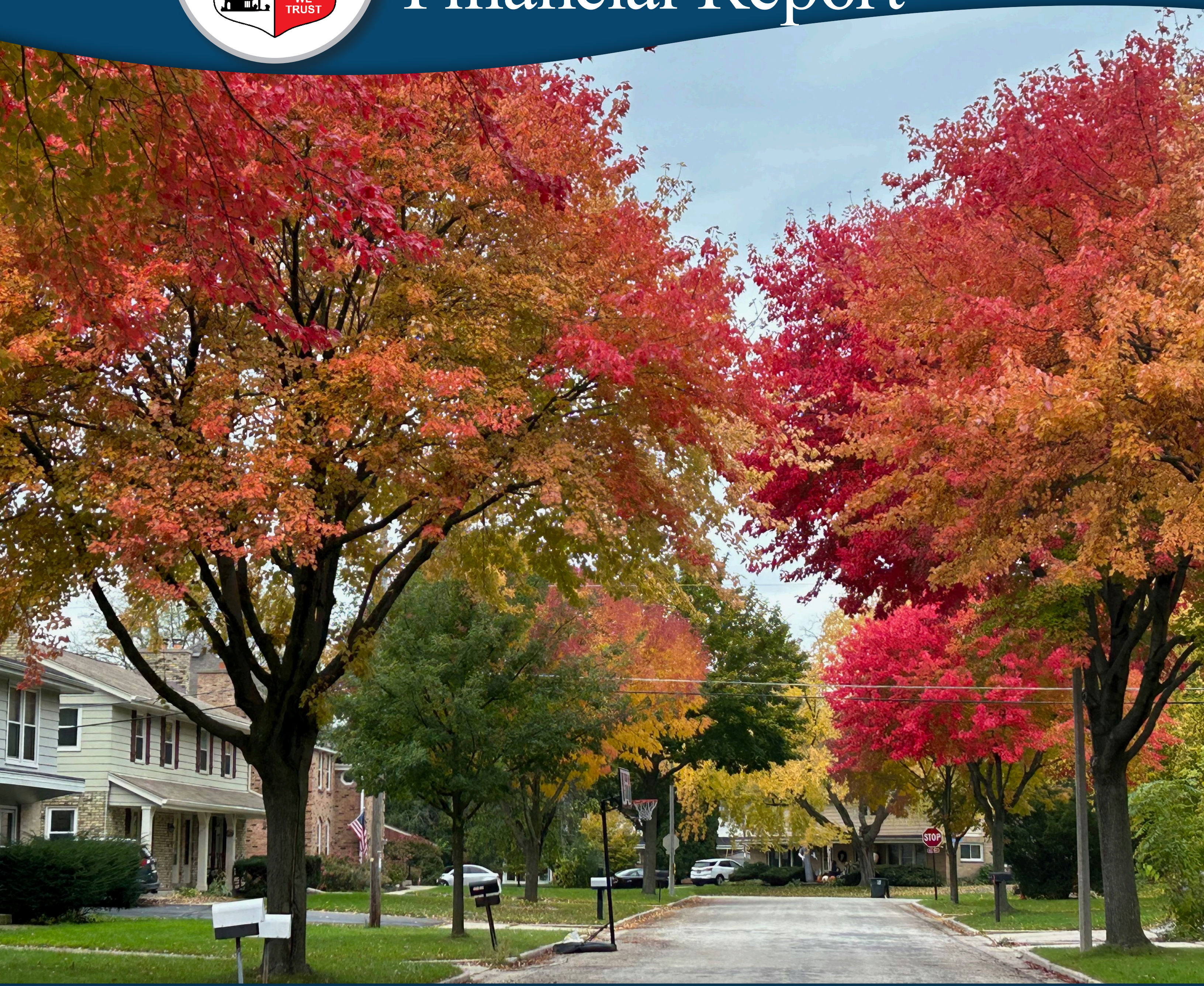
City of Wauwatosa

Annual Comprehensive Financial Report



For the year ended December 31, 2025

Prepared by the City of Wauwatosa Finance Department

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INTRODUCTORY SECTION

CITY OF WAUWATOSA
Finance Department
7725 W. North Avenue
Wauwatosa, WI 53213

June 26, 2026

Citizens, Honorable Mayor and Common Council of the City of Wauwatosa:

Wisconsin Statutes and the Wisconsin Administrative Code require that cities with a population greater than 25,000 publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to those requirements, the Annual Comprehensive Financial Report of the City of Wauwatosa for the fiscal year ended December 31, 2025 is hereby submitted.

This report was prepared by the City's Finance Department and contains representations concerning the finances of the City. Responsibility for the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To provide a reasonable basis for these representations, management has established and maintained an internal control structure designed to ensure that City assets are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow the accurate preparation of financial statements in conformity with GAAP in the United States of America. The system of internal control has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefit derived. To the best of our knowledge and belief, the presented data is complete and reliable in all material aspects and is reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included in this report.

As indicated above, state law requires that the City's financial records be audited annually by independent certified public accountants. Based upon the recommendation of the Budget and Finance Committee and the approval of the Common Council, the City retained the services of CliftonLarsonAllen, LLP to perform its audit. CliftonLarsonAllen, LLP concluded based upon its audit procedures that the City's financial statements for the year ended December 31, 2025 are fairly presented in accordance with GAAP. The auditor's opinion is included as the first item in the financial section of this report.

The City maintains budgetary controls at the fund level and any budgetary change greater than $25,000; or that which increases the total fund expenditures requires Common Council approval.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF WAUWATOSA

The City of Wauwatosa is located in Milwaukee County, approximately five miles from downtown Milwaukee, in the southeast corner of Wisconsin. Incorporated in 1892, the City of Wauwatosa covers thirteen square miles and has a population of 48,589 (per state Department of Administration). Wauwatosa has high interstate visibility; is central to the Metro-Milwaukee region; is a destination retail and office development center; and has excellent access from major regional thoroughfares. Home to a talented and skilled workforce, Wauwatosa is pivotal to jobs and innovation in medical research, information technology, and advanced manufacturing.

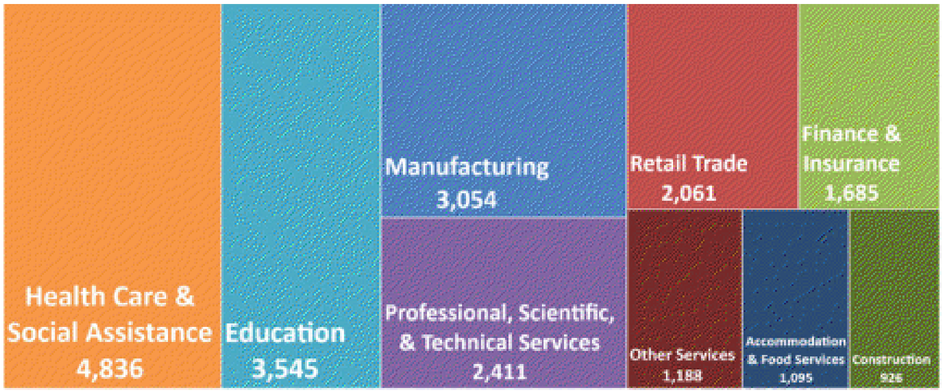
The City operates under the Council-Administrator form of government. The sixteen aldermen represent eight districts, serving four-year staggered terms, with one alderman per district elected every two years. The Mayor is elected to serve a four-year term while the City Administrator is appointed by the Common Council to manage the day-to-day operations of the City. Wauwatosa provides a full range of services typical of municipal governments, including police, fire and emergency medical protection; public works activities such as highway and street maintenance, engineering, refuse and recycling collection, water utility and sewer services; public health; public library; parks and recreation activities; community development activities including planning and zoning enforcement, economic development, housing, building inspection and code enforcement; and general and financial administration.

The City of Wauwatosa is second only to downtown Milwaukee as regional employment center in southeast Wisconsin with an estimated 55,455 people commuting here for work each day. Over 17,000 people are employed by the Milwaukee Regional Medical Campus, a level-one trauma center that is also home to the Medical College of Wisconsin. The City's equalized property valuation has increased from $5.7 billion in 2016 to $10.1 billion in 2025 and commercial property makes up 39% of the tax base. The City is also home to the largest regional shopping center in Wisconsin, Mayfair Mall, which includes destination stores such as Nordstrom's, Crate and Barrel, the Container Store and the Apple Store.

The City maintains a charming downtown area and several neighborhood commercial districts with thriving restaurants and boutique stores. There are 7 hotels in the City that provide over 863 rooms to host tourists to the City and to regional events and conventions, visits to the medical complex and business travelers. The room tax revenue from these hotels helps support general fund services and provide a dedicated funding stream for the Tourism Commission. Although completely land-locked, the City continues to experience a high-level of redevelopment. City of Wauwatosa residents tend to stay here with nearly 50% moving in more than 10 years ago. The City has an established and diverse housing stock with 32% built prior to 1940. Residents work in many industries as shown below[1].

The unemployment rate for the City of Wauwatosa was 2.9% for 2025. This compares favorably to the state's average of 3.2% and Milwaukee County's average rate of 4.0% and is slightly up from 2.7% in 2024. Personal income per tax return was $109,649 in 2024 compared to $76,638 for the State of Wisconsin.

[1] Source: U.S. Census Bureau 2019 American community 5-Year Estimate



The annual budget process serves as the City's basis for financial planning and control. Departmental budgets are prepared on an annual basis by department heads and are submitted for examination in August of each year. The initial review of these budgets is conducted by the Mayor, City Administrator, and the Finance Department. After review of the department requests, the Mayor submits his recommendations to the Financial Affairs Committee for its review and approval. Public meetings are held starting in October by the Financial Affairs Committee whereby the budget is submitted to the Common Council for final approval. A public hearing on the proposed budget is held prior to approval by the Common Council, which usually occurs on the third Tuesday in November. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted.

ACKNOWLEDGEMENTS

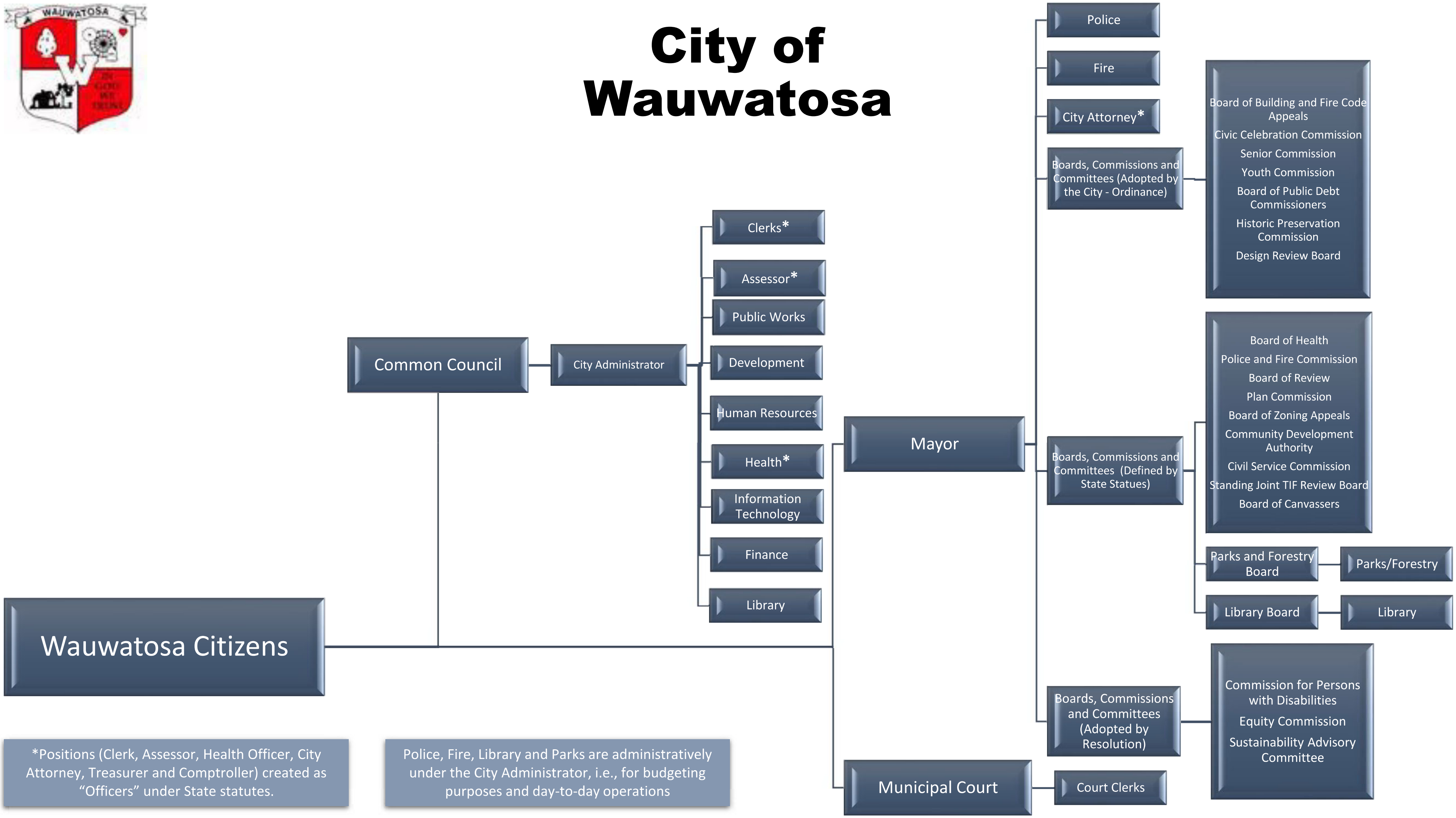
The Government Finance Officers Association of the United States and Canada (GFOA) did not award a Certificate of Achievement for Excellence in Financial Reporting to the City of Wauwatosa for its comprehensive annual financial report for the fiscal year ended December 31, 2024 due it being published later than 6 months following the end of the fiscal year. The City plans to apply and receive the award again in 2026. Prior to this, the City had received the award for ten consecutive years. In order to be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report was made possible by the efficient and dedicated services of the entire staff of the Finance Department along with the advice of the independent auditors, CliftonLarsonAllen, LLP. We would also like to thank the Common Council for their continued interest and support of the financial operations of the City.

Respectfully submitted,

John Ruggini
Director of Finance

City of Wauwatosa



*Positions (Clerk, Assessor, Health Officer, City Attorney, Treasurer and Comptroller) created as "Officers" under State statutes.

Police, Fire, Library and Parks are administratively under the City Administrator, i.e., for budgeting purposes and day-to-day operations

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2024

THE CITY OF WAUWATOSA, WISCONSIN
7725 W North Avenue
WAUWATOSA, WISCONSIN 53213

Dennis McBride, Mayor
Jason Wilke, Common Council President

MEMBERS OF THE COMMON COUNCIL

Andrew Meindl	Alderman, District # 1	Sean Lowe	Alderman, District # 5
Jim Moldenhauer	Alderman, District # 1	Rob Gustafson	Alderman, District # 5
Margaret Arney	Alderman, District # 2	Joe Phillips	Alderman, District # 6
Brad Foley	Alderman, District # 2	Aletha Champine	Alderman, District # 6
Robin Brannin	Alderman, District # 3	Amanda Fuerst	Alderman, District # 7
Joseph Makhlouf	Alderman, District # 3	Mike Morgan	Alderman, District # 7
David R. Lewis	Alderman, District # 4	Jason Wilke	Alderman, District # 8
Ernst Franzen	Alderman, District # 4	Melissa Dolan	Alderman, District # 8

ADMINISTRATORS

James Archambo	City Administrator
Beth Mbow	Human Resources Director
Krista G. LaFave	Municipal Judge
Mark Hammond	Development Director
Alan Kesner	City Attorney
Laura Stephens	Health Officer
Deyanira Nevarez	City Clerk
Sarah Tyrrell	City Assessor
Peter Loeffel `	Library Director
Jalal Ali	Information Systems Director
David Simpson	Public Works Director
John Ruggini	Finance Director
James Case	Fire Chief
James Mc Gillis	Police Chief

OFFICIALS ISSUING REPORT

John Ruggini	Finance Director
Kelly Heilert	Accounting Manager

INDEPENDENT AUDITORS' REPORT

Common Council
City of Wauwatosa, Wisconsin
Milwaukee County, 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 Wauwatosa, Wisconsin, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City of Wauwatosa, Wisconsin's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wauwatosa, Wisconsin, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund, Special Revenue Fund Tax Incremental District Fund, and American Rescue Plan ACT (ARPA) Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Wauwatosa, Wisconsin 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 of Wauwatosa, Wisconsin'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 City of Wauwatosa, Wisconsin'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 City of Wauwatosa, Wisconsin'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 management's discussion and analysis, the schedule of changes in the City's total other postemployment benefits liability and related ratios, schedule of the City's proportionate share of the net pension liability (asset), and the schedule of the City's pension contributions, 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 a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

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

Other Information

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

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

Common Council
City of Wauwatosa, Wisconsin

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2026, on our consideration of the City of Wauwatosa, 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 Wauwatosa, 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 Wauwatosa, Wisconsin's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
June 26, 2026

Management Discussion and Analysis

This section of the City of Wauwatosa's annual financial report provides the reader with management's narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025. See the "Overview of the Financial Statements" at the end of this section for an explanation of governmental accounting presentation of financial statements. Please note that figures in tables may differ immaterially from the financial statements due to rounding during data aggregation.

Financial Summary

Financial Highlights

- Net position for governmental activities grew by $10.0 million (11.8%) with most of the growth occurring in the net investment in capital assets and unrestricted.
- Net position also grew for Business Activities by $11.6 million similarly driven by investments in capital assets and unrestricted.
- Noncurrent liabilities for the primary government fell as a percentage of total assets (a positive trend) as the pension liability increase was offset by a $2.1 million decrease in the Other Post Employment Benefit liability.
- The General Fund ended the fiscal year with a $2,778,170 surplus. The City has 71 days of operating expenditures available in its Emergency and Working Capital assigned reserve which represents of 117% of its 60-day benchmark
- The Parks Fund posted a $424,448 surplus despite Hart Park being the site of extensive flooding in August. Flood related losses were offset by $453,370 in flood and other insurance proceeds and a $1,000,000 donation from the Tosa Foundation. Repairs continued into 2026 and is anticipated that some amount of the $1.6 fund balance (net committed fund balances) will likely be spent. Currently $653,626 is not reimbursed.
- All three utilities enjoyed a 2025 surplus and have Adjusted Balances (current assets-current liabilities net of unspent bond proceeds) that are adequately funded. In fact, they are over-funded as all 3 funds are building balances to be used to cash finance upcoming capital projects.
- The City of Wauwatosa net investments in capital assets for its governmental and business-type activities as of December 31, 2025 increased $15.3 million to $250 million.
- At the end of the current fiscal year, the City of Wauwatosa had total net general bonded debt outstanding of $144.4 million which equaled 1.4% of equalized value
- The City's Other Post-Employment Benefits is $37.1 million in 2025 representing 91% of covered payroll, the lowest amount since a peak of 238% of payroll in 2013
- The City maintained an Aaa rating from Moody's.

Government-wide Financial Analysis

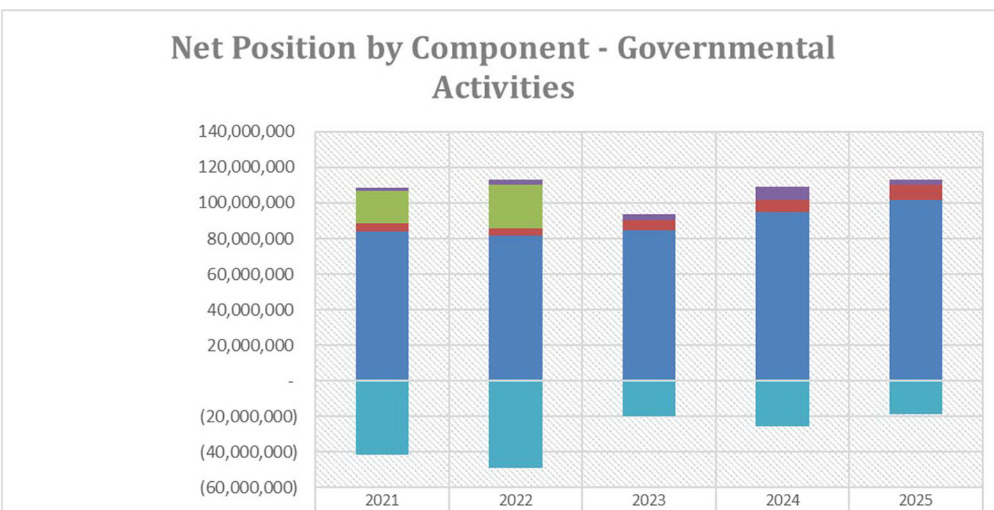
Under the Governmental Accounting Standards Board (GASB), net position is the residual difference between all elements in a statement of financial position. It is calculated as: (Assets + Deferred Outflows of Resources) - (Liabilities + Deferred Inflows of Resources). In every-day language, net position reflects government's bottom line. The Statement of Net Position and Statement of Activities (Pg 1 and 2) present net position on a full-accrual basis for all governmental activities and all business-type activities.

The largest portion of the City of Wauwatosa's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment, less any related debt used to acquire those assets that is still outstanding). Although the City of Wauwatosa's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since most of the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Wauwatosa's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the city's ongoing obligations to citizens and creditors.

Governmental Activities

In 2025, the net position grew by $10.0 million (11.8%) with most of the growth occurring in the net investment in capital assets as shown in the figure below. This investment is discussed in more detail under the" Significant Capital Asset and Long-term Financing Activity" section later in this analysis. The "Unrestricted Net Position" is negative due to the City issuing taxable general obligation bonds used to finance private economic development activity (demolition of privately-owned structures for example) as economic development incentives. This totaled $18.2 million. In addition, the City issues Municipal Revenue Obligations as another economic development tool through which developers receive a long-term cash flow based on a percentage of their annual property tax bill. Since there is no corresponding asset, this also contributes to the negative unrestricted net position. The outstanding Municipal Revenue Obligation liability as of year-end decreased $2.6 million to $25.4 million.



	2021	2022	2023	2024	2025
Unrestricted	(41,615,879)	(48,830,980)	(19,827,405)	(25,348,840)	(18,933,073)
Restricted for Other	1,449,909	3,328,626	3,361,127	7,934,048	2,729,267
Restricted for Pension Obligations	18,715,400	24,315,692	-	-	-
Restricted for Debt service	4,221,011	4,257,698	5,456,342	6,600,118	8,390,099
Net investment in capital assets (1) $	84,083,817	81,468,864	84,628,128	94,814,987	101,766,821

The figure below shows how the City's activities contributed to this increase in net position. Year over year, governmental expenditures increased $19.8 million. This was driven largely by increased net expenditures including a $10.0 million property tax settlement with Froedtert Hospital that caused General Government expenditures to increase from $9.1 to $19.4 million. Public Safety expenditures also grew $5.1 million due mostly to a $3.0 change in the pension expense from 2024

The City experienced a 500-year flood in August 2025 that caused an estimated $4.0 million of damage to public infrastructure with the majority of the damage occurring in Hart Park which lies in the flood plain along the Menomonee River. Only $1.1 million of expenses were incurred in 2025, with the majority of the repairs planned for 2026. The 2025 expenses were largely related to restoration and the main reason for the 20% increase in Education and Recreation expenses. These initial expenses were offset by approximately $500,000 of flood and property insurance proceeds and a $1.0 million donation from the Tosa Foundation.

The City's Community Development Authority also incurred a $3.9 million expense as it donated land previously purchased as described below under the Minor Special Revenue Funds fund balance discussion that contributed to the 22% increase in Conservation and Development.

Charges for services increased 16.4% fueled by a $1.0 million increase in Public Works that was driven by the implementation of a new $15 vehicle registration fee to be used for physical road improvements to impede reckless driving.

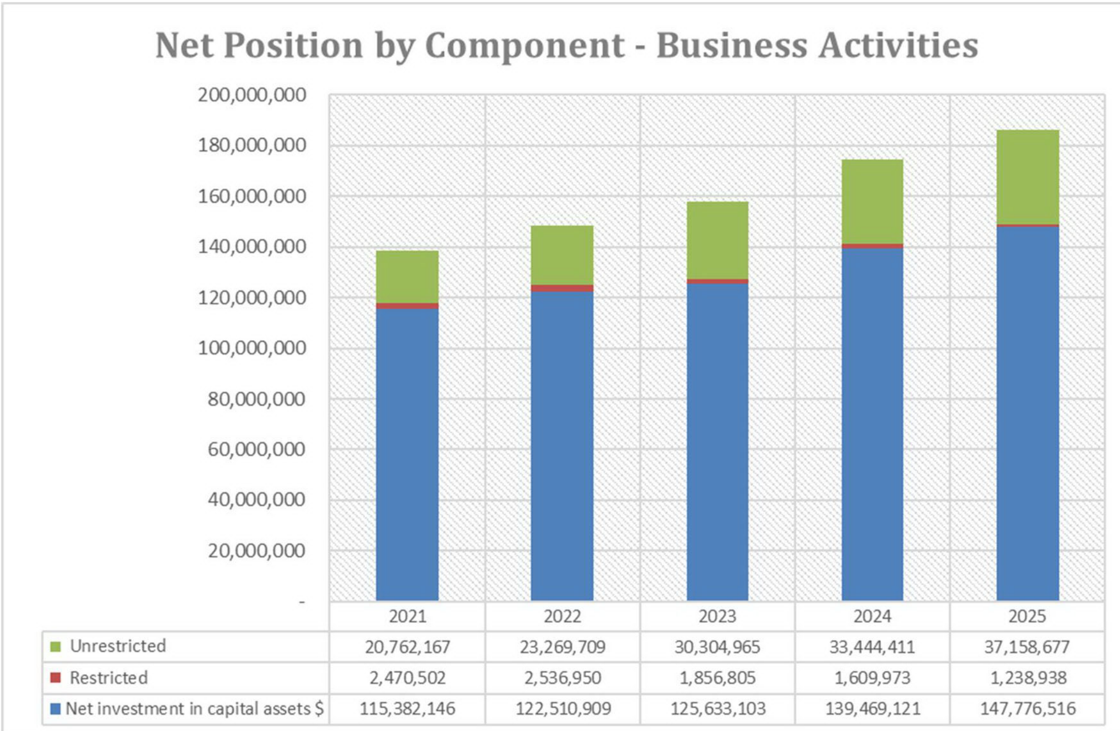
City of Wauwatosa, Wisconsin
CHANGES IN NET POSITION
For The Years Ended December 31, 2025 and 2024

	Governmental Activities		
	2025	2024	Variance
REVENUES			
Program Revenues:			
Charges for Services	$ 15,106,583	$ 12,976,383	$ 2,130,200
Operating Grants	8,084,375	7,767,018	317,357
Capital Grants/Contributions	6,005,885	6,429,316	(423,431)
General Revenues:			
Property Taxes	70,653,695	61,702,257	8,951,438
Other Taxes	2,627,237	2,631,586	(4,349)
Grants not Restricted to Specific Programs	5,779,588	3,894,483	1,885,105
Investments	6,271,748	6,750,314	(478,566)
Gain (loss) -sales/disposal of capital assets	314,630	89,189	225,441
Total Revenues	114,843,741	102,240,546	12,603,195
EXPENSES			
General Government	19,371,404	9,104,720	10,266,684
Public Safety	45,637,587	40,501,580	5,136,007
Public Works	13,571,227	12,534,358	1,036,869
Health and Human Services	2,593,830	2,508,179	85,651
Education and Recreation	6,271,603	5,211,187	1,060,416
Conservation and Development	10,785,922	8,818,452	1,967,470
Culture	1,388,224	1,182,057	206,167
Interest and Fiscal Charges	3,008,433	2,939,286	69,147
Loss on Sale of Capital Assets	-	-	
Total Government Activities Expense	102,628,230	82,799,819	19,828,411
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFERS	12,215,511	19,440,727	(7,225,216)
NET TRANSFERS	(2,262,710)	(1,640,808)	(621,902)
Change in Net Position	9,952,801	17,799,919	(7,847,118)
Net Position - Beginning	84,000,313	66,200,394	17,799,919
Change in Accounting Principle - GASB 101			
NET POSITION - ENDING (as restated)	$ 93,953,114	$ 84,000,313	$ 9,952,801

Government activity revenue grew $9.0 million year over year largely driven by an increase in general property taxes due to a 1.2% levy increase and $6.5 million in chargeback revenue (classified as property taxes) from the other taxing jurisdictions for their share of the Froedtert settlement.

Business Activities

Net position also grew for Business Activities by $11.6 million as shown below. Similarly, to government activities, this was driven by investments in capital assets discussed later in this section.



	2021	2022	2023	2024	2025
Unrestricted	20,762,167	23,269,709	30,304,965	33,444,411	37,158,677
Restricted	2,470,502	2,536,950	1,856,805	1,609,973	1,238,938
Net investment in capital assets $	115,382,146	122,510,909	125,633,103	139,469,121	147,776,516

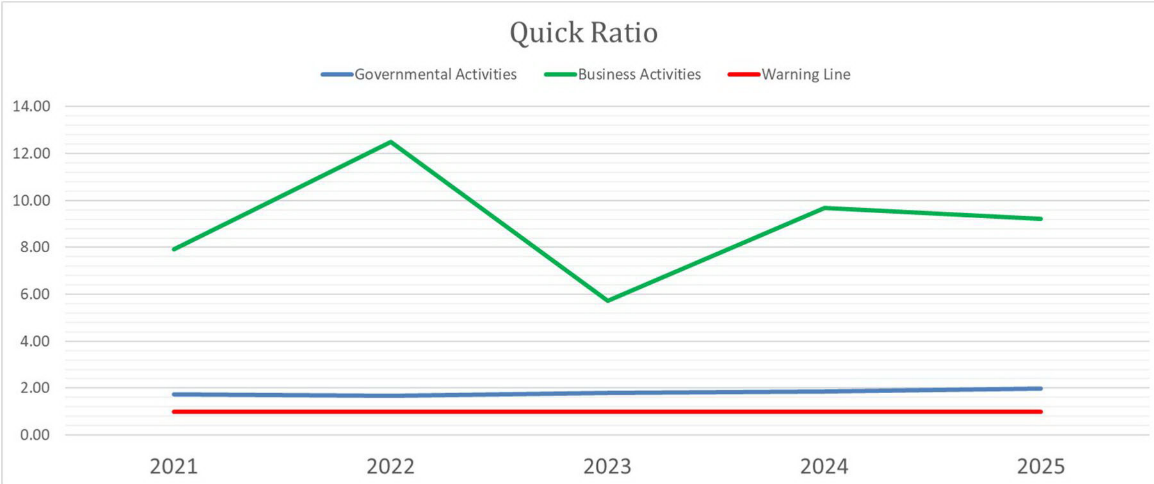
Year over year expenditure and revenue changes are discussed under Proprietary Funds section of the Fund Financial Analysis below. However, the notable $4.8 million decrease in Grants/Contributions shown in the figure below was caused by a one-time developer contributed capital in 2024. Sanitary expenditures increased $1.6 million due largely to a $0.6 million increase in waste water treatment services resulting from increased transmission (and also offset by increased revenue). The remainder was due to capital improvements not depreciated due to private ownership.

City of Wauwatosa, Wisconsin
CHANGES IN NET ASSETS
For The Years Ended December 31, 2025 and 2024

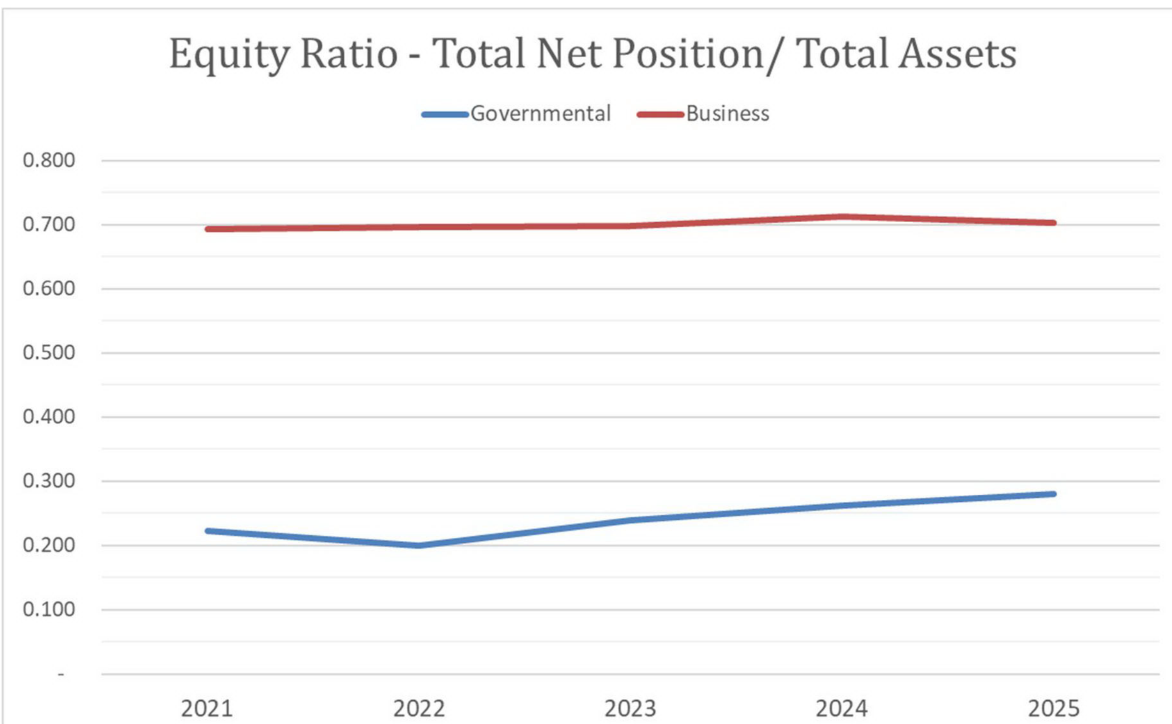
	Business Activities		
	2025	2024	Variance
REVENUES			
Program Revenues:			
Charges for Services	$ 31,054,661	$ 29,367,046	$ 1,687,615
Grants/Contributions	685,531	5,452,625	(4,767,094)
General Revenues:			
Investments	1,432,400	1,571,092	(138,692)
Total Revenues	33,172,592	36,390,763	(3,218,171)
EXPENSES			
Water Utility	9,679,489	9,155,933	523,556
Sanitary Sewer	10,383,834	8,803,905	1,579,929
Storm Water Management	3,721,353	3,224,225	497,128
Total Business Activities Expense	23,784,676	21,184,063	2,600,613
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFERS	9,387,916	15,206,700	(5,818,784)
NET TRANSFERS	2,262,710	1,640,808	621,902
Change in Net Position	11,650,626	16,847,508	(5,196,882)
Net Position - Beginning	174,523,505	157,675,997	16,847,508
Change in Accounting Principle - GASB 101			
NET POSITION - ENDING	$ 186,174,131	$ 174,523,505	$ 11,650,626

Statement of Net Position

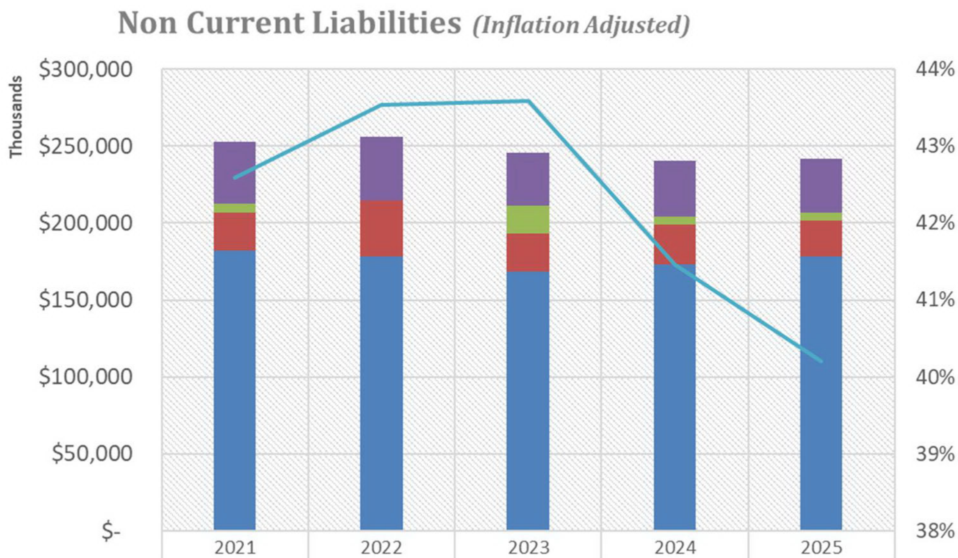
An effective way to evaluate the strength of a balance sheet is through a quick ratio – dividing current assets by current liabilities as presented below. A healthy ratio exceeds 1.0. Both governmental and business activities exceed this threshold with governmental activities showing a relatively flat ratio while business activities showing significantly more balance sheet strength. This is not surprising since all three proprietary funds are in the process of building fund balance for future large capital projects



The Equity Ratio measures the total net position divided by total assets and is another method for measuring balance sheet strength over time. As seen below, both governmental and business activity balance sheets show relative stability over the past five years with governmental activities showing year over year increases since 2022. This has been driven by a 41% growth in net position over this 5-year period. Business activity assets and net position have grown at a relatively similar rate (32% and 34% respectively) producing a stable ratio.



