



FINANCE COMMITTEE MEETING AGENDA

MONDAY, DECEMBER 08, 2025 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Virtual Meeting Info: <https://us06web.zoom.us/join> Meeting ID: 965 279 3780 Passcode: 53094 One tap mobile
+16469313860 <https://us06web.zoom.us/j/9652793780?pwd=0glWdtrdiJJHznZXyVgAb9U8pNOstl.1>

1. CALL TO ORDER

2. REVIEW AND APPROVE MINUTES

A. Finance Committee minutes from November 24, 2025

3. OPENING FOR PUBLIC COMMENT

Each individual who would like to address the Committee will be permitted up to three minutes for their comments on agenda items only

4. BUSINESS

- A. Review and take action: Three-year contract for refuse disposal with Glacier Ridge Landfill, LLC
- B. Review and take action: EMS Billing Write-offs
- C. Review and take action: 2026 Payroll Resolution
- D. Review and take action: TID #4 Assignment of Refund
- E. Convene into closed session per §19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved (Claim of M. Powers)
- F. Reconvene into open session
- G. Review and take action: Claim for damages of M. Powers
- H. Convene into closed session per §19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved (Claim of M. Reed)
- I. Reconvene into open session
- J. Review and take action: Claim for damages of M. Reed
- K. Convene into closed session per §19.85(1)(e) to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session (Hart Street Drainage improvements)
- L. Reconvene into open session

5. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at cityclerk@watertownwi.gov phone 920-262-4000

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only



FINANCE COMMITTEE MEETING MINUTES

MONDAY, NOVEMBER 24, 2025 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Finance Committee members present: Mayor Stocks, Alderpersons Berg, Davis, Lampe (video), and Smith

Others present: Finance Director Stevens, Police Chief Brower (video), Maureen McBroom

1. Mayor Stocks **called the meeting to order** at 5:32 pm.
2. Ald. Berg, seconded by Ald. Smith to approve the **Finance Committee minutes from November 10, 2025 and from November 18, 2025**; unanimously approved.
3. OPENING FOR PUBLIC COMMENT - None
4. BUSINESS
 - A. A resolution for **Wisconsin Emergency Management Pre-Disaster Flood Resilience Grant application for culvert inventory, modeling and floodplain analysis relating to the westside creek system** was presented for review. Staff recommend applying for the grant to study the overall inter-connectedness of the flooding areas and the receiving creeks. Ald. Davis motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - B. Chief Brower presented the **Union 2025 Leave Time Extension** request noting the carryover of time (up to 45 holiday hours and 90 vacations hours) to be extended until December 31, 2026. Ald. Davis motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - C. Mayor Stocks gave an update that **future meeting locations** will vary to allow facility tours prior to the start meetings.
 - D. Mayor Stocks discussed **distribution of a citizen input survey**. Discussion included adding a citizen survey to the City Connection.
 - E. A **contract with Passenger Transit Inc. for Shared-Ride Taxi Services January 1, 2026 - December 31, 2027** was presented for review. Ald. Smith motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - F. A **lease with Passenger Transit Inc. for Shared-Ride Taxi Service Vehicles January 1, 2026 - December 31, 2027** was presented for review. Ald. Smith motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - G. A resolution to apply for **operating grant from Department of Transportation for 2026 Shared-Ride Taxi Service** was presented for review. Ald. Smith motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - H. A resolution to apply for a **capital grant from Department of Transportation for 2026 fleet purchases for Shared-Ride Taxi Service** was presented for review. Ald. Smith motioned to approve, seconded by Ald. Berg. Unanimously approved.
 - I. **Watertown Transit fare increases** to include a \$3.00 increase to Agency Fares and a \$1.00 increase to Adult Fares was presented. Ald. Smith motioned to approve, seconded by Ald. Lampe. Unanimously approved.
 - J. Discussion took place on the **Fund 01 Income Statement through October 31, 2025**.
 - K. Ald. Davis, supported by Ald. Berg, motioned to **convene into closed session** per § 19.85(1)(e) when deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons

require a closed session (**2026 PD Union Contract**). Motion unanimously approved through roll call vote.

* Ald. Lampe left the meeting.

L. The meeting reconvened into open session.

5. Finance Committee adjournment. Ald. Berg moved, seconded by Ald. Davis, to adjourn the Finance Committee at 6:43 p.m., and was carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

md/MS

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.

MEMO

DPW – Street/Solid Waste Division

To: Mayor Stocks and Finance Committee Members

From: Stacy Winkelman

Date: December 3, 2025

Subject: December 8 Agenda Item

Background

Our current landfill disposal contract with Waste Management expires December 31, 2025. We received two proposals for landfill services: one from Waste Management (Deer Track Park in Johnson Creek) and one from Glacier Ridge (GFL in Horicon). As you can see from the attached tab sheet, Glacier Ridge was substantially lower on their per ton prices. While it is a longer haul to Horicon which could impact trucks, fuel, and time, at approximately 5,500 tons hauled per year the savings add up to about \$71,500.00 for residential garbage. There will also be savings for storm water in the hauling of sweepings. The contract from Glacier Ridge Landfill, LLC has been reviewed and approved by the City Attorney.

Budget Goal

Solid Waste Utility- Landfill #17-58-17-42

Financial Impact

When the 2026 Solid Waste Utility budget was submitted, I used the higher price of \$47.00 per ton because we were still going over the proposals and contracts for this service. Therefore, this account should have significant savings.

Recommendation

It is our recommendation to enter into a three-year contract with Glacier Ridge Landfill, LLC of Horicon, Wisconsin for the disposal of residential garbage, sweepings, and contaminated soils. A resolution will be presented for Council approval at the December 16th meeting.

CITY OF WATERTOWN STREET DEPARTMENT

Section 4, Item A.

