City of Portage

Financial Statements and
Supplementary Information

December 31, 2025

City of Portage

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Independent Auditors' Report

To the City Council of
City of Portage

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 3 to the financial statements, changes in the presentation of funds within the financial statements had occurred and adjustments were made to the reporting periods beginning fund balance. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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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 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Baker Tilly US, LLP

Madison, Wisconsin
June 22, 2026

CITY OF PORTAGE, WISCONSIN

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
As of and for the Year Ended December 31, 2025

As management of the City of Portage, Wisconsin (City), we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $55,254,064 (net position). Of this amount, $11,879,029 is available for spending at the government's discretion (unrestricted net position). The total net position includes all major infrastructure networks.
- The City's total net position increased by $3,585,995 in 2025.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $9,445,406 which represents an increase of $1,179,558 in comparison with 2024.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $2,369,523 or approximately 26% of the total general fund expenditures.
- Total governmental activities general obligation debt increased $852,075 to $36,326,093 and business-type general obligation debt increased $595,000 to $1,595,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE STATEMENTS

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

The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

GOVERNMENT-WIDE STATEMENTS (cont.)

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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 include general government; public safety; public works; health and human services; culture, education and recreation; conservation and development; and interest. The business-type activities of the City include Portage Water Utility and Sewer Utility.

The government-wide financial statements can be found on pages 1-3 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains 36 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, Ambulance Fund, Debt Service Fund, and the Capital Projects Fund. Data from the other governmental 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. In future years, the Council may choose to designate other significant governmental funds.

The basic governmental fund financial statements can be found on pages 4-9 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Proprietary Funds – The City maintains two major Proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Utilities.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer and Water Utilities since they are major funds of the City.

The basic proprietary fund financial statements can be found on pages 10-14 of this report.

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

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 17-53 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, *required supplementary information* presents a detailed budgetary comparison schedule for the General Fund and Ambulance Fund to demonstrate compliance with the budget for these funds, followed by the City's pension related information. This information can be found on pages 54-59 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining statements can be found on pages 61-72 of this report.

The financial statements also include the "BID" as a component unit. Business Improvement District (BID's) financial statements have been presented as a discrete column in the financial statements.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $55,254,064 as of December 31, 2025.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

The largest portion of the City's net position (approximately 68%) reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (approximately 10%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of $11,879,029 may be used to meet the government's ongoing obligation to citizens and creditors.

CITY OF PORTAGE'S STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 22,916,566	$ 22,222,655	$ 9,436,344	$ 9,184,530	$ 32,352,910	$ 31,407,185
Capital assets	63,797,768	61,918,854	29,275,286	26,110,102	93,073,054	88,028,956
Total Assets	86,714,334	84,141,509	38,711,630	35,294,632	125,425,964	119,436,141
Pension related amounts	3,955,752	5,040,353	314,806	440,875	4,270,558	5,481,228
Total Deferred Outflows of Resources	3,955,752	5,040,353	314,806	440,875	4,270,558	5,481,228
Other liabilities	1,667,894	2,391,137	4,978,209	1,661,212	6,646,103	4,052,349
Long-term liabilities	39,056,133	38,067,370	15,857,274	17,170,059	54,913,407	55,237,429
Total Liabilties	40,724,027	40,458,507	20,835,483	18,831,271	61,559,510	59,289,778
Unearned revenues	10,846,446	10,701,908	-	-	10,846,446	10,701,908
Pension related amounts	1,849,082	2,965,259	187,420	292,355	2,036,502	3,257,614
Total Deferred Inflows of Resources	12,695,528	13,667,167	187,420	292,355	12,882,948	13,959,522
Net investment in capital assets	27,734,294	28,243,645	10,008,910	9,915,376	37,743,204	38,159,021
Restricted	3,445,147	2,801,244	2,186,684	1,970,290	5,631,831	4,771,534
Unrestricted	6,071,090	4,011,299	5,807,939	4,726,215	11,879,029	8,737,514
TOTAL NET POSITION	$ 37,250,531	$ 35,056,188	$ 18,003,533	$ 16,611,881	$ 55,254,064	$ 51,668,069

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended December 31, 2025. Net position for governmental activities increased by $2,194,343 to a total of $37,250,531. Business-type activities increased $1,391,652 to a total of $18,003,533.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

CHANGES IN NET POSITION

The following tables and narrative reviews separately the operational results of governmental and business-type activities.