The final balance sheet metric presented is non-current liabilities



	2021	2022	2023	2024	2025
OPEB Liability	$39,759,057	$41,485,430	$34,745,188	$36,653,578	$34,594,840
Pension Liability	$6,281,915	$-	$17,740,307	$4,865,591	$5,310,197
Due within one year	$24,230,303	$36,066,495	$24,690,414	$26,076,042	$23,750,325
Due in More than One Year	$182,394,646	$178,432,575	$168,736,130	$173,146,178	$178,029,875
As a % of Total Assets	43%	44%	44%	41%	40%

Noncurrent liabilities for the primary government fell as a percentage of total assets (a positive trend) as the pension liability increase was offset by a $2.1 million decrease in the Other Post Employment Benefit liability. This also offset an increase in liabilities due in more than one year. This increase in liabilities due in more than one year is largely due to borrowing in 2024 and 2025 that exceeded defeasance of principal as the City continues to undertake large utility projects as part of a dedicated asset replacement program and to expand capacity of the stormwater system in the face of climate change induced heavy rains. This decrease has also been fueled by a 20% increase in assets.

Detailed Analysis

Fund Financial Analysis

Governmental Funds

The City of Wauwatosa has established fund balance policies for many of its funds in accordance with the Government Finance Officers Association's "Rethinking Reserves" project. Fund reserve levels are established based on the main risks and volatilities unique to that fund. This following section will discuss the fiscal year surplus/deficit position of each fund along with the status of its fund balance as compared to the policy. A stoplight analysis is presented where a "green" light indicates that the fund reserve is at 95% or greater of its benchmark, "yellow" when it is between 80 and 95% and "red" when it is below 80 percent. The "Performance" column in the table below presents the fund's reserve level as measured by the benchmark (i.e. days of operating expenditures, percent of claims, etc.) while the "% of Benchmark" column represents that metric as a percentage of the policy goal. For example, if 90 days operating expenditures is the reserve policy benchmark and the fund is at 100 days, then it is 111% of the benchmark. When necessary for operational purposes, an adjusted fund balance is also shown.

General Fund

The General Fund ended the fiscal year with a $2,778,170 surplus. The unassigned fund balance is grouped into three categories as shown in the table below. The City has 71 days of operating expenditures available in its Emergency and Working Capital assigned reserve which represents of 117% of its 60-day benchmark. The reasons for this surplus are described in the "General Fund Budgetary Highlights" section.

The City's "Amortization Fund" which is an assigned General Fund balance fell to 85% of its benchmark. While there was no change in the balance, debt service increased, causing the ratio to fall. Given strict levy limits discussed below, this benchmark is expected to continue decreasing which prevents it from being used to cash finance capital and will increase pressure on the City's bond rating.

The City's contingency fund fell to 86% of the benchmark due to a small amount being used in 2025 and budgetary expenses increasing. Per policy, it will be replenished as of 1/1/2026 from the Emergency and Working Capital fund balance. While still remaining below benchmark, the City did increase its Recycling Stabilization Fund $83,766 due to strong commodity sales.

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
General Fund - Emergency and Working	$ 2,778,171	$ 29,329,760	$ 16,049,814	60 days expenses (subsequent year budget)	75.75	125%	$ 3,161,120	
General Fund - Amortization Fund	Included Above	$ 9,161,125	NA	125% of Levy Funded Principal and Interest	107%	85%	$ (1,554,084)	
General Fund - Contingency Reserve	Included Above	$ 333,767	NA	.5% of expenses (subsequent year budget)	0.43%	86%	$ (52,894)	
General Fund - Capital Improvements	Included Above	$ 1,202,572	NA	N/A		N/A	N/A	
General Fund - Plant Beds/ Medians	Included Above	$ 15,914	NA	N/A		N/A	N/A	
General Fund - Recycling Stabilization	Included Above	$ 413,483	NA	Current Year Estimated Total Annual Commodity Value X 2		84%	$ (81,517)	

Other Major Governmental Funds

The table below presents the financial results for the other major funds. The Debt Service Fund posted an expected $249,027 deficit as it spent down earned bond premium and the principal amount borrowed on behalf of the Milwaukee Area Domestic Animal Control Commission, and recorded as a non-spendable fund balance, was paid down by $175,000 to $1,050,000.

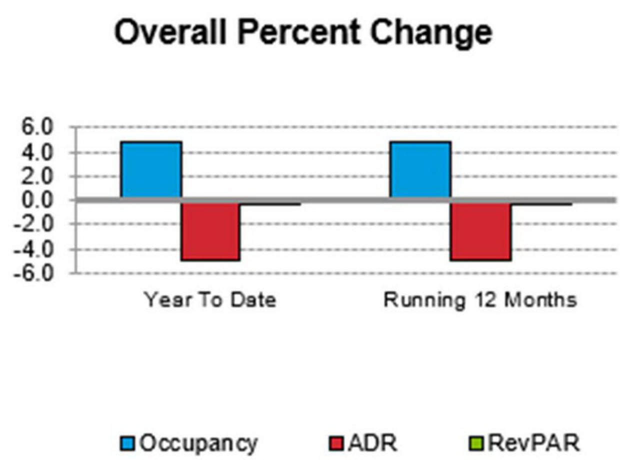
The Capital Projects Fund posted a $3.8 million surplus due mostly to an increase in unused bond proceeds as the Engineering Division works to complete several multi-year projects. Unused bond proceeds are maintained as a Restricted Fund Balance and not considered as part of the benchmark which remained constant at 170%.

The Tax Increment District Fund posted a $2.1 million surplus driven largely by property tax increment exceeding project plan costs by approximately $1.0 million in Tax Increment District 6 – Innovation Campus and Tax Increment District 8 – State Street East. This offset a $0.5 million expected deficit in Tax Increment District 7 – Burleigh Triangle as a developer loan was paid off with fund cash which will be repaid over the next 2 years.

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
Debt Service	$ (249,028)	$ 1,872,196	NA	N/A		N/A	N/A	
Capital Projects - Working Capital	$ 3,797,110	$ 19,979,263	$ 8,290,115	20% above 3 year average of max monthly cash deficit	34%	170%	$ 2,103,442	
Tax Incremental District Funds	$ 2,133,986	$ 6,938,430	$ 8,589,779	Maintain 1.25 Debt Coverage Ratio and work towards cash			TBD	
Special Grants	$ (34,027)	$ 0	NA	Dependent on grant status	NA	NA	NA	

Nonmajor Special Revenue Funds

Of the Nonmajor Special Revenue Funds, only the Tourism Fund has a fund balance benchmark. Following the COVID pandemic, and recognizing in retrospect the vulnerability of the fund to macro-economic factors impacting hotel/motel taxes, it's primary revenue source, a policy was adopted to maintain 6-months of operating expenses in reserve with any surplus allocated to a capital reserve. In 2025, hotel revenues dropped 2.8% year over year as decreases in the average daily rate offset occupancy increases (see figure below) resulting in a $65,592 surplus as compared to the budgeted $117,851 contribution towards reserves. However, the fund was able to maintain its fully funded operating reserve.



The Community Development Authority (CDA) posted a $3.8 million reduction to fund balance. This was caused by the planned exchange of the vacant Boston Store acquired at auction in 2022 at no cost for the elimination of the real estate agreements at Mayfair Mall that prohibited residential development and for the recruitment of the Scheels retail store. As a result, the CDA had to write down the purchased cost of the Boston Store. This did not have a cash impact on the CDA as TIF 10 - Mayfair Reserve had financed the debt necessary for the acquisition. The CDA maintains a $1.4 million fund balance reserved for affordable housing and economic development purchases.

The Parks Fund posted a $424,448 surplus despite Hart Park being the site of extensive flooding in August. Flood related losses were offset by $453,370 in flood and other insurance proceeds and a $1,000,000 donation from the Tosa Foundation. Repairs continued into 2026 and is anticipated that some amount of the $1.6 fund balance (net committed fund balances) will likely be spent but the exact amount remains uncertain as the City continues to wait to hear if the State will provide emergency disaster relief after the federal request was denied. Currently $653,626 is not reimbursed.

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
CDBG Program	$ (10,206)	$ (17,096)	NA	N/A		N/A	N/A	
Revolving Fund	$ 47,739	$ 254,966	NA					
Redevelopment Reserve	$ 9,049	$ 1,024,104	NA	NA - Designated for TIF closure surplus funds			TBD	
Community Development Authority	$ (3,762,710)	$ 1,370,395	NA				TBD	
Tourism	$ 65,592	$ 1,265,445	NA	6 months operating reserve		100%	$ -	
Special Assessments	$ -	$ -	NA				NA	
Parks	$ 424,448	$ 2,720,135	$ 1,571,816	Prefunding of track and turf			TBD	
Library	$ 3,280	$ -		Suprlus is transferred to Library Trust				
Hospital Policing	$ (17,833)	$ 22,876	NA	TBD			TBD	
Special Grants	$ (34,027)	$ 0	NA	Dependent on grant status	NA	NA	NA	

Nonmajor Capital Project Funds

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
Fleet Equipment Reserve	$ 406,119	$ 1,175,195	NA	Based on 5-year purchase plan			TBD	
Information Systems Capital Reserve	$ 79,915	$ 1,806,243	NA	Five year Information Systems capital plan			TBD	
Public Works Building Improvements	$ (236,265)	$ 76,862	NA	Five year capital plan			TBD	

The Fleet and Information Systems Reserves both posted surplus' as the depreciation transfer from the respective internal service fund exceeded the capital outlay. The Public Works Building Improvement Reserve posted a $236,265 anticipated deficit as $360,00 was transferred to the Capital Project Fund to pay for roof work and the Fleet garage resurfacing.

Internal Service Funds

As a self-funded entity, the City maintains a Health/Life Insurance fund which posted a $1.6 million deficit largely due to the $1.4 million-dollar Other Post-Employment Benefits expense that was posted. In addition, the fund issued a $750,000 dividend to employees following a very strong claims year in 2024. Similarly, in 2025, claims were 94% of budget providing a $487,321 savings compared to budget. When adjusted for current assets and current liabilities, the fund's adjusted balance is at 137% of our benchmark.

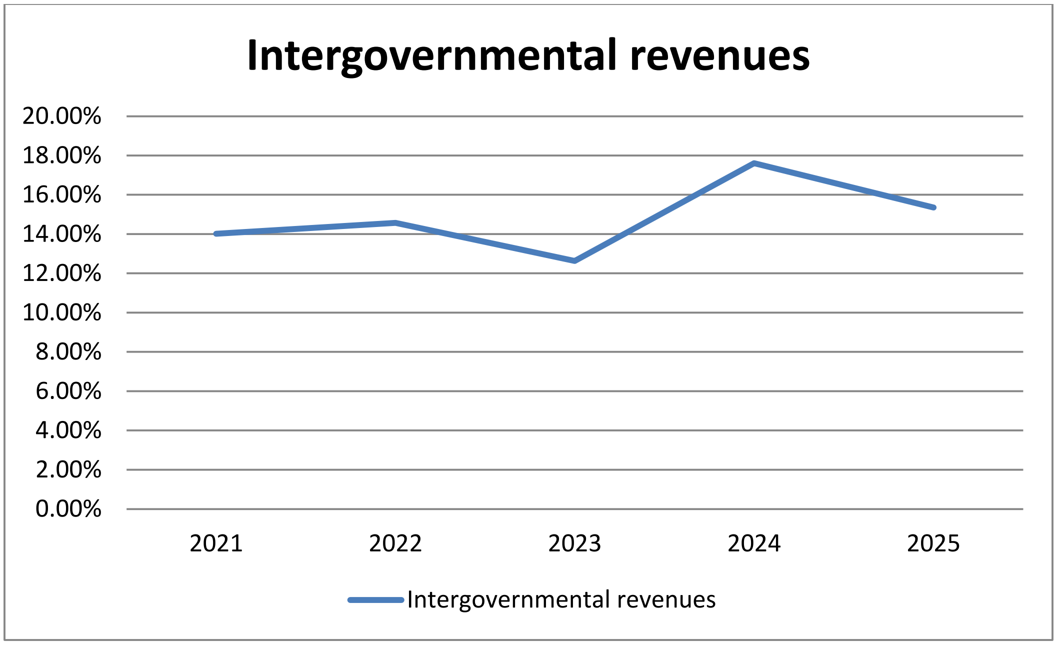
General Liability posted a $2.5 million loss due to the City settling large property value litigation case with a local hospital and issuing a $10,000,000 refund (from the General Fund). $3.6 million was funded via a transfer from the General Liability fund which had been building a contingency for this purpose over several years. The balance was paid for through chargebacks to the other taxing jurisdictions.

The Workers Compensation fund had a challenging year as the incurred but not reported amounts for several large claims from prior years were inadequate creating expenses in 2025. $750,000 was transferred from the Health/Life fund to offset this unbudgeted expense but the fund still fell short by $78,249 and the fund balance dropped to 75% of the benchmark.

The Municipal Complex posted a $179,414 surplus as it builds fund balance to be used for future capital projects.

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
Health/Life	$ (1,618,416)	$ (26,527,892)	$ 7,325,056	30% of most recent 3-year average claims expense + sick	94%	137%	$ 1,972,019	
Dental Reserve	$ 6,627	$ 252,551	NA	30% of most recent 3-year average claims expense	107%	403%	$ 169,150	
General Liability	$ (2,541,431)	$ 4,429,031	$ 3,244,578	SIR amount + contigency		TBD	TBD	TBD
Worker Comp	$ (78,249)	$ 479,895	NA	1.5 X SIR amount - $750,000	0.96	74%	$ (270,105)	
Fleet	$ (97,323)	$ 4,880,681	$ 332,104	30% of avg. fuel cost of past 3 years	55%	184%	$ 151,251	
Muni Complex	$ 179,414	$ 604,939	NA	TBD - Depends on Munic Complex Plan			TBD	
Information Systems	$ (79,867)	$ 1,774,030	$ 1,158,812	TBD - related to cyber security and fiber			TBD	
Public Works Building	$ (22,691)	$ 2,837,985	$ 289,826	TBD - related to maintenance			TBD	

An important component of governmental fund health is intergovernmental revenue as percentage of total revenues. As shown below this has been largely on an upward trajectory due to the American Rescue Plan funds received by the City beginning in 2021. This funding peaked in 2024 at $9.2 million and the total amount of these funds utilized will continue to decrease through 2026 when they will all be spent. In addition, the State of Wisconsin permanently increased local government funding in 2024.



Proprietary Funds

All three utilities enjoyed a 2025 surplus and have Adjusted Balances (current assets- current liabilities net of unspent bond proceeds) that are adequately funded. In fact, they are over-funded as all 3 funds are building balances to be used to cash finance upcoming capital projects.

Approximately half of the Water Utility's $5.3 million increase was driven by asset growth while the remainder was driven by net income. $3.1 million of this asset growth was related to the on-going construction of the west-side pumping station which was recorded as a revenue as it was financed by Federal COVID response American Rescue Plan grants and considered "contributed capital".

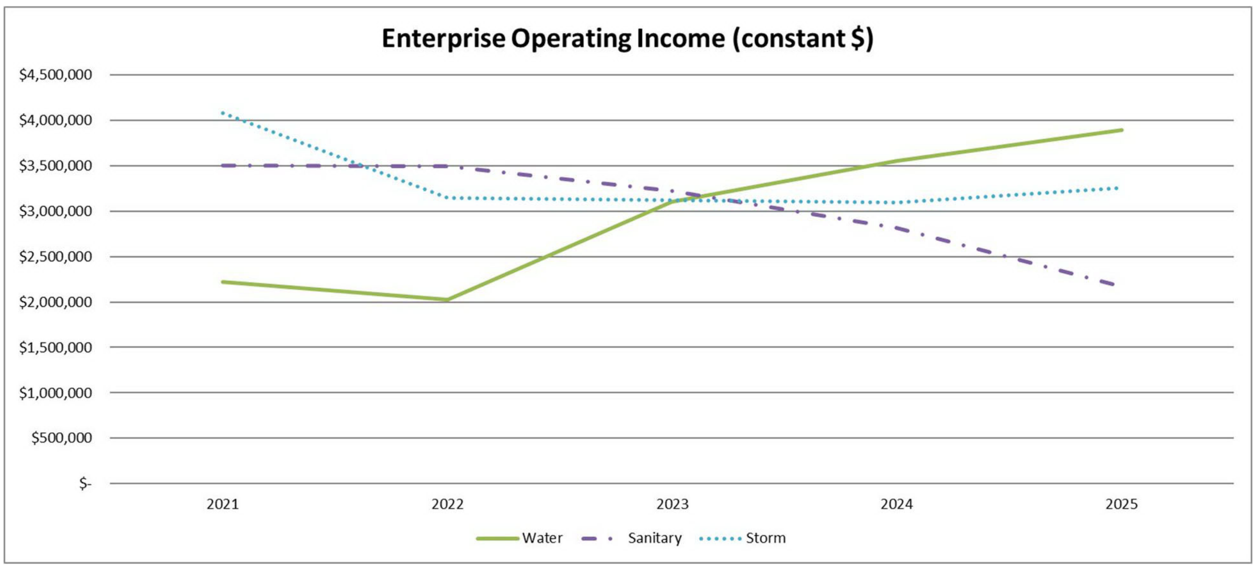
The Sanitary Reserve was budgeted to surplus by $2.3 million as it builds up a cash balance as described above. The additional $0.6 million in surplus was generated primarily by better-than-budgeted interest earnings that resulted from higher than assumed short-term interest rates.

Storm exceeded its budgeted surplus by $1.6 million. This was made up of $0.4 million of revenue exceeding budget targets due to interest earnings as described above and higher than projected rate revenue. The budget also assumed $700,000 in cash financing of capital; however, since this is a non-GAAP expense, it was not shown as an actual expense. It will be reflected instead over time through depreciation expense.

	2025 Surplus/(Deficit)	Net Position/Fund Balance	2025 Adjusted Balance	Benchmark	2025 Performance	2025% of Benchmark	2025 Over/ (Under) Benchmark	Status
Water	$ 5,307,970	$ 59,884,280	$ 9,189,320	90 days operating funds plus sufficient funding for next ten years of tank paintings	244	272%	TBD	
Sanitary Reserve	$ 3,355,336	$ 70,898,571	$ 18,943,465	25% of operating expenditures + cash financing for East Tosa Sewershed project	552	614%	TBD	
Stormwater	$ 3,109,499	$ 56,894,877	$ 5,877,191	25% of operating expenditures + cash financing for East Tosa Sewershed project	306	340%	TBD	

Another important indicator of proprietary fund health is annual enterprise income over time. The chart below displays inflation adjusted operating income for our three utilities. All three utilities posted positive net income over the past 5 years.

The Water Utility shows a steady increase beginning in 2022. This is due to a 30% rate increase in 2023 that was intended to provide sufficient operating income through approximately 2028. The Stormwater fund shows a fairly flat level of net income with no notable commentary. Sanitary on the other hand shows a downward trend. This is driven by a health fund balance (as discussed above) that allowed for three consecutive years of a rate freeze beginning in 2023.



General Fund Budgetary Highlights[1]

Differences between actual revenues and expenses and the final amended budget resulted in a positive revenue variance of $11,111,182 (13.9% of the original budget) and a negative expenditure variance of $8,333,011 (-10.5% of the original budget) including transfers. The following explains these variances:

General Fund

The General Fund, ended the year with a $2,778,170 surplus which equates to 2.7% of total budgeted expenditures. The tables below provide detail by expenditures and revenue categories. In general, the $10,000,000 settlement with Froedtert caused significant revenue and expenditure variances and "static" in the year-end results that requires some explanation.

General Fund Revenues

In total, actual general fund revenues were 113.9% of the original budget, a surplus of $11.1 million. This is broken down by revenue category below. The graph below uses a "stop-light" formatting to indicate which revenue categories exceeded the revised budget (green), were within 90% of budget (yellow) or were less than 90% (red). Also included is a comparison to prior year actuals.

Row Labels	2024A	2025A	2025BA	Variance to Original Revenue Budget	Year over Year Trend	% Var to Original Revene Budget	Prior YTD Variance
1-REVENUES	76,944,219	90,764,819	79,653,637	11,111,182		13.9%	13,820,599
01-TAXES	54,234,184	61,619,510	54,693,923	6,925,587		12.7%	7,385,326
02-STATE SHARED TAXES	6,722,943	7,948,024	7,956,282	(8,258)		-0.1%	1,225,081
03-LICENSES AND PERMITS	2,228,970	2,186,729	1,777,950	408,779		23.0%	(42,241)
04-FEES	4,408,351	4,751,564	4,843,919	(92,355)		-1.9%	343,213
05-LAW AND ORDINANCE VIOLATIONS	998,776	1,028,518	1,128,500	(99,982)		-8.9%	29,742
07-FEDERAL AND STATE GRANTS	1,083,571	738,028	431,668	306,360		71.0%	(345,543)
08-LOCAL INTERGOVT REVENUE	158,266	206,682	153,184	53,498		34.9%	48,416
09-INTEREST	5,524,125	5,071,944	2,400,000	2,671,944		111.3%	(452,181)
10-MISC REVENUES	362,747	2,058,441	553,843	1,504,597		271.7%	1,695,694
11-INTER-DEPT REVENUE	176,171	218,869	218,867	2		0.0%	42,698
12-BOND PROCEEDS	-	-	-	-	N/A	N/A	-
13-INTER-FUND TRANSFERS	1,046,115	4,936,510	5,495,500	(558,990)		-10.2%	3,890,394

"Taxes" is not a category that typically varies from budget however "chargebacks" are considered a tax and made up 99% of the variance. The chargebacks were revenue received from the other taxing jurisdiction for their share of the Froedtert settlement.

[1] Expenditure and revenue classifications for the general fund will differ from financial statements due to inconsistencies between budgeting and financial reporting categorizations. Management will reconcile this differences for a future report.

Building permits drove the 23% revenue surplus in category 03 despite the value of building construction being down 37% year over. This is due to timing issues – the Medical College and Three Leaf projects construction value was counted in 2024 but the revenue was earned in 2025. If you average the construction value over those 2 years, it equals $139 million which slightly below average ($146 million).

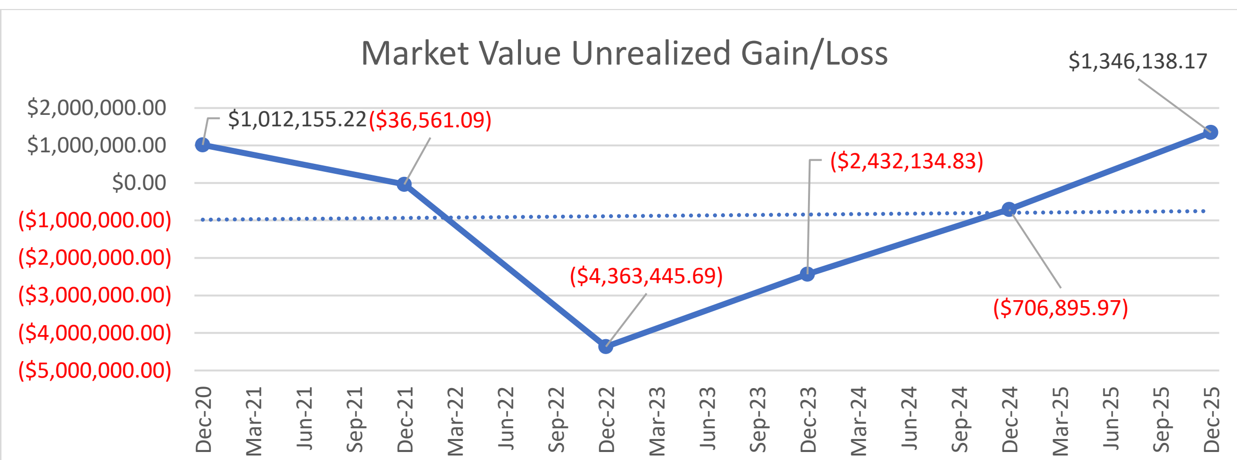
Shortfalls in Court Penalties drove the 9% deficit in Law and Ordinance Violation revenue. We earned $349,462 of a budgeted $481,000 as we continue to feel the effects of past and current police vacancies. This was consistent with 2024. Notably, Parking Violations exceed budget by 11.1% and was $42,327 over last year, despite having parking checker vacancies in the fourth quarter.

Federal and State Grant revenue surplus is for grants received that were not known at the time of the adopted budget and are offset by expenditures so they have no impact on the net surplus.

"09-Interest" was at 111.3% of budget with a $2.7 million surplus. Approximately 23% of this total, $619,000, were real gains. This surplus was driven by higher than budgeted interest rates. The 2025 budget assumed 125 basis points in cuts in the Fed Funds rate as compared to the actual 75 basis points. The City has held larger balances of liquid investment as it was anticipated that higher than usual cash balances would be needed to cover the Froedtert property tax settlement and increased cash financing later in the year. That, plus the lack of rate cuts contributed to the surplus earnings in the liquid portfolio

The required mark-to-market adjustment increased the surplus by another $2.1 million. As interest rates decrease, bond prices increase so the City's portfolio now exceeds its par value by $1.3 million. So long as the City holds its investments to maturity, which it has sufficient cash to do so, those paper gains will not be realized (just like our paper losses in 2022 and 2023 were not realized). Due to the volatility of the mark-to-market adjustment made annually as of 12/31 and its non-cash nature, the City does not budget for it.

The chart below shows the historical changes in value due to the mark-to-market.



Finally, transfers were short of budget by 10.2% however, there are mutiple moving pieces. All things equal, revenues should be short by $4,000,000 (as would be expenidtures) as a result of the Expenditure

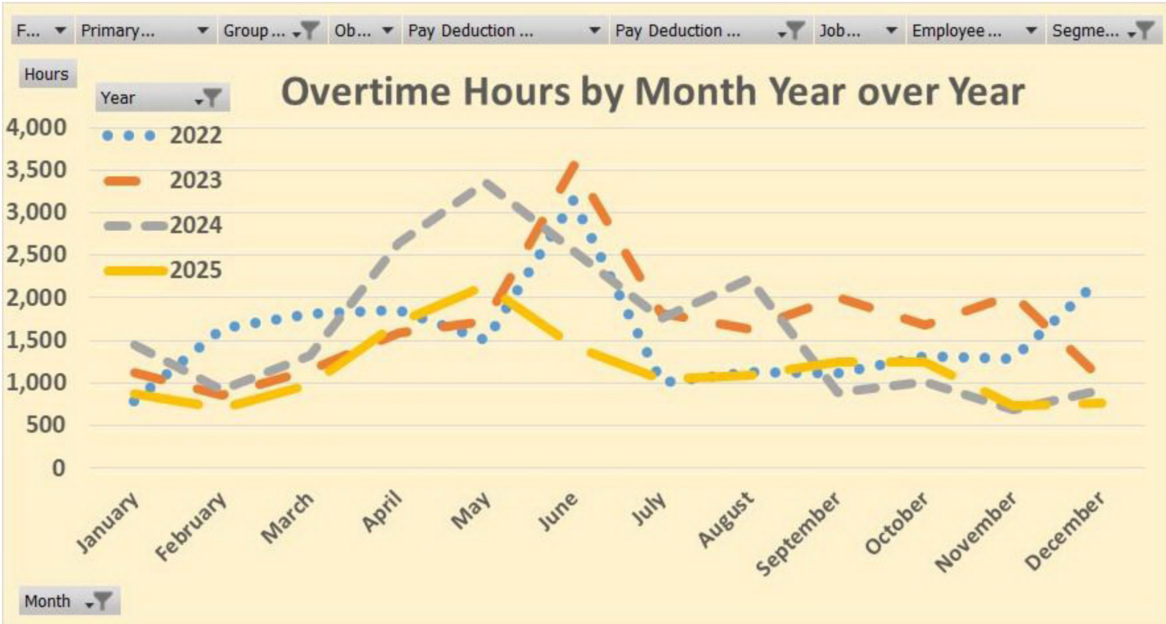
Restraint state aid contigency which is a budget-only figure. However, $3.55 million was transferred from the General Liability fund to the Genearl Fund to cover the City's portion of the Froedtert settlement. So the only material impact on year-end surplus among the transfers was the $129,000 shortfall in the transfer from the Water Utility – this is a payment in lieu of taxes and the budget assumed a higher tax rate than actual.

General Fund Expenditures

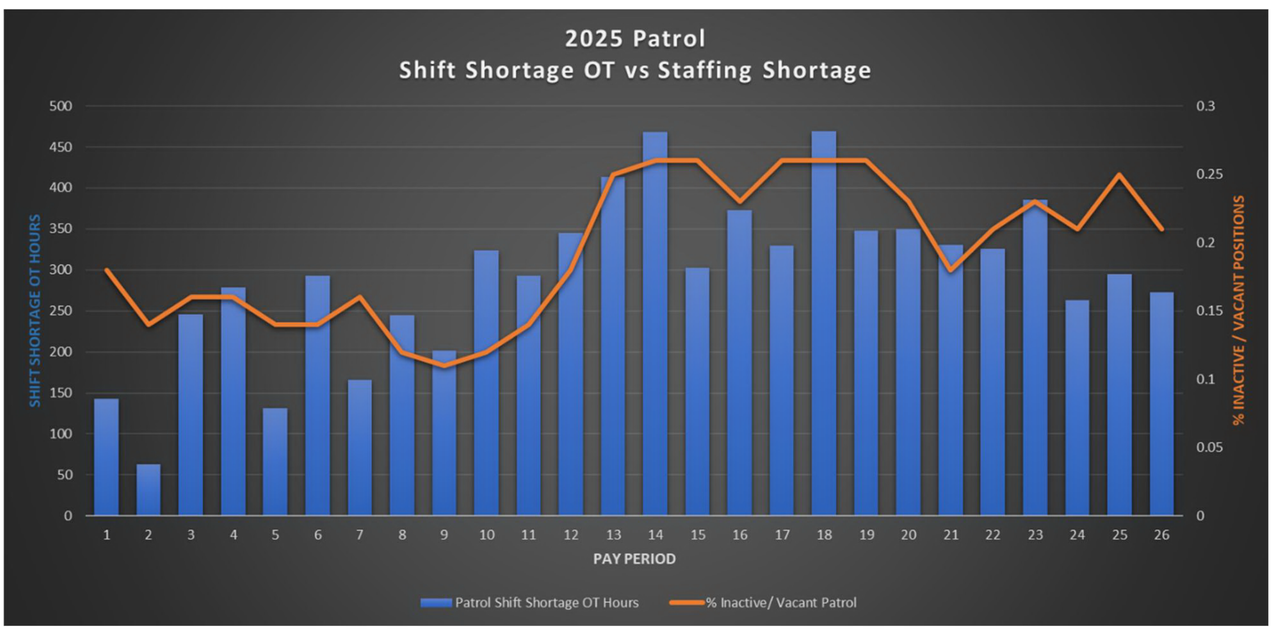
In total, General Fund expenditures exceeded budget by $8.3 million, which represents a 10.5% variance of budget. This large variance was driven by the Froedtert settlement as well as the Medical College property tax court judgement which will be discussed more below.

Row Labels	2024A	2025A	2025BA	Var. to Original Budget	Year over Year Trend	% Var to Original Budget	Prior YTD Variance
2-EXPENDITURES	73,733,661	87,986,647	79,653,637	8,333,011	↗	10.5%	14,252,986
01-WAGES	32,236,866	33,500,086	33,141,804	358,283	→	1.1%	1,263,220
01A-REGULAR PAY-POLICE SWORN	9,693,223	10,186,119	10,534,308	(348,189)	↗	-3.3%	492,896
01B-REGULAR PAY-FIRE SWORN	9,862,752	10,335,386	10,425,647	(90,261)	→	-0.9%	472,635
01C-REGULAR PAY-GENERAL	10,173,206	10,654,786	10,750,877	(96,091)	→	-0.9%	481,580
02A-OVERTIME-POLICE SWORN	1,634,756	1,529,266	898,132	631,134	↘	70.3%	(105,490)
02B-OVERTIME-FIRE SWORN	685,308	526,484	320,000	206,484	↘	64.5%	(158,824)
02C-OVERTIME-GENERAL	187,621	268,045	212,840	55,205	↑	25.9%	80,424
02-BENEFITS	14,155,818	14,767,347	14,255,222	512,125	→	3.6%	611,529
03-OPERATING EXPENDITURES	5,711,873	17,728,249	5,778,505	11,949,744	↑	206.8%	12,016,375
04-UTILITIES	733,416	774,642	779,860	(5,219)	↗	-0.7%	41,226
05-OTHER EXPENSES	391,610	114,374	413,450	(299,076)	↓	-72.3%	(277,236)
08-INTER-DEPT CHARGES	4,384,432	3,965,621	4,418,580	(452,960)	↘	-10.3%	(418,811)
09-CAPITAL IMPROVEMENTS	117,870	1,164,394	557,712	606,682	↑	108.8%	1,046,524
12-INTER-FUND TRANSFERS	16,001,777	15,971,934	20,308,502	(4,336,568)	→	-21.4%	(29,843)

The City saw a 1% deficit in wages as overtime overages exceeded salary savings in both the police and fire departments. Positively for the Fire Department, year-over-year overtime was down $158,824 and as can be seen in the graph below, the department was successful in managing the overtime by avoiding summertime spikes as had occurred in prior years. This was done primarily by proactively limiting overtime call-backs which did have an impact of staffing a fire apparatus with 3 instead of 4 firefighters more frequently. Overtime was driven by vacancies and paid time off. The department ran a 5% vacancy rate in its union positions, the equivalent of 4.0 FTE. However, vacation payouts limited the associated salary savings to offset overtime. Offtime (sick and vacation) was also a significant overtime driver.



Police overtime was driven more largely by staffing shortages. In fact 44% of total overtime was due to patrol and dispatch vacancies. The table below produced by the police department below shows that shift shortage is due to vacant and inactive positions (primarily military and workers compensation leave) which peaked at 25% and remained elevated at year-end.



The benefits category exceeded budget due to pension and social security costs being calculated as a percentage of pay.

"Operating Expenditures" greatly exceeded budget as the Froedtert settelment ($10.0 million) and the Medical College judgement ($2.1 million) were incurred in this category. As described under "Revenues", the Froedtert expenses was offset by chargeback and contigency revenue. However, due to the timing of the Medical College judgement which was paid after Oct. 1, that chargeback revenue will not be received until February 2027 so accounting rules prohibited recognizing it in 2025. Were it not for these expenses, we would have realized a small surplus in this category.

The surplus in "Other Expenes" was driven by a favorable timing issue in the police department budget related to the body worn camera and taser contract.

"Interdept Charges" 10% surplus was driven nearly entirely byPublic Works operations and Engineering billing more time than budgeted towards capital projects (as opposed to their operating budgets). This is a positive development and both departments should be commended.

"Capital Improvements" deficit of $606,682 was driven by an expense of a $988,506 for a Subscription Based Information Technology Arrangment in the police department. This was offset by projects funded by the vehicle registration fee that will be completed in 2026.

$4.0 million of the "Inter-Fund Transfers" surplus was offset by the revenue deficit related to the Expenditure Restraint Aid contigency. The majority of the remainder was due to utilizing unbudgeted bond premium to pay for a portion of debt service which would have otherwise been paid for with property taxes.