LANDFILL DISPOSAL

Open date: Friday, July 18, 2025

TAB SHEET

VENDOR	DISPOSAL ITEM	QUOTE * Includes Tax/Fees
GFL Environmental Glacier Ridge Horicon, WI	Residential Garbage – Municipal Solid Waste (MSW)	\$34.00/ton
	Construction & Demolition Waste (C & D)	\$34.00/ton
	Street Sweeping – Approved for Daily Cover	\$9.00/ton
	Petroleum Contaminated Soils Approved for Bioremediation	\$20.00
	Contaminated Soils – Approved for Daily Cover	\$15.00/ton
	Contaminated Soils or Street Sweepings – Approved for Direct Landfill	\$34.00/ton
Waste Management Deer Track Park Landfill Johnson Creek, WI	Municipal Solid Waste (MSW and Construction & Demolition Waste (C & D)	\$47.00/ton
	Street Sweepings – Approved for Daily Cover	\$30.00/ton
	Bioremediation of Petroleum Contaminated Soil	\$33.00/ton
	Contaminated Soil – Approved for use as Daily Cover	\$30.00/ton
	Contaminated Soil or Street Sweepings Approved for Direct Landfill Disposal	\$47.00/ton



DISPOSAL AGREEMENT

This Disposal Agreement ("Agreement") is entered into this 1st day of January, 2026 Through December 31st 2028 (the "Effective Date") by and between The City of Watertown, located at 811 S First Street Watertown, WI 53094 ("Customer") and Glacier Ridge Landfill, LLC, located at N7296 County Road V, Horicon, WI 53032 ("Operator"). For valuable consideration the receipt and sufficiency of which is hereby acknowledged Operator and Customer agree as follows:

TERM. THE TERM OF THIS AGREEMENT COMMENCES ON THE EFFECTIVE DATE AND SHALL CONTINUE ☐ UNTIL FINAL COMPLETION OF THE PROJECT DESCRIBED ON EXHIBIT A; OR ☒ FOR A PERIOD OF 3 YEARS
RATES, FEES AND OTHER CHARGES ARE SUBJECT TO INCREASE DURING THE TERM PURSUANT TO THE TERMS OF THIS AGREEMENT.

Operator may terminate this Agreement: (i) immediately upon Customer's breach; (ii) if Customer becomes insolvent, bankrupt, in receivership, reorganization, dissolution, or makes an assignment for the benefit of creditors; or (iii) upon 30 days notice. **DISPOSAL.** Customer grants Operator the exclusive right to dispose of all Approved Waste (as defined below) generated, collected, or hauled by Customer. Customer shall deliver Approved Waste to the Disposal Site(s) identified on Exhibit A during Operator's hours and days of operation. Operator may suspend acceptance of Approved Waste or restrict access at Operator's sole discretion. With prior written notice to customer.

APPROVED WASTE. Customer represents and warrants that all materials tendered by or on behalf of Customer are nonhazardous solid waste or Special Waste (together "Approved Waste"). Special Waste is non-hazardous waste material consistent with an Operator approved Waste Profile (defined below), which may include treated or de-characterized wastes; petroleum or petroleum products; industrial process wastes; asbestos containing material; chemical containing equipment; demolition debris; incinerator ash; medical waste; off-spec chemicals; sludge; spill cleanup waste; or underground storage tank soil. Approved Waste does not include, and Customer shall not tender: (i) any hazardous, biohazardous, infectious, radioactive (including naturally occurring radioactive materials (NORM) or technologically enhanced naturally occurring radioactive material (TENORM) if not acceptable for disposal at the Disposal Site), flammable, explosive, biomedical, or toxic waste as defined by applicable laws or regulations, including, without limitation, any hazardous waste regulated under the Resource Conservation & Recovery Act, 42 U.S.C. §§6901 *et seq.*, and associated regulations, 40 C.F.R. Part 261; and the Toxic Substance Control Act, 15 U.S.C. §§2601 *et seq.*, and associated regulations, 40 C.F.R. Part 761; (ii) other materials that are inappropriate for disposal at the Disposal Site; or (iii) material that requires special handling, storage, management, transfer or disposal or because of its size, durability or composition cannot be disposed of at the Disposal Site or may adversely affect the Disposal Site (collectively "Excluded Waste"). Customer is responsible for any labeling, placarding, marking, manifest or other documentation required by applicable laws. Customer shall provide a representative sample and detailed written physical and chemical description of any Special Waste, including unique characteristics and safety precautions associated therewith ("Waste Profile"). Customer shall update the Waste Profile to reflect any changes and warrants that all Special Waste shall conform to the Waste Profile and no Excluded Waste shall be delivered by or on behalf of Customer. Customer represents and warrants that it has inspected all waste to ensure it constitutes Approved Waste. Operator may, but is not required to, inspect any load, provided the failure of Operator to inspect shall in no way relieve Customer of its obligations to deliver only Approved Waste. Operator may refuse any load it suspects contains Excluded Waste and may at any time require Customer to remove Excluded Waste and any materials contaminated therewith at Customer's sole expense. If such materials are not removed immediately Operator may arrange for lawful disposal at Customer's sole expense. Customer shall be responsible for all costs of any type in connection with its (a) failure to properly characterize waste; (b) tender of Excluded Waste, including, but not limited to costs of loading, preparing, transporting, storing, caring for, removing, decontaminating, remediating, testing, disposing or returning Excluded Waste and other material contaminated therewith; or (c) breach of this Agreement.

TITLE. Title to Approved Waste, including any value received in connection therewith, shall transfer to Operator at the time it is fully unloaded at the Disposal Site and Customer or its agent's vehicle has departed. Until title has transferred to Operator all risks and responsibilities shall remain with Customer. **At all times, title to and liability for Excluded Waste shall remain with Customer, including occasions in which waste is tendered as Approved Waste but is later found to be Excluded Waste.**

COMPLIANCE WITH LAW & OPERATING RULES. In its performance of this Agreement, Customer shall comply with all applicable laws and Operator rules and procedures. Customer shall adhere to all safety precautions to prevent accident or injury. Operator may provide assistance with any immobile vehicle or unloading of waste, without liability to Customer for damage or injury, except to the extent caused by Operator's gross negligence. Operator may charge a fee for such service. Customer's drivers shall sign load tickets for all loads delivered. The volume or weight of Approved Waste as determined at the Disposal Site shall be conclusive.

CHARGES & PAYMENT. Initial rates charged to Customer are set forth on Exhibit A. Customer agrees to pay all invoice charges within 10 days of the invoice date. If payment is not made when due Operator may charge a late fee in any amount up to the maximum allowed by law. Operator may suspend service if payment is late or for any other breach by Customer without prejudice to Operator's other rights and such suspension shall not constitute termination of this Agreement unless Operator elects. Customer shall pay fees related to suspension, reinstatement, non-sufficient funds, environmental, fuel, energy, administrative and other fees included on Customer's invoice whether implemented on or after the Effective Date. Operator may, in its sole discretion, increase rates and fees for any: (i) change in law, regulation, permit or approval, including any fees, taxes, franchise fees, tolls, host charges or similar charges related to Operator's business or whether affecting the construction, operation or maintenance of the Disposal Site; (ii) increase in disposal or transportation costs; (iii) increase in Consumer Price Index or successor index; (iv) change in composition or handling of Approved Waste; or (v) change in Operator's fee or rate programs. Operator may increase or impose

additional rates and fees for reasons other than those set forth above upon prior written notice (which may be given in an invoice by Customer which may be evidenced in writing. Customer acknowledges and agrees that any rate or fee assessed or increased is not represented to be an offset or pass through of Operator's costs and may actually reflect an amount for gross profit or margin. Operator may assess a surcharge for non-hazardous contaminated soil that cannot be used for alternative daily cover. Operator may require Customer to pay a deposit or post payment security in an amount and type satisfactory to Operator to guarantee Customer's performance.