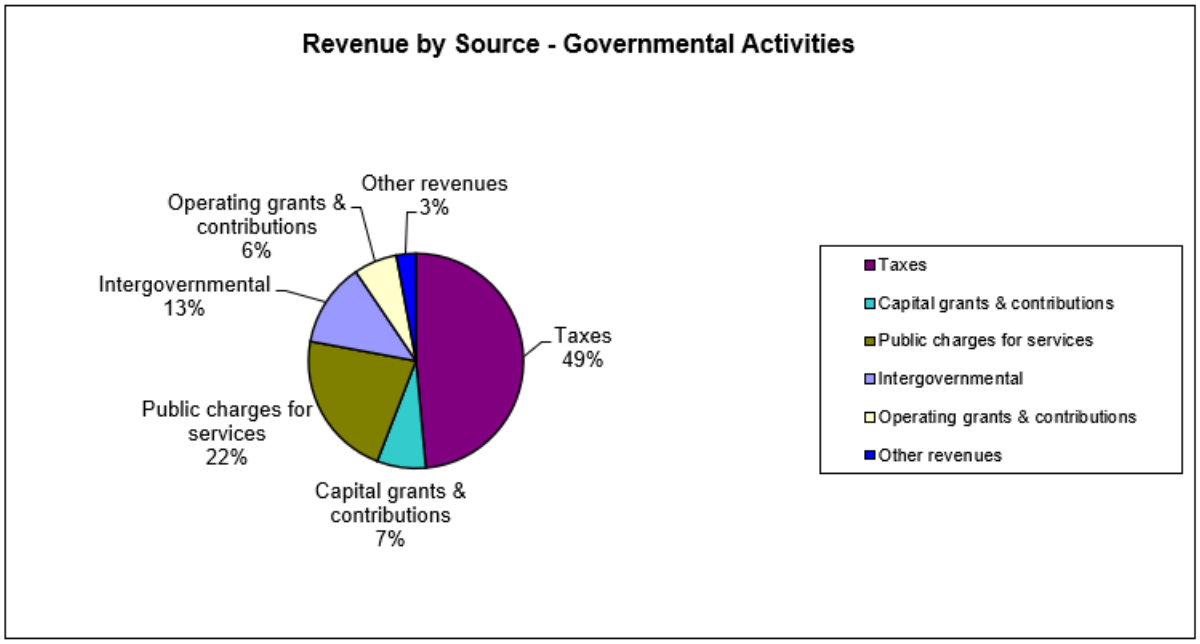
CITY OF PORTAGE
CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activites		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 5,061,041	$ 1,488,124	$ 5,247,589	$ 4,582,576	$ 10,308,630	$ 6,070,700
Operating grants and contributions	1,495,385	1,602,996	-	-	1,495,385	1,602,996
Capital grants and contributions	1,682,966	3,797,285	957,487	760,104	2,640,453	4,557,389
General revenues:					-	
Property taxes	10,692,824	7,651,595	-	-	10,692,824	7,651,595
Other taxes	456,544	433,188	-	-	456,544	433,188
Intergovernmental	2,900,164	2,587,551	-	-	2,900,164	2,587,551
Investment income	465,062	682,813	325,769	367,423	790,831	1,050,236
Gain on disposal of assets	13,008	96,593	-	-	13,008	96,593
Miscellaneous	198,073	192,096	32,014	45,498	230,087	237,594
Total Revenues	22,965,067	18,532,241	6,562,859	5,755,601	29,527,926	24,287,842
Expenses:						
General government	1,102,649	1,160,383	-	-	1,102,649	1,160,383
Public safety	9,722,475	5,689,346	-	-	9,722,475	5,689,346
Public works	6,097,740	4,784,433	-	-	6,097,740	4,784,433
Health and human services	66,054	66,066	-	-	66,054	66,066
Culture, education and recreation	2,445,880	2,334,486	-	-	2,445,880	2,334,486
Conservation and development	392,392	671,834	-	-	392,392	671,834
Interest and fiscal charges	1,430,749	1,273,474	-	-	1,430,749	1,273,474
Water utility	-	-	2,092,285	2,859,970	2,092,285	2,859,970
Sewer utiltiy	-	-	2,591,707	2,698,357	2,591,707	2,698,357
Total Expenses	21,257,939	15,980,022	4,683,992	5,558,327	25,941,931	21,538,349
Income Before Transfers	1,707,128	2,552,219	1,878,867	197,274	3,585,995	2,749,493
Transfers	487,215	360,059	(487,215)	(360,059)	-	-
Increase (Decrease) in net position	2,194,343	2,912,278	1,391,652	(162,785)	3,585,995	2,749,493
Net Position - beginning	35,056,188	32,143,910	16,611,881	16,774,666	51,668,069	48,918,576
Net Position - Ending	$ 37,250,531	$ 35,056,188	$ 18,003,533	$ 16,611,881	$ 55,254,064	$ 51,668,069

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

GOVERNMENTAL ACTIVITIES

The City received a total of $22,965,067 in governmental activity revenues in 2025. As the following chart indicates, the largest revenue source is taxes followed by intergovernmental revenues.