Significant Capital Asset and Long-term Financing Activity

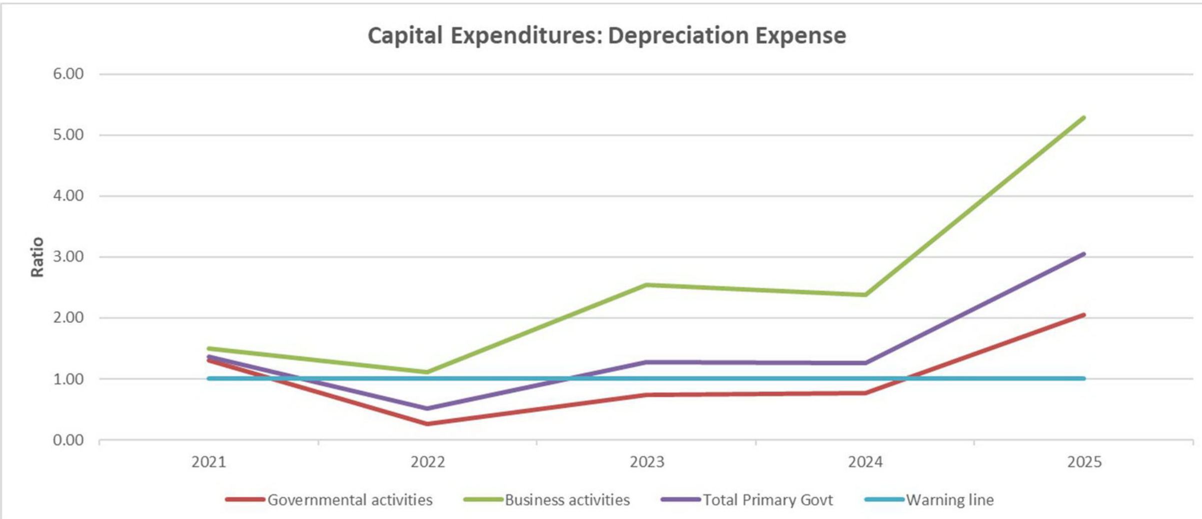
Capital Assets

The City of Wauwatosa net investments in capital assets for its governmental and business-type activities as of December 31, 2025 increased $15.3 million to $250 million. This investment in capital assets includes land, buildings, sewer and water main improvements, machinery and equipment, parks facilities, roads, and bridges. The increase in the City of Wauwatosa's investment in capital assets for the current fiscal year was 8% for governmental and 6% for business-type functions. The increase for business type functions reflects the continuation of the City's enhanced capital improvement plan to replace infrastructure (largely roads, bridges and sewer mains) that are past-their useful life or of insufficient capacity.

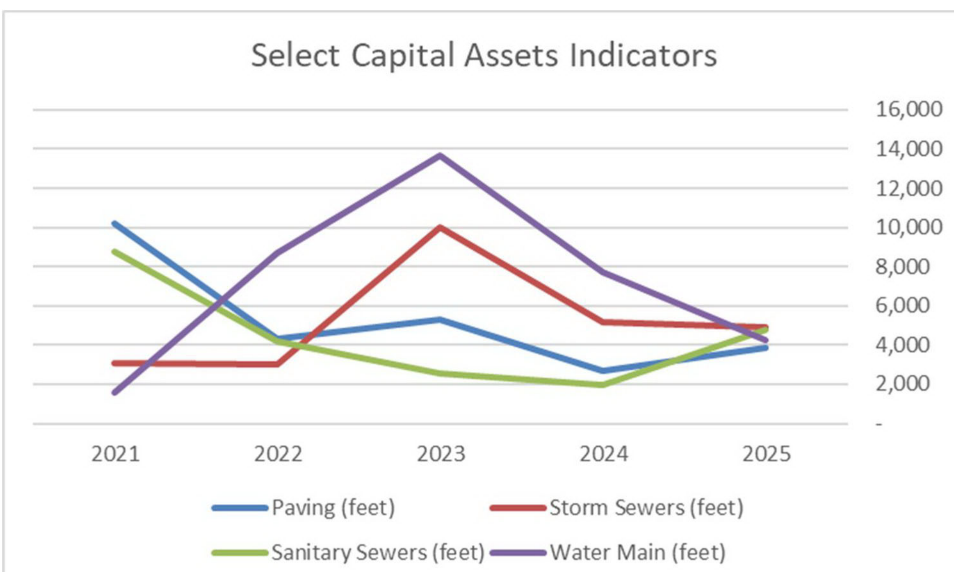
The City monitors the health of its capital asset investment program by monitoring the net dollar amount of assets added in a given year (Additions-Deletions) divided by the annual depreciation expense. The 5-year results are displayed below by activity type. A healthy investment in capital assts should result in a ratio greater than 1.0 (warning line). The trend for both governmental and business type activities since 2022 has been upward with the governmental investment ratio exceeding 1.0 in 2025.

2025 represents the largest nominal amount of capital additions in the last 15 years for which the City has data available. However, this is skewed by the addition of the new $4.2 million Firefly Grove park and $4.0 million renovation of the Muellner Building in Hart Park. Both were funded with American Rescue Plan funds. Removing Firefly Grove as a new asset (not replacing a current asset) still maintains a 2025 ratio of 1.52 – above the warning line. Despite this one-time revenue funded improvements, the City had its single largest amount of infrastructure additions during this 5-year period. This $8.0 investment included $3.2 million in street improvements, $1.6 million in street lights, $1.5 million in sidewalks and $1.1 in fiber optics.

The 145% increase in net Business Type Capital Assets was driven by $11.3 million in net stormwater infrastructure projects that were largely bond-funded and replacement of existing infrastructure. This included the $5.5 million Potter Road storm sewer and $4.6 million Watertown Plank storm sewer projects which greatly expanded the capacity of that sewer shed. $5.8 was also spent on water utility infrastructure projects, the most significant being the water main improvements as part of the North Avenue project from Mayfair Road to the Menomonee River.



The City also monitors capital investments by the linear feet of roads paved and utility mains replaced. The 5-year trend as tracked in the statistical section is shown below. Feet are reported in the year they are actually paved/replaced as opposed to the table above which shows when the asset is capitalized. This timing difference could be contributing to the downward trend. In addition, the stormwater projects described above were of limited length but dramatically increases in the size of pipe which could also be driving the discrepancy in the two charts.

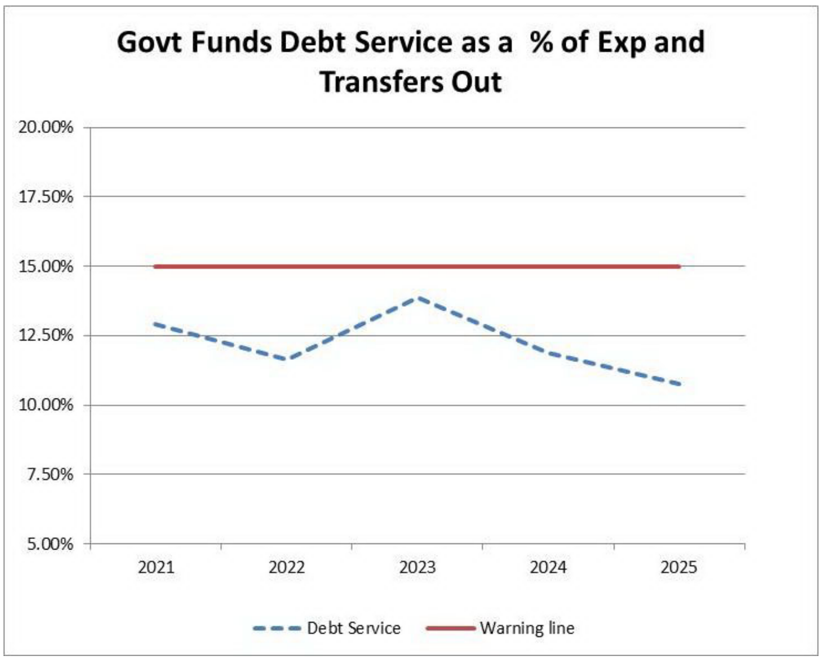


Additional information on Capital Assets can be found in note 4.E on pages 39-41 of this report.

Long-term Financing Activity

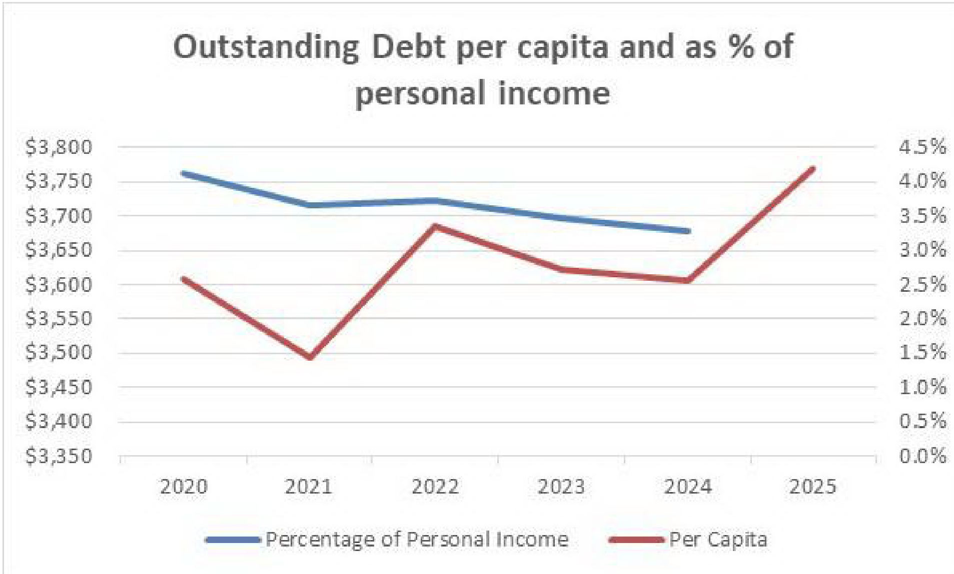
At the end of the current fiscal year, the City of Wauwatosa had total net general bonded debt outstanding of $144.1 million which equaled 1.4% of equalized value. This includes all General Obligation Debt and Bond Premium and is net of net position restricted for debt service. Please see the statistical section for annual comparisons. During 2025, the City of Wauwatosa issued $26,635,000 in General Obligation bonds for street, sewer and water main improvements. The City maintains a "Aaa" rating from Moody's for its general obligation debt.

The City's level of debt remains manageable as shown in the table below showing governmental funds debt service (including tax increment districts) as a percentage of total governmental fund expenses and transfers out. This ratio remains below the 15% warning line and has been on a downward trend since 2023 as debt service remains relatively flat while expenditures have increased.



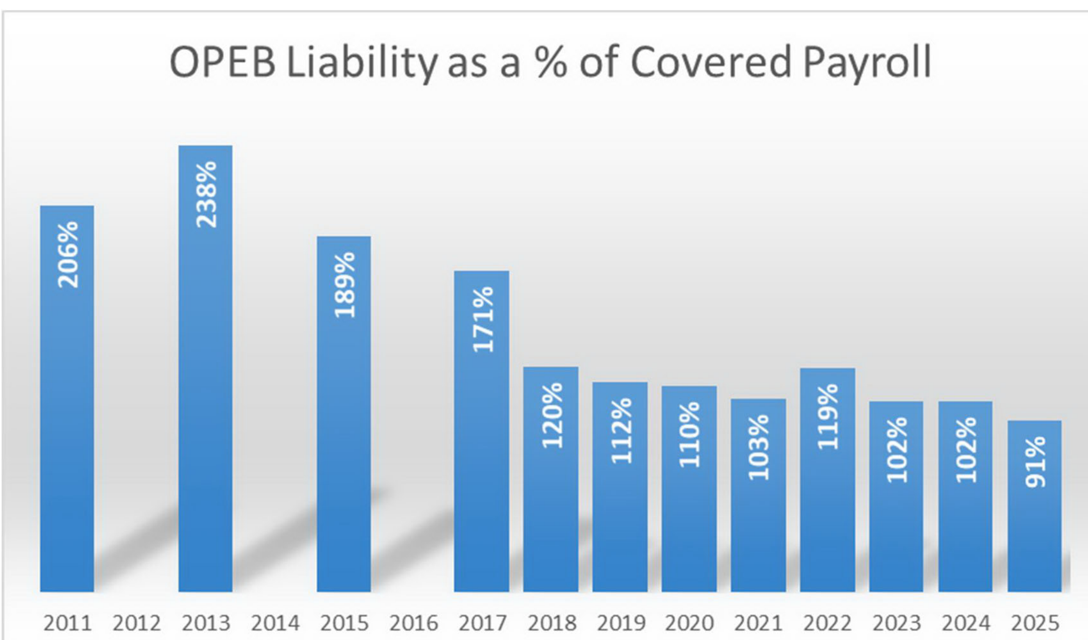
State Statutes limit the amount of general obligation debt a government entity may issue to 5% of its total equalized valuation. The current debt limitation for the City of Wauwatosa is $506,114,720 of which the City has utilized 29% for its current outstanding general obligation debt.

Another way to measure the impact of outstanding long-term financing activity is per capita and as a percentage of personal income as show below. While the amount of outstanding debt (including all of the types listed in Schedule 10 of the Statistical Section) has risen per capita over the past 5 years (red line), it has grown slower than personal income (blue line) suggesting manageable levels.



The remainder of the City of Wauwatosa's debt represents bonds secured solely by specific revenue sources. The Wauwatosa Water Utility has outstanding debt of $28,150,000 of which $7,315,000 are revenue bonds. The Water Utility maintains an Aa2 rating from Moody's.

An additional long-term liability important to monitor is the City's "Other Post-Employment Benefits" (OPEB) liability which is made up predominantly of paid retiree health insurance. The table below shows the liability, which is $37.1 million in 2025, as a percentage of covered payroll. Through a combination of ending the benefit for non-represented employees, transitioning to a defined contribution program for new public safety employees and aggressive claims management, the City has managed to reduce this liability from a peak of 238% of payroll to a low of 91% in 2025.

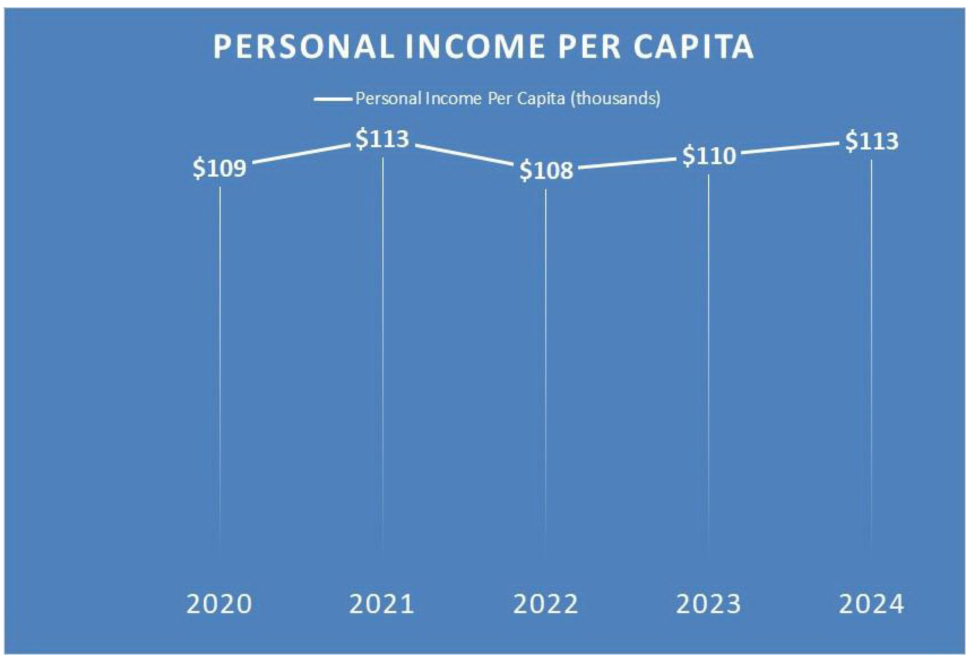


Additional information on the City of Wauwatosa's long-term debt can be found in note 4.G on pages 43-49 of this report.

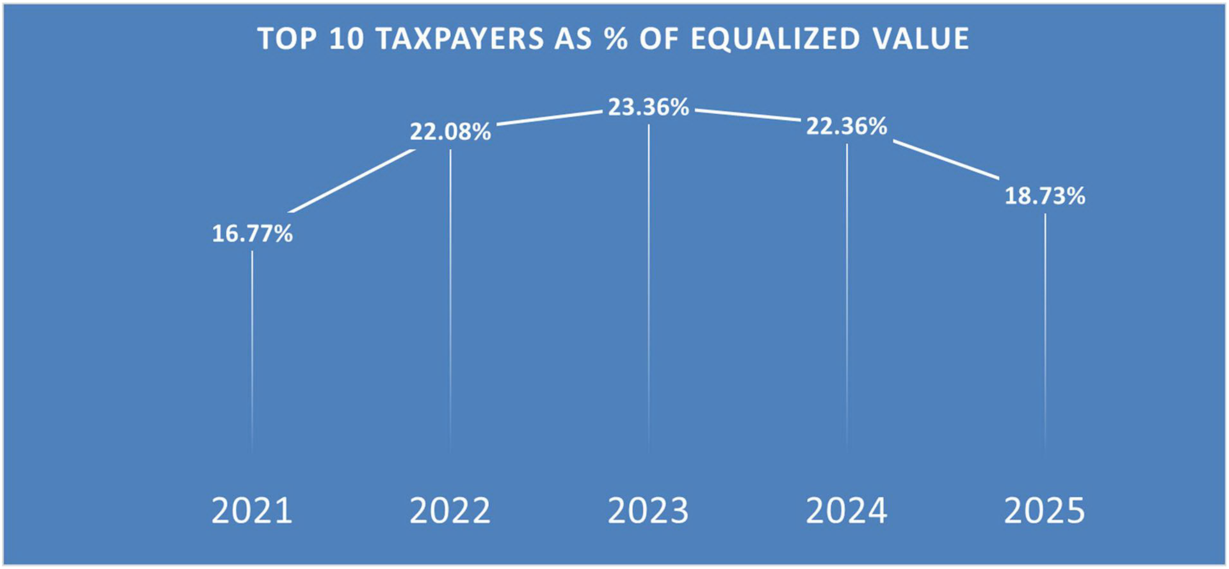
Currently Known Facts, Decisions or Conditions

The City of Wauwatosa is an inner ring suburban community located in Milwaukee County. Wauwatosa is strategically located at the center of the Milwaukee metropolitan area with excellent transportation access. It is the home of a number of regionally significant institutions and companies – including the Milwaukee County Grounds, the County Medical Center, Research Park and Harley-Davidson – and is second only to downtown Milwaukee as a regional employment center. The City of Wauwatosa features walkable and bike-friendly neighborhoods, an excellent variety of housing stock, a thriving Village business district, and a key regional shopping center; the City is noted for its level of municipal services, excellent schools, the civic engagement of its citizens, and its high quality of life

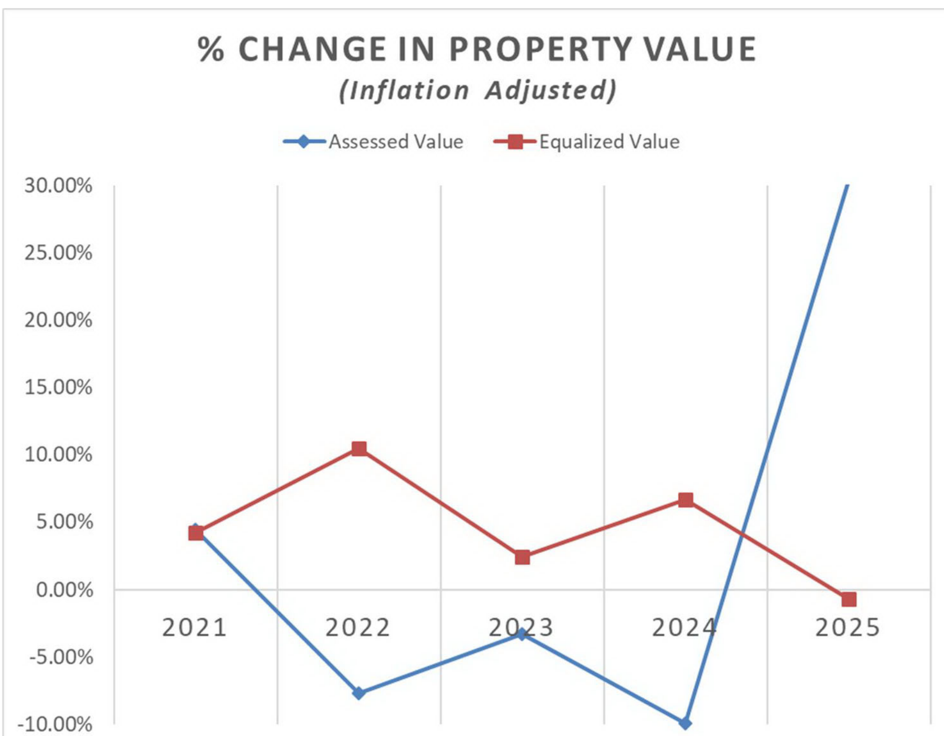
The Wauwatosa local economy remains strong as shown by the growth in personal income per capita adjusted for inflation.



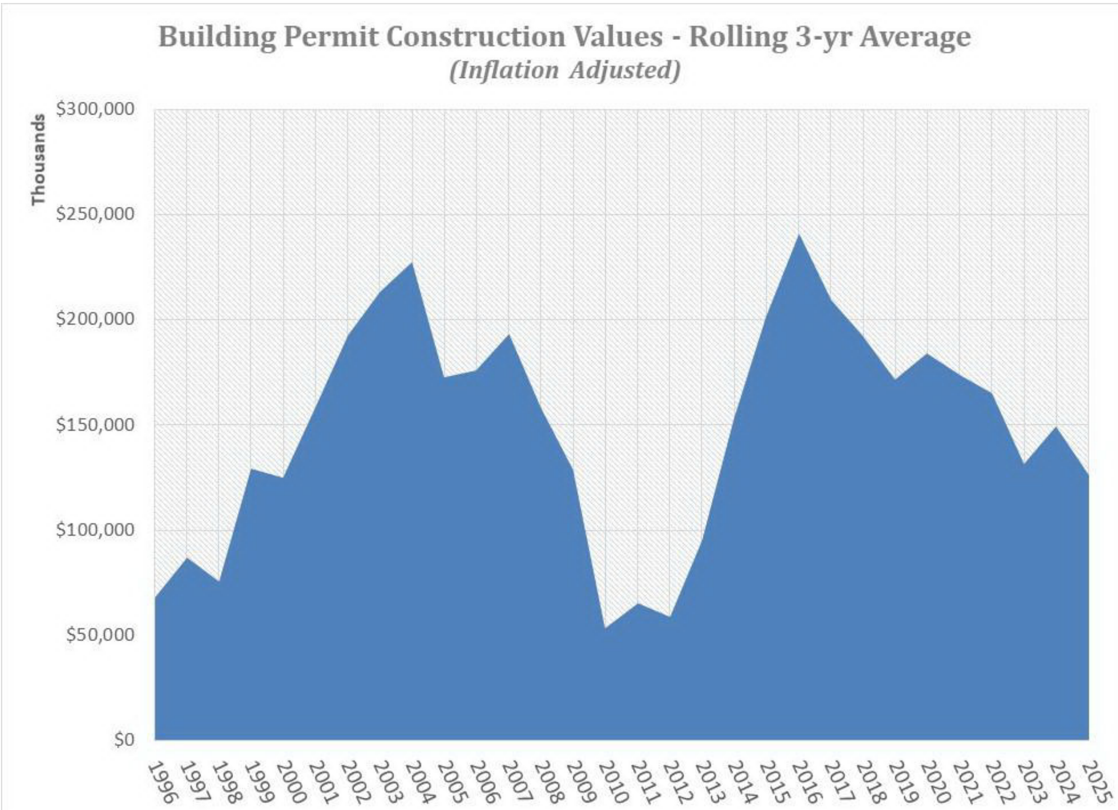
While the City's concentration of property value in the top ten property owners has steadily decreased (a positive trend) since 2023, property tax appeals and litigation with large medical facilities and decreasing of commercial and retail values has contributed to this decrease.



Changes in property value are a complicated story as shown in the table below. The off the charts 30% increase in assessed value in 2025 was driven by a revaluation that captured six years' worth of residential and multi-family value appreciation that offset the softening commercial and retail markets described above. Errors in reporting contributed to a decrease in equalized value so that 2026 will be a catch-up year.



Another indicator of the strength of the local economy is the value of construction activity (including property tax exempt properties) as reported on building permits shown below (inflation adjusted). A 3-year rolling average is displayed to remove the impact of timing differences for larger projects. The peak from 2014-2016 was the result of pent-up demand following the great recession. Similarly, the peak from 2019-2021 was pent-up demand following the COVID-19 pandemic. The downward trend since then correlates with rising interest rates.



Funding for the operating budget of the City is provided from many sources, including property taxes, room taxes, grants and aids from the State and County, user fees, permits and licenses, fines, and other miscellaneous revenues. Several revenue sources are more sensitive to economic factors, in particular building permits, room taxes and investment earnings.

Key budgetary assumptions for the 2026 Budget include:

- 3.0% cost of living increase for non-represented employees
- 3.5% contractual wage increase for police union members
- An undisclosed amount for fire union members whose contract expired as of 12/31/2023 and is currently under arbitration
- An 8.8% increase in health insurance claims over 2025 actuals due largely to assumed medical inflation
- A 5.0% rate increase for stormwater, a 3.0% for sanitary and a 3.0% for water.
- No significant service level changes although 1 week at the beginning and end of yard waste collection was eliminated based on demand for the service.

- No changes in legislation affecting the City's finances were assumed.

The 2026 fiscal year operating budget for the General Fund includes $81.1 million in projected revenues and expenditures with no assumed use of fund balance. Revenues increased only 1.8% driven by a 1.2% property tax levy increase. A $650,000 (27%) increase in interest earnings helped offset decreases in the payment-lieu of taxes paid by the Water Utility and the one-time use of American Rescue Plan funds.

These revenue increases help cover additional operating expenses.   Full-time equivalent positions remained largely flat, increasing only 0.39 in Full-Time Equivalents to 489.60.

Property tax limitations put in place by the State of Wisconsin and flat or declining state and federal revenues (outside of one-time stimulus and pandemic funds) will continue to put pressure on the City's operating budget. These pressures will cause the City to continue to pursue tax base expansion, expenditure efficiencies and new revenue sources.

Overview of the Financial Statements

The City of Wauwatosa's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements.

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

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

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

Both of the government–wide financial statements distinguish functions of the City of Wauwatosa that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. The governmental activities of the City of Wauwatosa include general government, public safety, public works, health and human services, recreation and education, conservation and development, culture, and interest and fiscal charges. The business-type activities of the City of Wauwatosa include the Water Utility, Sanitary Sewer Reserve and Storm Water Management.

The government-wide financial statements include the activities of the City of Wauwatosa itself (known as the *primary government*). The Government-wide financial statements can be found on pages 1-2.

Fund Financial Statements.

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

Governmental Funds.

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

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

The City of Wauwatosa maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects General Obligation Debt Issue Fund, the Tax Incremental Fund and the American Rescue Plan Act (ARPA) Fund, which are considered to be major funds. Data from the other twelve funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City has also presented budgetary comparison information for the General Fund and major Special Revenue Funds in the basic financial statements.

The basic governmental fund financial statements can be found on pages 3-8.

Proprietary funds.

The City of Wauwatosa maintains eleven proprietary funds. *Enterprise funds* are used to report the same function presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Wauwatosa's various functions. The City of Wauwatosa uses enterprise funds to account for its Water Utility, Storm Water Management and Sanitary Sewer Funds. The City of Wauwatosa uses internal service funds to account for its fleet of vehicles, rental of space in the Municipal Complex, information systems, rental of occupied space in the public works garage, and four self-insured insurance programs (health, dental, general liability, workers compensation). In the government-wide financial statements, these services have been allocated between the *governmental activities* and *business-type activities* based on cost drivers associated with the services provided.

The basic proprietary fund financial statements can be found on pages 9-13.

Fiduciary Funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Wauwatosa's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 14-15.

Notes to the financial statements.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-70.

Other information.

In addition to the basic financial statements and accompanying notes, this report also presents certain additional supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. A detailed budgetary comparison schedule for the General Fund is presented to demonstrate compliance with the budget. The City has also presented cumulative information related to its Tax Increment Districts and included a statistical section with 10 years of comparative financial, demographic and operational data.

The supplementary information can be found on pages 72-105. The statistical section can be found on pages 107-129.

BASIC FINANCIAL STATEMENTS

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 117,291,137	$ 30,771,951	$ 148,063,088
Receivables (Net of Allowance for Uncollectible Accounts)	56,879,819	14,666,406	71,546,225
Internal Balances	1,649,927	(1,649,927)	-
Prepaid Items	441,162	205,157	646,319
Deposit in Cities and Villages Mutual Insurance Company	1,184,453	-	1,184,453
Restricted Assets:			
Cash and Investments	-	1,360,567	1,360,567
Designated Assets - Cash and Cash Equivalents	-	7,239,835	7,239,835
Unamortized Maintenance Costs	-	944,704	944,704
Nonutility Property	-	2,684	2,684
Capital Assets, Not Being Depreciated	32,656,947	15,017,253	47,674,200
Capital Assets, Being Depreciated, Net of Accumulated Depreciation	125,926,285	196,551,108	322,477,393
Total Assets	336,029,730	265,109,738	601,139,468
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts Related to Refunding of Debt	-	417,201	417,201
Deferred Amounts Related to the Pension	29,889,437	1,083,179	30,972,616
Deferred Amounts Related to the OPEB	7,771,007	-	7,771,007
Total Deferred Outflows of Resources	37,660,444	1,500,380	39,160,824
LIABILITIES			
Accounts Payable and Other Current Liabilities	10,991,078	4,640,585	15,631,663
Accrued Interest Payable	420,527	284,149	704,676
Deposits and Unearned Revenue	8,900,102	-	8,900,102
Due to Other Governments	1,323,430	-	1,323,430
Liabilities Payable from Restricted Assets	-	121,629	121,629
Noncurrent Liabilities:			
Due Within One Year	16,125,769	7,624,556	23,750,325
Due in More Than One Year	115,799,420	62,230,455	178,029,875
Pension Liability - Due in More Than One Year	5,126,357	183,840	5,310,197
OPEB Liability - Due in More Than One Year	34,594,840	-	34,594,840
Total Liabilities	193,281,523	75,085,214	268,366,737
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts Related to Leases	-	4,808,510	4,808,510
Deferred Amounts Related to the Pension	15,120,975	542,263	15,663,238
Deferred Amounts Related to the OPEB	4,526,001	-	4,526,001
Subsequent Year Tax Levy	66,808,561	-	66,808,561
Total Deferred Inflows of Resources	86,455,537	5,350,773	91,806,310
NET POSITION			
Net Investment in Capital Assets	101,766,821	147,776,516	249,543,337
Restricted for:			
Debt Service	8,390,099	1,238,938	9,629,037
Revolving Fund	254,966	-	254,966
Community Development	1,208,856	-	1,208,856
Tourism	1,265,445	-	1,265,445
Unrestricted (Deficit)	(18,933,073)	37,158,677	18,225,604
Total Net Position	$ 93,953,114	$ 186,174,131	$ 280,127,245

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities	Net Revenues (Expenses) and Changes in Net Position: Business-Type Activities	Net Revenues (Expenses) and Changes in Net Position: Total
GOVERNMENTAL ACTIVITIES							
General Government	$ 19,371,404	$ 2,341,337	$ 2,212,727	$ 52,826	$ (14,764,514)	$ -	$ (14,764,514)
Public Safety	45,637,587	9,123,076	340,626	-	(36,173,885)	-	(36,173,885)
Public Works	13,571,227	2,234,047	2,805,849	5,618,622	(2,912,709)	-	(2,912,709)
Health and Human Services	2,593,830	189,379	363,783	-	(2,040,668)	-	(2,040,668)
Recreation and Education	6,271,603	1,073,219	1,017,037	-	(4,181,347)	-	(4,181,347)
Conservation and Development	10,785,922	145,525	1,306,118	334,437	(8,999,842)	-	(8,999,842)
Culture	1,388,224	-	38,235	-	(1,349,989)	-	(1,349,989)
Interest	3,008,433	-	-	-	(3,008,433)	-	(3,008,433)
Total Governmental Activities	102,628,230	15,106,583	8,084,375	6,005,885	(73,431,387)	-	(73,431,387)
BUSINESS-TYPE ACTIVITIES							
Water Utility	9,679,489	12,699,906	-	-	-	3,020,417	3,020,417
Sanitary Sewer	10,383,834	12,234,061	207,185	-	-	2,057,412	2,057,412
Storm Water Management	3,721,353	6,120,694	118,463	359,883	-	2,877,687	2,877,687
Total Business-Type Activities	23,784,676	31,054,661	325,648	359,883	-	7,955,516	7,955,516
Total	$ 126,412,906	$ 46,161,244	$ 8,410,023	$ 6,365,768	(73,431,387)	7,955,516	(65,475,871)

	Governmental Activities	Business-Type Activities	Total
GENERAL REVENUES			
Taxes:			
Property Taxes, Levied for General Purposes and Debt Service	60,662,410	-	60,662,410
Property Taxes, Levied for TIF	9,991,285	-	9,991,285
Other Taxes	2,627,237	-	2,627,237
Intergovernmental Revenues not Restricted to Specific Programs	5,779,588	-	5,779,588
Gain on Sale of Capital Assets	314,630	-	314,630
Investment Income	6,271,748	1,432,400	7,704,148
Total General Revenues	85,646,898	1,432,400	87,079,298
TRANSFERS	(2,262,710)	2,262,710	-
CHANGES IN NET POSITION	9,952,801	11,650,626	21,603,427
Net Position - Beginning of Year	84,000,313	174,523,505	258,523,818
NET POSITION - END OF YEAR	$ 93,953,114	$ 186,174,131	$ 280,127,245

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

		Special Revenue			Capital Projects		
	General Fund	Special Revenue Fund Tax Incremental District Fund	American Rescue Plan Act (ARPA) Fund	Debt Service Fund	General Obligation Debt Issue Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Investments	$ 51,343,030	$ 13,568,654	$ 4,192,251	$ 822,196	$ 21,981,519	$ 9,450,762	$ 101,358,412
Taxes Receivable	30,024,414	6,671,340	-	-	-	182,619	36,878,373
Delinquent Personal Property Taxes	74,806	-	-	-	-	-	74,806
Special Assessments Receivable:							
Due in Installments	-	-	-	-	-	743,925	743,925
Accounts Receivable, Net	9,469,341	1,465,000	-	1,050,000	3,103,601	-	15,087,942
Accrued Investment Income Receivable	621,043	-	-	-	-	-	621,043
Other Accrued Receivables	1,826,062	-	-	-	-	1,440,662	3,266,724
Due from Other Funds	2,022,800	-	-	-	-	-	2,022,800
Prepayments	32,562	-	-	-	-	22,980	55,542
Advance to Other Funds	793,918	-	-	-	-	300,000	1,093,918
Total Assets	$ 96,207,976	$ 21,704,994	$ 4,192,251	$ 1,872,196	$ 25,085,120	$ 12,140,948	$ 161,203,485
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 4,514,246	$ 51,974	$ 416,123	$ -	$ 3,196,453	$ 192,298	$ 8,371,094
Accrued Payroll	294,196	-	-	-	-	-	294,196
Unearned Revenues	4,875,000	-	3,776,128	-	-	248,974	8,900,102
Due to Other Governments	1,323,430	-	-	-	-	-	1,323,430
Due to Other Funds	1,112,210	-	-	-	-	764,259	1,876,469
Advance from Other Funds	-	1,093,918	-	-	-	-	1,093,918
Total Liabilities	12,119,082	1,145,892	4,192,251	-	3,196,453	1,205,531	21,859,209
DEFERRED INFLOWS OF RESOURCES							
Subsequent Year Tax Levy	53,187,889	13,620,672	-	-	-	-	66,808,561
Special Assessments	-	-	-	-	-	738,095	738,095
Other Accounts Receivable	1,571,245	-	-	-	1,909,403	493,918	3,974,566
Total Deferred Inflows of Resources	54,759,134	13,620,672	-	-	1,909,403	1,232,013	71,521,222
FUND BALANCES							
Nonspendable	901,286	-	-	-	-	22,980	924,266
Restricted	-	6,938,430	-	1,872,196	11,689,149	2,729,267	23,229,042
Assigned	3,254,106	-	-	-	8,290,115	6,968,253	18,512,474
Unassigned	25,174,368	-	-	-	-	(17,096)	25,157,272
Total Fund Balances	29,329,760	6,938,430	-	1,872,196	19,979,264	9,703,404	67,823,054
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 96,207,976	$ 21,704,994	$ 4,192,251	$ 1,872,196	$ 25,085,120	$ 12,140,948	

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	150,045,867
Long-term pension related asset, deferred outflows, and deferred inflows are not related to the current period and, therefore, are not reported in the funds.	9,642,105
Internal service funds net position.	(9,050,385)
Other long-term assets that are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Special assessments	738,095
Other accounts receivable	3,974,566
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	(129,220,188)
Net Position of Governmental Activities as Reported on the Statement of Net Position	$ 93,953,114

See accompanying Notes to Financial Statements.