INSURANCE. Customer and any agent delivering Acceptable Waste on behalf of Customer shall procure and maintain during the Term of this Agreement, the following minimum insurance coverage: (i) Comprehensive general liability, including broad form liability of \$1,000,000 per occurrence and \$2,000,000 general aggregate; (ii) Vehicle liability, including coverage for owned, now-owned and hired vehicles, with a combined single limit of no less than \$1,000,000 and containing broad form pollution endorsement; (iii) Workers Compensation in the amount of state and federal statutory requirements; (iv) Employers liability of \$1,000,000; and (v) Pollution liability of \$2,000,000 including non-owned disposal site (NODS) coverage. Prior to the Effective Date, Customer shall provide Operator with certificates of insurance evidencing the same. Nothing herein shall waive, restrict or limit the liability of Customer whether or not the same are covered by insurance.

DISPUTES, JURY TRIAL & CLASS ACTION WAIVER. Proceedings shall be conducted in and governed by the laws of the state in which the Disposal Site is located. Customer shall notify Operator in writing of any alleged breach by Operator and allow Operator at least ten days to cure the same. Operator shall be entitled to recover legal fees and costs leading up to and incurred in any proceeding brought by Operator in addition to any other relief which it may be entitled. This paragraph and Customer's representations, warranties and indemnification shall survive termination.

CHANGE OF TERMS. Except as otherwise agreed herein or as may be prohibited by applicable law, Customer agrees that Operator may change the preprinted terms and conditions of this Agreement in the future.

LIMITATION OF MUNICIPAL LIABILITY. Nothing contained within this Agreement is intended to be a waiver or estoppel of City or its insurer to rely upon the limitations, defenses, and immunities contained within Sections 345.05 and 893.80, Wis. Stats. To the extent that indemnification is available and enforceable, City or its insurer shall not be liable in indemnity, contribution, or otherwise for an amount greater than the limits of liability of municipal claims established under Wisconsin law.

MISCELLANEOUS. Customer shall not disclose any information regarding this Agreement or Operator's business, including, but not limited to pricing or customers. Subject to compliance with Wisconsin's public records laws, which customer is obligated to comply with. Customer will provide notice to Operator if it receives public records requests to Operator's information. Failure of Operator to exercise its rights shall not be construed as a waiver nor shall any prior waiver be construed as a future waiver. Operator shall be excused from performing if precluded or adversely affected by conditions beyond its reasonable control and may increase rates to the extent necessary to offset any increased costs associated with any force majeure event. If a conflict exists in this Agreement between terms which are preprinted and those which are handwritten, the handwritten language shall govern. As to conflicts between this Agreement and any other agreement between the parties, the terms of this Agreement shall control. This Agreement is binding on the parties and their successors and assigns provided that Customer may not assign or subcontract any rights or obligations without the prior written consent of Operator. An assignment by operation of law, merger or purchase of any portion of Customer's business shall be considered an assignment requiring consent of Operator. This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and supersedes all prior negotiations. The invalidity of any provision of this Agreement shall not invalidate the remaining provisions. This Agreement may be executed in counterparts and by electronic transmission.

Operator:
Glacier Ridge Landfill, LLC

Customer:
 _____, LLC/INC.

 Name & Title

 Name & Title

EXHIBIT A

Customer shall deliver to the Disposal Site, the following types and quantities of materials:

Waste Type	Disposal Site	Disposal Rate	Volume Price Reduction	Volume Price Increase	Volume	Put or Pay
Municipal Solid Waste (MSW)	Glacier Ridge Landfill, LLC	\$34.00/Ton				
Construction & Demolition Waste (C&D)	Glacier Ridge Landfill, LLC	\$34.00/Ton				
Additional Comments:						
Above price includes current taxes and fees. Price locked for 1 year, 3% increase years 2-3.						

Waste Type	Disposal Site	Generator	Generating Site	Volume	Disposal Rate
Street Sweeping – Approved for Daily Cover	Glacier Ridge Landfill, LLC				\$9.00/Ton
Petroleum Contaminated Soils Approved for Bioremediation	Glacier Ridge Landfill, LLC				\$20.00
Contaminated Soils – Approved for Daily Cover	Glacier Ridge Landfill, LLC				\$15.00/Ton
Contaminated Soils or Street Sweepings – Approved for Direct Landfill	Glacier Ridge Landfill, LLC				\$34.00/Ton
Additional Comments:					
Above price includes current taxes and fees. An approval fee of \$150.00 will apply. Acceptance of waste is subject to review of a completed profile and analytical data and approval by GFL Environmental. Price locked for 1 year, 3% increase years 2-3.					

MEMO

Fire Department

To: Finance Committee

From: Andrea Peters

Date: 12/08/2025

Subject: Request for Approval to Write Off Uncollectible EMS Billing Accounts

Background

Attached to this memo is a list of EMS billing accounts that I am requesting approval to write off. All accounts listed have been through the full collections process, and despite all reasonable efforts, they remain uncollectible.

Each account on the list includes the reason it is no longer considered collectible—whether due to bankruptcy, deceased patients with no estate, returned mail with no forwarding address, or accounts deemed uncollectible by the State of Wisconsin Department of Revenue.

Writing off uncollectible debts is a standard business practice and is also required by auditors to ensure our financial records remain accurate and compliant with accounting standards. Approval of this write-off request will help us maintain proper financial reporting and recordkeeping.

Please let me know if you have any questions or need further information regarding any of the accounts listed.

Thank you for your consideration.

Request for Write-Off 12.08.25

Section 4, Item B.

Call Number	DOS	Balance	Write Off Reason
1500509	3/13/2015	\$767.55	Deceased - No Estate
1501964	10/18/2015	\$653.20	Deceased - No Estate
1602114	11/18/2016	\$634.03	Deceased - No Estate
1600802	5/5/2016	\$650.20	Deceased - No Estate
1701010	5/23/2017	\$611.80	Deceased - No Estate
1701981	9/29/2017	\$655.57	Deceased - No Estate
1800189	1/23/2018	\$810.52	Deceased - No Estate
1800404	2/23/2018	\$1,067.32	Deceased - No Estate
1802092	10/16/2018	\$733.80	Deceased - No Estate
1802094	10/17/2018	\$855.19	Deceased - No Estate
013-20-0964	5/26/2020	\$81.81	Deceased - No Estate
013-22-0763	4/14/2022	\$250.00	Deceased - No Estate
013-22-1416	7/6/2022	\$1,120.40	Deceased - No Estate
013-22-1569	7/27/2022	\$957.76	Deceased - No Estate
013-22-2100	10/3/2022	\$730.60	Deceased - No Estate
013-22-2747	12/20/2022	\$1,007.57	Deceased - No Estate
013-22-2767	12/22/2022	\$92.22	Deceased - No Estate
013-23-0073	1/12/2023	\$250.00	Deceased - No Estate
013-23-0746	4/10/2023	\$746.00	Deceased - No Estate
013-23-2011	9/4/2023	\$101.35	Deceased - No Estate
013-23-2583	11/13/2023	\$1,572.60	Deceased - No Estate
013-23-2629	11/19/2023	\$612.99	Deceased - No Estate
013-23-2832	12/11/2023	\$1,339.60	Deceased - No Estate
013-24-0440	2/23/2024	\$275.00	Deceased - No Estate
013-24-0532	3/5/2024	\$1,108.80	Deceased - No Estate
013-24-0569	3/9/2024	\$88.17	Deceased - No Estate
1701969	9/28/2017	\$638.40	Unable to Locate - No SSN available
1801388.1	7/13/2018	\$825.70	Unable to Locate - No SSN available
1501204	6/27/2015	\$715.70	Department of Revenue Determined Uncollectible
1600556	3/30/2016	\$749.81	Department of Revenue Determined Uncollectible
1700510	3/10/2017	\$805.94	Department of Revenue Determined Uncollectible
1701109	6/9/2017	\$631.81	Department of Revenue Determined Uncollectible

Request for Write-Off 12.08.25

Section 4, Item B.

1701495	7/23/2017	\$926.08	Department of Revenue Determined Uncollectible
1701787	9/9/2017	\$790.88	Department of Revenue Determined Uncollectible
1801366	7/10/2018	\$783.37	Department of Revenue Determined Uncollectible
1802075	10/15/2018	\$605.60	Department of Revenue Determined Uncollectible
1802095	10/17/2018	\$763.00	Department of Revenue Determined Uncollectible
013-19-0354	2/14/2019	\$953.83	Department of Revenue Determined Uncollectible
Amount for Write Offs		\$26,964.17	

PAYROLL RESOLUTION
SPONSOR: MAYOR STOCKS
FROM: FINANCE COMMITTEE

A resolution adjusting the annual salary or hourly rates to be paid the following city officials, supervisory, and non-union personnel of the City of Watertown, Wisconsin.

The Common Council of the City of Watertown, Wisconsin, do ordain as follows:

SECTION 1: Effective January 1, 2026, all full-time and permanent part-time non-represented employees shall receive compensation based on the appropriate step and grade of the attached pay chart for dates effective January 1, 2026.

SECTION 2: The Mayor may modify the attached pay chart to include any new positions budgeted for and approved by the Common Council at a grade consistent with the budgeted amount or to change a job title, provided the grade does not changed.

SECTION 3: The following elected and appointed city officials and employees shall receive, effective January 1, 2026, an annual salary of the amounts placed after their respective title:

SECTION 4: The following part-time employees shall receive, effective January 1, 2026:

	<u>Jan. 1</u>
Police Auxiliary	\$15.76
Police Auxiliary Capt. – additional per hour	.50
Police Auxiliary Sgt. – additional per hour	.25
Crossing Guard	11.25
Election Inspector	10.00
Assistant Chief/Badger Book Inspector	12.00
Chief Inspector/Election Assistant	15.00
Interns	17.00-23.00
PT Sr. Center Office Aid	12.00

SECTION 5: Only full-time employees previously eligible for longevity as of December 31, 2011, are eligible for longevity, and shall receive, in addition to their salary, the following annual amounts:

After 8 years of continuous service	\$175.50
After 12 years of continuous service	\$351.00
After 16 years of continuous service	\$526.50

SECTION 6: The City will contribute toward health insurance the following amounts for those employees who elect to receive it: Full-time single: \$849.28; Full-time family: \$2,084.98; Permanent part-time employees as defined by WRS: 25 – 75% of the lowest cost plan offered for either single or family coverage.

SECTION 7: The City will contribute toward dental insurance the following amounts for those employees who elect to receive it: Full-time single: \$31.37, Full-time family: \$96.60.

SECTION 8: LIBRARY. Hourly rates and salaries paid to personnel employed by the Library shall be set by the Library Board.

SECTION 9: RECREATION DEPARTMENT. Hourly rates and contract amounts will be set by the Park, Recreation and Forestry Commission with the exception of seasonal maintenance employees, subject to council approval.

SECTION 10: STREET, SOLID WASTE, STORM WATER UTILITY, PARK, FORESTRY AND WATER/WASTEWATER SEASONAL EMPLOYEES. Each person employed as a part-time seasonal employee shall be paid in the range of \$15.00-\$19.00 per hour plus.

SECTION 11: All unionized City employees shall be compensated according to the appropriate union contracts.

SECTION 12: Non-union paramedics will receive the paramedic add-on pay as listed in the union contract.

SECTION 13: Unless specified differently in a section, this resolution shall take effect January 1, 2026.

CITY OF WATERTOWN 2025		
PAY GRADE	TITLE	DEPT
5	[intentionally blank]	
10		
	Production Assistant	MEDIA PRODUCTIONS
15	[intentionally blank]	
100		
	Customer Service Associate	REC ADMIN
	Custodian/Maintenance Assistant	LIBRARY
105		
	Recreation Program Assistant	REC ADMIN
	Library Assistant	LIBRARY
110		
	Library Specialist	LIBRARY
	Tech Services Specialist	LIBRARY
	Administrative Assistant I	MULTIPLE
115		
120		
	Facilities Maintenance Worker	MULTIPLE
	Parks Maintenance Worker	PARK
	Streets Maintenance Worker	STREET
	Utility Billing Specialist	WATER
	ADMINISTRATIVE ASSISTANT II	MULTIPLE
125		
	Human Resources Assistant	ADMINISTRATION
	Court Clerk	MUNICIPAL COURT
	Legal Assistant	CITY ATTORNEY
	Fiscal Specialist	FINANCE
	Office/Program Coordinator	HEALTH
	Administrative Assistant III	MULTIPLE
	Records Specialist	POLICE
	Investigations Specialist	POLICE
130		
	Parks Maintenance Technician	PARK
	911 Dispatcher	POLICE
	Community Service Officer	POLICE
	Streets Maintenance Technician	STREET
	Solid Waste Technician	SOLID WASTE
	Utility Billing Coordinator	WATER/WASTEWATER
	Utilities Technician I	WATER/WASTEWATER
	Systems Operator I	WATER/WASTEWATER