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

		Special Revenue			Capital Projects		
	General Fund	Special Revenue Fund Tax Incremental District Fund	American Rescue Plan Act (ARPA) Fund	Debt Service Fund	General Obligation Debt Issue Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	$ 61,721,541	$ 9,991,285	$ -	$ -	$ -	$ -	$ 71,712,826
Intergovernmental Revenues	8,714,259	753,226	5,235,137	-	1,314,934	988,390	17,005,946
Licenses and Permits	2,517,657	-	-	-	-	3,914	2,521,571
Penalties and Forfeitures	973,816	-	-	-	-	-	973,816
Public Improvement Revenues	19,682	-	-	-	-	1,331,711	1,351,393
Public Charges for Services	3,281,439	99,702	-	-	-	2,884,996	6,266,137
Intergovernmental Charges for Services	1,573,623	-	-	-	-	-	1,573,623
Commercial Revenues	6,026,200	520,178	-	48,930	828,967	1,861,434	9,285,709
Total Revenues	84,828,217	11,364,391	5,235,137	48,930	2,143,901	7,070,445	110,691,021
EXPENDITURES							
Current:							
General Government	19,024,667	-	8,643	-	1,677	-	19,034,987
Public Safety	39,264,228	-	-	-	-	2,495,909	41,760,137
Public Works	8,038,236	-	-	-	-	-	8,038,236
Health and Human Services	1,865,333	-	668,437	-	-	-	2,533,770
Recreation and Education	-	-	62,015	-	-	5,113,936	5,175,951
Conservation and Development	2,715,042	2,698,776	330,327	-	53,960	4,865,893	10,663,998
Culture	-	-	-	-	-	1,375,542	1,375,542
Debt Service:							
Principal	-	2,613,576	-	10,165,000	-	-	12,778,576
Interest and Other Fiscal Charges	-	49,707	-	3,111,541	-	-	3,161,248
Capital Outlay	1,107,202	498,606	4,199,742	-	14,381,703	1,221,894	21,409,147
Total Expenditures	72,014,708	5,860,665	5,269,164	13,276,541	14,437,340	15,073,174	125,931,592
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	12,813,509	5,503,726	(34,027)	(13,227,611)	(12,293,439)	(8,002,729)	(15,240,571)
OTHER FINANCING SOURCES (USES)							
Issuance of Long-Term Debt	-	-	-	-	12,240,000	-	12,240,000
Premium on Long-Term Debt	-	-	-	920,190	-	-	920,190
Issuance of Subscription Liability	988,505	-	-	-	-	-	988,505
Proceeds from the Sale of Assets	-	-	-	-	-	309,317	309,317
Transfers In	4,936,509	-	-	12,058,394	3,995,863	7,377,691	28,368,457
Transfers Out	(15,971,934)	(3,369,740)	-	-	(145,313)	(2,675,152)	(22,162,139)
Insurance Recoveries	11,581	-	-	-	-	-	11,581
Total Other Financing Sources (Uses)	(10,035,339)	(3,369,740)	-	12,978,584	16,090,550	5,011,856	20,675,911
NET CHANGE IN FUND BALANCES	2,778,170	2,133,986	(34,027)	(249,027)	3,797,111	(2,990,873)	5,435,340
Fund Balances - Beginning of Year	26,551,590	4,804,444	34,027	2,121,223	16,182,153	12,694,277	62,387,714
FUND BALANCES - END OF YEAR	$ 29,329,760	$ 6,938,430	$ -	$ 1,872,196	$ 19,979,264	$ 9,703,404	$ 67,823,054

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, 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 - Governmental Funds	$	5,435,340
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of these assets are capitalized and they are depreciated over their useful lives and reported estimated useful lives and reported as depreciation expense in the statement of activities.		
Capital outlay is reported as capital outlay expenditure in the fund financial statements, but is capitalized in the government-wide financial statements.		21,409,147
Some items reported as capital outlay were not capitalized.		(1,076,303)
Capital assets purchased in the current year by the governmental funds on behalf of the internal service funds are reported as capital outlay on the fund financial statements and capital contributions on the internal service fund statements, but are eliminated on the government-wide statements		(2,100,371)
Capital assets previously purchased by the governmental funds and contributed to the enterprise funds are recognized as capital contributions on the enterprise fund statements		(3,521,251)
Depreciation is reported in the government-wide financial statements		(7,206,201)
Issuance of debt and subscription liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt and subscription principal is an expenditure in the governmental funds, but the repayment reduces long- term liabilities in the statement of net position. This is the amount by which issuances of debt ($12,240,000) and subscriptions ($988,505) exceeded repayments of debt ($12,778,576) and subscriptions ($125,592).		(324,337)
Governmental funds report debt premiums, discounts, as other financing sources (uses) or expenditures. However, in the statement of net position, these are deferred and reported as other assets or adjustments to long-term debt. They are amortized over the period the debt is outstanding in the statement of activities and are reported as interest expense.		
Premium on Debt Issued		(920,190)
Amortization of Debt Premium, Discount and Deferred Amount on Refunding		247,793
Revenues in the statement of activities are recognized when earned, whereas revenues that do not provide current financial resources are not reported as revenues in the funds.		3,831,822
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount represents the increase in accrued interest payable $94,978, the increase in compensated absences $63,075, and the increase in expenses related to pension activity ($2,313,625).		(2,471,678)
Some expenses in the governmental funds are recorded as a reduction in long-term liabilities in the statement of net position. This amount represents payments on landfill closure obligation.		8,927
The net revenue (expense) of internal service funds is reported with governmental activities.		(3,359,897)
Change in Net Position of Governmental Activities as Reported on the Statement of Activities	$	9,952,801

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 54,813,923	$ 61,398,923	$ 61,721,541	$ 322,618
Intergovernmental Revenues	8,399,450	8,725,470	8,714,259	(11,211)
Licenses and Permits	2,169,950	2,288,580	2,517,657	229,077
Fines, Penalties, and Forfeitures	1,051,500	1,021,000	973,816	(47,184)
Public Improvement Revenues	20,000	21,020	19,682	(1,338)
Public Charges for Services	3,311,919	3,348,331	3,281,439	(66,892)
Intergovernmental Charges for Services	1,560,551	1,560,551	1,573,623	13,072
Commercial Revenues	2,570,832	3,973,402	6,026,200	2,052,798
Total Revenues	73,898,125	82,337,277	84,828,217	2,490,940
EXPENDITURES				
General Government	7,660,425	17,169,642	19,024,667	(1,855,025)
Public Safety	37,778,370	38,687,065	39,264,228	(577,163)
Public Works	9,190,007	9,583,319	8,038,236	1,545,083
Health and Human Services	1,859,743	2,147,181	1,865,333	281,848
Conservation and Development	2,705,881	2,770,546	2,715,042	55,504
Capital Outlay	150,712	119,959	1,107,202	(987,243)
Total Expenditures	59,345,138	70,477,712	72,014,708	(1,536,996)
EXCESS OF REVENUES OVER EXPENDITURES	14,552,987	11,859,565	12,813,509	953,944
OTHER FINANCING SOURCES (USES)				
Issuance of Subscription Liability	-	-	988,505	988,505
Transfers In	5,495,500	8,713,078	4,936,509	(3,776,569)
Transfers Out	(20,308,503)	(19,924,597)	(15,971,934)	3,952,663
Insurance Recoveries	-	-	11,581	11,581
Total Other Financing Sources (Uses)	(14,813,003)	(11,211,519)	(10,035,339)	1,176,180
NET CHANGE IN FUND BALANCES	$ (260,016)	$ 648,046	2,778,170	$ 2,130,124
Fund Balances - Beginning of Year			26,551,590	
FUND BALANCES - END OF YEAR			$ 29,329,760	

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – SPECIAL REVENUE FUND TAX INCREMENTAL DISTRICT FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 10,562,092	$ 9,991,283	$ 9,991,285	$ 2
Intergovernmental Revenues	753,225	753,225	753,226	1
Public Charges for Services	-	-	99,702	99,702
Commercial Revenues	511,110	597,590	520,178	(77,412)
Total Revenues	11,826,427	11,342,098	11,364,391	22,293
EXPENDITURES				
Conservation and Development	5,291,234	2,888,129	2,698,776	189,353
Debt Service:				
Principal	2,599,168	2,764,956	2,613,576	151,380
Interest and Other Fiscal Charges	42,650	42,650	49,707	(7,057)
Capital Outlay	1,270,000	1	498,606	(498,605)
Total Expenditures	9,203,052	5,695,736	5,860,665	333,676
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,623,375	5,646,362	5,503,726	(142,636)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	5,000,000	1	-	(1)
Transfers Out	(3,027,515)	(3,066,796)	(3,369,740)	(302,944)
Total Other Financing Sources (Uses)	1,972,485	(3,066,795)	(3,369,740)	(302,945)
NET CHANGE IN FUND BALANCES	$ 4,595,860	$ 2,579,567	2,133,986	$ (445,581)
Fund Balance - Beginning of Year			4,804,444	
FUND BALANCE - END OF YEAR			$ 6,938,430	

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – AMERICAN RESCUE PLAN ACT (ARPA) FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental Revenues	$ -	$ 900,563	$ 5,235,137	$ 4,334,574
EXPENDITURES				
General Government	3,265	21,707	8,643	13,064
Health and Human Services	584,324	1,149,347	668,437	480,910
Recreation and Education	15,200	129,920	62,015	67,905
Conservation and Development	172,140	1,158,052	330,327	827,725
Capital Outlay	-	6,530,291	4,199,742	2,330,549
Total Expenditures	774,929	8,989,317	5,269,164	3,720,153
NET CHANGE IN FUND BALANCES	$ (774,929)	$ (8,088,754)	(34,027)	$ 8,054,727
Fund Balance - Beginning of Year			34,027	
FUND BALANCE - END OF YEAR			$ -	

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water	Sanitary Sewer	Storm Water Management	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current Assets:					
Cash, Cash Equivalents, and Temporary Investments	$ 8,040,312	$ 17,048,394	$ 5,683,245	$ 30,771,951	$ 15,932,725
Receivables, Net	3,402,970	3,455,909	2,119,723	8,978,602	207,006
Lease Receivable, Current Portion	48,634	-	-	48,634	-
Due from Other Funds	487,732	435,874	188,604	1,112,210	-
Restricted Assets - Special Redemption Fund - Bond Principal and Interest Fund	589,865	-	-	589,865	-
Prepayments	205,157	-	-	205,157	385,620
Total Current Assets	12,774,670	20,940,177	7,991,572	41,706,419	16,525,351
Noncurrent Assets:					
Restricted Assets:					
Special Redemption Fund - Reserve Fund	770,702	-	-	770,702	-
Designated Cash - System Improvement	2,599,221	1,461,060	3,179,554	7,239,835	-
Lease Receivable, Long-Term Portion	5,639,170	-	-	5,639,170	-
Unamortized Maintenance Costs	944,704	-	-	944,704	-
Nonutility Property	2,684	-	-	2,684	-
Deposit in Cities and Villages Mutual Insurance Company	-	-	-	-	1,184,453
Capital Assets:					
Land	81,404	-	-	81,404	22,617
Buildings	1,340,380	96,527	161,181	1,598,088	4,405,460
Improvements Other Than Buildings	85,076,843	89,028,232	88,419,161	262,524,236	-
Machinery and Equipment	4,213,003	1,763,123	-	5,976,126	20,906,203
Subscription Asset	-	-	-	-	158,666
Construction in Progress	7,068,994	1,257,521	6,609,334	14,935,849	-
Less: Accumulated Depreciation	(23,797,177)	(32,241,012)	(17,509,153)	(73,547,342)	(16,955,581)
Total Capital Assets, Net	73,983,447	59,904,391	77,680,523	211,568,361	8,537,365
Total Noncurrent Assets	83,939,928	61,365,451	80,860,077	226,165,456	9,721,818
Total Assets	96,714,598	82,305,628	88,851,649	267,871,875	26,247,169
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amounts Related to Debt Refundings	152,818	230,060	34,323	417,201	-
Deferred Amounts Related to the Pension	673,204	177,500	232,475	1,083,179	-
Deferred Amounts Related to OPEB	-	-	-	-	7,771,007
Total Deferred Outflows of Resources	826,022	407,560	266,798	1,500,380	7,771,007

See accompanying Notes to Financial Statements.

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

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water	Sanitary Sewer	Storm Water Management	Total Enterprise Funds	Internal Service Funds
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 1,596,308	$ 1,085,381	$ 1,948,920	$ 4,630,609	$ 2,325,788
Accrued Payroll	9,976	-	-	9,976	-
Due to Other Funds	1,258,541	-	-	1,258,541	-
Current Portion of Long-Term Debt	1,605,000	2,290,000	3,100,000	6,995,000	-
Current Portion of Compensated Absences	148,654	902	-	149,556	226,940
Current Portion of Subscription Liability	-	-	-	-	34,657
Current Portion of OPEB Liability	-	-	-	-	2,503,113
Accrued Interest Payable	74,562	44,125	165,462	284,149	-
Liabilities Payable from Restricted Assets:					
Current Portion of Long-Term Debt	480,000	-	-	480,000	-
Accrued Interest Payable	121,629	-	-	121,629	-
Total Current Liabilities	5,294,670	3,420,408	5,214,382	13,929,460	5,090,498
Noncurrent Liabilities:					
Long-Term Debt	27,013,478	8,272,794	26,852,819	62,139,091	-
Compensated Absences	87,083	4,281	-	91,364	360,818
Net Pension Liability	114,592	29,657	39,591	183,840	-
OPEB Liability	-	-	-	-	34,594,840
Total Noncurrent Liabilities	27,215,153	8,306,732	26,892,410	62,414,295	34,955,658
Total Liabilities	32,509,823	11,727,140	32,106,792	76,343,755	40,046,156
DEFERRED INFLOWS OF RESOURCES					
Deferred Amounts Related to Leases	4,808,510	-	-	4,808,510	-
Deferred Amounts Related to the Pension	338,005	87,478	116,780	542,263	-
Deferred Amounts Related to OPEB	-	-	-	-	4,526,001
Total Deferred Inflows of Resources	5,146,515	87,478	116,780	5,350,773	4,526,001
NET POSITION					
Net Investment in Capital Assets	46,531,363	50,890,608	50,354,545	147,776,516	8,502,708
Restricted for Debt Service	1,238,938	-	-	1,238,938	-
Unrestricted	12,113,981	20,007,962	6,540,330	38,662,273	(19,056,689)
Total Net Position	$ 59,884,282	$ 70,898,570	$ 56,894,875	187,677,727	$ (10,553,981)
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.				(1,503,596)	
Net Position of Business-Type Activities as Reported on the Statement of Net Position				$ 186,174,131	

See accompanying Notes to Financial Statements.

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

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water	Sanitary Sewer	Storm Water Management	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for Services and Sales	$ 11,893,125	$ 12,226,768	$ 6,113,405	$ 30,233,298	$ 7,724,412
Other Operating Revenues	747,362	-	-	747,362	14,809,362
Total Operating Revenues	12,640,487	12,226,768	6,113,405	30,980,660	22,533,774
OPERATING EXPENSES					
Operation and Maintenance	7,053,060	8,843,660	1,710,505	17,607,225	21,604,179
Depreciation	1,567,888	1,211,005	1,150,467	3,929,360	1,528,632
Taxes	128,700	-	-	128,700	-
Total Operating Expenses	8,749,648	10,054,665	2,860,972	21,665,285	23,132,811
OPERATING INCOME (LOSS)	3,890,839	2,172,103	3,252,433	9,315,375	(599,037)
NONOPERATING REVENUES (EXPENSES)					
Dividend Income	-	-	-	-	23,740
Investment Income (Loss)	475,051	737,496	219,853	1,432,400	-
Intergovernmental Income	-	207,185	118,463	325,648	-
Gain (Loss) on Sale or Trade of Assets	-	-	-	-	(58,313)
Interest on Long-Term Debt	(881,441)	(267,345)	(848,423)	(1,997,209)	(3,491)
Other Nonoperating income	59,419	7,293	7,289	74,001	2,428
Total Nonoperating Revenues (Expenses)	(346,971)	684,629	(502,818)	(165,160)	(35,636)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	3,543,868	2,856,732	2,749,615	9,150,215	(634,673)
Capital Contributions	3,022,645	498,606	359,883	3,881,134	2,100,371
Transfers In	-	-	-	-	877,685
Transfers Out	(1,258,541)	-	-	(1,258,541)	(5,825,462)
CHANGE IN NET POSITION	5,307,972	3,355,338	3,109,498	11,772,808	(3,482,079)
Net Position - Beginning of Year	54,576,310	67,543,232	53,785,377		(7,071,902)
NET POSITION - END OF YEAR	$ 59,884,282	$ 70,898,570	$ 56,894,875		$ (10,553,981)
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.				(122,182)	
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities				$ 11,650,626	

See accompanying Notes to Financial Statements.

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

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water	Sanitary Sewer	Storm Water Management	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	$ 12,790,343	$ 14,678,483	$ 6,819,421	$ 34,288,247	$ 14,809,362
Payments from Other Funds	-	-	-	-	7,802,369
Payments to Suppliers	(5,851,102)	(9,486,936)	346,357	(14,991,681)	(16,713,773)
Payments to Employees	(1,637,023)	(487,829)	(583,923)	(2,708,775)	(2,446,764)
Net Cash Provided by Operating Activities	5,302,218	4,703,718	6,581,855	16,587,791	3,451,194
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payments from Other Funds	(13,159)	-	-	(13,159)	877,685
Payments from (to) Other Funds	(958,389)	(40,414)	(1,305)	(1,000,108)	(5,825,462)
Net Cash Used by Noncapital Financing Activities	(971,548)	(40,414)	(1,305)	(1,013,267)	(4,947,777)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Issuance of Long-Term Debt	1,705,000	1,370,000	11,320,000	14,395,000	-
Premium from Issuance of Long-Term Debt	73,779	100,224	506,034	680,037	-
Principal Received on Lease Receivable	34,217	-	-	34,217	-
Acquisition and Construction of Capital Assets	(4,693,000)	(1,731,930)	(10,331,091)	(16,756,021)	(50,273)
Grant Funds Received	-	(808,179)	(644,450)	(1,452,629)	-
Assets Transferred from (to) Other Funds	-	-	359,883	359,883	-
Principal Paid on Capital Debt	(1,770,000)	(2,295,000)	(2,815,000)	(6,880,000)	(116,957)
Interest Paid on Capital Debt	(941,039)	(281,505)	(822,216)	(2,044,760)	-
Interest Paid on Subscription Liability	-	-	-	-	(3,491)
Net Cash Used by Capital and Related Financing Activities	(5,591,043)	(3,646,390)	(2,426,840)	(11,664,273)	(170,721)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Dividends Received	475,051	737,496	219,853	1,432,400	23,740
Other Nonoperating Income	-	-	-	-	2,428
Net Cash Provided by Investing Activities	475,051	737,496	219,853	1,432,400	26,168
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(785,322)	1,754,410	4,373,563	5,342,651	(1,641,136)
Cash and Cash Equivalents - Beginning of Year	12,785,422	16,755,044	4,489,236	34,029,702	17,573,861
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 12,000,100	$ 18,509,454	$ 8,862,799	$ 39,372,353	$ 15,932,725

See accompanying Notes to Financial Statements.

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

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water	Sanitary Sewer	Storm Water Management	Total Enterprise Funds	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 3,890,839	$ 2,172,103	$ 3,252,433	$ 9,315,375	$ (599,037)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation Expense	1,567,888	1,211,005	1,150,467	3,929,360	1,528,632
Other Nonoperating Income	59,419	7,293	7,289	74,001	-
Amortization of Maintenance Costs	(135,744)	-	-	(135,744)	-
(Increase) Decrease in:					
Accounts Receivable	90,437	2,444,422	698,727	3,233,586	77,957
Other Assets	-	-	-	-	(47,269)
Prepaid Items	36,658	-	-	36,658	173,404
Net Pension Liability	8,879	5,756	4,611	19,246	-
Deferred Outflows	286,396	37,946	82,508	-	2,351,698
Increase (Decrease) in:					
Accounts Payable	(83,714)	(1,138,170)	1,456,947	235,063	827,198
Accrued Payroll	9,976	-	-	9,976	-
Compensated Absences	53,952	4,281	-	58,233	76,100
OPEB Liability	-	-	-	-	(2,263,607)
Deferred Inflows Related to Leases	(229,877)	-	-	(229,877)	-
Deferred Inflows Related to the Pension	(252,891)	(40,918)	(71,127)	(364,936)	1,326,118
Total Adjustments	1,411,379	2,531,615	3,329,422	6,865,566	4,050,231
Net Cash Provided by Operating Activities	$ 5,302,218	$ 4,703,718	$ 6,581,855	$ 16,587,791	$ 3,451,194
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Capital Additions Contributed:					
City of Wauwatosa	$ 3,022,645	$ 498,606	$ -	$ 3,521,251	$ 2,100,371
Developers	-	-	359,883	359,883	-
Additions to Subscription Assets and Liabilities	-	-	-	-	58,909
Total	$ 3,022,645	$ 498,606	$ 359,883	$ 3,881,134	$ 2,159,280
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS					
Unrestricted Cash and Cash Equivalents	$ 8,040,312	$ 17,048,394	$ 5,683,245	$ 30,771,951	$ 15,932,725
Restricted Cash and Cash Equivalents:					
Special Redemption Funds:					
Bond Reserve Fund	770,702	-	-	770,702	-
Bond Principal and Interest Fund	589,865	-	-	589,865	-
Designated Cash - System Improvement	2,599,221	1,461,060	3,179,554	7,239,835	-
Cash and Cash Equivalents - End of Year	$ 12,000,100	$ 18,509,454	$ 8,862,799	$ 39,372,353	$ 15,932,725

See accompanying Notes to Financial Statements.

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

	Private-Purpose Trust Funds	Custodial Funds
ASSETS		
Cash and Investments	$ 715,495	$ 58,674,590
Taxes Receivable	-	71,373,911
Total Assets	715,495	130,048,501
LIABILITIES		
Special Deposits	3,177	-
Due to Other Taxing Units	-	58,674,590
Total Liabilities	3,177	58,674,590
DEFERRED INFLOWS		
Tax Levy	-	71,373,911
NET POSITION - RESTRICTED	$ 712,318	$ -

See accompanying Notes to Financial Statements.

CITY OF WAUWATOSA, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS		
Contributions	$ 78,261	$ -
Investment Income	13,850	-
Deposit Receipts	-	-
Tax Collections	-	84,531,722
Total Additions	92,111	84,531,722
DEDUCTIONS		
Trust Distributions	92,348	-
Remittance to Other Taxing Jurisdictions	-	84,531,722
Total Deductions	92,348	84,531,722
CHANGES IN NET POSITION	(237)	-
Net Position - Beginning of Year	712,555	-
NET POSITION - END OF YEAR	$ 712,318	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Wauwatosa, Wisconsin (the City) conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of the City of Wauwatosa, Wisconsin. The reporting entity for the City consists 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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and 1) it is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: 1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; 2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; and 3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The Community Development Authority (the Authority) is reported as a blended component unit. The Authority serves the City and is governed by a seven-member board appointed by the Mayor and approved by the Common Council, and provides services entirely to the primary government by redeveloping blighted private properties and underutilized public properties, approving the creation of Tax Increment Districts, overseeing distribution of City funds to support small businesses and serves as the City's Housing Authority for the benefit of the City. The Authority does not issue separate financial statements.

B. Government-Wide and Fund Financial Statements

<u>Government-Wide Financial Statements</u>

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which are 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, liabilities, deferred inflows, net position/fund balance, revenues, and expenditure/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. An emphasis is placed on major and nonmajor funds within the governmental and enterprise categories. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type (that is; total governmental funds or total enterprise funds), and

b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The City reports the following major governmental funds:

General Fund

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

Special Revenue Fund Tax Incremental District Fund

The Special Revenue Fund Tax Incremental District Fund accounts for the City's ten Tax Incremental Districts.

Special Revenue Fund American Rescue Plan Act Fund

The Special Revenue Fund American Rescue Plan Act Fund accounts for the City's administration of American Rescue Plan Act awards.

Debt Service Fund

The Debt Service Fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund General Obligation Debt Issue Fund

The Capital Projects Fund General Obligation Debt Issue Fund accounts for issuance of long-term borrowing and other resources to be used for capital improvement projects.

The City reports the following major enterprise funds:

Water Utility Fund

The Water Utility Fund accounts for operations of the water system.

Sanitary Sewer Fund

The Sanitary Sewer Fund accounts for operations of the sewer system.

Storm Water Management Fund

The Storm Water Management Fund accounts for operations of the storm water management system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The City reports the following nonmajor governmental:

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Special Assessments
- Community Development Block Grant
- Revolving Fund for Designated Revenues
- Public Library
- Parks
- Redevelopment Reserve Fund
- Community Development Fund
- Hospital Policing Fund
- Tourism Commission Fund

Capital Projects Fund

Capital Projects Fund is used to account for resources to be used for capital improvement projects.

- Fleet Equipment
- Information Systems Equipment
- Public Works Building Improvement Reserve Fund

In addition, the City reports the following fund types:

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. Funds included are *Fleet Maintenance*, *Public Works Building, General Liability, Workers' Compensation Insurance, Employee Dental Insurance, Employee Health Insurance, Information Systems,* and *Municipal Building Complex*.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

Private-Purpose Trust Funds

Private-purpose trust funds are used to report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments. Funds included are the *Firemen's Special Endowment, Bachman Flag Account, Land Conservation Account, Hart Park Senior Center, Automated License Plate Reader Association Fund*, *Cemetery Perpetual Care Fund, and Library Trust*.

Custodial Funds

Custodial funds are 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 *Subsequent Year's Tax Roll Collections* is reported as a custodial fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers grant revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, other postemployment benefits, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred inflows. Amounts received prior to the entitlement period are recorded as unearned revenues.

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

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

The City reports deferred inflows on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year which are for subsequent year’s operations. Deferred inflows also arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues are recognized when resources are received before the City has a legal claim to them, as when grant monies are received prior to meeting all eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability or deferred inflow is removed from the balance sheet and revenue is recognized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

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

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds 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. Nonoperating revenues are reported for grants and contributions that are received and intended for general operational purposes. Grants received that are restricted to capital purchases are reported as capital contributions.

All Financial Statements

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

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

1. Cash and Investments

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

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

1. Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association authorized to transact business in the state.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace Authority.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Cash and Investments (Continued)

3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

Investment of library trust funds is regulated by Chapter 112 of the Wisconsin Statutes, which gives broad authority to use such funds to acquire various kinds of investments including stocks, bonds, and debentures.

Investments, other than the Local Government Investment Pool, are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated to the General Fund and the TIF Fund based on average fund balance. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day’s notice. At December 31, 2025, the fair value of the City’s share of the LGIP’s assets was substantially equal to the amount as reported in these statements.

2. Receivables

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables (Continued)

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

Property Tax Calendar – 2025 Tax Roll:

Lien Date and Levy Date	December 2025
Tax Bills Mailed	December 2025
Payment in full, or	January 31, 2025
First Installment Due	January 31, 2025
Second Installment Due	March 31, 2025
Third Installment Due	May 31, 2025
Personal Property Taxes in Full	January 31, 2025
Tax Deed – 2025 Delinquent Real Estate Taxes	October 2027

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

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

In the general fund, advances to other funds are classified as nonspendable fund balance to demonstrate that a portion of fund balance is not available for appropriation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

3. Lease Receivable

The City is a lessor to an outside party for the right to use certain assets. Under the lease agreements, the City recognizes a lease receivable and deferred inflow of resources based on the criteria dictated by Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The City measurers the lease receivable at the present value of payments expected to be received during the lease term. During the lease term, the lease receivable is reduced by the principal portion of the lease payments received.

Deferred inflows of resources related to leases are initially measured as the amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Lease revenue is recognized on a straight-line basis over the term of the lease.

4. Prepaid Items

Governmental fund prepaid supplies are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund prepaid supplies are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported on the purchases method in the governmental funds.

5. 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. Restricted net position represents cash and investments restricted for debt service and amount restricted for pension obligations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Capital Assets

Government-Wide Statements

In the government-wide financial statements, capital assets are defined by the government as assets with an initial cost of more than $5,000 for general capital assets and $10,000 for infrastructure assets, and an estimated useful life in excess of two years. Capital assets are valued at historical cost, less accumulated depreciation. Donated capital assets, donated works of art and similar items are reported at acquisition value. The costs of maintenance and repairs are charged to operations as incurred.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, and overhead. The cost of renewals and betterments relating to retirement units is added to capital assets. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value. The cost of property replaced, retired, or otherwise disposed of, is deducted from capital assets and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

Buildings	20 to 40 Years
Land Improvements Other Than Buildings	20 to 30 Years
Machinery and Equipment	2 to 23 Years
Utility System (Improvements Other Than Buildings)	18 to 77 Years
Infrastructure	15 to 40 Years
Works of Art and Historical Collections	20 to 40 Years
Subscription Assets	2 to 10 Years

Fund Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (benefit), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the basis as they are reported by 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.

8. Other Postemployment Benefits (OPEB) Retiree Health Insurance

The City will pay a portion of health insurance premiums for employees retiring under certain conditions until the employee reaches age 65. Eligibility and benefit provisions are based on contractual agreements with employee union contracts or employee benefit policies.

The City funds these benefits on a pay-as-you-go basis and funding is expected to come primarily from the City's General Fund. The City has obtained an actuarial evaluation to determine the cost of these benefits. The net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense are reported on the government-wide financial statements as a governmental activities liability and on the fund financial statements as an internal service fund liability.

9. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Long-Term Obligations/Conduit Debt

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

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

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately $3.9 million, made up of one issue.

11. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of GASB pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Net Position and Fund Balance Classifications

Government-Wide Statements

Net position is classified in three components:

- **Net investment in capital assets.** The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- **Restricted net position.** The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or deferred inflows or if the liability will be liquidated with the restricted assets reported.

- **Unrestricted net position.** The unrestricted component of net position is the amount of the assets and deferred outflows, net of the liabilities and deferred inflows that are not included in the determination of net investment in capital assets or the restricted components of net position.

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

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

- **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Net Position and Fund Balance Classifications (Continued)

Government-Wide Statements (Continued)

- **Committed fund balance.** Amounts that are constrained for specific purposes by action of the Common Council. These constraints can only be removed or changed by the Common Council using the same action that was used to create them.

- **Assigned fund balance.** Amounts that are constrained for specific purposes by action of the City management. The City has authorized the City's Finance Director to assign fund balance.

- **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

When restricted, committed, assigned and unassigned resources are available for use for the same purposes it is the City's policy to use the restricted resources first, then committed, assigned, and unassigned resources as they are needed.

E. Other Policies – Tax Incremental Districts

1. In 2010, the City adopted the Resolution #10-73 creating "City of Wauwatosa Tax Incremental District No. 6" to encourage development of the city tax base, efficient use of land, buildings and public improvements, and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $12 million. The costs are to be paid by future debt issues and other available funds. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue. The City has amended Tax Incremental District No. 6 through adoption of Resolutions #R-15-198 and #13-32.

2. In 2012, the City adopted the Resolution #12-211 creating "City of Wauwatosa Tax Incremental District No. 7" to encourage development of the city tax base, efficient use of land, buildings and public improvements, and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $10.8 million. The costs are to be paid by future debt issues and other available funds. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue. The City has amended Tax Incremental District No. 7 through adoption of Resolution #R16-21.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Other Policies – Tax Incremental Districts (Continued)

3. In 2014, the City adopted the Resolution #14-63 creating "City of Wauwatosa Tax Incremental District #8" to encourage development of the city tax base, efficient use of land, buildings and public improvements and private investment. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $13.1 million. The costs are to be paid by futures debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.

4. In 2015, the City adopted the Resolution #15-84 creating "City of Wauwatosa Tax Incremental District #9" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $2.87 million. The costs are to be paid by the developer. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to reimburse the developer for the costs incurred in accordance with the project plan.

5. In 2015, the City adopted the Resolution #15-145 creating "City of Wauwatosa Tax Incremental District #10" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $4.9 million. The costs are to be paid by the developer. Property taxes to be generated in future years, measured by the increment in value of the property in the District over the base year, are to reimburse the developer for the costs incurred in accordance with the project plan.

6. In 2015, the City adopted the Resolution #15-217 creating "City of Wauwatosa Tax Incremental District #11" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with the Wisconsin Statutes. Project costs are estimated at $14.79 million. The costs are to be paid by future debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire the interest and principal of the debt issue.

7. In 2018, the City adopted the Resolution #18-15 creating "City of Wauwatosa Tax Incremental District #12" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with Wisconsin Statutes. Project costs are estimated at $19.6 million. The costs are to be paid by the future debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire interest and principal of the debt issue.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Other Policies – Tax Incremental Districts (Continued)

8. In 2020, the City adopted the Resolution #20-114 creating "City of Wauwatosa Tax Incremental District #13" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with Wisconsin Statutes. Project costs are estimated at $10.2 million. The costs are to be paid by the future debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire interest and principal of the debt issue.

9. In 2022, the City adopted the Resolution #22-172 creating "City of Wauwatosa Tax Incremental District #14" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with Wisconsin Statutes. Project costs are estimated at $8.5 million. The costs are to be paid by the future debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire interest and principal of the debt issue.

10. In 2023, the City adopted the Resolution #23-180 creating "City of Wauwatosa Tax Incremental District #15" to promote development and redevelopment within the City. The Tax Incremental District has been created in compliance with Wisconsin Statutes. Project costs are estimated at $57.9 million. The costs are to be paid by the future debt issues and other available funds. Property taxes generated in future years, measured by the increment in value of the property in the District over the base year, are to be used to retire interest and principal of the debt issue.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Statement of Net Position

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

Bonds and Notes Payable	$ 113,248,104
Bond Premium	3,052,700
Compensated Absences	11,491,526
Subscription Liability	942,477
Accrued Interest Payable	420,527
Landfill Postclosure Liability	64,854
Combined Adjustment for Long-Term Liabilities	$ 129,220,188

NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1. A budget has been adopted for the General Fund and all Special Revenue Funds, except the Redevelopment Reserve in accordance with Wisconsin Statute Section 65.90. The capital projects fund adopts a five-year capital improvement plan annually.

The budgeted amounts presented include any amendments made. Management may authorize transfers of budgeted amounts within departments. Certain transfers between departments and changes to the overall budget must be approved by a two-thirds council action. Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were $884,542. Expenditures are monitored by management at the department level for all funds.

Deficit Fund Balance

As of December 31, 2025, the following individual funds had deficit fund balance:

Nonmajor Governmental Funds:	
Special Revenue Funds:	
Community Development Block Grant	$ 17,096
Internal Service Funds:	
Employee Health Insurance Fund	$ 26,527,890

The governmental fund deficits are anticipated to be funded with charges for services, future contributions, general tax revenue, or long-term borrowing.

The Employee Health Insurance Fund deficit is the result of the long-term OPEB liability as described in Notes 5.B and 5.C. The City pays the related health and dental claims of retirees in the year they are billed. The City plans to continue pursuing efforts to manage this liability, including active management of the plan, continued negotiations through the collective bargaining process, and other cost management strategies.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

	Carrying Value	Bank Balance
Petty Cash	$ 16,128	$ -
Deposits:		
Demand Deposits	22,472,215	23,880,919
Certificates of Deposit	14,301,580	14,301,580
Total Deposits	36,773,795	38,182,499
Investments:		
U.S. Agency Securities	39,423,780	39,423,780
Municipal Securities	30,012,699	30,012,699
Investment Pools:		
WISC - Investment Class Fund	765,164	765,164
WISC - Limited Term Duration Fund	8,641,429	8,641,429
Local Government Investment Pool (LGIP)	100,420,580	100,420,580
Total Investments	179,263,652	179,263,652
Total Cash and Investments	$ 216,053,575	$ 217,446,151

Reconciliation to the Statement of Net Position:	
Unrestricted Cash and Investments	$ 148,063,088
Restricted Cash and Investments	1,360,567
Designated Cash and Investments	7,239,835
Fiduciary Funds:	
Private-Purpose Trust Funds	715,495
Custodial Funds	58,674,590
Total Cash and Investments	$ 216,053,575

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts and $250,000 for demand deposit accounts.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of $400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2025, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund is abolished. This coverage has not been considered in computing custodial credit risk. Certificates of deposit held in the LGIP are covered by FDIC insurance, which applies to the proportionate public unit share of accounts.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government). Wells Fargo, Bank of Oklahoma, and BMO Harris Bank's SIPC membership provides account protection up to a maximum of $500,000 per customer, of which $250,000 may be in cash. Additionally, Wells Fargo, through Lexington Insurance Company, has additional securities coverage of $1 billion per customer, subject to a $1 billion aggregate limit and $1.9 million limit on cash.

The City also maintains collateral agreements with certain depository banks to cover uninsured balances.

Custodial Credit Risk

Deposits – Custodial risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City. The City's investment policy does not address custodial credit risk for deposits.

As of December 31, 2025, $4,149,325 of the City's bank balance of $38,182,499 was exposed to custodial credit risk as uninsured and uncollateralized.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City investment policy does not address custodial credit risk for investments.

As of December 31, 2025, $78,843,073 of the City's investment balance of $179,263,652 was exposed to custodial credit risk as uninsured and uncollateralized.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy does not address credit risk for investments.

Wisconsin Statutes limit investments in commercial paper and corporate bonds to securities which bear a rating in the top two rating categories issued by recognized statistical rating organizations. As of December 31, 2025, the City is exposed to credit risk with investments in the following:

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investment Type	Fair Value	Moody's Rating
Local Government Investment Pool	$ 100,420,580	Unrated
WISC - Investment Class Fund	765,164	Unrated
WISC - Limited Term Duration Fund	8,641,429	Unrated
U.S. Agency Securities	39,423,780	AAA
Municipal Securities	9,131,199	AAA
Municipal Securities	20,274,954	AA
Municipal Securities	606,546	A
Total Fair Value of Investments Subject to Credit Risk	$ 179,263,652	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy does not address interest rate risk. As of December 31, 2025, the City's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Months)
U.S. Agency Securities	$ 39,423,780	30.0
Municipal Securities	30,012,699	12.0
WISC - Investment Class Fund	765,164	0.0
WISC - Limited Term Duration Fund	8,641,429	0.6
Local Government Investment Pool	100,420,580	15.0
Total Fair Value of Investments Subject to Credit Risk	$ 179,263,652	

Concentration of Credit Risk

As of December 31, 2025, the City's investment portfolio did not hold investments from individual issuers which comprised over 5% of their investment balances.

Fair Value Measurement

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Fair Value Measurement (Continued)

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.

The City has the following assets that are subject to fair value measurements as of:

	Fair Value	Level 1	Level 2	Level 3
U.S. Agency Securities	$ 39,423,780	$ -	$ 39,423,780	$ -
Municipal Securities	30,012,699	-	30,012,699	-
WISC - Limited Term Duration Fund	8,641,429	-	8,641,429	-
Total Fair Value of Investments	$ 78,077,908	$ -	$ 78,077,908	$ -

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor and fiduciary funds detailed according to source are displayed on the face of the fund financial statements. As of December 31, 2025, an allowance for uncollectible accounts has been established for ambulance billings of $1,384,729.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

On December 20, 2016, the City entered into a promissory note agreement with the Milwaukee Area Domestic Animal Control Commission (MADACC) to refinance $1,925,000 of the promissory note executed July 1, 2015. The note has stated annual interest rate ranging from 3.0% – 4.0%. Principal and interest are to be repaid through December 1, 2031. As of December 31, 2025, the outstanding principal on the note is $1,050,000.

C. Deferred Inflows

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

	Unavailable	Tax Levy / Leases	Total
Property Taxes Receivable	$ -	$ 66,808,561	$ 66,808,561
Special Assessments	738,095	-	738,095
Other Accounts Receivable	3,974,566	-	3,974,566
Total	$ 4,712,661	$ 66,808,561	$ 71,521,222

D. Restricted Assets

Following is a list of restricted assets at December 31, 2025:

Business-Type Activities:	
Cash and Investments:	
Special Redemption Funds:	
Bond Reserve Fund	$ 770,702
Bond Principal and Interest Fund	589,865
Total Business-Type Activities	$ 1,360,567

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 24,794,239	$ -	$ -	$ 24,794,239
Construction in Progress	12,851,369	8,681,636	13,670,297	7,862,708
Total Capital Assets Not Being Depreciated	37,645,608	8,681,636	13,670,297	32,656,947
Capital Assets Being Depreciated:				
Buildings	36,154,068	5,417,856	-	41,571,924
Improvements	14,773,434	4,779,814	-	19,553,248
Machinery and Equipment	31,270,731	2,463,562	876,725	32,857,568
Infrastructure	133,086,933	7,975,561	2,647,324	138,415,170
Works of Art	-	326,512	-	326,512
Subscription Asset	642,511	1,047,414	374,044	1,315,881
Total Capital Assets Being Depreciated	215,927,677	22,010,719	3,898,093	234,040,303
Less: Accumulated Depreciation and Amortization for:				
Buildings	17,684,632	967,993	-	18,652,625
Improvements	7,485,297	850,380	-	8,335,677
Machinery and Equipment	21,197,725	2,120,638	818,412	22,499,951
Infrastructure	56,455,784	4,552,180	2,647,324	58,360,640
Subscription Asset	294,244	344,925	374,044	265,125
Total Accumulated Depreciation and Amortization	103,117,682	8,836,116	3,839,780	108,114,018
Capital Assets Being Depreciated, Net of Depreciation and Amortization	112,809,995	13,174,603	58,313	125,926,285
Total Capital Assets, Net	$ 150,455,603	$ 21,856,239	$ 13,728,610	$ 158,583,232

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 112,127
Public Safety	1,464,892
Public Works, Which Includes the Depreciation of Infrastructure	4,564,466
Health and Human Services	1,624
Recreation and Education	1,063,092
Depreciation Expense-Allocated with Internal Service Fund	1,629,915
Total Governmental Activities Depreciation Expense	$ 8,836,116

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 81,405	$ -	$ 1	$ 81,404
Construction in Progress	16,480,733	12,274,558	13,819,442	14,935,849
Total Capital Assets Not Being Depreciated	16,562,138	12,274,558	13,819,443	15,017,253
Capital Assets Being Depreciated:				
Buildings	1,598,088	-	-	1,598,088
Machinery and Equipment	5,980,149	228,287	232,310	5,976,126
Improvements Other Than Buildings	241,749,427	21,938,595	1,163,786	262,524,236
Total Capital Assets Being Depreciated	249,327,664	22,166,882	1,396,096	270,098,450
Less: Accumulated Depreciation for:				
Buildings	751,576	31,999	-	783,575
Machinery and Equipment	2,215,515	320,803	232,310	2,304,008
Improvements Other Than Buildings	67,992,239	3,576,557	1,109,037	70,459,759
Total Accumulated Depreciation	70,959,330	3,929,359	1,341,347	73,547,342
Capital Assets Being Depreciated, Net of Depreciation	178,368,334	18,237,523	54,749	196,551,108
Total Capital Assets, Net	$ 194,930,472	$ 30,512,081	$ 13,874,192	$ 211,568,361

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets (Continued)

Depreciation expense was charged to functions as follows:

Business-Type Activities:	
Water Utility:	
Depreciation	$ 1,567,887
Sanitary Sewer	1,211,005
Storm Water Management	1,150,467
Total Business-Type Activities Depreciation Expense	$ 3,929,359

F. Interfund Receivables/Payables and Transfers

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

Receivable Fund	Payable Fund	Amount
Governmental Funds:		
General Fund	Water Utility	$ 1,258,541
General Fund	Nonmajor Governmental Funds	764,259
	Subtotal	2,022,800
Proprietary Funds:		
Sanitary Sewer	General Fund	435,874
Storm Water Management	General Fund	188,604
Water Utility	General Fund	487,732
	Subtotal	1,112,210
	Total Interfund Receivables	$ 3,135,010

The principal purpose of these interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The General Fund advanced $2,000,000 to the Special Revenue Fund – Tax Incremental Fund. The General Fund advanced $2,000,000 to the Special Revenue Fund – Tax Incremental District No. 7 in 2015. This advance earns interest at 5.25%. The advance was issued to provide long-term financing. The remaining outstanding balance as of December 31, 2025, was $793,918.

The Redevelopment Reserve Fund advance $300,000 to the Special Revenue Fund – Tax Incremental District No. 7 in 2020. The advance was issued to provide long-term financing. The remaining outstanding balance as of December 31, 2025, was $300,000.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivables/Payables and Transfers (Continued)

The following is a schedule of interfund transfers:

Transferred To	Transferred From	Amount
General Fund	Water Utility	$ 1,258,541
	Tax Increment Districts	107,500
	Capital Projects Fund	22,578
	Internal Service Funds	3,547,890
	Subtotal	4,936,509
Debt Service Fund	General Fund	8,775,485
	Tax Increment Districts	3,213,910
	Nonmajor Governmental	68,999
	Subtotal	12,058,394
Capital Projects Fund -	General Fund	1,372,598
General Obligation Debt Issued	Nonmajor Governmental	2,572,265
	Internal Service Funds	51,000
	Subtotal	3,995,863
Nonmajor Governmental Funds	General Fund	5,818,901
	Tax Increment Districts	48,330
	Nonmajor Governmental	33,888
	Internal Service Funds	1,476,572
	Subtotal	7,377,691
Internal Service Funds	General Fund	4,950
	Capital Projects Fund	122,735
	Internal Service Funds	750,000
	Subtotal	877,685
	Total Interfund Transfers	$ 29,246,142

Reconciliation of Transfers In (Out):	
Governmental Funds Transfers In	$ 28,368,457
Governmental Funds Transfers Out	(22,162,139)
Capital Outlay Reported as transfers to Business-Type Activities	(3,521,251)
Net Governmental Transfers from Internal Service Funds	(4,947,777)
Total Business-Type Activities	$ (2,262,710)

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivables/Payables and Transfers (Continued)

Generally, transfers are used to (1) move revenue from the funds that collect them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund, (3) use unrestricted revenue collected in the General Fund to finance various program accounted for in other funds in accordance with budgetary authorizations, and (4) transfer assets purchased in one fund that relate to other funds.

G. Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Debt:					
Promissory Notes and Bonds	$ 85,805,000	$ 12,240,000	$ 10,165,000	$ 87,880,000	$ 8,515,000
Bond Premium	2,380,303	920,190	247,793	3,052,700	-
Total General Obligation Debt	88,185,303	13,160,190	10,412,793	90,932,700	8,515,000
Municipal Revenue Obligation	27,981,680	-	2,613,576	25,368,104	-
Total Bonds and Notes Payable	116,166,983	13,160,190	13,026,369	116,300,804	8,515,000
Other Liabilities:					
Accrued Unused Vacation	3,633,563	3,106,312	3,189,007	3,550,868	3,550,868
Accrued Unused Sick Leave*	8,306,546	221,870	-	8,528,416	1,407,702
Subscription Liability	172,269	1,047,415	242,550	977,134	140,159
Net Pension Liability	4,570,063	556,294	-	5,126,357	-
OPEB Liability	39,361,560	196,944	2,460,551	37,097,953	2,503,113
Landfill Postclosure Liability	73,781	-	8,927	64,854	8,927
Total Other Liabilities	56,117,782	5,128,835	5,901,035	55,345,582	7,610,769
Total Governmental Activities Long-Term Liabilities	$ 172,284,765	$ 18,289,025	$ 18,927,404	$ 171,646,386	$ 16,125,769

*The change in accrued unused sick leave liability is presented as a net change

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-Type Activities:					
Bonds and Notes Payable:					
General Obligation Debt	$ 51,775,000	$ 14,395,000	$ 6,400,000	$ 59,770,000	$ 6,995,000
Revenue Bonds	7,795,000	-	480,000	7,315,000	480,000
Unamortized Bond Premium	2,060,947	680,037	211,893	2,529,091	-
Total Bonds and Notes Payable	61,630,947	15,075,037	7,091,893	69,614,091	7,475,000
Other Liabilities:					
Accrued Unused Vacation	104,672	113,347	116,492	101,527	101,527
Accrued Unused Sick Leave*	78,015	61,378	-	139,393	48,029
Net Pension Liability	164,594	19,246	-	183,840	-
Total Other Liabilities	347,281	193,971	116,492	424,760	149,556
Total Business-Type Activities Long-Term Liabilities	$ 61,978,228	$ 15,269,008	$ 7,208,385	$ 70,038,851	$ 7,624,556

*The change in accrued unused sick leave liability is presented as a net change

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

The City does not have any outstanding notes from direct borrowings and direct placements related to governmental or business-type activities.

Accrued unused vacation accumulated from governmental activities are typically liquidated from the governmental fund that the employees' related pay is charged to, primarily the general fund.

Governmental Activities Debt

General Obligation Debt

General obligation debt of the governmental activities is shown below:

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/25
Promissory Notes	04/01/15	10/01/35	3.000 - 5.000	$ 6,200,000	$ 4,325,000
	12/01/15	12/01/30	2.000 - 4.000	20,525,000	5,450,000
	12/01/15	12/01/30	2.250 - 3.650	7,400,000	1,525,000
	12/01/16	12/01/36	3.000 - 4.000	7,495,000	3,100,000
	12/06/16	12/01/31	3.000 - 4.000	1,925,000	1,050,000
	11/03/17	11/01/32	2.000 - 3.000	10,180,000	5,240,000
	11/20/18	11/01/34	3.750 - 4.500	3,690,000	2,355,000
	11/20/18	11/01/33	3.000 - 4.000	10,020,000	4,820,000
	11/20/18	11/01/28	3.000 - 4.000	1,215,000	375,000
	12/02/19	12/01/39	2.375 - 4.000	4,540,000	3,215,000
	12/02/19	12/01/29	2.500 - 3.000	1,260,000	820,000
	12/01/20	12/01/30	0.050 - 4.000	4,890,000	3,180,000
	12/01/20	12/01/30	0.050 - 4.000	1,405,000	730,000
	12/01/21	11/01/34	1.750 - 5.000	6,490,000	4,725,000
	12/01/21	11/01/31	2.000 - 2.000	2,340,000	1,470,000
	04/28/22	12/01/38	3.000 - 3.950	12,030,000	12,030,000
	12/01/22	12/01/37	4.000 - 5.000	3,660,000	2,505,000
	12/01/22	12/01/32	4.000	4,270,000	1,035,000
	12/01/22	12/01/37	4.950 - 5.550	5,520,000	5,520,000
	12/04/23	12/01/38	5.000	7,810,000	6,900,000
	12/04/23	12/01/33	4.000 - 5.000	1,270,000	1,060,000
	11/08/24	11/01/39	3.000 - 5.000	4,735,000	4,210,000
	11/03/25	11/01/45	3.875 - 5.000	12,240,000	12,240,000
Total General Obligation Debt					$ 87,880,000

Municipal Revenue Obligation

On July 30, 2015, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 6 project costs, as described in the project plan. The Developer completed eligible costs in 2015 of $4,500,000 and became eligible for repayment beginning in 2016. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 6. The outstanding balance as of December 31, 2025, was $743,327.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Governmental Activities Debt (Continued)

Municipal Revenue Obligation (Continued)

On December 15, 2015, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 9 project costs, as described in the project plan. The Developer completed eligible costs in 2015 of $1,994,000 and became eligible for repayment beginning in 2017. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 9. The outstanding balance as of December 31, 2025, was $697,421.

On December 18, 2015, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 11 project costs, as described in the project plan. The Developer completed eligible costs in 2015 of $3,926,500 and became eligible for repayment beginning in 2017. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 11. The outstanding balance as of December 31, 2025, was $1,700,796.

On September 27, 2016, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 11 project costs, as described in the project plan. The Developer completed eligible costs in 2016 of $1,438,269 and became eligible for repayment beginning in 2019. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 11. The outstanding balance as of December 31, 2025, was $690,291.

During 2017, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 7 project costs, as described in the project plan. The Developer completed eligible costs in 2017 of $6,979,218 and became eligible for repayment beginning in 2019. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 17. The outstanding balance as of December 31, 2025, was $3,557,529.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Governmental Activities Debt (Continued)

Municipal Revenue Obligation (Continued)

During 2018, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 12 project costs, as described in the project plan. The Developer completed eligible costs in 2018 of $13,843,674 and became eligible for repayment beginning in 2021. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 12. The outstanding balance as of December 31, 2025, was $11,618,306.

During 2020, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 8 project costs, as described in the project plan. The Developer completed eligible costs in 2020 of $1,646,814 and became eligible for repayment beginning in 2021. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 8. The outstanding balance as of December 31, 2025, was $1,076,775.

During 2021, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 13 project costs, as described in the project plan. The Developer completed eligible costs in 2021 of $1,998,589 and became eligible for repayment beginning in 2022. The municipal revenue obligation is not a general obligation of the City, and is payable solely from the revenues and income derived by the tax increment of TIF No. 13. The outstanding balance as of December 31, 2025, was $1,670,490.

During 2022, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 8 project costs, as described in the project plan. The Developer completed eligible costs in 2022 of $1,535,957 and became eligible for repayment beginning in 2023. The municipal revenue obligation is not a general obligation of the City and is payable solely from the revenues and income derived by the tax increment of TIF No. 8. The outstanding balance as of December 31, 2025, was $1,398,739.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Governmental Activities Debt (Continued)

Municipal Revenue Obligation (Continued)

During 2024, the City entered into a developer agreement including a municipal revenue obligation payable to the Developer to reimburse actual costs expended by the Developer relating to approved TIF No. 7 project costs, as described in the project plan. The Developer completed eligible costs in 2024 of $2,269,064 and became eligible for repayment beginning in 2025. The municipal revenue obligation is not a general obligation of the City and is payable solely from the revenues and income derived by the tax increment of TIF No. 7. The outstanding balance as of December 31, 2025, was $2,214,434.

Business-Type Activities Debt

Debt of the business-type activities is shown below:

Type	Date of Loan	Interest Rate	Principal Payable	Interest Payable	Original Amount	Balance 12/31/25
WATER						
Revenue Bonds:						
Series 2016	06/21/16	2.000 - 3.500	1/1/17-36	1/1 & 7/1	$ 4,225,000	$ 2,525,000
Series 2017	11/03/17	3.000	1/1/19-37	1/1 & 7/1	3,000,000	2,225,000
Series 2018	11/20/18	4.000 - 3.750	1/1/19 -38	1/1 & 7/1	3,620,000	2,565,000
Total Revenue Bonds						7,315,000
Corporate Purpose Bonds:						
Series 2019	12/02/19	2.500 - 4.000	12/1/20-39	6/1 & 12/1	7,225,000	4,525,000
Series 2020	12/01/20	0.050 - 4.000	12/1/21-30	6/1 & 12/1	3,710,000	2,930,000
Series 2021	12/01/21	1.750 - 5.000	12/1/22-41	6/1 & 12/1	1,810,000	1,520,000
Series 2022	12/01/22	4.000 - 5.000	12/1/22-37	6/1 & 12/1	3,660,000	550,000
Series 2023	12/01/23	5.000	12/1/23-38	6/1 & 12/1	4,630,000	4,465,000
Total Corporate Purpose Bonds						13,990,000
Refunding Bonds:						
Series 2021	12/01/21	0.250 - 2.200	11/1/22-34	5/1 & 11/1	2,555,000	2,235,000
Promissory Notes:						
Series 2024	11/08/24	3.000 - 5.000	11/1/25-44	5/1 & 11/1	2,905,000	2,905,000
Series 2025	11/03/25	3.875 - 5.000	11/1/26-45	5/1 & 11/1	1,705,000	1,705,000
Total Promissory Notes						4,610,000
Total Water						28,150,000
SANITARY SEWER						
Corporate Purpose Bonds:						
Series 2016	12/01/16	3.000 - 4.000	12/1/17-35	6/1 & 12/1	1,770,000	325,000
Series 2017	11/03/17	2.000 - 3.000	11/1/17-32	5/1 & 11/1	2,990,000	1,250,000
Total Corporate Purpose Bonds						1,575,000
Refunding Bonds:						
Series 2021	12/01/21	0.250 - 2.200	11/1/22-34	5/1 & 11/1	6,470,000	5,025,000

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Business-Type Activities Debt (Continued)

Type	Date of Loan	Interest Rate	Principal Payable	Interest Payable	Original Amount	Balance 12/31/25
SANITARY SEWER (CONTINUED)						
Promissory Notes:						
Series 2018	11/20/18	3.000 - 4.000	11/1/19-28	5/1 & 11/1	$ 1,590,000	$ 825,000
Series 2020	12/01/20	0.050 - 4.000	12/1/21-30	6/1 & 12/1	1,180,000	455,000
Series 2024	11/08/24	3.000 - 5.000	11/1/25-44	5/1 & 11/1	1,760,000	1,070,000
Series 2025	11/03/25	3.875 - 5.000	11/1/26-45	5/1 & 11/1	1,370,000	1,370,000
Total Promissory Notes						3,720,000
Total Sanitary Sewer						10,320,000
STORM WATER MAINTENANCE						
Corporate Purpose Bonds:						
Series 2016	12/01/16	3.000 - 4.000	12/1/17-35	6/1 & 12/1	4,000,000	1,825,000
Series 2017	11/03/17	2.000 - 3.000	11/1/17-32	5/1 & 11/1	1,110,000	150,000
Series 2019	12/02/19	2.500 - 4.000	12/1/20-39	6/1 & 12/1	1,000,000	340,000
Total Corporate Purpose Bonds						2,315,000
Refunding Bonds:						
Series 2021	12/01/21	0.250 - 2.200	11/1/22-34	5/1 & 11/1	1,045,000	820,000
Promissory Notes:						
Series 2018	11/20/18	3.000 - 4.000	11/1/19-28	5/1 & 11/1	3,545,000	1,500,000
Series 2020	12/01/20	0.050 - 4.000	12/1/21-30	6/1 & 12/1	2,750,000	1,430,000
Series 2021	12/01/21	2.000	12/1/22-31	6/1 & 12/1	630,000	395,000
Series 2022	12/01/22	4.000	12/1/22-32	6/1 & 12/1	4,270,000	1,815,000
Series 2023	12/01/23	4.000 - 5.000	12/1/23-33	6/1 & 12/1	2,665,000	1,805,000
Series 2024	11/08/24	3.000 - 5.000	11/1/25-44	5/1 & 11/1	8,040,000	7,215,000
Series 2025	11/03/25	3.875 - 5.000	11/1/26-45	5/1 & 11/1	11,320,000	11,320,000
Total Promissory Notes						25,480,000
Total Storm Water Maintenance						28,615,000
Total Business-Type Activities Debt						$ 67,085,000

The Water Utility has $7,315,000 in Waterworks System Revenue Bonds related to Water Utility capital projects outstanding at December 31, 2025. The bonds are not general obligations of the City of Wauwatosa and are payable from income and revenues derived from the operations of the system in accordance with the resolution adopted in conjunction with the issuance of the debt. The resolution creates a statutory mortgage lien upon the system and its revenues in accordance with Section 66 of Wisconsin Statutes. The Utility has established certain funds, as described in the resolution, to account for the allocation of the Utility's gross revenue and has deposited funds in compliance with the bond covenants. The Water system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds. The revenues subject to the lien were $12,640,487. Net revenue available for debt service was $3,890,839, which represents a coverage ratio of 5.4 of debt service for the year ended December 31, 2025.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Business-Type Activities Debt (Continued)

There are a number of limitations and restrictions contained in the bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

Annual Maturities of General Obligation Debt, Redevelopment Lease Revenue Bonds, and Water System Revenue Bonds

Debt service requirements to maturity (exclusive of the municipal revenue obligation) are as follows:

	Governmental Long-Term Debt		Business-Type Long-Term Debt	
Year Ending December 31,	Principal	Interest	Principal	Interest
2026	$ 8,515,000	$ 3,219,845	$ 7,475,000	$ 2,351,284
2027	7,540,000	2,917,634	6,705,000	2,107,861
2028	8,175,000	2,644,934	6,205,000	1,885,161
2029	8,350,000	2,365,694	5,570,000	1,676,971
2030	8,680,000	2,078,703	5,140,000	1,482,230
2031-2035	32,755,000	6,341,417	19,880,000	4,920,220
2036-2040	13,865,000	1,302,625	9,755,000	2,297,240
2041-2045	-	-	6,355,000	757,226
Totals	$87,880,000	$20,870,852	$67,085,000	$17,478,193

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

Margin of Indebtedness

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2025, was $506,114,720. Total general obligation debt outstanding at year-end was $147,650,000.

Landfill Postclosure Liability

State and federal laws and regulations require the City to place a final cover on its landfill site and to perform certain maintenance and monitoring functions at the site after closure. Future landfill maintenance and monitoring costs are estimated to be a total of $64,854 over the next 20 years. The liability for landfill closure and postclosure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Net Position/Fund Balances

Net position reported on the government wide statement of net position at December 31, 2025 includes the following:

Governmental Activities

Net Investment in Capital Assets:	
Nondepreciated	$ 32,656,947
Depreciated	125,926,285
Less: Related Debt Excluding Unspent Bond Proceeds	(56,816,411)
Total Net Investment in Capital Assets	101,766,821
Restricted for Debt Service	8,390,099
Restricted for Revolving Fund	254,966
Restricted for Community Development	1,208,856
Restricted for Tourism	1,265,445
Unrestricted	(18,933,073)
Total Governmental Activities Net Position	$ 93,953,114

Business-Type Activities

Net Investment in Capital Assets:	
Land	$ 81,404
Construction in Progress	14,935,849
Other Capital Assets, Net of Accumulated Depreciation	196,551,108
Less: Related Long-Term Debt Outstanding (Net of Unspent Proceeds of Debt)	(63,791,845)
Total Net Investment in Capital Assets	147,776,516
Restricted for Debt Service	1,238,938
Unrestricted	37,158,677
Total Business-Type Activities Net Position	$ 186,174,131

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Net Position/Fund Balances (Continued)

Governmental Fund Balances

Governmental fund balances reported on the fund financial statements at December 31, 2025, include the following:

Nonspendable:	
Major Funds:	
General Fund:	
Prepayments and Inventories	$ 32,562
Noncurrent Receivables	868,724
Nonmajor Funds:	
Fleet Equipment Fund	22,980
Total Nonspendable	924,266
Restricted:	
Major Funds:	
Special Revenue Fund - Tax Incremental District - Debt Service	6,938,430
Debt Service Fund	1,872,196
Capital Projects Fund - General Obligation Debt Issue Fund	11,689,149
Nonmajor Funds:	
Revolving Fund for Designated Revenues	254,966
Community Development Fund	1,208,856
Tourism Commission Fund	1,265,445
Total Restricted Fund Balance	23,229,042
Assigned:	
Major Funds:	
General Fund:	
Capital Improvements	1,202,572
Encumbrances and Subsequent Year Expenditures	1,618,695
Plant Beds/Medians	15,914
Recycling Stabilization	413,483
Parks	3,442
Capital Projects Fund - General Obligation Debt Issue Fund	8,290,115

NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Net Position/Fund Balances (Continued)

Governmental Fund Balances (Continued)

Assigned (Continued):	
Nonmajor Funds:	
Special Revenue Fund - Parks Fund	$ 2,720,134
Special Revenue Fund - Library Fund	4,279
Special Revenue Fund - Redevelopment Authority Reserve Fund	1,024,104
Special Revenue Fund - Community Development Fund	161,540
Special Revenue Fund - Hospital Policing Fund	22,876
Capital Projects Fund - Information Systems Equipment	1,806,243
Capital Projects Fund - Fleet Equipment	1,152,214
Capital Projects Fund - Public Works Building Improvement Reserve Fund	76,863
Total Assigned Fund Balance	18,512,474
Unassigned:	
Major Funds - General Fund	25,174,368
Nonmajor Funds - Community Development Block Grant	(17,096)
Total Unassigned Fund Balance	25,157,272
Total Governmental Fund Balance	$ 67,823,054

The City also maintains an amortization fund balance governed by Section 3.04 of the Wauwatosa Municipal Code, which provides that the balance may be used to pay principal and interest on the outstanding debt upon the direction of the City’s Common Council. The ordinance further provides that the Board of Public Debt Commissioners may, with the approval of the Common Council, apply all or any part of the fund for any purpose for which municipal bonds may be legally issued. This balance is a portion of the General Fund unassigned fund balance.

NOTE 5 OTHER INFORMATION

A. Defined Benefit Pension Plan

1. General Information about the Plan

Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing, multiemployer 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, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Vesting

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

Benefits Provided

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

Final average earnings is the average of the participant's three highest 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 contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

1. General Information about the 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:

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
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

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

1. General Information about the 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, and executives and elected officials. Starting on January 1, 2016, the executives and elected officials category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized $4,789,427 in contributions from the employer.

Contribution rates as of December 31, 2024, are:

Employee Category	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.90 %	6.90 %
Protective With Social Security	6.90	14.30
Protective Without Social Security	6.90	19.10

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

At December 31, 2025, the City reported a liability (asset) of $5,310,197 for its proportional share of the net pension liability (asset). The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) 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 date and the measurement date. The City’s proportion of the net pension liability (asset) was based on the City’s share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the City’s proportion was .32316870%, which was an increase of .00472384% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized pension expense (credit) of $7,103,396. The City typically uses the General Fund to liquidate pension liabilities.

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

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

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 16,491,066	$ 15,496,430
Changes in Assumptions	1,575,638	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	8,069,124	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	54,756	166,808
Employer Contributions Subsequent to the Measurement Date	4,782,032	-
Total	$ 30,972,616	$ 15,663,238

$4,782,032 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as increases and decreases in pension expense, respectively, and are as follows:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2026	$ 3,138,524
2027	10,984,020
2028	(2,736,723)
2029	(858,475)
2030	-
Total	$ 10,527,346

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

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

Actuarial Assumptions

The total pension liability (asset) 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, 2023Published November 19, 2024
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Long-Term Expected Rate of Return	6.8 %
Discount Rate	6.8 %
Salary Increases:	
Inflation	3.0 %
Seniority\Merit	0.1% - 5.7%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7 %

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

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

2. Pension Liabilities (Assets), Pension Expense, 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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns[1]
As of December 31, 2024

	Asset Allocation Percent	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of of Return %[2]
Core Fund Asset Class			
Public Equity	38.00 %	7.00 %	4.30 %
Public Fixed Income	27.00	6.10	3.40
Private Equity/Debt	20.00	9.50	6.70
Inflation Sensitive	19.00	4.80	2.10
Real Estate	8.00	6.50	3.80
Leverage[3]	(12.00)	3.70	1.10
Total Core Fund	100.00 %	7.50 %	4.80 %
Variable Fund Asset			
U.S. Equities	70.00 %	6.80 %	4.00 %
International Equities	30.00	7.60	4.80
Total Variable Fund	100.00 %	7.30 %	4.50 %

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

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

[3] 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%.

NOTE 5 OTHER INFORMATION (CONTINUED)

A. Defined Benefit Pension Plan (Continued)

2. Pension Liabilities (Assets), Pension Expense, 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. The discount rate is based on the expected rate of return on pension plan investments of 6.80% 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%)
The City's Proportionate Share of the Net Pension Liability (Asset)	$ 49,816,578	$ 5,310,197	$ (26,310,311)

3. Pension Plan Fiduciary Net Position

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

NOTE 5 OTHER INFORMATION (CONTINUED)

B. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; natural disasters, and worker's compensation. The City is self-insured for medical coverage for certain employees at December 31, 2025. The City purchases general and automobile liability insurance from the Cities and Villages Mutual Insurance Company. The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

Self-Insured General and Auto Liability

In 1988, the City invested $1,184,453 for participation in the Wisconsin Municipal Insurance Commission (WMIC). The WMIC is an intergovernmental cooperative commission formed to facilitate the formation of the Cities and Villages Mutual Insurance Company (CVMIC). In 1987, the WMIC issued $28.645 million of revenue bonds to provide for the capitalization of the CVMIC. The CVMIC is a separate and distinct entity independent of the WMIC and is owned by the participating cities and villages of the WMIC. The CVMIC was formed to provide liability insurance to Wisconsin municipalities as of January 1, 1988. The CVMIC has an A.M. Best rating of A-.

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

In prior years, the CVMIC paid dividends to the City based on a schedule designed to enable the City to partially or totally finance the City's debt service requirements on its related general obligation issue. As of December 31, 2007, the City's debt and the WMIC's debt were paid in full. The WMIC has no assets, liabilities, or financial activity for the year ended December 31, 2025. CVMIC continues to pay dividends that are used to pay the City's insurance premiums.

Complete financial statements for the CVMIC can be obtained from the CVMIC administrative office at 9898 W. Bluemound Road, Wauwatosa, WI 53226-4319.

There have been no significant reductions in insurance for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

NOTE 5 OTHER INFORMATION (CONTINUED)

B. Risk Management (Continued)

Self-Insured General and Auto Liability (Continued)

The CVMIC provides the City with $5,000,000 of liability coverage for losses over its self-insured retention level of $125,000 per occurrence with a $500,000 aggregate stop loss. The City's annual cost is the sum of its annual premium, claims incurred and applicable to the self-insured retention, and other operating expenses. An annual premium is charged to cover expected claims and administrative costs. The claims component of the premium is determined by independent actuaries and allocated among participating municipalities based on payroll and loss history. The City and other participating cities and villages are subject to cover loss experiences, which exceed predictions through retrospective assessments.

At December 31, 2025, the Risk Management General Liability Fund had net position of $4,429,031 which includes the City's deposit in CVMIC of $1,184,453.

Changes in the claim liability amounts for the years ended December 31, were as follows:

	2025	2024
Unpaid Claims - Beginning of Year	$ 79,273	$ 298,028
Current Year Claims and Changes in Estimates	122,812	(22,952)
Claim Payments Net of Recoveries	8,912	195,803
Unpaid Claims - End of Year	$ 193,173	$ 79,273

Self-Insured Medical Care Coverage Plan

The City maintains a self-insured medical care coverage, dental, and worker's compensation plan for its employees which are accounted for in an Internal Service Fund. The plan provides coverage up to a maximum of $75,000 per contract and approximately $7,900,000 for the aggregate of contracts. The City purchases commercial insurance for claims in excess of coverage provided by the fund. This fund also accounts for the City's other postemployment benefits.

NOTE 5 OTHER INFORMATION (CONTINUED)

B. Risk Management (Continued)

Self-Insured Medical Care Coverage Plan (Continued)

All funds of the City participate in the plan. The City does not maintain a reserve for the coverage of catastrophic losses. The claims liability of $2,028,013 reported in the employee insurance internal service funds at December 31, 2025, is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Changes in the claims liability amount for the years ended December 31, 2025 and 2024 were as follows:

	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
2024	$ 1,660,488	$ 7,645,244	$ 8,005,114	$ 1,300,618
2025	1,300,618	9,012,898	8,285,503	2,028,013

The net position (deficit) of the Employee Health Insurance Fund is reported as unrestricted and is comprised of the following components:

Employee Health Insurance	$ 7,325,057
Other Postemployment Obligation	(37,097,953)
Other Postemployment Net Deferred Inflows and Outflows	3,245,006
Total	$ (26,527,890)

C. Other Postemployment Benefits

The City provides other postemployment benefits (OPEB) to its retirees for health insurance.

1. General Information about the Plan

Plan Description

The City provides a single-employer defined benefit healthcare plan administered by United Health Care. The City provides medical and life insurance benefits for substantially all retirees in accordance with terms set forth in labor contracts. The State of Wisconsin Administrative Code grants the authority to establish and amend the benefit terms and financing requirements to the City Common Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

NOTE 5 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefits (Continued)

1. General Information about the Plan (Continued)

Benefits Provided

The plan provides full health insurance coverage until age 65 to City employees hired prior to January 1, 2008, who reach normal retirement age as specified by the labor contracts. The plan provides up to 50% health coverage until age 65 to City employees hired after January 1, 2008, but before January 1, 2015, who reach normal retirement age and reach a specified number of years of service. Police and fire retirees hired after January 1, 2008, receive 50% of health coverage upon reaching age 50, and having 15 years of service. General and Department of Public Works employees receive health coverage based on their years of service such that retirees with 15, 20, 25, and 30 years of service receive annual health coverage premium contributions of 15, 30, 40, and 50%, respectively.

The plan does not issue stand-alone financial statements.

2. Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefits terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	91
Active Plan Members	286
Total	377

3. Total OPEB Liability

The City's total OPEB liability of $37,097,953 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	December 31, 2024
Measurement Date	December 31, 2024
Salary Increases	3.6%
Inflation	3.0%
Assumed Rate of Return on Plan Assets	4.08%
Plan Participation of Future Retirees	95.0%
Discount Rate	4.08%
Healthcare Cost Trend Rates	6.4% decreasing to 3.7%

The discount rate was based on the 20-year Bond Buyer GO Index.