135		
	Code Enforcement Officer	BUILDING INSPECTION
	Paralegal	CITY ATTORNEY
	Fire Inspector I	FIRE
	Arborist	FORESTRY
	Public Health Technician/LPN	HEALTH
	Circulation Manager	LIBRARY
	Media Production Coordinator	MEDIA PRODUCTIONS
	Parks Maintenance Crew Leader	PARK
	Recreation Coordinator - Special Events	REC ADMIN
	Heavy Equipment Operator	STREET
	Mechanic I	STREET
	Systems Operator II	WATER/WASTEWATER
	Utilities Maintenance Technician and Relief Operator	
	Utilities Technician II	WATER/WASTEWATER
140		
	Deputy Treasurer/Clerk	FINANCE
	Bilingual Communication Specialist	HEALTH
	Children's Librarian	LIBRARY
	Adult Services Librarian	LIBRARY
	Senior Center Enrichment & Office Manager	REC ADMIN
	Recreation Manager - League (Adult & Youth)	REC ADMIN
	Recreation Manager - Aquatics	REC ADMIN
	Mechanic II	STREET
	PW Foreman	STREET
	Utilities Foreman I	
	Utilities Technician - Crew Leader	WATER/WASTEWATER
	Systems Operator III	WATER/WASTEWATER
145		
	Building Inspector I	BUILDING INSPECTION
	Fire Inspector II	FIRE
	Environmental Health Sanitarian I	HEALTH
	Registered Nurse	HEALTH
	Media and Communications Director	MEDIA PRODUCTIONS
	Utilities Foreman II	WATER/WASTEWATER
150		
	Building Inspector II	BUILDING INSPECTION
	Civil Engineer I	ENGINEERING/PLANNING
	City Forester	FORESTRY
	Environmental Health Sanitarian II	HEALTH
	Public Health Nurse	HEALTH
	Environmental Health Sanitarian/Preparedness Coordinator	HEALTH
	Construction Project Manager	STREET
	W/WW Maintenance Foreman	WATER/WASTEWATER
	Lab Coordinator	WATER/WASTEWATER
155		
	Human Resources Coordinator	ADMINISTRATION

	IT Coordinator	ADMINISTRATION
	Economic Development Manager & Strategic Initiatives	ADMINISTRATION
	Engineering Project Manager	ENGINEERING/PLANNING
	Engineering Project Manager/Grants Coordinator	ENGINEERING/PLANNING
	Parks Project Supervisor	PARK
	City Clerk	FINANCE
	911 Dispatch Manager	POLICE
160		
	Building Inspector III	BUILDING INSPECTION
	Civil Engineer II	ENGINEERING/PLANNING
	Police Sergeant	POLICE
	Assistant Public Works Manager	STREET
165		
	Planning & Zoning Administrator	BUILDING INSPECTION
	Battalion Chief	FIRE
	Assistant Health Director	HEALTH
	Public Works Manager	STREET
	Assistant Water/Wastewater Manager	WATER/WASTEWATER
170		
	Library Director	LIBRARY
	Police Captain	POLICE
	Park, Recreation, & Forestry Director	REC ADMIN
175		
	Deputy Fire Chief	FIRE
	Public Health Officer	HEALTH
	Assistant Police Chief	POLICE
	Water/Wastewater Utilities Manager	WATER/WASTEWATER
180		
	Public Works Director	ENGINEERING/PLANNING
	Finance Director/Treasurer	FINANCE
	Police Chief	POLICE
	Fire Chief/Emergency Operations	FIRE
185		
	City Attorney	CITY ATTORNEY

CITY OF WATERTOWN 2026 PAY TABLE

Hourly rates shown (FT = 2080 hrs)

Control Pt: 100-F 2025 20.10 New Yr Incr
100-F 2026 20.50 2.00%

11 steps @ 2.5% intervals

PAY GRADE	STEP										
	A	B	C	D	E	F	G	H	I	J	K
5	14.79	15.16	15.54	15.93	16.33	16.73	17.15	17.58	18.02	18.47	18.93
10	15.81	16.21	16.62	17.04	17.47	17.91	18.35	18.81	19.28	19.76	20.25
15	16.94	17.36	17.79	18.23	18.69	19.16	19.64	20.13	20.63	21.15	21.68
100	18.12	18.57	19.03	19.51	20.00	20.50	21.01	21.54	22.08	22.63	23.20
105	19.39	19.87	20.37	20.88	21.40	21.94	22.49	23.05	23.63	24.22	24.83
110	20.75	21.27	21.80	22.35	22.91	23.48	24.07	24.67	25.29	25.92	26.57
115	22.20	22.76	23.33	23.91	24.51	25.12	25.75	26.39	27.05	27.73	28.42
120	23.76	24.35	24.96	25.58	26.22	26.88	27.55	28.24	28.95	29.67	30.41
125	25.42	26.06	26.71	27.38	28.06	28.76	29.48	30.22	30.98	31.75	32.54
130	27.20	27.88	28.58	29.29	30.02	30.77	31.54	32.33	33.14	33.97	34.82
135	29.10	29.83	30.58	31.34	32.12	32.92	33.74	34.58	35.44	36.33	37.24
140	31.12	31.90	32.70	33.52	34.36	35.22	36.10	37.00	37.93	38.88	39.85
145	33.32	34.15	35.00	35.87	36.77	37.69	38.63	39.60	40.59	41.60	42.64
150	35.65	36.54	37.45	38.39	39.35	40.33	41.34	42.37	43.43	44.52	45.63
155	38.14	39.09	40.07	41.07	42.10	43.15	44.23	45.34	46.47	47.63	48.82
160	40.80	41.82	42.87	43.94	45.04	46.17	47.32	48.50	49.71	50.95	52.22
160P 2053	41.34	42.37	43.43	44.52	45.63	46.78	47.94	49.14	50.36	51.62	52.91
165	43.66	44.75	45.87	47.02	48.20	49.40	50.64	51.91	53.21	54.54	55.90
165F 2912	31.19	31.96	32.76	33.59	34.43	35.29	36.17	37.08	38.01	38.96	39.93
170	46.71	47.88	49.08	50.31	51.57	52.86	54.18	55.53	56.92	58.34	59.80
175	49.99	51.24	52.52	53.83	55.18	56.56	57.97	59.42	60.91	62.43	63.99
180	53.49	54.83	56.20	57.60	59.04	60.52	62.03	63.58	65.17	66.80	68.47
185	57.24	58.67	60.14	61.64	63.18	64.76	66.38	68.04	69.74	71.48	73.27
190	61.24	62.77	64.34	65.95	67.60	69.29	71.02	72.80	74.62	76.49	78.40
195	65.53	67.17	68.85	70.57	72.33	74.14	75.99	77.89	79.84	81.84	83.89
200	70.12	71.87	73.67	75.51	77.40	79.33	81.31	83.34	85.42	87.56	89.75

To: Finance Committee
From: Mark Stevens
Date: December 8, 2025
RE: TID #4 Closure

The final step in the closure of TID #4 was to complete an external audit by Baker Tilly. I have attached the audit where you will see the total refund payable to the taxing entities is \$4,364,662 (audit page 6). The amounts to be refunded to each entity are shown on page 10 of the audit; Watertown's portion is \$1,854,322.

During the closing audit, it was determined that the shared-expense agreement made with Clasen in 2024 to resurface the road that runs near their plant was beyond the acceptable expenditure period. To prevent any citation by the WI Department of Revenue (DOR), the audit team suggested that we reassign the expense of \$101,294 to another fund. I sought the input of Vandewalle and they agreed; they have no experience with DOR issuing citations and didn't suggest that Watertown test the system. The Annual Streets account in Capital Funds was the most appropriate relocation. This reassignment of this expense, along with interest earnings this year, raised the city's portion of the TID #4 closure by \$105,816. Because of these alterations, I recommend that the Annual Streets account be provided with an allocation of \$101,294 from the city's portion of the TID #4 closure. I have updated the closure spreadsheet with these changes.

The spreadsheet shows the assignment of an \$840,000 allocation to the Annual Streets account as approved by a prior Council when the development agreement for Rock River Ridge was approved. Green highlights indicate allocations of the city portion approved by the Finance Committee earlier this year. The remainder of the city's unallocated funds is \$269,243. Additional modifications since the last review of this task is the elimination of the Wilbur St extension (to be paid by Dodge County grant and Annual Streets account) and the additional contemplation of the Church St. Transport Alt Program (adequate funding to be covered by other funds).

With the completion of the audit, I will process the payments of refunds to the other three taxing entities. I also want to move the city's portion to the appropriate funds. An option not yet discussed is to move a portion or all the remaining unallocated funds of \$269,243 to the Capital Fund account for a future decision or need. For instance, we had an opportunity to purchase a used truck with plow from a county that would have been substantially cheaper than purchasing a new truck, but the approximate cost of \$75,000 was beyond the reach of available budgets. Our Capital Fund's source of funds is through the annual borrowing that's planned a year in advance in the budget cycle; an unallocated sum of funds could allow for opportunistic purchases to be accomplished or become a capital expenditure contingency fund.

Requested action: determine assignment of remaining unallocated city refunds.

City of Watertown

TID #4 Closure

City proceeds	1,854,322	(revised 11/07/25)
- Rock River Ridge infrastructure	(840,000)	
- TID #4 Resurfacing outside 5-yr expend period	(101,294)	
Remaining	913,028	

Possible Uses: Project	Est Cost	Watertown 2019 Comprehensive Plan Recommendations (see legend below)									
		AR	NR	HCR	CCD	LU	T	UCF	HND	ED	IC
Mary/Clark St utilities extension- 1 connection	177,000	X				X	X		X		
Mary/Clark St utilities extension- 2nd connect	216,000	X				X	X		X		
Seawall additions	100,000										
Seawall additions	140,000		X		X					X	
FP Lewis boat launch	50,000		X		X			X			
FP Lewis walking path & parking lot	65,000		X					X			
Main St reconstruction: non-eligible expenses	907,200			X	X						
City-wide sign grant program	25,000			X	X					X	
Portable traffic barriers (9 plus trailer)	125,785			X	X						
Wilbur St expansion to N Votach Dr	100,000										
Wilbur St expansion to N Votach Dr	100,000					X			X		
City Hall: north parking reconfiguration	255,000					X					
Washington Park: concessions/restroom/storage	500,000							X			
Washington Park: diamond renovations	148,000							X			
Washington Park: diamond renovations	12,000										
Aquatic Center: rubber surface play area	225,000							X			
Church St Transport Alt Prgrm	*										
Rock River Ridge infrastructure	above										
Resurfacing outside of 5-yr expenditure period	above								X		
	2,652,985										

Approved 03/24/25 [08-58-04-90]	643,785
Remainder:	269,243
Second Priority	100,000

AR Agricultural Resources
 NR Natural Resources
 HCR Historic & Cultural Resources
 CCD Community Character & Design
 LU Land Use
 T Transportation
 UCF Utilities & Community Facilities
 HND Housing & Neighborhood Development
 ED Economic Development
 IC Intergovernmental Cooperation

Account Modifications			
Revenue		Expense	
Equal Share of \$393K:		Equal Share of \$393K:	
02-63-90-10	Trnsr fr TID Proceeds	02-97-30-00	Wastewater Capital Outlay
03-41-90-10	Trnsr fr TID Proceeds	03-99-99-98	Water Capital Outlay Items

Check to Watertown RDA
 05-49-90-10 Trnsr fr TID Proceeds 05-55-41-70 Park Dpt Capital Projects
 05-49-90-10 Trnsr fr TID Proceeds 05-58-11-69 Streets
 Funding source: Dodge Cty grant or Streets [05-58-11-69]

* Adequate funding covered by Streets and Storm Water funds
 05-49-90-10 Trnsr fr TID Proceeds 05-58-11-69 Streets
 05-49-90-10 Trnsr fr TID Proceeds 05-58-11-69 Streets

05-49-90-10 Trnsr fr TID Proceeds 05-48-xx-xx Future Use

City of Watertown Tax Incremental District No. 4

Financial Statements and
Supplementary Information

August 31, 2025

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Independent Auditors' Report

To the City Council of
City of Watertown

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the City of Watertown's Tax Incremental District No. 4 (District) as of August 31, 2025 and from the date of creation through August 31, 2025, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of District and the net project costs recovered through tax increments as of August 31, 2025 and the sources, uses and status of funds from the date of creation through August 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 District 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the transactions of the District and do not purport to, and do not, present fairly the financial position of the City of Watertown, Wisconsin, as of August 31, 2025, and the changes in financial position, or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 opinion. 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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.

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

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

Supplementary Information

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

Report on Other Legal and Regulatory Requirements

We have also issued our report dated December 4, 2025 on our tests of its compliance with Wisconsin State Statutes Section 66.1105. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

Baker Tilly US, LLP

Madison, Wisconsin
December 4, 2025

City of Watertown Tax Incremental District No. 4

Section 4, Item D.