NOTE 5 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefits (Continued)

3. Total OPEB Liability (Continued)

Mortality rates were based on the following criteria:

Pre-Retirement

This assumption applies to death while in service. Rates are based on the 2020 WRS Experience Table for Active Employees as the base table and projected with mortality improvements using 100% of the fully generational MP-2021 projection scale from a base year of 2010.

Post-Retirement

This assumption applies to death of participants after retirement. Rates are based on the 2020 WRS Experience Table for Healthy Retirees as the base table and projected with mortality improvements using 100% of the fully generational MP-2021 projection scale from a base year of 2010.

Post-Disability

This assumption applies to death after disablement. Rates are based on the 2020 WRS Experience Table for Disabled Retirees as the base table and projected with mortality improvements using 100% of the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2025, valuation were based on the results of an actuarial experience study for the period 2021 – 2023 for the Wisconsin Retirement System (WRS).

4. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance - December 31, 2024	$ 39,361,560
Changes for the Year:	
Service Cost	1,484,346
Interest on Total OPEB Liability	1,291,792
Effect of Liability Gains or Losses	(381,796)
Effect of Assumptions Changes or Inputs	(2,197,398)
Benefit Payments	(2,460,551)
Net Changes	(2,263,607)
Balance - December 31, 2025	$ 37,097,953

The City utilized the Employee Health Insurance Internal Service Fund to liquidate OPEB liabilities as they become due.

NOTE 5 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefits (Continued)

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB Liability	$ 39,801,073	$ 37,097,953	$ 34,636,571

6. 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 a healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (5.4% Decreasing to 2.7%)	Healthcare Cost Trend Rates (6.4% Decreasing to 3.7%)	1% Increase (7.4% Decreasing to 4.7%)
Total OPEB Liability	$ 34,177,727	$ 37,097,953	$ 40,459,299

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

For the year ended December 31, 2025, the City recognized OPEB expense of $3,674,632. At December 31, 2025, the City reported net deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 2,690,236	$ 323,772
Changes of Assumptions	2,577,658	4,202,229
Contributions made Subsequent to the Measurement Date	2,503,113	-
Total	$ 7,771,007	$ 4,526,001

NOTE 5 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefits (Continued)

7. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

$2,503,113 reported as deferred outflows related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ending December 31,	Deferred Outflows (Inflows) of Resources
2026	$ 893,414
2027	489,704
2028	(177,736)
2029	(146,025)
2030	(90,120)
Thereafter	(227,344)
Total	$ 741,893

D. Leases

The City, acting as lessor, leases tower space, noncancelable lease agreements. The lease expire at various dates through 2052. The City will receive annual installments ranging from $410,000 to $2.8 million for such leases. The City used the incremental borrowing rate as the interest rate for lease receivables.

During the year ended December 31, 2025, the City recognized $252,890 and $255,590 in lease revenue and interest revenue, respectively, pursuant to these contracts. As of December 31, 2025, the City's receivable for lease payments was $5,687,804. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of December 31, 2025, the balance of the deferred inflows of resources was $4,808,510. The future minimum lease receivables for these arrangements are as follows:

NOTE 5 OTHER INFORMATION (CONTINUED)

D. Leases (Continued)

	Leases Receivable	
Year Ending December 31,	Principal	Interest
2026	$ 48,634	$ 253,966
2027	64,269	251,688
2028	81,206	248,699
2029	99,529	244,942
2030	119,328	240,352
2031-2035	952,305	1,098,866
2036-2040	1,730,766	815,285
2041-2045	1,334,939	457,523
2046-2050	1,256,828	151,060
Total	$ 5,687,804	$ 3,762,381

E. Commitments and Contingencies

The City self-insures its general liability, medical, dental, and worker’s compensation insurance up to specified limits. City’s management and legal counsel do not anticipate any material losses from known occurrences.

The City participates in a number of state and federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives. The audits of these programs for or including the year ended December 31, 2025, have not been conducted. Accordingly, the City’s compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

F. Tax Abatements

The City enters into property tax abatement agreements with developers under the provisions of Wisconsin Statutes 66.1105(3)(e) “Tax Increment Act.” Under the provision, localities may grant property tax abatements of up to 50% of a business’ property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the City.

In 2015, the City provided a developer a loan as part of the Tax Incremental District No. 7 Mayfair Collection project. The loan was made by the General Fund and so long as the developer meets certain performance measures, the Tax Increment Fund repays the loan on behalf of the developer using property tax increments generated by the development. The original loan was $2,000,000. In 2025, $150,293 was repaid on this borrowing. The remaining balance outstanding as of December 31, 2025, is $793,918. This amount is included in the General Fund as an advance to other funds.

NOTE 6 TAX INCREMENTAL DISTRICTS 6, 7, 8, 9, 10, 11, 12, 13, 14, AND 15

A. Plan Summaries

The City has 10 active Tax Incremental Districts. Tax Incremental District No. 6 was created on October 4, 2010, was amended on August 4, 2015, and has a dissolution date of October 4, 2037. Tax Incremental District No. 7 was created on January 1, 2013, amended on January 2, 2016, and has a dissolution date of January 1, 2040. Tax Incremental District No. 8 was created on January 1, 2014, and has a dissolution date of January 1, 2041. Tax Incremental District No. 9 was created on April 4, 2015, and has a dissolution date of January 1, 2042. Tax Incremental District No. 10 was created on June 2, 2015, and has a dissolution date of January 1, 2042. Tax Incremental District No. 11 was created on September 1, 2015, and has a dissolution date of January 1, 2042. Tax Incremental District No. 12 was created on February 6, 2018, and has a dissolution date of January 1, 2045. Tax Incremental District No. 13 was created on September 15, 2020, and has a dissolution date of January 1, 2047. Tax Incremental District No. 14 was created on September 20, 2022, and has a dissolution date of January 1, 2049. Tax Incremental District No. 15 was created on September 19, 2023, and has a dissolution date of January 1, 2050.

B. Cash and Investments

The Tax Incremental Districts invest funds in accordance with the provisions of the Wisconsin Statutes Section 66.0603 and 67.11(2). The Tax Incremental Districts maintain common cash and investment accounts with the City of Wauwatosa. Disclosures related to cash and investments can be found in Note 4 of the financial statements.

C. Interfund Advances

The General Fund advanced $2,000,000 to the Special Revenue Fund – Tax Incremental District No. 7 in 2015. This advance earns interest at 5.25%. The advance was issued to provide long-term financing. The remaining outstanding balance as of December 31, 2025, was $793,918.

The Redevelopment Reserve Fund advanced $300,000 to the Special Revenue Fund – Tax Incremental District No. 7 in 2020. The advance was issued to provide long-term financing. The remaining outstanding balance as of December 31, 2025, was $300,000.

NOTE 6 TAX INCREMENTAL DISTRICTS 6, 7, 8, 9, 10, 11, 12, 13, 14, AND 15 (CONTINUED)

D. Long-Term Debt

Aggregate maturities of all long-term debt relating to Tax Incremental Districts are as follows:

TIF 6:

Calendar Year	Principal	Interest	Total
2026	$ 675,000	$ 616,994	$ 1,291,994
2027	1,155,000	592,194	1,747,194
2028	1,580,000	552,794	2,132,794
2029	1,620,000	499,994	2,119,994
2030	1,690,000	446,759	2,136,759
2031 - 2035	7,545,000	1,466,533	9,011,533
2036 - 2040	3,615,000	285,190	3,900,190
Total	$ 17,880,000	$ 4,460,458	$ 22,340,458

TIF 7:

Calendar Year	Principal	Interest	Total
2026	$ 700,000	$ 193,195	$ 893,195
2027	815,000	169,995	984,995
2028	825,000	141,320	966,320
2029	865,000	114,955	979,955
2030	875,000	87,223	962,223
2031 - 2035	1,545,000	150,723	1,695,723
Total	$ 5,625,000	$ 857,411	$ 6,482,411

TIF 10:

Calendar Year	Principal	Interest	Total
2026	$ 350,000	$ 293,895	$ 643,895
2027	370,000	274,645	644,645
2028	390,000	254,295	644,295
2029	410,000	232,845	642,845
2030	425,000	210,295	635,295
2031 - 2035	2,435,000	708,675	3,143,675
2036 - 2040	1,140,000	94,598	1,234,598
Total	$ 5,520,000	$ 2,069,248	$ 7,589,248

TIF 11:

Calendar Year	Principal	Interest	Total
2026	$ 55,000	$ 70,563	$ 125,563
2027	60,000	68,913	128,913
2028	60,000	67,113	127,113
2029	60,000	65,313	125,313
2030	65,000	63,438	128,438
2031 - 2035	1,300,000	240,763	1,540,763
2036 - 2040	375,000	14,063	389,063
Total	$ 1,975,000	$ 590,166	$ 2,565,166

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service Cost	$ 1,484,346	$ 1,321,853	$ 1,752,565	$ 1,628,862	$ 1,422,667	$ 1,192,606	$ 1,298,153	$ 1,173,046
Interest on Total OPEB Liability	1,291,792	1,349,587	853,074	779,382	964,967	1,349,656	1,192,376	1,310,873
Effect of Economic/Demographic (Gains) or Losses	(381,796)	1,964,431	279,844	2,236,595	634,893	1,450,482	661,100	-
Effect of Assumption Changes or Inputs	(2,197,398)	1,460,046	(4,384,365)	2,730,024	1,385,687	1,502,330	(1,490,762)	784,072
Benefit Payments	(2,460,551)	(3,352,787)	(3,067,291)	(2,635,545)	(3,492,440)	(3,383,691)	(3,221,014)	(3,593,299)
Net Change in Total OPEB Liability	(2,263,607)	2,743,130	(4,566,173)	4,739,318	915,774	2,128,831	(1,560,147)	(325,308)
Total OPEB Liability - Beginning	39,361,560	36,618,430	41,184,603	36,445,285	35,529,511	33,400,680	34,960,827	35,286,135
Total OPEB Liability - Ending	$ 37,097,953	$ 39,361,560	$ 36,618,430	$ 41,184,603	$ 36,445,285	$ 35,529,511	$ 33,400,680	$ 34,960,827
Covered - Employee Payroll*	$ 40,572,631	$ 38,733,565	$ 36,059,000	$ 34,556,000	$ 28,267,000	$ 32,373,184	$ 29,943,000	$ 29,094,000
City's Total OPEB Liability as a Percentage of Covered Employee Payroll*	91.44%	101.62%	101.55%	119.18%	128.93%	109.75%	111.55%	120.17%

* Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

See accompanying Notes to Required Supplementary Information.

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability (Asset)	0.32316870%	0.31844486%	0.31731648%	0.31102445%	0.30781598%	0.29746258%	0.29335784%	0.28785707%	0.28100006%	0.28040302%
City's Proportionate Share of the Net Pension Liability (Asset)	$ 5,310,197	$ 4,734,657	$ 16,810,487	$ (25,069,142)	$ (19,217,378)	$ (9,591,551)	$ 10,436,752	$ (8,546,816)	$ 2,316,111	$ 4,556,496
City's Covered Payroll	$ 39,413,431	$ 37,588,110	$ 34,994,353	$ 33,426,919	$ 34,378,930	$ 31,471,798	$ 30,496,633	$ 29,777,290	$ 29,711,934	$ 29,108,607
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	98.79 %	98.85 %	95.72 %	106.02 %	105.26 %	96.45 %	96.45 %	102.93 %	99.12 %	98.20 %

See accompanying Notes to Required Supplementary Information.

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF THE CITY'S PENSION CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contributions	$ 4,782,032	$ 4,789,427	$ 4,310,763	$ 3,778,369	$ 3,519,819	$ 3,125,502	$ 3,057,444	$ 3,146,087	$ 3,004,354	$ 2,721,212
Contributions in Relation to the Contractually Required Contributions	4,782,032	4,789,427	4,310,763	3,778,369	3,519,819	3,125,502	3,057,444	3,146,087	3,004,354	2,721,212
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 40,241,992	$ 39,413,435	$ 34,994,343	$ 34,971,305	$ 33,426,919	$ 34,378,930	$ 31,471,798	$ 30,496,633	$ 29,777,290	$ 29,711,934
Contributions as a Percentage of Covered Payroll	11.88 %	12.15 %	12.32 %	10.80 %	10.53 %	9.09 %	9.71 %	10.32 %	10.09 %	9.16 %

See accompanying Notes to Required Supplementary Information.

NOTE 1 OTHER POSTEMPLOYMENT BENEFIT PLAN

No assets are accumulated in a trust that meets the criteria of paragraph 4 of that GASB Statement No. 75.

NOTE 2 WISCONSIN RETIREMENT SYSTEM

Changes of Benefit Terms

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

Changes of Assumptions

There were no changes in the assumptions.

OTHER SUPPLEMENTARY INFORMATION

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES
ACTUAL AND BUDGET – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
TAXES				
General Property Taxes	$ 52,081,627	$ 52,081,627	$ 52,081,627	$ -
Prior Year's Omitted Taxes	-	-	631,414	631,414
Hotel and Motel Room Tax	2,000,000	2,000,000	1,995,641	(4,359)
Payments in Lieu of Taxes	612,296	612,296	458,715	(153,581)
Interest on Taxes	120,000	105,000	102,031	(2,969)
Property Tax Chargebacks	-	6,600,000	6,452,113	(147,887)
Total Taxes	54,813,923	61,398,923	61,721,541	322,618
INTERGOVERNMENTAL				
State Shared Taxes	6,786,266	6,802,266	6,803,791	1,525
Federal Grants	1,251,016	1,320,197	1,277,239	(42,958)
State Grants	362,168	603,007	633,229	30,222
Total Intergovernmental	8,399,450	8,725,470	8,714,259	(11,211)
LICENSES AND PERMITS				
Licenses	720,300	733,400	699,631	(33,769)
Permits	1,449,650	1,555,180	1,818,026	262,846
Total Licenses and Permits	2,169,950	2,288,580	2,517,657	229,077
FINES, PENALTIES, AND FORFEITURES				
Court Penalties and Costs	404,000	336,000	294,626	(41,374)
Parking Violations	542,500	580,000	602,479	22,479
Other Penalties and Fees	105,000	105,000	76,711	(28,289)
Total Fines, Penalties, and Forfeitures	1,051,500	1,021,000	973,816	(47,184)
PUBLIC IMPROVEMENT REVENUES				
Special Assessments	20,000	21,020	19,682	(1,338)
PUBLIC CHARGES FOR SERVICES				
General Government	371,933	371,240	356,272	(14,968)
Public Safety	2,593,031	2,607,536	2,521,971	(85,565)
Health and Social Services	67,555	67,555	24,475	(43,080)
Streets and Related Facilities	65,000	73,000	60,593	(12,407)
Sanitation	214,400	229,000	318,128	89,128
Total Public Charges for Services	3,311,919	3,348,331	3,281,439	(66,892)
INTERGOVERNMENTAL CHARGES FOR SERVICES				
County:				
Paramedics	141,684	141,684	154,754	13,070
Fire Protection Service	1,200,000	1,200,000	1,200,000	-
Local Departments	218,867	218,867	218,869	2
Total Intergovernmental Charges for Services	1,560,551	1,560,551	1,573,623	13,072
COMMERCIAL REVENUES				
Interest	2,419,000	3,624,000	5,096,209	1,472,209
Rentals	39,774	39,774	49,423	9,649
Other Miscellaneous Revenue	112,058	309,628	880,568	570,940
Total Commercial Revenues	2,570,832	3,973,402	6,026,200	2,052,798
Total Revenues	$ 73,898,125	$ 82,337,277	$ 84,828,217	$ 2,490,940

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF EXPENDITURES
ACTUAL AND BUDGET – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
GENERAL GOVERNMENT				
Mayor	$ 55,997	$ 72,697	$ 74,973	$ (2,276)
Common Council	200,095	194,095	187,024	7,071
Historical Preservation Commission	2,500	4,866	457	4,409
Senior Commission	5,000	12,000	11,374	626
Municipal Court	238,627	242,627	203,873	38,754
City Attorney	547,133	503,114	401,283	101,831
Litigation Reserve	1,290,000	1,332,422	1,332,422	-
City Administration	808,842	803,547	819,979	(16,432)
City Clerk	455,234	456,432	398,298	58,134
Elections	242,532	242,660	180,867	61,793
Human Resources	991,124	1,054,440	1,034,023	20,417
City Assessor	759,320	772,796	794,845	(22,049)
Finance	1,412,036	1,380,273	1,385,895	(5,622)
Remission of Taxes	-	10,000,000	12,146,460	(2,146,460)
Bike and Pedestrian Committee	54,000	54,000	47,867	6,133
Nondepartmental	597,985	43,673	5,027	38,646
Total General Government	7,660,425	17,169,642	19,024,667	(1,855,025)
PUBLIC SAFETY				
Milwaukee Area Domestic Animal	64,020	64,020	66,529	(2,509)
Police	18,907,766	19,020,400	19,247,778	(227,378)
Police Reserves	10,840	12,675	12,493	182
Fire	16,275,389	16,870,231	17,349,111	(478,880)
Crossing Guards	287,688	268,000	266,269	1,731
Traffic Control and Regulation	709,674	800,471	665,742	134,729
Police Station	270,858	302,258	305,763	(3,505)
Building and Code Enforcement	1,252,135	1,349,010	1,350,543	(1,533)
Total Public Safety	37,778,370	38,687,065	39,264,228	(577,163)
PUBLIC WORKS				
Public Works Operations	384,783	408,082	357,816	50,266
Roadway Maintenance	3,668,931	3,941,111	2,901,689	1,039,422
Electrical Services	1,098,520	1,121,941	898,640	223,301
Solid Waste Management	2,705,568	2,725,262	2,812,220	(86,958)
Engineering	1,332,205	1,386,923	1,067,871	319,052
Total Public Works	9,190,007	9,583,319	8,038,236	1,545,083
HEALTH AND HUMAN SERVICES				
Health	1,859,743	2,147,181	1,865,333	281,848
CONSERVATION AND DEVELOPMENT				
Forestry	1,899,361	1,938,356	1,880,297	58,059
Planning and Zoning	501,333	524,938	513,154	11,784
Economic Development	305,187	307,252	321,591	(14,339)
Total Conservation and Development	2,705,881	2,770,546	2,715,042	55,504
CAPITAL OUTLAY	150,712	119,959	1,107,202	(987,243)
Total Expenditures	$ 59,345,138	$ 70,477,712	$ 72,014,708	$ (1,536,996)

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

	Special Revenue Funds						
	Special Assessments	Community Development Block Grant	Revolving Fund for Designated Revenues	Parks	Public Library	Redevelopment Reserve Fund	Community Development Fund
ASSETS							
Cash and Cash Equivalents	$ -	$ -	$ 429,369	$ 2,758,661	$ 23,001	$ 724,104	$ 1,198,799
Taxes Receivable	182,619	-	-	-	-	-	-
Special Assessments Receivable:							
Due in Installments	743,925	-	-	-	-	-	-
Other Accrued Receivables	-	94,669	600	11,114	-	-	660,141
Prepayments	-	-	-	-	-	-	-
Advance to Special Revenue Fund	-	-	-	-	-	300,000	-
Total Assets	$ 926,544	$ 94,669	$ 429,969	$ 2,769,775	$ 23,001	$ 1,024,104	$ 1,858,940
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 29,425	$ -	$ 25,530	$ 47,078	$ 18,722	$ -	$ -
Due to Other Funds	159,024	6,890	-	-	-	-	-
Customer Deposits	-	-	-	2,563	-	-	-
Unearned Revenue	-	13,551	149,473	-	-	-	85,950
Total Liabilities	188,449	20,441	175,003	49,641	18,722	-	85,950
DEFERRED INFLOWS OF RESOURCES							
Special Assessments	738,095	-	-	-	-	-	-
Other Accounts Receivable	-	91,324	-	-	-	-	402,594
Total Deferred Inflows of Resources	738,095	91,324	-	-	-	-	402,594
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	254,966	-	-	-	1,208,856
Assigned	-	-	-	2,720,134	4,279	1,024,104	161,540
Unassigned	-	(17,096)	-	-	-	-	-
Total Fund Balances	-	(17,096)	254,966	2,720,134	4,279	1,024,104	1,370,396
Total Liabilities, Deferred Inflows, and Fund Balances	$ 926,544	$ 94,669	$ 429,969	$ 2,769,775	$ 23,001	$ 1,024,104	$ 1,858,940

CITY OF WAUWATOSA, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025

	Special Revenue Funds		Capital Projects			
	Hospital Policing Fund	Tourism Commission Fund	Information Systems Equipment	Fleet Equipment	Public Works Building Improvement Reserve Fund	Total
ASSETS						
Cash and Cash Equivalents	$ -	$ 1,333,935	$ 1,806,733	$ 1,099,297	$ 76,863	$ 9,450,762
Taxes Receivable	-	-	-	-	-	182,619
Special Assessments Receivable:						
Due in Installments	-	-	-	-	-	743,925
Other Accrued Receivables	621,221	-	-	52,917	-	1,440,662
Prepayments	-	-	-	22,980	-	22,980
Advance to Special Revenue Fund	-	-	-	-	-	300,000
Total Assets	$ 621,221	$ 1,333,935	$ 1,806,733	$ 1,175,194	$ 76,863	$ 12,140,948
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ -	$ 68,490	$ 490	$ -	$ -	$ 189,735
Due to Other Funds	598,345	-	-	-	-	764,259
Customer Deposits	-	-	-	-	-	2,563
Unearned Revenue	-	-	-	-	-	248,974
Total Liabilities	598,345	68,490	490	-	-	1,205,531
DEFERRED INFLOWS OF RESOURCES						
Special Assessments	-	-	-	-	-	738,095
Other Accounts Receivable	-	-	-	-	-	493,918
Total Deferred Inflows	-	-	-	-	-	1,232,013
FUND BALANCES						
Nonspendable	-	-	-	22,980	-	22,980
Restricted	-	1,265,445	-	-	-	2,729,267
Assigned	22,876	-	1,806,243	1,152,214	76,863	6,968,253
Unassigned	-	-	-	-	-	(17,096)
Total Fund Balances	22,876	1,265,445	1,806,243	1,175,194	76,863	9,703,404
Total Liabilities, Deferred Inflows, and Fund Balances	$ 621,221	$ 1,333,935	$ 1,806,733	$ 1,175,194	$ 76,863	$ 12,140,948

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

	Special Revenue Funds						
	Special Assessments	Community Development Block Grant	Revolving Fund for Designated Revenues	Parks	Public Library	Redevelopment Reserve Fund	Community Development Fund
REVENUES							
Intergovernmental Revenues	$ -	$ 812,200	$ 159,510	$ 16,680	$ -	$ -	$ -
Licenses and Permits	-	-	-	3,914	-	-	-
Public Improvement Revenues	1,331,711	-	-	-	-	-	-
Public Charges for Services	-	-	-	159,437	390,675	-	-
Commercial Revenues	-	-	68,970	1,519,193	357	-	3,899
Total Revenues	1,331,711	812,200	228,480	1,699,224	391,032	-	3,899
EXPENDITURES							
Current:							
Public Safety	-	-	202,955	-	-	-	-
Recreation and Education	-	-	-	1,597,595	3,516,341	-	-
Conservation and Development	-	822,407	-	-	-	-	4,043,486
Culture	-	-	-	-	-	-	-
Capital Outlay	-	-	-	12,775	-	-	-
Total Expenditures	-	822,407	202,955	1,610,370	3,516,341	-	4,043,486
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,331,711	(10,207)	25,525	88,854	(3,125,309)	-	(4,039,587)
OTHER FINANCING SOURCES (USES)							
Proceeds from the Sale of Assets	-	-	-	-	-	-	197,597
Transfers In	-	-	33,888	1,223,473	3,128,589	9,049	79,281
Transfers Out	(1,331,710)	-	(11,675)	(887,879)	-	-	-
Total Other Financing Sources (Uses)	(1,331,710)	-	22,213	335,594	3,128,589	9,049	276,878
NET CHANGE IN FUND BALANCES	1	(10,207)	47,738	424,448	3,280	9,049	(3,762,709)
Fund Balances - Beginning of Year	(1)	(6,889)	207,228	2,295,686	999	1,015,055	5,133,105
FUND BALANCES - END OF YEAR	$ -	$ (17,096)	$ 254,966	$ 2,720,134	$ 4,279	$ 1,024,104	$ 1,370,396

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Special Revenue Funds		Capital Projects			
	Hospital Policing Fund	Tourism Commission Fund	Information Systems Equipment	Fleet Equipment	Public Works Building Improvement Reserve Fund	Total
REVENUES						
Intergovernmental Revenues	$ -	$ -	$ -	$ -	$ -	$ 988,390
Licenses and Permits	-	-	-	-	-	3,914
Public Improvement Revenues	-	-	-	-	-	1,331,711
Public Charges for Services	2,334,884	-	-	-	-	2,884,996
Commercial Revenues	-	48,608	-	220,407	-	1,861,434
Total Revenues	2,334,884	48,608	-	220,407	-	7,070,445
EXPENDITURES						
Current:						
Public Safety	2,292,954	-	-	-	-	2,495,909
Recreation and Education	-	-	-	-	-	5,113,936
Conservation and Development	-	-	-	-	-	4,865,893
Culture	-	1,375,542	-	-	-	1,375,542
Capital Outlay	9,763	23,351	232,932	943,073	-	1,221,894
Total Expenditures	2,302,717	1,398,893	232,932	943,073	-	15,073,174
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	32,167	(1,350,285)	(232,932)	(722,666)	-	(8,002,729)
OTHER FINANCING SOURCES (USES)						
Proceeds from the Sale of Assets	-	-	-	111,720	-	309,317
Transfers In	-	1,415,877	312,846	1,050,953	123,735	7,377,691
Transfers Out	(50,000)	-	-	(33,888)	(360,000)	(2,675,152)
Total Other Financing Sources (Uses)	(50,000)	1,415,877	312,846	1,128,785	(236,265)	5,011,856
NET CHANGE IN FUND BALANCES	(17,833)	65,592	79,914	406,119	(236,265)	(2,990,873)
Fund Balances - Beginning of Year	40,709	1,199,853	1,726,329	769,075	313,128	12,694,277
FUND BALANCES - END OF YEAR	$ 22,876	$ 1,265,445	$ 1,806,243	$ 1,175,194	$ 76,863	$ 9,703,404

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND SPECIAL ASSESSMENT FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Public Improvement Revenues	$ -	$ 808,644	$ 1,331,711	$ 523,067
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(808,644)	(1,331,710)	(523,066)
NET CHANGE IN FUND BALANCE	$ -	$ -	1	$ 1
Fund Balance - Beginning of Year			(1)	
FUND BALANCE - END OF YEAR			$ -	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental Revenues	$ 1,000,000	$ 1,839,920	$ 812,200	$ (1,027,720)
EXPENDITURES				
Conservation and Development	1,000,001	1,839,921	822,407	1,017,514
NET CHANGE IN FUND BALANCE	$ (1)	$ (1)	(10,207)	$ (10,206)
Fund Balance - Beginning of Year			(6,889)	
FUND BALANCE - END OF YEAR			$ (17,096)	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE
FUND REVOLVING FUND FOR DESIGNATED REVENUES FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental Revenues	$ 9,500	$ 159,000	$ 159,510	$ 510
Commercial Revenues	97,280	97,280	68,970	(28,310)
Total Revenues	106,780	256,280	228,480	(27,800)
EXPENDITURES				
Education and Recreation	60,000	388,269	202,955	185,314
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	46,780	(131,989)	25,525	157,514
OTHER FINANCING SOURCES (USES)				
Proceeds from the Sale of Assets	35,000	35,000	-	(35,000)
Transfers In	-	33,888	33,888	-
Transfers Out	-	(111,669)	(11,675)	99,994
Total Other Financing Sources (Uses)	35,000	(42,781)	22,213	64,994
NET CHANGE IN FUND BALANCE	$ 81,780	$ (174,770)	47,738	$ 222,508
Fund Balance - Beginning of Year			207,228	
FUND BALANCE - END OF YEAR			$ 254,966	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND PARKS FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental Revenues	$ -	$ -	$ 16,680	$ 16,680
Licenses and Permits	-	2,835	3,914	1,079
Public Charges for Services	248,000	167,000	159,437	(7,563)
Commercial Revenues	28,000	54,201	1,519,193	1,464,992
Total Revenues	276,000	224,036	1,699,224	1,475,188
EXPENDITURES				
Education and Recreation	1,494,334	2,595,890	1,597,595	998,295
Capital Outlay	-	13,090	12,775	315
Total Expenditures	1,494,334	2,608,980	1,610,370	998,610
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,218,334)	(2,384,944)	88,854	2,473,798
OTHER FINANCING SOURCES (USES)				
Transfers In	1,209,333	1,223,473	1,223,473	-
Transfers Out	(878,999)	(887,879)	(887,879)	-
Total Other Financing Sources (Uses)	330,334	335,594	335,594	-
NET CHANGE IN FUND BALANCE	$ (888,000)	$ (2,049,350)	424,448	$ 2,473,798
Fund Balance - Beginning of Year			2,295,686	
FUND BALANCE - END OF YEAR			$ 2,720,134	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND PUBLIC LIBRARY FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Public Charges for Services	$ 375,683	$ 379,991	$ 390,675	$ 10,684
Commercial Revenues	-	-	357	357
Total Revenues	375,683	379,991	391,032	11,041
EXPENDITURES				
Education and Recreation	3,504,272	3,512,480	3,516,341	(3,861)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(375,683)	(383,891)	(387,752)	(3,861)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,128,589	3,128,589	3,128,589	-
NET CHANGE IN FUND BALANCE	$ -	$ (3,900)	$ 3,280	$ 7,180
Fund Balance - Beginning of Year			999	
FUND BALANCE - END OF YEAR			$ 4,279	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND COMMUNITY DEVELOPMENT FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Commercial Revenues	$ -	$ -	$ 3,899	$ 3,899
EXPENDITURES				
Conservation and Development	79,997	90,997	4,043,486	(3,952,489)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(39,997)	(50,997)	(3,766,608)	(3,715,611)
OTHER FINANCING SOURCES (USES)				
Proceeds from the Sale of Assets	-	-	197,597	197,597
Transfers In	40,000	40,000	79,281	39,281
Total Other Financing Sources (Uses)	40,000	40,000	276,878	236,878
NET CHANGE IN FUND BALANCE	$ (39,997)	$ (50,997)	(3,762,709)	$ (3,711,712)
Fund Balance - Beginning of Year			5,133,105	
FUND BALANCE - END OF YEAR			$ 1,370,396	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – HOSPITAL POLICING FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Public Charges for Services	$ 2,210,605	$ 2,334,882	$ 2,334,884	$ 2
EXPENDITURES				
Public Safety	2,160,605	2,284,883	2,292,954	(8,071)
Capital Outlay	-	-	9,763	(9,763)
Total Expenditures	2,160,605	2,284,883	2,302,717	(17,834)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	50,000	49,999	32,167	17,836
OTHER FINANCING SOURCES (USES)				
Transfers Out	(50,000)	(50,000)	(50,000)	-
NET CHANGE IN FUND BALANCE	$ -	$ (1)	(17,833)	$ (17,832)
Fund Balance - Beginning of Year			40,709	
FUND BALANCE - END OF YEAR			$ 22,876	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND TOURISM COMMISSION FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Commercial Revenues	$ 25,000	$ 50,000	$ 48,608	$ (1,392)
EXPENDITURES				
Culture	1,425,000	1,485,175	1,375,542	109,633
Capital Outlay	-	48,574	23,351	25,223
Total Expenditures	1,425,000	1,533,749	1,398,893	134,856
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,400,000)	(1,483,749)	(1,350,285)	133,464
OTHER FINANCING SOURCES (USES)				
Transfers In	1,400,000	1,400,000	1,415,877	15,877
NET CHANGE IN FUND BALANCE	$ -	$ (83,749)	65,592	$ 149,341
Fund Balance - Beginning of Year			1,199,853	
FUND BALANCE - END OF YEAR			$ 1,265,445	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – CAPITAL PROJECS GENERAL OBLIGATION DEBT ISSUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental Revenues	$ 249,316	$ 249,316	$ 1,314,934	$ 1,065,618
Commercial Revenues	325,000	355,500	828,967	473,467
Total Revenues	574,316	604,816	2,143,901	1,539,085
EXPENDITURES				
General Government	40,000	153,328	1,677	151,651
Conservation and Development	-	122,754	53,960	68,794
Capital Outlay	21,428,373	30,136,763	14,381,703	15,755,060
Total Expenditures	21,468,373	30,412,845	14,437,340	15,975,505
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(20,894,057)	(29,808,029)	(12,293,439)	17,514,590
OTHER FINANCING SOURCES (USES)				
Long-term Debt Issued	17,402,769	12,238,208	12,240,000	1,792
Transfers In	3,686,288	3,465,913	3,995,863	529,950
Transfers Out	-	(22,578)	(145,313)	(122,735)
Total Other Financing Sources (Uses)	21,089,057	15,681,543	16,090,550	409,007
NET CHANGE IN FUND BALANCE	$ 195,000	$ (14,126,486)	3,797,111	$ 17,923,597
Fund Balance - Beginning of Year			16,182,153	
FUND BALANCE - END OF YEAR			$ 19,979,264	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND INFORMATION SYSTEMS EQUIPMENT
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
Capital Outlay	1,180,000	1,180,000	232,932	947,068
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,180,000)	(1,180,000)	(232,932)	947,068
OTHER FINANCING SOURCES (USES)				
Transfers In	313,055	313,055	312,846	(209)
NET CHANGE IN FUND BALANCE	$ (866,945)	$ (866,945)	79,914	$ 946,859
Fund Balance - Beginning of Year			1,726,329	
FUND BALANCE - END OF YEAR			$ 1,806,243	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND FLEET EQUIPMENT
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Commercial Revenues	$ -	$ 13,899	$ 220,407	$ 206,508
EXPENDITURES				
Capital Outlay	792,000	835,899	943,073	(107,174)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(792,000)	(822,000)	(722,666)	99,334
OTHER FINANCING SOURCES (USES)				
Proceeds from the Sale of Land	32,500	32,500	111,720	79,220
Transfers In	1,038,000	1,048,962	1,050,953	1,991
Transfers Out	-	(33,888)	(33,888)	-
Total Other Financing Sources	1,070,500	1,047,574	1,128,785	81,211
NET CHANGE IN FUND BALANCE	$ 278,500	$ 225,574	406,119	$ 180,545
Fund Balance - Beginning of Year			769,075	
FUND BALANCE - END OF YEAR			$ 1,175,194	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND PUBLIC WORKS BUILDING IMPROVEMENT RESERVE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	126,400	126,400	123,735	(2,665)
Transfers Out	(360,000)	(360,000)	(360,000)	-
Total Other Financing Sources (Uses)	(233,600)	(233,600)	(236,265)	(2,665)
NET CHANGE IN FUND BALANCE	$ (233,600)	$ (233,600)	(236,265)	$ (2,665)
Fund Balance - Beginning of Year			313,128	
FUND BALANCE - END OF YEAR			$ 76,863	

CITY OF WAUWATOSA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Commercial Revenues	$ -	$ -	$ 40,030	$ 40,030
Interest Income	-	3,000	8,900	5,900
Total Revenues	-	3,000	48,930	45,930
EXPENDITURES				
Debt Service:				
Principal	9,480,000	10,165,000	10,165,000	-
Interest and Other Fiscal Charges	3,131,876	3,027,909	3,111,541	(83,632)
Total Expenditures	12,611,876	13,192,909	13,276,541	(83,632)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,611,876)	(13,189,909)	(13,227,611)	(37,702)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	40,031	40,031	-	(40,031)
Premium on Long-Term Debt	-	-	920,190	920,190
Transfers In	12,102,950	12,100,431	12,058,394	(42,037)
Total Other Financing Sources	12,142,981	12,140,462	12,978,584	838,122
NET CHANGE IN FUND BALANCE	$ (468,895)	$ (1,049,447)	(249,027)	$ 800,420
Fund Balance - Beginning of Year			2,121,223	
FUND BALANCE - END OF YEAR			$ 1,872,196	

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND – INTERNAL SERVICE FUNDS
DECEMBER 31, 2025