Balance Sheet
August 31, 2025

	Capital Projects Fund
Assets	
Cash and investments	\$ 4,402,608
Total assets	<u>\$ 4,402,608</u>
Liabilities	
Accounts payable	\$ 37,946
Refund payable to the city	1,854,322
Refund payable to overlying districts	<u>2,510,340</u>
Total liabilities	<u>\$ 4,402,608</u>

See notes to financial statements

City of Watertown Tax Incremental District No. 4

Section 4, Item D.

Historical Summary of Project Costs, Project Revenues and
Net Cost Recovered Through Tax Increments
From the Date of Creation Through August 31, 2025

Project Costs

Capital expenditures	\$ 5,185,507
Administration (in-house)	78,281
Professional services - planning, engineering, other	649,422
Developer grants	1,081,000
Interest and fiscal charges on long-term debt	950,722
Interest on lease	2,504,132
Debt issuance costs	229,738
	<hr/>
Total project costs	10,678,802

Project Revenues

Tax increments	9,134,144
Exempt computer aid	5,898
Personal property aid	119,111
Intergovernmental grants	781,000
Subsidy from TIF #3	3,960,639
Investment income	839,273
Sale of property	22
Premium on debt issued	203,377
	<hr/>
Total project revenues	15,043,464

Net cost recovered through tax increments, August 31, 2025	<hr/> <hr/>
	\$ (4,364,662)

Refund payable to the city and overlying districts	<hr/>
	\$ 4,364,662

Balance	<hr/> <hr/>
	\$ -

City of Watertown Tax Incremental District No. 4

Section 4, Item D.

Historical Summary of Sources, Uses and Status of Funds
From the Date of Creation Through August 31, 2025

Sources of Funds

Tax increments	\$ 9,134,144
Exempt computer aid	5,898
Personal property aid	119,111
Intergovernmental grants	781,000
Subsidy from TIF #3	3,960,639
Investment income	839,273
Sale of property	22
Premium on debt issued	203,377
Lease proceeds	6,002,989
Long-term debt issued	5,285,000
	<hr/>
Total sources of funds	26,331,453

Uses of Funds

Capital expenditures	5,185,507
Administration (in-house)	78,281
Professional services - planning, engineering, other	649,422
Developer grants	1,081,000
Interest and fiscal charges on long-term debt	950,722
Interest on lease	2,504,132
Debt issuance costs	229,738
Principal payments on lease	6,002,989
Principal on long-term debt	5,285,000
	<hr/>
Total uses of funds	21,966,791

Fund Balance, August 31, 2025

	\$ 4,364,662
	<hr/>
Refund payable to the city and overlying districts	\$ (4,364,662)
	<hr/>
Balance	\$ -

See notes to financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the City of Watertown's Tax Incremental District No. 4 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Watertown (the City) has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of the District. The accompanying financial statements reflect all the significant operations of the City. The accompanying financial statements do not include the full presentation of the City.

Description of Fund Structure and Long-Term Debt

This report contains the financial information of the District. The summary statements were prepared from data recorded in the following fund and the City's long-term debt:

Tax Incremental District No. 4 - Capital Projects Fund

Detailed descriptions of the purpose of this fund and long-term debt can be found in the City's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The District was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

The statutes allow the District to collect tax increments until the net project cost has been fully recovered, or until 20 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City. Project costs may be incurred up to five years before the unextended termination date of the District.

Original Project Plan

	<u>Creation Date</u>	<u>Termination Date</u>
TID No. 4	January 1, 2005	March 31, 2025

Plan Amendment

	<u>Adoption Date</u>
Amendment 1	November 6, 2006
Amendment 2	May 15, 2012

Basis of Accounting

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., 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. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the District is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

Use of Estimates

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

Long-Term Debt

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

2. Cash and Temporary Investments

The District invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on 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.

The District, as a fund of the City, maintains separate and common cash and investment accounts at the same financial institutions utilized by the City. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the City as an individual municipality and, accordingly, the amount of insured funds is not determinable for the District.

3. Long-Term Debt

General Obligation Bond Debt

All general obligation notes and bonds payable are backed by the full faith and credit of City. Notes and bonds borrowed to finance the District's expenditures were retired by tax increments accumulated by the TID No. 4 fund.

Title of Issue	Date of Issue	Due Date	Interest Rate	Original Indebtedness	Repaid	Balance 08/31/2025
2008 G.O Corporate Purpose Bond	07/22/2008	06/01/2023	4.00-4.25 %	\$ 180,000	\$ 180,000	\$ -
2013 G.O Refunding Bond	02/26/2013	04/01/2025	2.00-2.25	5,015,000	5,015,000	-
2016 G.O Refunding Bond	02/23/2016	06/01/2023	4.00-4.15	90,000	90,000	-
Total				<u>\$ 5,285,000</u>	<u>\$ 5,285,000</u>	<u>\$ -</u>

Lease Payable

The City had entered into a lease agreement with the Community Development Authority of the City of Watertown (CDA) for certain improvements in TID No. 4. In 2006, the CDA issued lease revenue bonds totaling \$6,670,000, out of which TID No.4's portion was \$6,002,989 .

Title of Issue	Date of Issue	Due Date	Interest Rate	Original Indebtedness	Repaid	Balance 08/31/2025
2006 CDA lease	10/01/2016	10/01/2025*	3.45-4.37 %	\$ 6,002,989	\$ 6,002,989	\$ -
Total				<u>\$ 6,002,989</u>	<u>\$ 6,002,989</u>	<u>\$ -</u>

*Amount repaid in 2016.

4. Increment Sharing

As allowable under TIF Statutes, the City may share positive TIF increments. In 2012, the City and joint review board approved sharing increments from TIF District No. 3 (Donor District) to TID No. 4 (Donee District). \$3,960,639 was transferred from TID No. 3 to TID No. 4. Transfers are reflected as recoverable costs in the Donor District and as project revenues in the Donee District.

5. Developer Grants and Tax Abatement

The City agreed to provide a \$600,000 incentive payment in the form of a Municipal Revenue Obligation from 85% of the available increment generated by the project until paid, but no later than December 31, 2026. The City has paid \$574,054 during years 2019 through 2025 and a final outstanding balance of \$25,946 recorded as a payable as of August 31, 2025. These payments are considered tax abatements.

The City entered into a developer agreement with Clasen Quality Coatings, Inc. whereby the City was to reimburse Clasen up to \$650,000. During 2006, the City made a payment of \$250,000 to Clasen and another payment of \$231,000 was made in 2008.

6. Refund to Overlying Districts

The refund to overlying districts is calculated based on increments collected in excess of project costs using the ratio of tax levies in the 2024 tax roll as follows:

Jefferson County	\$ 747,035
City of Watertown	1,854,322
Watertown School District	1,594,480
Madison Technical College	<u>168,825</u>
Total	<u>\$ 4,364,662</u>

City of Watertown Tax Incremental District No. 4*Section 4, Item D.*Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through August 31, 2025

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Sources of Funds												
Tax increments	\$ -	\$ -	\$ -	\$ 68,280	\$ 229,287	\$ -	\$ 132,870	\$ 135,864	\$ 139,273	\$ 377,382	\$ 383,046	\$ 356,196
Exempt computer aid	-	-	-	-	-	-	-	71	647	420	962	552
Personal property aid	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental grants	-	-	325,000	419,815	36,185	-	-	-	-	-	-	-
Subsidy from TIF #3	-	-	-	-	-	-	-	796,784	466,087	479,063	619,798	532,969
Investment income	-	19,153	110,715	22,181	2,590	272	99	129	154	335	866	4,393
Sale of property	-	-	-	-	-	-	-	-	-	-	-	20
Premium on debt issued	-	75,685	-	-	-	-	-	-	121,208	-	-	6,484
Lease proceeds	-	6,002,989	-	-	-	-	-	-	-	-	-	-
Long-term debt issued	-	-	-	180,000	-	-	-	-	5,015,000	-	-	90,000
Total sources of funds	-	6,097,827	435,715	690,276	268,062	272	132,969	932,848	5,742,369	857,200	1,004,672	990,614
Uses of Funds												
Capital expenditures	-	2,511,345	2,354,280	315,433	1,376	-	3,073	-	-	-	-	-
Administration (in-house)	-	-	9,128	903	338	589	210	270	150	150	150	149
Professional services - planning, engineering, other	17,644	380,184	221,810	1,203	-	-	-	-	-	300	3,553	-
Developer grants	-	250,000	-	231,000	-	-	-	-	-	-	-	-
Interest and fiscal charges on long-term debt	-	-	-	5,559	11,986	7,400	7,400	7,400	70,299	111,126	108,807	112,170
Interest on lease	-	-	254,655	275,073	275,073	275,473	275,072	269,549	804,484	36,274	25,324	13,155
Debt issuance costs	-	152,015	-	-	-	-	-	-	76,321	-	-	1,402
Principal payments on lease	-	-	-	-	-	-	175,000	250,000	4,727,989	300,000	325,000	225,000
Principal on long-term debt	-	-	-	-	-	-	-	-	15,000	100,000	100,000	195,000
Total uses of funds	17,644	3,293,544	2,839,873	829,171	288,773	283,462	460,755	527,219	5,694,243	547,850	562,834	546,876

Fund Balance, August 31, 2025

Refund payable to the city and overlying districts

Balance

City of Watertown Tax Incremental District No. 4

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through August 31, 2025

Section 4, Item D.

	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	Project Plan Estimate
Sources of Funds											
Tax increments	\$ 489,004	\$ 492,349	\$ 761,996	\$ 817,829	\$ 948,358	\$ 989,827	\$ 856,770	\$ 1,056,824	\$ 898,989	\$ 9,134,144	\$ 8,946,000
Exempt computer aid	350	355	363	363	363	363	363	363	363	5,898	-
Personal property aid	-	-	3,102	17	(3,067)	17	17	17	119,008	119,111	-
Intergovernmental grants	-	-	-	-	-	-	-	-	-	781,000	-
Subsidy from TIF #3	532,969	532,969	-	-	-	-	-	-	-	3,960,639	-
Investment income	13,904	34,212	64,361	23,244	1,395	36,841	169,483	212,227	122,719	839,273	-
Sale of property	1	1	-	-	-	-	-	-	-	22	3,050,000
Premium on debt issued	-	-	-	-	-	-	-	-	-	203,377	-
Lease proceeds	-	-	-	-	-	-	-	-	-	6,002,989	6,066,000
Long-term debt issued	-	-	-	-	-	-	-	-	-	5,285,000	-
Total sources of funds	<u>1,036,228</u>	<u>1,059,886</u>	<u>829,822</u>	<u>841,453</u>	<u>947,049</u>	<u>1,027,048</u>	<u>1,026,633</u>	<u>1,269,431</u>	<u>1,141,079</u>	<u>26,331,453</u>	<u>18,062,000</u>
Uses of Funds											
Capital expenditures	-	-	-	-	-	-	-	101,294	(101,294)	5,185,507	8,170,000
Administration (in-house)	150	30,811	11,743	2,891	3,097	3,514	2,974	3,103	7,961	78,281	305,000
Professional services - planning, engineering, other	2,521	7,094	-	2,280	-	-	650	183	12,000	649,422	-
Developer grants	-	-	91,738	90,709	86,369	86,584	75,362	73,034	96,204	1,081,000	-
Interest and fiscal charges on long-term debt	98,688	88,589	78,613	68,988	59,313	48,263	35,763	22,544	7,814	950,722	-
Interest on lease	-	-	-	-	-	-	-	-	-	2,504,132	3,169,000
Debt issuance costs	-	-	-	-	-	-	-	-	-	229,738	-
Principal payments on lease	-	-	-	-	-	-	-	-	-	6,002,989	6,066,000
Principal on long-term debt	<u>485,000</u>	<u>490,000</u>	<u>480,000</u>	<u>475,000</u>	<u>475,000</u>	<u>610,000</u>	<u>620,000</u>	<u>615,000</u>	<u>625,000</u>	<u>5,285,000</u>	<u>-</u>
Total uses of funds	<u>586,359</u>	<u>616,494</u>	<u>662,094</u>	<u>639,868</u>	<u>623,779</u>	<u>748,361</u>	<u>734,749</u>	<u>815,158</u>	<u>647,685</u>	<u>21,966,791</u>	<u>17,710,000</u>
Fund Balance, August 31, 2025										<u>\$ 4,364,662</u>	
Refund payable to the city and overlying districts										<u>\$ (4,364,662)</u>	
Balance										<u>\$ -</u>	

Independent Auditors' Report on Other Legal and Regulatory Requirements

To the City Council of
City of Watertown

We have audited the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through Tax Increments and the related Historical Summary of Sources, Uses and Status of Funds of the City of Watertown, Wisconsin's Tax Incremental District No. 4 (District) as of August 31, 2025 and from the date the District was created through August 31, 2025 and have issued our report thereon dated December 4, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, we noted that the District failed to comply with the following requirement of Wisconsin State Statutes Section 66.1105:

1. 100% audit for this District was not completed within 12 months of the end of expenditure period.

Our audit was not directed primarily toward obtaining knowledge as to whether the District failed to comply with Wisconsin State Statutes Section 66.1105, insofar as it relates to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the City Council, management, and the overlapping taxing districts and is not intended to be, and should not be, used by anyone other than the specified parties.



Madison, Wisconsin
December 4, 2025