			Risk Management						
	Fleet Maintenance	Public Works Building	General Liability	Workers' Compensation Insurance	Employee Dental Insurance	Employee Health Insurance	Information Systems	Municipal Building Complex	Total Internal Service Funds
CURRENT ASSETS									
Cash and Cash Equivalents	$ 369,402	$ 265,381	$ 3,437,751	$ 1,833,308	$ 251,235	$ 7,764,373	$ 1,323,946	$ 687,329	$ 15,932,725
Receivables, Net	(3,119)	7,926	-	40,000	-	162,199	-	-	207,006
Prepaids and Other Current Assets	342,559	-	-	-	1,316	33,086	8,659	-	385,620
Total Current Assets	708,842	273,307	3,437,751	1,873,308	252,551	7,959,658	1,332,605	687,329	16,525,351
NONCURRENT ASSETS									
Deposit in Cities and Villages Mutual Insurance Company	-	-	1,184,453	-	-	-	-	-	1,184,453
Capital Assets:									
Land	-	22,617	-	-	-	-	-	-	22,617
Buildings	-	4,405,460	-	-	-	-	-	-	4,405,460
Machinery and Equipment	18,597,708	18,507	-	-	-	-	2,289,988	-	20,906,203
Subscription Asset	-	-	-	-	-	-	158,666	-	158,666
Less: Accumulated Depreciation and Amortization	(13,223,473)	(1,989,120)	-	-	-	-	(1,742,988)	-	(16,955,581)
Total Capital Assets, Net	5,374,235	2,457,464	-	-	-	-	705,666	-	8,537,365
Total Noncurrent Assets	5,374,235	2,457,464	1,184,453	-	-	-	705,666	-	9,721,818
Total Assets	6,083,077	2,730,771	4,622,204	1,873,308	252,551	7,959,658	2,038,271	687,329	26,247,169
DEFERRED OUTFLOWS OF RESOURCES									
Deferred Amounts Related to Other Postemployment Benefits Obligation	-	-	-	-	-	7,771,007	-	-	7,771,007
CURRENT LIABILITIES									
Accounts Payable	34,198	16,519	193,173	1,393,412	-	634,601	19,874	34,011	2,325,788
Current Portion of Compensated Absences	108,253	-	-	-	-	-	78,526	40,161	226,940
Current Portion of Subscription Liability	-	-	-	-	-	-	34,657	-	34,657
Current Portion of OPEB Obligation	-	-	-	-	-	2,503,113	-	-	2,503,113
Total Current Liabilities	142,451	16,519	193,173	1,393,412	-	3,137,714	133,057	74,172	5,090,498
NONCURRENT LIABILITIES									
Compensated Absences	209,323	-	-	-	-	-	88,216	63,279	360,818
Net OPEB Obligation	-	-	-	-	-	34,594,840	-	-	34,594,840
Total Noncurrent Liabilities	209,323	-	-	-	-	34,594,840	88,216	63,279	34,955,658
Total Liabilities	351,774	16,519	193,173	1,393,412	-	37,732,554	221,273	137,451	40,046,156
DEFERRED INFLOWS OF RESOURCES									
Deferred Amounts Related to Other Postemployment Benefits Obligation	-	-	-	-	-	4,526,001	-	-	4,526,001
NET POSITION									
Net Investment in Capital Assets	5,374,235	2,457,464	-	-	-	-	671,009	-	8,502,708
Unrestricted	357,068	256,788	4,429,031	479,896	252,551	(26,527,890)	1,145,989	549,878	(19,056,689)
Total Net Position	$ 5,731,303	$ 2,714,252	$ 4,429,031	$ 479,896	$ 252,551	$ (26,527,890)	$ 1,816,998	$ 549,878	$ (10,553,981)

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND – INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

			Risk Management						
	Fleet Maintenance	Public Works Building	General Liability	Workers' Compensation Insurance	Employee Dental Insurance	Employee Health Insurance	Information Systems	Municipal Building Complex	Total Internal Service Funds
OPERATING REVENUES									
Charges for Services and Sales	$ 4,071,929	$ 536,740	$ -	$ -	$ -	$ -	$ 2,212,349	$ 903,394	$ 7,724,412
Other Miscellaneous Revenue	1,882	666	-	-	-	-	-	-	2,548
Other Operating Revenues	-	-	1,367,768	1,005,744	437,050	11,988,950	7,302	-	14,806,814
Total Operating Revenues	4,073,811	537,406	1,367,768	1,005,744	437,050	11,988,950	2,219,651	903,394	22,533,774
OPERATING EXPENSES									
Operation and Maintenance	2,926,518	435,038	385,049	1,833,993	430,423	12,857,365	1,940,078	795,715	21,604,179
Depreciation	1,193,681	125,057	-	-	-	-	209,894	-	1,528,632
Total Operating Expenses	4,120,199	560,095	385,049	1,833,993	430,423	12,857,365	2,149,972	795,715	23,132,811
OPERATING INCOME (LOSS)	(46,388)	(22,689)	982,719	(828,249)	6,627	(868,415)	69,679	107,679	(599,037)
NONOPERATING REVENUES (EXPENSES)									
Dividend Income	-	-	23,740	-	-	-	-	-	23,740
Gain (Loss) on Sale or Trade of Assets	(58,313)	-	-	-	-	-	-	-	(58,313)
Other Nonoperating Income	2,428	-	-	-	-	-	-	-	2,428
Interest Expense	-	-	-	-	-	-	(3,491)	-	(3,491)
Total Nonoperating Revenues (Expenses)	(55,885)	-	23,740	-	-	-	(3,491)	-	(35,636)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(102,273)	(22,689)	1,006,459	(828,249)	6,627	(868,415)	66,188	107,679	(634,673)
Capital Contributions	1,890,612	-	-	-	-	-	209,759	-	2,100,371
Transfers In	4,950	-	-	750,000	-	-	-	122,735	877,685
Transfers Out	(1,039,991)	(123,735)	(3,547,890)	-	-	(750,000)	(312,846)	(51,000)	(5,825,462)
CHANGES IN NET POSITION	753,298	(146,424)	(2,541,431)	(78,249)	6,627	(1,618,415)	(36,899)	179,414	(3,482,079)
Net Position - Beginning of Year	4,978,005	2,860,676	6,970,462	558,145	245,924	(24,909,475)	1,853,897	370,464	(7,071,902)
NET POSITION - END OF YEAR	$ 5,731,303	$ 2,714,252	$ 4,429,031	$ 479,896	$ 252,551	$ (26,527,890)	$ 1,816,998	$ 549,878	$ (10,553,981)

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND – INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

			Risk Management						
	Fleet Maintenance	Public Works Building	General Liability	Workers' Compensation Insurance	Employee Dental Insurance	Employee Health Insurance	Information Systems	Municipal Building Complex	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from Customers and Users	$ 1,882	$ 666	$ 1,367,768	$ 1,005,744	$ 437,050	$ 11,988,950	$ 7,302	$ -	$ 14,809,362
Receipts from Other Funds	4,083,044	532,777	-	-	-	70,805	2,212,349	903,394	7,802,369
Payments to Suppliers	(1,825,487)	(273,868)	(220,768)	(892,126)	(416,281)	(11,286,703)	(1,230,584)	(567,956)	(16,713,773)
Payments to Employees	(1,072,798)	(159,153)	(50,381)	(37,119)	-	(174,544)	(749,389)	(203,380)	(2,446,764)
Net Cash Provided by Operating Activities	1,186,641	100,422	1,096,619	76,499	20,769	598,508	239,678	132,058	3,451,194
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfers from Other Funds	4,950	-	-	750,000	-	-	-	122,735	877,685
Transfers to Other Funds	(1,039,991)	(123,735)	(3,547,890)	-	-	(750,000)	(312,846)	(51,000)	(5,825,462)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,035,041)	(123,735)	(3,547,890)	750,000	-	(750,000)	(312,846)	71,735	(4,947,777)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Acquisition and Construction of Capital Assets	(50,272)	(1)	-	-	-	-	-	-	(50,273)
Principal Paid on Subscription Liability	-	-	-	-	-	-	(116,957)	-	(116,957)
Interest Paid on Subscription Liability	-	-	-	-	-	-	(3,491)	-	(3,491)
Net Cash Provided (Used) by Capital and Related Financing Activities	(50,272)	(1)	-	-	-	-	(120,448)	-	(170,721)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and Dividends Received	-	-	23,740	-	-	-	-	-	23,740
Other Nonoperating Income	2,428	-	-	-	-	-	-	-	2,428
Net Cash Provided by Investing Activities	2,428	-	23,740	-	-	-	-	-	26,168
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	103,756	(23,314)	(2,427,531)	826,499	20,769	(151,492)	(193,616)	203,793	(1,641,136)
Cash and Cash Equivalents - Beginning of Year	265,646	288,695	5,865,282	1,006,809	230,466	7,915,865	1,517,562	483,536	17,573,861
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 369,402	$ 265,381	$ 3,437,751	$ 1,833,308	$ 251,235	$ 7,764,373	$ 1,323,946	$ 687,329	$ 15,932,725

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND – INTERNAL SERVICE FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

			Risk Management						
	Fleet Maintenance	Public Works Building	General Liability	Workers' Compensation Insurance	Employee Dental Insurance	Employee Health Insurance	Information Systems	Municipal Building Complex	Total Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES									
Operating Income (Loss)	$ (46,388)	$ (22,689)	$ 982,719	$ (828,249)	$ 6,627	$ (868,415)	$ 69,679	$ 107,679	$ (599,037)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:									
Depreciation Expense	1,193,681	125,057	-	-	-	-	209,894	-	1,528,632
(Increase) Decrease in:									
Accounts Receivable - Other	11,115	(3,963)	-	-	-	70,805	-	-	77,957
Inventories	(38,610)	-	-	-	-	-	(8,659)	-	(47,269)
Prepaids	-	-	-	-	14,142	159,262	-	-	173,404
Increase (Decrease) in:									
Accounts Payable	34,198	2,017	113,900	904,748	-	(177,353)	(63,989)	13,677	827,198
Compensated absences	32,645	-	-	-	-	-	32,753	10,702	76,100
Net OPEB Liability	-	-	-	-	-	(2,263,607)	-	-	(2,263,607)
Deferred Outflows Related to OPEB	-	-	-	-	-	2,351,698	-	-	2,351,698
Deferred Inflows Related to OPEB	-	-	-	-	-	1,326,118	-	-	1,326,118
Total Adjustments	1,233,029	123,111	113,900	904,748	14,142	1,466,923	169,999	24,379	4,050,231
Net Cash Provided by Operating Activities	$ 1,186,641	$ 100,422	$ 1,096,619	$ 76,499	$ 20,769	$ 598,508	$ 239,678	$ 132,058	$ 3,451,194
SUPPLEMENTAL DISCLOSURES OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES									
Capital Assets Contributed by City of Wauwatosa	$ 1,890,612	$ -	$ -	$ -	$ -	$ -	$ 209,759	$ -	$ 2,100,371
Additions to Subscription Assets and Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ 58,909	$ -	$ 58,909

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
DECEMBER 31, 2025

	Private-Purpose Trust Funds								Custodial Fund	
	Firemen's Special Endowment Fund	Hart Park Senior Center	Bachman Flag Account	Land Conservation Account	Automated License Plate Reader	Cemetery Perpetual Care Trust Account	Library Trust	Total	Subsequent Year's Tax Roll Collections	Total
ASSETS										
Cash and Investments	$ 10,743	$ 82,765	$ 1,661	$ 187,770	$ 35,051	$ 48,988	$ 348,517	$ 715,495	$ 58,674,590	$ 58,674,590
Taxes Receivable	-	-	-	-	-	-	-	-	71,373,911	71,373,911
Total Assets	10,743	82,765	1,661	187,770	35,051	48,988	348,517	715,495	130,048,501	130,048,501
LIABILITIES										
Special Deposits	-	-	-	-	-	-	3,177	3,177	-	-
Due to Other Taxing Units	-	-	-	-	-	-	-	-	58,674,590	58,674,590
Total Liabilities	-	-	-	-	-	-	3,177	3,177	58,674,590	58,674,590
DEFERRED INFLOWS OF RESOURCES										
Tax Levy	-	-	-	-	-	-	-	-	71,373,911	71,373,911
NET POSITION										
Restricted	$ 10,743	$ 82,765	$ 1,661	$ 187,770	$ 35,051	$ 48,988	$ 345,340	$ 712,318	$ -	$ -

CITY OF WAUWATOSA, WISCONSIN
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
YEAR ENDED DECEMBER 31, 2025

	Private-Purpose Trust Funds								Custodial Fund	
	Firemen's Special Endowment Fund	Hart Park Senior Center	Bachman Flag Account	Land Conservation Account	Automated License Plate Reader	Cemetery Perpetual Care Trust Account	Library Trust	Total	Subsequent Year's Tax Roll Collections	Total
ADDITIONS										
Contributions	$ 332	$ -	$ -	$ -	$ 4,200	$ 11,500	$ 62,229	$ 78,261	$ -	$ -
Investment Income	-	-	-	-	-	-	13,850	13,850	-	-
Tax Collections	-	-	-	-	-	-	-	-	84,531,722	84,531,722
Total Additions	332	-	-	-	4,200	11,500	76,079	92,111	84,531,722	84,531,722
DEDUCTIONS										
Endowment Payments	-	9,971	-	-	-	-	82,377	92,348	-	-
Payments to Other Governments	-	-	-	-	-	-	-	-	84,531,722	84,531,722
Total Deductions	-	9,971	-	-	-	-	82,377	92,348	84,531,722	84,531,722
CHANGES IN NET POSITION	332	(9,971)	-	-	4,200	11,500	(6,298)	(237)	-	-
Net Position - Beginning of Year	10,411	92,736	1,661	187,770	30,851	37,488	351,638	712,555	-	-
NET POSITION - END OF YEAR	$ 10,743	$ 82,765	$ 1,661	$ 187,770	$ 35,051	$ 48,988	$ 345,340	$ 712,318	$ -	$ -

CITY OF WAUWATOSA, WISCONSIN
COMBINING SCHEDULE OF TAX INCREMENTAL DISTRICTS SUMMARY OF PROJECT COSTS, PROJECT REVENUES, AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
YEAR ENDED DECEMBER 31, 2025

	TID NO. 6	TID NO. 7	TID NO. 8	TID NO. 9	TID NO. 10	TID NO. 11	TID NO. 12	TID NO. 13	TID NO. 14	TID NO. 15	TID NO. 16	Total
PROJECT COSTS												
Capital Expenditures	$ 498,606	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 498,606
Administration	19,150	15,750	10,150	5,150	10,401	12,650	19,199	10,150	5,150	15,150	2,700	125,600
Interest and Fiscal Charges	640,244	279,652	-	2,062	293,895	72,763	-	-	-	-	-	1,288,616
Professional Services	69,541	20,254	4,060	4,060	5,642	20,535	10,034	4,060	4,060	10,152	-	152,398
Economic Development Incentive	-	2,129,159	-	-	39,281	-	-	-	-	-	-	2,168,440
Other Expenditures	-	-	-	-	407,921	-	-	-	-	-	248	408,169
Total Project Costs	1,227,541	2,444,815	14,210	11,272	757,140	105,948	29,233	14,210	9,210	25,302	2,948	4,641,829
PROJECT REVENUES												
Tax Increments	2,749,459	3,407,470	1,075,124	306,364	806,819	787,238	572,372	253,427	10,232	22,780	-	9,991,285
Investment Income	268,162	22,505	139,522	7,911	30,056	36,280	1,702	14,033	-	7	-	520,178
Exempt Computer Aid	4,097	14,461	1,305	249	-	2,383	-	-	-	-	-	22,495
Personal Property Aid	208,003	273,097	19,109	2,743	-	46,283	180,815	127	554	-	-	730,731
Miscellaneous Revenue	-	10,000	-	-	89,702	-	-	-	-	-	-	99,702
Total Project Revenues	3,229,721	3,727,533	1,235,060	317,267	926,577	872,184	754,889	267,587	10,786	22,787	-	11,364,391
NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2025	$ 2,002,180	$ 1,282,718	$ 1,220,850	$ 305,995	$ 169,437	$ 766,236	$ 725,656	$ 253,377	$ 1,576	$ (2,515)	$ (2,948)	$ 6,722,562

This schedule was prepared from data recorded in the following funds of the City:
- Tax Incremental District Special Revenue Fund
- Redevelopment Authority Lease Revenue Bond Capital Projects Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund

CITY OF WAUWATOSA, WISCONSIN
COMBINING SCHEDULE OF TAX INCREMENTAL DISTRICTS HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES, AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
FROM DATE OF CREATION THROUGH DECEMBER 31, 2025

	TID NO. 6	TID NO. 7	TID NO. 8	TID NO. 9	TID NO. 10	TID NO. 11	TID NO. 12	TID NO. 13	TID NO. 14	TID NO. 15	TID NO. 16	Total
PROJECT COSTS												
Capital Expenditures	$ 20,876,876	$ 16,740,835	$ 2,199,053	$ 415,759	$ 368,545	$ 2,765,768	$ 234,391	$ -	$ -	$ -	$ -	$ 43,601,227
Administration	253,170	201,670	268,644	46,621	62,659	184,011	98,591	23,250	20,396	15,300	2,700	1,177,012
Interest and Fiscal Charges	5,161,284	4,657,290	-	77,002	318,471	703,202	-	-	-	-	-	10,917,249
Housing and Community Development	-	-	-	-	-	-	11,836	-	-	-	-	11,836
Professional Services	230,077	264,687	132,407	16,346	42,883	317,828	52,916	35,828	55,078	29,850	-	1,177,900
Debt Issuance Costs	94,829	73,836	-	-	-	-	-	-	-	-	-	168,665
Developers Grants and Incentive	16,307,608	18,440,162	3,146,814	1,994,000	10,020,000	5,364,769	14,239,846	1,998,589	-	-	-	71,511,788
Economic Development Incentive	1,350,000	5,649,112	2,726,957	-	39,281	-	-	-	-	-	-	9,765,350
Environmental Costs	-	-	243,600	-	-	-	-	-	-	-	-	243,600
Other Expenditures	-	-	-	-	576,627	-	-	-	-	-	248	576,875
Total Project Costs	44,273,844	46,027,592	8,717,475	2,549,728	11,428,466	9,335,578	14,637,580	2,057,667	75,474	45,150	2,948	139,151,502
PROJECT REVENUES												
Tax Increments	24,382,769	29,367,105	6,493,774	1,918,541	6,034,793	5,316,170	2,487,864	660,217	15,064	22,780	-	76,699,077
Omitted Taxes	71,775	13,649	881	-	-	3,192	649	-	-	-	-	90,146
Investment Income	904,107	456,616	497,397	24,896	116,768	93,142	3,948	22,510	-	7	-	2,119,391
Premium on Long-Term Debt	263,126	244,216	-	10,147	-	68,532	-	-	-	-	-	586,021
Grants	5,408,646	395,169	-	-	-	-	-	-	-	-	-	5,803,815
Exempt Computer Aid	41,977	140,085	13,133	2,226	-	21,301	-	-	-	-	-	218,722
Personal Property Aid	222,236	590,680	45,614	2,743	2,770	82,368	180,815	127	554	-	-	1,127,907
Developer Fees	68,903	27,880	28,845	10,621	20,318	20,000	10,000	-	-	-	-	186,567
Distribution from Terminated TID	-	-	2,725,777	-	-	-	-	-	-	-	-	2,725,777
Miscellaneous Revenue	10,000	30,769	10,000	-	89,702	-	-	13,934	10,000	-	-	164,405
Total Project Revenues	31,373,539	31,266,169	9,815,421	1,969,174	6,264,351	5,604,705	2,683,276	696,788	25,618	22,787	-	89,721,828
NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2025	$ (12,900,305)	$ (14,761,423)	$ 1,097,946	$(580,554)	$ (5,164,115)	$ (3,730,873)	$ (11,954,304)	$ (1,360,879)	$ (49,856)	$ (22,363)	$ (2,948)	$ (49,429,674)

This schedule was prepared from data recorded in the following funds of the City:

Tax Incremental District Special Revenue Fund
Redevelopment Authority Lease Revenue Bond Capital Projects Fund
Debt Service Fund
General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and, therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

CITY OF WAUWATOSA, WISCONSIN
COMBINING SCHEDULE OF TAX INCREMENTAL DISTRICTS SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
YEAR ENDED DECEMBER 31, 2025

	TID NO. 6	TID NO. 7	TID NO. 8	TID NO. 9	TID NO. 10	TID NO. 11	TID NO. 12	TID NO. 13	TID NO. 14	TID NO. 15	TID NO. 16	Total
SOURCES OF FUNDS												
Tax Increments	$2,749,459	$ 3,407,470	$1,075,124	$ 306,364	$ 806,819	$ 787,238	$ 572,372	$ 253,427	$ 10,232	$ 22,780	$ -	$9,991,285
Investment Income	268,162	22,505	139,522	7,911	30,056	36,280	1,702	14,033	-	7	-	520,178
Exempt Computer Aid	4,097	14,461	1,305	249	-	2,383	-	-	-	-	-	22,495
Personal Property Aid	208,003	273,097	19,109	2,743	-	46,283	180,815	127	554	-	-	730,731
Miscellaneous Revenues	-	10,000	-	-	89,702	-	-	-	-	-	-	99,702
Total Sources of Funds	3,229,721	3,727,533	1,235,060	317,267	926,577	872,184	754,889	267,587	10,786	22,787	-	11,364,391
USES OF FUNDS												
Capital Expenditures	498,606	-	-	-	-	-	-	-	-	-	-	498,606
Administration	19,150	15,750	10,150	5,150	10,401	12,650	19,199	10,150	5,150	15,150	2,700	125,600
Interest on Long-Term Debt	640,244	279,652	-	2,062	293,895	72,763	-	-	-	-	-	1,288,616
Principal on Long-Term Debt	650,000	1,195,000	-	75,000	-	55,000	-	-	-	-	-	1,975,000
Principal on Municipal Revenue Obligation	372,227	595,422	282,663	189,313	182,495	431,491	460,117	99,848	-	-	-	2,613,576
Economic Development Incentive	-	2,129,159	-	-	39,281	-	-	-	-	-	-	2,168,440
Other Expenditures	-	-	-	-	407,921	-	-	-	-	-	248	408,169
Professional Services	69,541	20,254	4,060	4,060	5,642	20,535	10,034	4,060	4,060	10,152	-	152,398
Total Uses of Funds	2,249,768	4,235,237	296,873	275,585	939,635	592,439	489,350	114,058	9,210	25,302	2,948	9,230,405
NET CHANGE IN FUND BALANCE	979,953	(507,704)	938,187	41,682	(13,058)	279,745	265,539	153,529	1,576	(2,515)	(2,948)	2,133,986
Beginning Fund Balance	4,743,069	(2,856,756)	2,635,272	75,184	368,943	355,467	(601,537)	156,082	(51,432)	(19,848)	-	4,804,444
ENDING FUND BALANCE	$5,723,022	$ (3,364,460)	$3,573,459	$ 116,866	$ 355,885	$ 635,212	$(335,998)	$ 309,611	$ (49,856)	$ (22,363)	$ (2,948)	$6,938,430

This schedule was prepared from data recorded in the following funds of the City:
- Tax Incremental District Special Revenue Fund
- Redevelopment Authority Lease Revenue Bond Capital Projects Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund

CITY OF WAUWATOSA, WISCONSIN
COMBINING SCHEDULE OF TAX INCREMENTAL DISTRICTS HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FROM DATE OF CREATION THROUGH DECEMBER 31, 2025

	TID NO. 6	TID NO. 7	TID NO. 8	TID NO. 9	TID NO. 10	TID NO. 11	TID NO. 12	TID NO. 13	TID NO. 14	TID NO. 15	TID NO. 16	Total
SOURCES OF FUNDS												
Tax Increments	$ 24,382,769	$ 29,367,105	$ 6,493,774	$ 1,918,541	$ 6,034,793	$ 5,316,170	$ 2,487,864	$ 660,217	$ 15,064	$ 22,780	$ -	$ 76,699,077
Omitted Taxes	71,775	13,649	881	-	-	3,192	649	-	-	-	-	90,146
Investment Income	904,107	456,616	497,397	24,896	116,768	93,142	3,948	22,510	-	7	-	2,119,391
Long-Term Debt Issued	24,033,815	19,630,000	-	425,000	5,520,000	2,295,000	-	-	-	-	-	51,903,815
Municipal Revenue Obligations Issued	4,500,000	9,248,282	4,682,771	1,994,000	4,500,000	6,289,096	13,843,674	1,998,589	-	-	-	47,056,412
Premium on Long-Term Debt	263,126	244,216	-	10,147	-	68,532	-	-	-	-	-	586,021
Grants	5,408,646	395,169	-	-	-	-	-	-	-	-	-	5,803,815
Exempt Computer Aid	41,977	140,085	13,133	2,226	-	21,301	-	-	-	-	-	218,722
Personal Property Aid	222,236	590,680	45,614	2,743	2,770	82,368	180,815	127	554	-	-	1,127,907
Developer Fees	68,903	27,880	28,845	10,621	20,318	20,000	10,000	-	-	-	-	186,567
Distribution from Terminated TID	-	-	2,725,777	-	-	-	-	-	-	-	-	2,725,777
Miscellaneous Revenues	10,000	30,769	10,000	-	89,702	-	-	13,934	10,000	-	-	164,405
Total Sources of Funds	59,907,354	60,144,451	14,498,192	4,388,174	16,284,351	14,188,801	16,526,950	2,695,377	25,618	22,787	-	188,682,055
USES OF FUNDS												
Capital Expenditures	20,876,876	16,740,835	2,199,053	415,759	368,545	2,765,768	234,391	-	-	-	-	43,601,227
Administration	253,170	201,670	268,644	46,621	62,659	184,011	98,591	23,250	20,396	15,300	2,700	1,177,012
Interest on Long-Term Debt	5,161,284	4,657,290	-	77,002	318,471	703,202	-	-	-	-	-	10,917,249
Principal on Long-Term Debt	6,153,815	14,005,000	-	425,000	-	320,000	-	-	-	-	-	20,903,815
Principal on Municipal Revenue Obligation	3,756,673	3,476,319	2,207,258	1,296,580	4,500,000	3,898,011	2,225,368	328,099	-	-	-	21,688,308
Housing and Community Development	-	-	-	-	-	-	11,836	-	-	-	-	11,836
Developers Grants and Incentive	16,307,608	18,440,162	3,146,814	1,994,000	10,020,000	5,364,769	14,239,846	1,998,589	-	-	-	71,511,788
Economic Development Incentive	1,350,000	5,649,112	2,726,957	-	39,281	-	-	-	-	-	-	9,765,350
Environmental Costs	-	-	243,600	-	-	-	-	-	-	-	-	243,600
Other Expenditures	-	-	-	-	576,627	-	-	-	-	-	248	576,875
Professional Services	230,077	264,687	132,407	16,346	42,883	317,828	52,916	35,828	55,078	29,850	-	1,177,900
Debt Issuance Costs	94,829	73,836	-	-	-	-	-	-	-	-	-	168,665
Total Uses of Funds	54,184,332	63,508,911	10,924,733	4,271,308	15,928,466	13,553,589	16,862,948	2,385,766	75,474	45,150	2,948	181,743,625
NET CHANGE IN FUND BALANCE	5,723,022	(3,364,460)	3,573,459	116,866	355,885	635,212	(335,998)	309,611	(49,856)	(22,363)	(2,948)	6,938,430
Beginning Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
ENDING FUND BALANCE	$ 5,723,022	$ (3,364,460)	$ 3,573,459	$ 116,866	$ 355,885	$ 635,212	$ (335,998)	$ 309,611	$ (49,856)	$ (22,363)	$ (2,948)	$ 6,938,430
RECONCILIATION OF RECOVERABLE COSTS												
Fund Balance	$ 5,723,022	$ (3,364,460)	$ 3,573,459	$ 116,866	$ 355,885	$ 635,212	$ (335,998)	$ 309,611	$ (49,856)	$ (22,363)	$ (2,948)	$ 6,938,430
Principal Balance of Outstanding Long-Term Debt	(17,880,000)	(5,625,000)	-	-	(5,520,000)	(1,975,000)	-	-	-	-	-	(31,000,000)
Principal Balance of Municipal Revenue Obligation	(743,327)	(5,771,963)	(2,475,513)	(697,420)	-	(2,391,085)	(11,618,306)	(1,670,490)	-	-	-	(25,368,104)
NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2025	$ (12,900,305)	$ (14,761,423)	$ 1,097,946	$ (580,554)	$ (5,164,115)	$ (3,730,873)	$ (11,954,304)	$ (1,360,879)	$ (49,856)	$ (22,363)	$ (2,948)	$ (49,429,674)

This schedule was prepared from data recorded in the following funds of the City:

- Tax Incremental District Special Revenue Fund
- Redevelopment Authority Lease Revenue Bond Capital Projects Fund
- Debt Service Fund
- General Obligation Debt Issue Capital Projects Fund

The data was consolidated for purposes of this schedule and, therefore, amounts shown will not directly correlate with the amounts shown in the financial statements.

STATISTICAL SECTION

STATISTICAL SECTION

This part of City of Wauwatosa, Wisconsin's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

FINANCIAL TRENDS – TABLES 1-4

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY – TABLES 5-8

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

DEBT CAPACITY – TABLES 9-13

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt as well as the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION – TABLES 14-15

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION – TABLES 16-18

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.

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City of Wauwatosa

Table 1

Net Position By Component

For the fiscal years ended December 31, 2016 through 2025

		Fiscal Year									
		2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Governmental activities:											
Net investment in capital assets (1)	$	101,766,821	94,814,987	84,628,128	81,468,864	84,083,817	80,430,351	78,068,460	75,671,459	71,678,472	63,495,055
Restricted for Debt service		8,390,099	6,600,118	5,456,342	4,257,698	4,221,011	2,774,989	3,345,777	2,802,181	1,322,268	1,830,471
Restricted for Pension Obligations		-	-	-	24,315,692	18,715,400	9,342,193	-	-	-	-
Restricted for Other		2,729,267	7,934,048	3,361,127	3,328,626	1,449,909	1,290,585	1,880,155	9,747,280		
Unrestricted		(18,933,073)	(25,348,840)	(19,827,405)	(48,830,980)	(41,615,879)	(41,068,856)	(35,363,243)	(43,703,643)	(14,739,725)	(8,131,737)
Total governmental activities net position		93,953,114	84,000,313	73,618,192	64,539,900	66,854,258	52,769,262	47,931,149	44,517,277	58,261,015	57,193,789
Business-type activities:											
Net investment in capital assets	$	147,776,516	139,469,121	125,633,103	122,510,909	115,382,146	107,678,583	103,980,785	98,721,747	95,399,607	87,065,505
Restricted		1,238,938	1,609,973	1,856,805	2,536,950	2,470,502	2,682,822	2,439,771	3,250,121	2,344,924	2,242,818
Unrestricted		37,158,677	33,444,411	30,304,965	23,269,709	20,762,167	20,919,408	18,581,015	16,496,939	14,130,373	11,193,033
Total business-type activities net position		186,174,131	174,523,505	157,794,873	148,317,568	138,614,815	131,280,813	125,001,571	118,468,807	111,874,904	100,501,356
Primary government:											
Net investment in capital assets	$	249,543,337	234,284,108	210,261,231	203,979,773	199,465,963	188,108,934	182,049,245	174,393,206	167,078,079	150,560,560
Restricted		12,358,304	16,144,139	10,674,274	34,438,966	26,856,822	16,090,589	7,665,703	15,799,582	3,667,192	4,073,289
Unrestricted		18,225,604	8,095,571	10,477,560	(25,561,271)	(20,853,712)	(20,149,448)	(16,782,228)	(27,206,704)	(609,352)	3,061,296
Total primary government net position		280,127,245	258,523,818	231,413,065	212,857,468	205,469,073	184,050,075	172,932,720	162,986,084	170,135,919	157,695,145

YoY Change in Primary Govt	**15,259,229**
% Change Gov	7%
% Change Business	6%
	21,603,427

The governmental activities net investment in capital assets noted above may exclude long-term debt that was used to purchase capital assets of the business-type activities. The total government-wide net investment in capital assets, net of related debt include this amount as capital related debt.

City of Wauwatosa Table 2

Changes In Net Position

For the fiscal years ended December 31, 2016 through 2025

(accrual basis of accounting)

		Fiscal Year									
		2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Expenses:											
Governmental activities:											
General government	$	19,371,404	9,101,318	8,205,597	6,531,057	5,685,130	7,164,893	6,272,588	6,139,403	7,005,559	6,197,443
Public Safety[2]		45,637,587	40,483,059	43,418,355	34,117,902	31,540,033	35,427,795	35,575,170	32,518,369	33,938,926	32,359,435
Public Works[1]		13,571,227	12,530,840	12,950,986	12,727,159	11,222,071	-	-	-	-	-
Health and sanitation[1,3]		-	-	-	-	-	4,450,891	3,721,988	3,587,126	3,671,541	3,342,039
Health and Human Services[3]		2,593,830	2,506,966	2,247,690	2,131,298	1,925,529	-	-	-	-	-
Highway and transportation[1]		-	-	-	-	-	8,946,980	9,407,174	8,546,258	8,697,116	7,864,442
Education and recreation[4]		6,271,603	5,209,123	5,198,985	4,417,116	4,866,207	5,483,835	5,410,011	5,114,314	5,064,666	4,577,202
Conservation and development		10,785,922	6,586,108	6,946,300	20,807,753	7,888,323	6,901,640	7,679,792	18,152,760	10,014,449	12,192,824
Culture[4]		1,388,224	1,181,508	945,106	739,012	525,739	-	-	-	-	-
Unclassified		-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges		3,008,433	2,939,286	2,791,427	2,626,021	1,418,233	2,881,250	2,410,723	2,204,069	1,909,106	1,971,394
Loss on Sale of Capital Assets		-	-	-	-	-	-	61,014	-	-	-
Total gov't activities expenses		102,628,230	80,538,208	82,704,446	84,097,318	65,071,265	71,257,284	70,538,460	76,262,299	70,301,363	68,504,779
Business-type activities:											
Water utility	$	9,679,489	9,152,730	9,091,024	8,180,509	8,022,389	7,491,489	7,483,395	7,521,107	7,122,106	7,134,052
Redevelopment Authority		-	-	-	-	-	-	-	-	-	-
Sanitary Sewer		10,383,834	8,800,471	7,989,661	7,544,096	7,361,283	7,573,712	7,203,239	6,799,993	6,467,574	6,245,363
Storm Water Management		3,721,353	3,223,409	3,315,853	3,237,719	2,868,537	2,738,888	2,733,658	2,648,156	2,437,468	2,223,770
		23,784,676	21,176,610	20,396,538	18,962,324	18,252,209	17,804,089	17,420,292	16,969,256	16,027,148	15,603,185
Total primary government expenses	$	126,412,906	101,714,818	103,100,984	103,059,642	83,323,474	89,061,373	87,958,752	93,231,555	86,328,511	84,107,964
Program Revenues:											
Governmental activities:											
Charges for services:											
General government	$	2,341,337	1,906,263	1,140,525	1,346,660	1,291,206	1,300,498	1,253,033	1,254,496	1,172,285	1,269,331
Public Safety[2]		9,123,076	9,000,687	8,370,031	8,381,774	7,053,368	6,276,285	4,913,925	4,537,538	4,631,603	4,997,841
Public Works[1]		2,234,047	236,792	256,244	203,293	157,456	-	-	-	-	-
Health and sanitation[1,3]		-	-	-	-	-	140,173	201,625	191,648	171,028	153,304
Health and Human Services[3]		189,379	1,149,368	1,236,924	1,587,694	1,586,335	-	-	-	-	-
Highway and transportation		-	-	-	-	-	565,168	102,344	298,666	148,409	435,494
Education and recreation		1,073,219	636,751	683,062	662,321	733,724	444,993	758,690	745,415	565,162	523,777
Conservation and development		145,525	46,522	96,859	126,968	221,717	1,800	69,848	16,998	70,968	86,305
Operating grants and contributions		8,084,375	7,767,018	6,479,771	8,646,028	7,976,625	6,344,704	3,589,291	3,207,335	3,075,840	4,275,608
Capital grants and contributions		6,005,885	6,429,316	1,844,022	1,008,762	-	-	3,651,075	3,649,928	10,456,801	9,056,914
Total governmental activities		29,196,843	27,172,717	20,107,438	21,963,500	19,020,431	15,073,621	14,539,831	13,902,024	20,292,096	20,798,574

[1] *"Public Works" reclassified from "Health and Sanitation" and "Highway and transportation"*

[2] *Renamed "Public Safety" from "Protections of Persons and Property"*

[3] *"Health and Sanitation" split into "Health and Human Services" and "Public Works"*

[4] *"Culture" previously part of "Education and Recreation"*

All above changes made to conform with required state reporting categories

City of Wauwatosa

Table 2

Changes In Net Position

For the fiscal years ended December 31, 2016 through 2025

(accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Business-type activities:										
Charges for services:										
Water utility	$ 12,699,906	11,981,633	11,365,303	9,593,548	9,543,550	9,184,878	8,916,055	9,157,995	9,155,224	7,913,767
Redevelopment Authority	-	-	-	-	-	-	-	-	-	-
Sanitary Sewer	12,234,061	11,496,270	10,869,410	10,681,735	10,326,966	9,573,553	10,045,501	10,194,937	9,010,959	9,305,133
Storm Water Management	6,120,694	5,889,143	5,853,291	6,013,661	6,498,765	5,674,462	5,418,166	5,144,892	4,825,984	4,367,646
Operating Grants and Contributions	325,648	-	-	452,340	-	499,787	-	-	-	-
Capital grants and contributions	359,883	5,452,625	855,905	999,146	235,078	87,880	103,752	641,190	4,313,708	1,115,691
Total business-type activities	31,740,192	34,819,671	28,943,909	27,740,430	26,604,359	25,020,560	24,483,474	25,139,014	27,305,875	22,702,237
Total primary government	$ 60,937,035	61,992,388	49,051,347	49,703,930	45,624,790	40,094,181	39,023,305	39,041,038	47,597,971	43,500,811
Net (Expense)/Revenue										
Governmental activities	$ (73,431,387)	(53,365,491)	(62,597,008)	(62,133,818)	(46,050,834)	(56,183,663)	(55,998,629)	(62,360,275)	(50,009,267)	(47,706,205)
Business-type activities	7,955,516	13,643,061	8,547,371	8,778,106	8,352,150	7,216,471	7,063,182	8,169,758	11,278,727	7,099,052
Total primary Government net (expense)/revenue	$ (65,475,871)	(39,722,430)	(54,049,637)	(53,355,712)	(37,698,684)	(48,967,192)	(48,935,447)	(54,190,517)	(38,730,540)	(40,607,153)
General Revenues and Other Changes in Net Assets:										
Governmental activities										
Taxes:										
Property taxes, levied for general purposes	$ 60,662,410	51,751,444	50,540,798	48,884,605	45,905,597	44,547,725	42,856,709	42,064,888	41,314,399	36,285,018
Property taxes, levied for debt service (1)	-	-	-	-	-	-	-	-	-	3,867,876
Property taxes, levied for TIF	9,991,285	9,950,813	9,209,642	8,866,465	7,820,859	9,091,431	7,584,818	6,512,214	4,343,206	2,563,673
Other taxes	2,627,237	2,631,586	2,482,357	2,256,530	1,856,514	1,151,892	2,231,350	2,073,728	1,966,144	1,514,953
Intergovernmental revenues not restricted to specific programs	5,779,588	3,894,483	3,147,178	3,051,734	3,134,957	2,950,584	2,864,581	2,672,403	2,631,583	2,925,602
Investment Income	6,271,748	6,750,314	5,725,737	(2,946,092)	135,734	2,197,727	2,748,815	1,415,384	692,056	603,777
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Gain on sale of capital assets	314,630	89,189	87,145	79,658	248,681	-	-	(17,863)	88,579	-
Transfers	(2,262,710)	(1,640,808)	482,443	(373,440)	1,033,488	1,082,417	1,126,228	977,827	40,526	(325,709)
Total governmental activities	83,384,188	73,427,021	71,675,300	59,819,460	60,135,830	61,021,776	59,412,501	55,698,581	51,076,493	47,435,190

Notes

(1) Starting in fiscal year 2017, property taxes levied for debt service and general purpose were reported combined.

City of Wauwatosa

Table 2

Changes In Net Position

For the fiscal years ended December 31, 2016 through 2025

(accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Assets:										
Business-type activities										
Investment Income	$ 1,432,400	1,571,092	1,412,377	551,207	15,340	145,188	595,810	362,293	135,347	42,941
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	2,262,710	1,640,808	(482,443)	373,440	(1,033,488)	(1,082,417)	(1,126,228)	(977,827)	(40,526)	325,709
Total business-type activities	3,695,110	3,211,900	929,934	924,647	(1,018,148)	(937,229)	(530,418)	(615,534)	94,821	368,650
Total primary government	$ 87,079,298	76,638,921	72,605,234	60,744,107	59,117,682	60,084,547	58,882,083	55,083,047	51,171,314	47,803,840
Change in Net Position										
Governmental activities	$ 9,952,801	20,061,530	9,078,292	(2,314,358)	14,084,996	4,838,113	3,413,872	(6,661,694)	1,067,226	(271,015)
Business-type activities	11,650,626	16,854,961	9,477,305	9,702,753	7,334,002	6,279,242	6,532,764	7,554,224	11,373,548	7,467,702
Total primary government	21,603,427	36,916,491	18,555,597	7,388,395	21,418,998	11,117,355	9,946,636	892,530	12,440,774	7,196,687

City of Wauwatosa

Table 3

Fund Balances, Governmental Funds

For the fiscal years ended December 31, 2016 through 2025

(modified accrual basis of accounting)

		Fiscal Year									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:											
Nonspendable	$	901,286	1,011,369	1,290,747	1,423,769	1,524,940	1,759,065	2,013,983	2,196,675	2,338,243	2,521,308
Restricted		-	-	-	-	-	-	-	-	-	-
Committed		-	-	-	-	-	-	-	-	-	-
Assigned		3,254,106	2,277,116	2,361,757	2,397,312	2,280,409	1,221,928	2,278,848	1,954,342	2,160,016	2,346,541
Unassigned		25,174,368	23,263,105	19,688,525	18,423,450	21,359,844	22,058,437	20,657,248	19,164,364	18,262,288	17,567,603
Total general fund		29,329,760	26,551,590	23,341,029	22,244,531	25,165,193	25,039,430	24,950,079	23,315,381	22,760,547	22,435,452
All Other Governmental Funds:											
Nonspendable	$	22,980	44,136	1,184,712	1,189,365	57,178	1,125,800	-	-	-	499,985
Restricted		23,229,042	17,076,370	17,554,936	15,774,654	11,976,486	9,945,158	11,130,802	13,159,357	6,874,203	5,595,822
Committed		-	-	-	-	-	-	-	-	-	-
Assigned		15,258,368	18,722,508	18,317,738	12,754,973	8,351,037	6,111,812	9,218,862	9,655,464	9,558,658	8,787,327
Unassigned		(17,096)	(6,890)	(6,935)	(6,936)	(5,560)	(107,728)	(15,313)	(7,948)	(2,422)	-
Total all other governmental funds		38,493,294	35,836,124	37,050,451	29,712,056	20,379,141	17,075,042	20,334,351	22,806,873	16,430,439	14,883,134
Total all governmental funds	$	67,823,054	62,387,714	60,391,480	51,956,587	45,544,334	42,114,472	45,284,430	46,122,254	39,190,986	37,318,586

5,435,340

City of Wauwatosa

Table 4

Change in Fund Balances, Governmental Funds

For the fiscal years ended December 31, 2016 through 2025

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Taxes	$ 71,712,826	64,333,843	62,232,797	60,007,600	55,582,970	54,791,048	52,664,418	50,631,278	47,358,607	44,237,021
Intergovernmental revenues	17,005,946	18,000,677	11,526,421	11,791,415	10,875,201	9,412,509	7,517,086	6,753,492	6,647,919	7,971,623
Licenses & permits	2,521,571	2,214,680	1,810,343	2,486,396	1,768,838	1,611,120	2,034,338	1,579,421	1,923,852	2,185,359
Penalties and forfeitures	973,816	953,307	758,662	692,853	812,623	838,535	1,185,793	1,194,649	1,064,340	1,086,121
Public improvement revenues	1,351,393	873,883	576,338	791,958	940,599	660,490	814,622	918,509	751,516	1,149,039
Public charges for services	6,266,137	5,931,575	5,876,988	5,689,060	5,137,400	3,599,938	3,898,546	3,872,816	3,771,347	3,923,831
Intergovernmental charges for services	1,573,623	1,590,673	1,697,069	1,841,675	1,766,190	1,749,411	1,677,556	1,663,509	1,595,442	1,553,480
Commercial revenues	9,285,709	8,291,975	6,739,575	(2,372,671)	696,701	2,619,542	3,222,181	1,801,643	1,115,087	1,608,196
Total revenues	110,691,021	102,190,613	91,218,193	80,928,286	77,580,522	75,282,593	73,014,540	68,415,317	64,228,110	63,714,670
Expenditures:										
Current										
General government	$ 19,034,987	7,444,785	7,778,891	6,749,128	5,904,139	6,337,936	6,054,720	6,353,838	6,700,779	6,086,548
Public Safety[2]	41,760,137	40,525,539	39,283,585	36,990,837	34,737,094	34,270,255	33,048,909	32,136,484	30,957,890	30,275,241
Public Works[1]	8,038,236	7,698,380	7,955,353	7,299,695	7,060,021	-	-	-	-	-
Health and sanitation[1,3]						4,475,507	3,706,173	3,689,989	3,599,464	3,352,250
Health and Human Services[3]	2,533,770	2,656,144	2,178,182	2,224,814	2,011,763	-	-	-	-	-
Highway and transportation[1]		-				5,008,029	4,941,416	4,414,178	4,285,759	4,505,666
Education and recreation	5,175,951	4,515,700	4,270,257	3,884,301	4,008,455	4,782,962	4,600,308	4,483,213	4,276,162	3,986,714
Conservation and development	10,663,998	8,494,673	6,096,906	9,102,625	8,037,795	6,897,112	7,545,503	17,846,035	9,487,886	11,446,539
Culture[4]	1,375,542	1,201,377	951,625	750,884	656,893	-	-	-	-	-
Unclassified		-				333,949	71,408	148,437	185,860	419,956
Debt service										
Principal	12,778,576	12,666,875	13,073,261	11,333,566	11,173,305	11,579,268	9,422,616	7,975,397	6,785,990	5,544,897
Interest	3,161,248	3,181,865	3,100,377	2,790,321	2,482,224	2,507,444	2,491,715	2,297,611	2,077,545	2,053,450
Debt issuance expense		-	-	-	-	-	-	-	-	-
Capital Outlay	21,409,147	22,527,520	11,291,994	20,229,631	11,500,241	12,412,739	10,128,721	13,475,323	13,452,406	12,345,157
Total Governmental Fund Expenditures	125,931,592	110,912,858	95,980,431	101,355,802	87,571,930	88,605,201	82,011,489	92,820,505	81,809,741	80,016,418

[1] *"Public Works" reclassified from "Health and Sanitation" and "Highway and transportation"*

[2] *Renamed "Public Safety" from "Protections of Persons and Property"*

[3] *"Health and Sanitation" split into "Health and Human Services" and "Public Works"*

[4] *"Culture" previously part of "Education and Recreation"*

All above changes made to conform with required state reporting categories

City of Wauwatosa

Table 4

Change in Fund Balances, Governmental Funds

For the fiscal years ended December 31, 2016 through 2025

		Fiscal Year									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Excess of Revenues over (under) Expenditures	$	(15,240,571)	(8,722,245)	(4,762,238)	(20,427,516)	(9,991,408)	(13,322,608)	(8,996,949)	(24,405,188)	(17,581,631)	(16,301,748)
Other financing sources (uses)											
Long-term debt issued	$	12,240,000	5,400,000	9,745,000	24,270,957	12,993,589	7,941,814	5,800,000	28,768,674	17,159,218	11,782,596
Premium on long-term debt		920,190	220,884	464,207	158,271	381,960	276,570	222,844	366,434	335,342	362,534
Current refunding of long term debt		-	-	-	-	-	-	-	-	-	-
Subscription proceeds		988,505	168,710								
Proceeds from sale of capital assets		309,317	88,873	212,381	178,385	243,016	5,000	1,980		100,030	-
Transfers in		28,368,457	25,151,875	23,114,328	21,998,062	20,043,149	17,750,931	20,135,565	19,485,280	16,413,049	15,665,368
Payments to escrow		-	-	-	-	(2,157,641)					
Transfers out		(22,162,139)	(22,580,927)	(20,355,929)	(19,781,457)	(18,082,803)	(15,821,665)	(18,001,264)	(17,283,932)	(14,553,608)	(13,660,243)
Insurance Recoveries		11,581	-	17,144	15,551						
Total other financing sources (uses)		20,675,911	8,449,415	13,197,131	26,839,769	13,421,270	10,152,650	8,159,125	31,336,456	19,454,031	14,150,255
Net change in fund balance	$	5,435,340	(272,830)	8,434,893	6,412,253	3,429,862		(837,824)	6,931,268	1,872,400	(2,151,493)
Capitalized expenditures	$	20,332,844	20,046,994	9,818,752	7,143,534	11,297,527	12,035,030	9,785,663	12,888,397	12,235,397	10,526,555
Debt Service as a % of non-capital expenditures		15.09%	17.44%	18.77%	14.99%	17.90%	18.40%	16.50%	12.85%	12.74%	10.93%

City of Wauwatosa

Table 5

Assessed Value and Equalized Value of Taxable Property

For the fiscal years ended December 31, 2016 through 2025

Tax Year	Budget Year	Residential	Commercial	Manufacturing	Personal Property	Total Taxable Assessed Value Including TID	TID Assessed Value	Total Taxable Assessed Value Excluding TID	Assessed Tax Rate
2025	2026	$ 6,188,413,900	3,985,554,600	59,995,800	-	10,233,964,300	654,597,500	9,579,366,800	$5.55
2024	2025	4,051,724,100	2,964,138,500	56,867,200	-	7,072,729,800	408,711,812	6,664,017,988	$7.82
2023	2024	4,035,023,800	3,055,160,800	108,911,800	194,386,100	7,393,482,500	429,308,613	6,964,173,887	$7.39
2022	2023	4,013,295,200	3,012,753,700	122,893,000	202,212,800	7,351,154,700	411,338,194	6,939,816,506	$7.19
2021	2022	3,988,647,500	2,987,284,100	138,924,100	239,789,100	7,354,644,800	395,953,680	6,958,691,120	$7.00
2020	2021	3,965,028,900	2,353,227,500	133,555,900	222,388,400	6,674,200,700	334,536,009	6,339,664,691	$7.17
2019	2020	3,950,564,600	2,312,391,700	139,642,900	241,057,400	6,643,656,600	382,814,168	6,260,842,432	$7.05
2018	2019	3,297,603,900	2,044,110,300	117,544,600	214,851,400	5,674,110,200	298,846,034	5,375,264,166	$7.97
2017	2018	3,277,466,300	2,018,477,400	120,685,000	238,816,800	5,655,445,500	259,183,063	5,396,262,437	$7.77
2016	2017	3,257,800,100	1,912,473,300	127,268,600	230,857,100	5,528,399,100	174,123,183	5,354,275,917	$7.68

Tax Year	Budget Year	Total Taxable Equalized Value Including TID	TID Equalized Value	Total Taxable Equalized Value Excluding TID	Ratio of Assessed To Equalized Value	Equalized Tax Rate
2025	2026	$ 10,122,294,400	629,849,500	9,492,444,900	100.71%	$5.60
2024	2025	10,284,774,700	594,792,900	9,689,981,800	68.71%	$5.37
2023	2024	9,618,350,900	560,340,200	9,058,010,700	76.62%	$5.68
2022	2023	9,006,577,400	487,470,200	8,519,107,200	84.38%	$5.87
2021	2022	7,545,981,900	406,395,300	7,139,586,600	97.43%	$6.82
2020	2021	6,863,838,600	343,580,300	6,520,258,300	97.37%	$6.97
2019	2020	6,543,192,600	377,025,100	6,166,167,500	101.54%	$7.16
2018	2019	6,342,128,700	334,543,500	6,007,585,200	89.33%	$7.13
2017	2018	6,155,392,800	282,246,200	5,873,146,600	91.83%	$7.14
2016	2017	5,699,272,300	179,572,900	5,519,699,400	96.97%	$7.45

City of Wauwatosa

Table 6

Direct and Overlapping Property Tax Rates

For the fiscal years ended December 31, 2016 through 2025

(Per $1,000 of Assessed Valuation)

	City Direct Rates					Overlapping Rates				
Tax Year	Base Rate	Debt Service	Library	Parks	Total	Sewer District	County	School District	Technical College District	State of Wisconsin
2025	3.59	1.28	0.50	0.18	5.55	1.22	3.11	7.18	0.75	0
2024	5.80	1.37	0.47	0.18	7.82	1.8	4.57	7.17	1.16	0
2023	5.52	1.27	0.44	0.16	7.39	1.67	4.26	6.99	1.09	0
2022	5.33	1.25	0.42	0.19	7.19	1.67	4.71	7.12	1.1	0
2021	5.35	1.13	0.40	0.12	7.00	1.53	4.4	6.89	1.03	0
2020	5.64	0.9	0.44	0.19	7.17	1.63	4.74	7.29	1.18	0
2019	5.68	0.77	0.44	0.16	7.05	1.62	4.71	7.86	1.17	0
2018	6.43	0.86	0.49	0.19	7.97	1.90	5.48	7.05	1.37	0
2017	6.22	0.89	0.47	0.20	7.78	1.88	5.5	7.03	1.37	0
2016	6.12	0.87	0.48	0.21	7.68	1.81	5.25	7.48	1.30	0.17

City of Wauwatosa

Table 7

Principal Property Tax Payers

Current Year and Nine Years Ago

	2025				2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Froedtert Memorial Lutheran Hospital	238,184,100	3	2.33%				
Mayfair Mall LLC (Mayfair Shopping Center)	344,263,800	1	3.36%		446,271,200	1	8.07%
Childrens Hospital Wisconsin	295,060,800	2	2.88%				
Irgens Development Partners (Office Buildings)	155,244,200	5	1.52%				
Burleigh Mayfair LLC (Mayfair Collection Retail Stores)	143,499,200	6	1.40%		66,964,000	2	1.21%
HSI (State Street Station, Apartment Complexes)	140,217,800	7	1.37%				
Wheaton Franciscan Healthcare	95,775,900	9	0.94%				
Phoenix Wauwatosa Investors (Industrial Buildings)	101,885,000	8	1.00%				
Bell Marquette I LLC (formerly, GE Healthcare)	71,370,400	10	0.70%		57,867,200.00	3	1.05%
H-D Capitol Drive LLC (Harley Davidson)					36,833,700.00	5	0.67%
Innovation Partners LLC (Office Building) (1)					25,899,100.00	9	0.47%
Nordstrom Inc (Nordstrom Department Store)			0.00%		42,109,600.00	4	0.76%
North Mayfair 8					24,357,500.00	10	0.44%
H S A Commercial Real Estate		6	1.40%				
Milwaukee Regional Medical Center Thermal Services	205,000,000	4	2.00%				
Briggs & Stratton					28,895,500.00	6	0.52%
Meijer Stores Limited Partnership					27,645,500.00	7	0.50%
JC Penny Properties Inc.					27,401,300.00	8	0.50%
Total	$ 1,790,501,200		18.90%	$	784,244,600		12.67%

(1) Both of these properties were owned by Irgens Development Partners and have been consolidated in 2022

City of Wauwatosa

Table 8

Property Tax Levies and Collections

Last Ten Fiscal Years

Tax Levy Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy: Amount	Collected Within the Fiscal Year of the Levy: Percentage of Levy	Collections In Subsequent Years	Total Collection as 5/31 of subsequent year: Amount	Total Collection as 5/31 of subsequent year: Percentage of Levy (1)
2025	$ 53,149,153	23,979,303	45.12%	29,097,351	53,076,654	99.86%
2024	52,081,627	24,637,734	47.31%	27,357,003	51,994,737	99.83%
2023	51,475,377	21,449,790	41.67%	29,878,774	51,328,564	99.71%
2022	49,978,616	20,682,785	41.38%	29,153,687	49,836,472	99.72%
2021	48,693,938	18,674,125	38.35%	29,908,768	48,582,893	99.77%
2020	45,461,749	18,996,898	41.79%	26,379,748	45,376,645	99.81%
2019	44,137,620	19,323,332	43.78%	24,657,473	43,980,805	99.64%
2018	42,852,058	19,588,350	45.71%	23,092,436	42,680,786	99.60%
2017	41,946,785	19,599,502	46.72%	22,198,010	41,797,512	99.64%
2016	41,106,546	17,392,872	42.31%	23,642,734	41,035,607	99.83%

Notes (1) In addition to property taxes for the municipality, the City collects and remits taxes for the state and county governments, as well as for the local school and technical college districts. Taxes are levied in December of each year based upon the assessed value as of January 1st of that year. These funds are budgeted as part of the subsequent year's budget. Real estate taxes can be paid in three installments due January 31st, March 31st, and May 31st. Personal property taxes are due by January 31st. Tax settlements to the other taxing authorities are made following each settlement date. All unpaid real estate taxes as of July 31st are turned over to the County Treasurer for collection. All personal property taxes are retained for collection by the City. The final settlement for real estate taxes is made by the county to each of the other taxing authorities for the balance of their tax levies; therefore, the only uncollected balance included above is for personal property.

City of Wauwatosa

Table 9

Ratios of Net General Bonded Debt Outstanding

For the fiscal years ended December 31, 2016 through 2025

Fiscal Year		Net General Bonded Debt (1)	Ratio of Net General Bonded Debt to Equalized Value		Net General Bonded Debt Per Capita
2025		144,405,108	1.43%	$	2,912.04
2024	$	134,839,492	1.31%	$	2,731.59
2023		133,513,038	1.39%	$	2,733.91
2022		133,720,011	1.48%	$	2,749.29
2021		122,316,547	1.62%	$	2,516.59
2020		124,622,857	1.82%	$	2,570.71
2019		124,253,128	1.90%	$	2,571.78
2018		120,607,994	1.90%	$	2,524.18
2017		112,378,665	1.83%	$	2,371.41
2016		110,142,392	1.93%	$	2,335.50

Notes (1) Includes General Obligation Debt, net of Net Position Restricted for Debt Service

City of Wauwatosa

Table 10

Ratios of Outstanding Debt by Type

For the fiscal years ended December 31, 2016 through 2025

	Governmental Activities										Business-Type Activities		
Fiscal Year	General Obligation Debt (3)	Bond Premium	Redevelopment Lease Revenue Bond Debt	Municipal Revenue Obligations	Capital Leases	Software Based Subscription Liability	Water Debt	Sanitary Sewer Debt	Storm Water Maintenance Debt	Bond Premium	Total Primary Government	Percentage of Personal Income (1)	Per Capita
2025	87,880,000	3,052,700	-	25,368,104	-	977,134	28,150,000	10,320,000	28,615,000	2,529,091	186,892,029	N/A	$ 3,768.82
2024	$ 85,805,000	2,380,303	-	27,981,680	-	172,269	28,215,000	11,245,000	20,110,000	2,060,947	177,970,199	3.29% (2)	$ 3,605.34
2023	90,200,000	2,411,586	-	28,584,491	-	214,653	26,960,000	11,825,000	15,160,000	1,534,665	176,890,395	3.46%	$ 3,622.13
2022	90,465,000	2,276,254	-	31,498,391	-		23,950,000	14,400,000	15,630,000	977,270	179,196,915	3.73%	$ 3,684.30
2021	76,460,000	2,338,903	-	32,566,000	-		24,740,000	16,870,000	15,725,000	1,143,530	169,843,433	3.66%	$ 3,494.43
2020	75,886,534	2,176,082	-	33,448,990	27,016		24,471,019	19,024,152	18,527,900	1,378,934	174,940,627	4.13%	3,608.66
2019	77,460,345	2,103,122	-	35,512,633	40,524		22,083,738	19,818,322	18,967,149	1,300,441	177,286,274	4.21%	3,669.46
2018	78,835,684	2,078,786	-	37,759,860			21,450,752	21,907,318	20,951,231	845,632	183,829,263	4.50%	3,847.33
2017	70,478,195	1,910,861	-	25,324,035			18,705,980	22,346,194	20,239,616	796,315	159,801,196	4.12%	3,372.12
2016	66,432,581	1,754,675	-	18,996,421			16,630,502	21,260,828	21,786,074	709,090	147,570,171	3.86%	3,129.14

Notes **(1)** Calculated from per capita income times the estimated population for each relative date

(2) Estimated per capita income not yet available from Wisconsin Department of Revenue

(3) Includes State Trust Fund debt where applicable

City of Wauwatosa

Table 11

Legal Debt Margin Information

For the fiscal years ended December 31, 2016 through 2025

Legalized Debt Margin Calculation for Fiscal Year 2025

Equalized valuation	10,122,294,400
Legal debt limit (5% of equalized valuation)	506,114,720
Less: Long-term debt	147,650,000
Legal debt margin	358,464,720

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt limit	$ 506,114,720	514,238,735	480,917,545	450,328,870	377,299,095	343,191,930	327,159,630	317,106,435	307,769,640	284,963,615
Total net debt applicable to limit	147,650,000	137,580,000	118,635,000	134,370,000	124,675,000	124,330,000	123,624,554	121,874,985	113,269,985	109,709,985
Legal Debt Margin	358,464,720	376,658,735	362,282,545	315,958,870	252,624,095	218,861,930	203,535,076	195,231,450	194,499,655	175,253,630
Total net debt applicable to limit as a percentage of debt limit	29.17%	26.75%	24.67%	29.84%	33.04%	36.23%	37.79%	38.43%	36.80%	38.50%

City of Wauwatosa

Table 12

Direct and Overlapping Governmental Activities Debt

As of December 31, 2025

Governmental Unit		Governmental Debt Outstanding		Percentage Applicable to City		Amount Applicable to City
City of Wauwatosa	$	116,300,804	1	100.00%	$	116,300,804
Milwaukee County		327,850,000		10.10%		33,112,850
Wauwatosa School District		97,020,000		100.00%		97,020,000
Milwaukee Metro Sewerage District		877,487,564		10.29%		90,293,470
Milwaukee Area Technical College District		99,225,000		8.15%		8,086,838
Total Overlapping		1,401,582,564				228,513,158
Total Direct and Overlapping Debt	$	1,517,883,368			$	344,813,962

Overlapping debt is allocated based on the City of Wauwatosa's equalized property value, excluding Tax Incremental Districts, as a percentage of the total County's equalized property value.

1) Includes all governmental debt including General Obligation, Bond Premium and Municipal Revenue Obligations

City of Wauwatosa

Table 13

Revenue Bond Coverage - Water Utility

For the fiscal years ended December 31, 2016 through 2025

Fiscal Year		Operating Revenues	Operating Expenses	Net Income Available for Debt Service	Debt Service Requirements: Principal	Debt Service Requirements: Interest		Debt Service Requirements: Total	Coverage
2025		12,640,487	8,749,648	3,890,839	480,000	243,259		723,259	5.3796
2024	$	11,981,073	8,431,368	3,549,705	675,000	261,109		936,109	3.7920
2023		11,362,790	9,243,099	2,119,691	670,000	282,759		952,759	2.2248
2022		9,589,658	7,565,996	2,023,662	670,000	282,759		952,759	2.1240
2021		9,525,114	7,237,019	2,288,095	875,000	436,496		1,311,496	1.7446
2020		9,477,865	6,604,311	2,873,554	1,125,000	564,715		1,689,715	1.7006
2019		8,947,256	5,611,003	3,336,253	1,190,000	645,865		1,835,865	1.8173
2018		9,273,165	5,815,250	3,457,915	850,000	561,581		1,411,581	2.4497
2017		9,191,038	5,448,043	3,742,995	900,000	528,678	*	1,428,678	2.6199
2016		7,923,520	5,531,971	2,391,549	650,000	431,675	*	1,081,675	2.2110

* Corrected from a prior version

City of Wauwatosa

Table 14

Demographic and Economic Statistics

For the fiscal years ended December 31, 2016 through 2025

			Per Return Personal Income (1)			Unemployment Rates		
Fiscal Year	Population	Total Personal Income (in millions)	City of Wauwatosa	Milwaukee County	State of Wisconsin	City of Wauwatosa	Milwaukee County	State of Wisconsin
2025	49,589	N/A	N/A	N/A	N/A	2.9%	4.0%	3.2%
2024	49,363	5,413	109,649	68,473	76,638	2.7%	3.8%	3.0%
2023	48,836	5,108	104,600	65,614	73,001	2.5%	3.5%	2.8%
2022	48,638	4,807	98,829	63,901	70,548	2.5%	3.5%	2.8%
2021	48,604	4,642	95,512	57,444	66,369	3.3%	5.3%	3.8%
2020	48,478	4,236	87,379	52,751	61,518	6.2%	8.3%	6.4%
2019	48,314	4,210	87,132	54,920	61,003	2.7%	3.8%	3.2%
2018	47,781	4,081	85,410	53,380	59,423	2.8%	3.6%	3.0%
2017	47,389	3,877	81,811	50,516	56,698	2.9%	4.0%	3.3%
2016	47,160	3,824	81,077	49,692	55,267	3.4%	4.8%	3.9%

Note (1) Per Return Personal Income Data from Wisconsin Department of Revenue, Wisconsin Municipal Income Per Return Report.

City of Wauwatosa

Table 15

Principal Employers

Current Year and Nine Years Ago

Employer	2025 Number of Employees	2025 Rank	2025 Percentage of Total City Employment	2016 Number of Employees	2016 Rank	2016 Percentage (1) of Total City Employment
Milwaukee Regional Medical Center	19,000	1	NA	15,000	1	NA
Wauwatosa Unified School District	954	2		830	3	
Briggs & Stratton Corp.	800	3		1,500	2	
Harley Davidson Inc.	650	4		650	5	
St. Camillus Health System	555	5		363	9	
Bell Marquette I LLC, (formerly, GE Medical Systems, Inc.)				671	4	
City of Wauwatosa	473	6		439	7	
Lutheran Home of the Aging, Inc.	350	7		515	6	
Bostik	270	8		270	10	
Dematic Corporation						
J.C. Penny Company						
UnitedHealth Care				365	8	
Zywave	204	9				
Grede, Inc.	200	10				
Total	**23,456**		**0.00%**	**20,603**		**0.00%**

(1) Total Employment is not available at the City level from the United States Census Bureau.

City of Wauwatosa

Table 16

City Government Employees by Function/Program (1)

For the fiscal years ended December 31, 2016 through 2025

(full time equivalents)

	Fiscal Year									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
General Government										
Courts/City Clerk/Elections	6.71	6.39	6.39	6.89	6.89	7.89	7.89	8.16	8.34	8.18
Mayor/Administration	15.03	15.29	15.29	13.66	13.66	8.16	8.16	7.16	7.51	6.50
Human Resources						4.00	4.00	4.50	4.50	4.50
Information Systems	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00	6.00	6.00
Finance	10.05	9.82	9.82	10.07	9.57	9.56	9.56	9.38	9.88	9.88
Assessor	5.60	5.60	5.60	5.60	6.00	6.00	6.00	6.00	6.00	5.80
Attorney						2.50	2.50	2.60	3.00	3.00
Tourism	1.55	1.00	1.00	1.00	1.00	1.00				
Public Safety										
Police Department	132.82	141.32	138.08	135.02	128.33	128.52	120.68	120.68	119.54	119.04
Fire Department	105.58	105.58	103.58	102.56	102.56	102.57	103.57	103.57	103.70	103.00
Public Works										
Operations	63.98	63.48	61.48	61.48	62.23	59.79	59.79	46.22	38.41	38.41
Traffic Electrical Maint.	6.29	6.29	6.29	6.29	6.28	6.28	6.28	6.28	6.28	6.28
Parks/Forestry								13.55	23.66	21.22
Fleet Maintenance	10.00	10.00	10.00	10.00	10.00	10.00	10.00	9.50	9.00	9.00
Municipal Complex	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00
Engineering	24.74	24.24	24.33	22.74				19.92	20.92	19.92
Development	14.00	15.00	15.00	13.00	35.74	35.74	32.92	13.00	13.50	13.50
Health	19.50	18.40	18.30	14.30	12.80	12.80	12.80	12.80	12.86	13.36
Library	26.98	26.73	26.83	27.00	26.58	26.58	26.58	26.69	26.55	26.55
Water	19.38	19.38	19.38	19.38	19.38	19.38	18.88	21.38	21.38	21.38
TOTAL	473.21	479.52	472.37	459.99	452.02	451.77	439.61	441.39	444.03	438.52

Notes

Elected Officials other than Mayor are not included.

Public Works Operations and Parks/Forestry consolidated in 2019

Human Resources and Attorney consolidated with Admin/Mayor in 2021

City of Wauwatosa

Table 17

Operating Indicators by Function/Program

For the fiscal years ended December 31, 2016 through 2025

					Fiscal Year					
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Public Safety:										
Police:										
Calls for service	36,729	39,476	34,944	30,065	27,114	23,118	32,224	32,515	34,123	37,715
Arrests	885	925	908	899	722	1,447	2,059	1,722	1,908	2,307
Index Crimes	1,952	2,190	2,176	2,164	2,270	1,845	2,167	2,113	1,849	1,990
Fire:										
EMS responses	6,014	6,252	6,130	5,614	4,849	3,849	4,226	4,202	4,618	4,290
Fire inspections	2,597	3,412	3,801	3,616	3,229	3,220	3,160	3,770	2,637	2,972
Public Works:										
Solid waste (tons)	23,782	22,338	22,260	23,220	22,514	23,925	26,343	23,921	23,790	30,626
Recycling - single stream (tons)	3,673	3,713	3,848	3,998	4,379	4,816	4,619	5,327	4,125	5,184
Sewers cleaned (feet)	156,984	285,496	171,211	315,987	165,149	253,755	169,368	119,736	320,490	332,001
Asphalt patched (tons)	1,430	1,199	881	1,004	798	708	809	456	958	698
Crack filler used (gallons)	N/A	0	9,735	6,200	6,896	5,331	11,650	3,782	9,912	N/A
Trees Pruned	1,863	1,462	2,548	2,671	2,832	2,958	2,628	2,534	2,329	2,638
Library										
Circulation (1)	908,612	871,541	830,512	806,773	781,413	635,865	859,963	827,941	813,304	813,169
User Visits (2)	337,554	338,734	308,327	281,218	217,195	157,641	369,789	340,910	344,744	381,932
Water Utility										
Number of customers	15,530	15,538	15,543	15,527	15,530	15,513	15,512	15,507	15,507	15,507
Gallons sold (thousands)	1,464,837	1,472,941	1,507,729	1,426,007	1,296,631	1,270,592	1,283,578	1,338,182	1,317,475	1,372,928
Hydrants flushed	1,176	1,136	1,157	1,214	1,572	1,610	1,548	1,557	1,678	1,545
Health:										
Births	N/A	N/A	N/A	N/A	N / A	557	576	614	651	608
Health Referrals	444	517	815	7,716	5,454	6,205	1,361	1,258	1,147	1,089
Engineering:										
Paving (feet)	3,885	2,665	5,280	4,300	10,222	14,710	10,300	12,878	20,777	6,272
Storm Sewers (feet)	4,922	5,146	10,021	3,001	3,041	10,834	5,062	9,929	8,618	6,116
Sanitary Sewers (feet)	4,790	1,966	2,534	4,172	8,790	29,981	29,531	24,675	29,334	28,619
Water Main (feet)	4,250	7,725	13,692	8,706	1,579	9,098	2,463	4,478	7,515	3,030

(1) Starting in 2015 Library started providing electronic checkouts

(2) In 2015 library gate was out of service for 8 weeks, so actual number is higher, this number was reported to the state

City of Wauwatosa

Table 18

Capital Asset Statistics by Function/Program

For the fiscal years ended December 31, 2016 through 2025

	Fiscal Year									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Public Safety										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire apparatus	5	5	5	5	5	5	7	7	6	6
Ambulances	2	2	3	3	3	3	4	4	4	4
Public Works										
Streets (miles) [1]	159.17	159.17	159.17	159.34		159.48	159.46	159.46	159.46	159.39
Street signs [2]	14,152	14,152	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800
Street lights	6,060	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
Traffic signals (intersections) [3]		-	41	41	41	41	41	41	41	41
Traffic signals [3]	458	458								
Parks and Recreation										
Number of parks	7	6	6	6	6	6	6	6	5	5
Acreage of parks	72.29	59.85	59.85	59.85	59.85	59.85	59.85	59.85	59.68	59.68
Water Utility										
Miles of water main	208.24	208.50	206.85	207.45	203.86	203.84	203.75	204.04	203.85	203.53
Number of hydrants	2225	2225	2225	2228	2336	2236	2236	2236	2235	2197
Storage capacity (millions of gallons)	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.2	10.2	10.2

Notes:

Notes: (1) Miles do not include: US 45, US 18, Sth 100, Sth 181, Sth 190, or County Parkways and Roadways in Medical Comp

(2) Field inventory completed in 2024 utilizing GIS

(3) Easier and more accurate to report number of traffic signals instead of signalized intersections