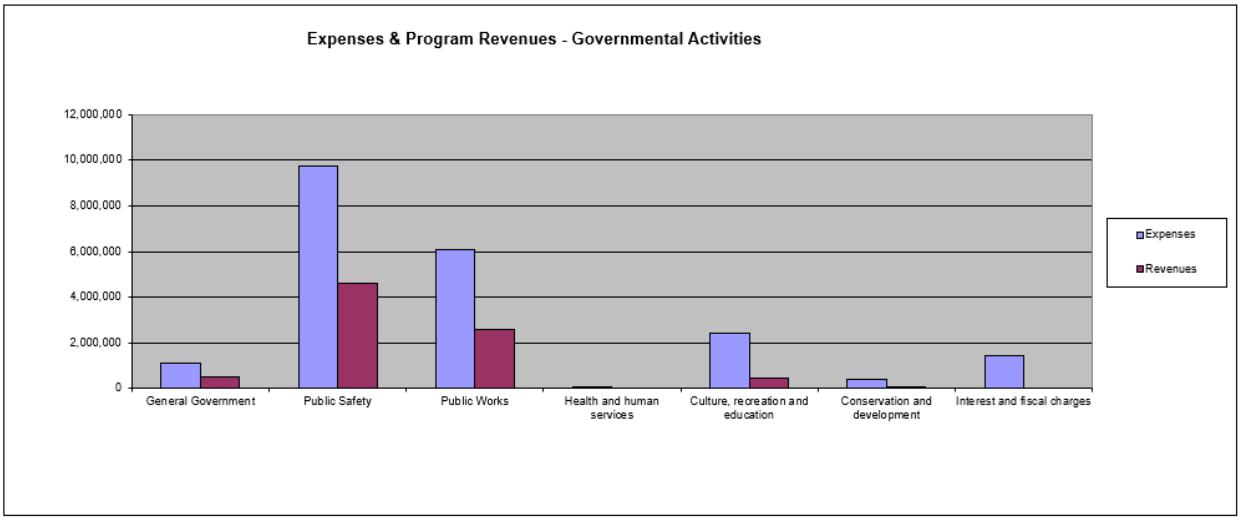


Total governmental activities expenses were $21,257,939 in 2025. Revenues exceeded expenditures by $2,552,219. After transfers in, there was an increase in net position of $2,194,343.

In 2025, Public Safety (Police, Fire, EMS, Emergency Government) activities accounted for the largest share of City expenditures at 46%. This was followed closely by expenditures on Public Works activities at 29%. Other expenditure areas included General Government at 5%; Culture, Education, and Recreation at 12%, Interest and Fiscal Charges at 7%, Conservation and Development at 2% and Health and Human Services at less than 1%.

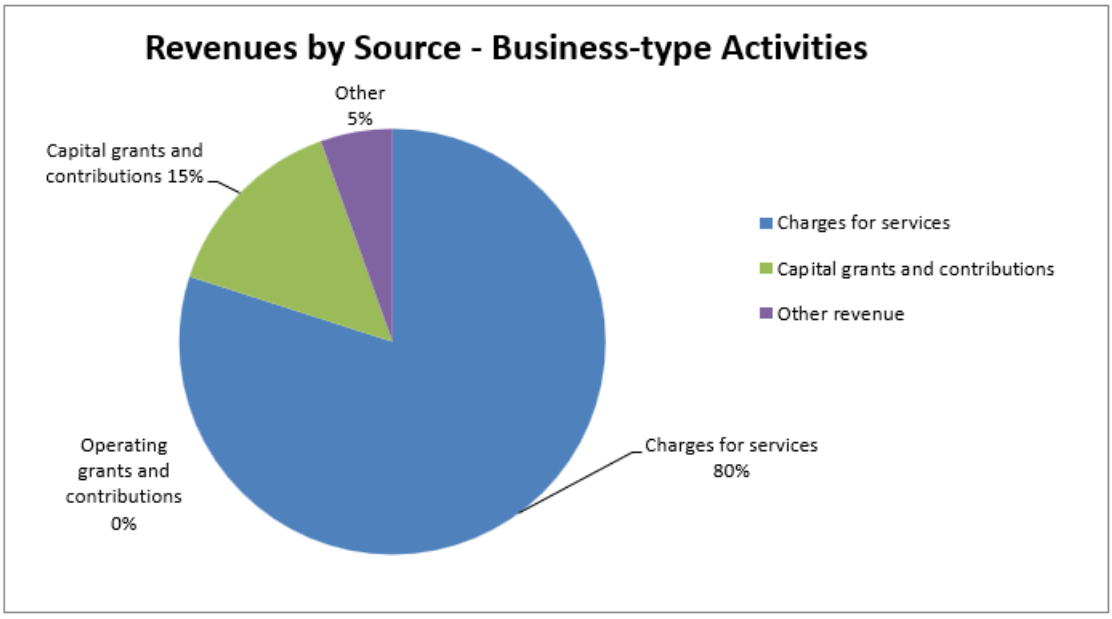
FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

GOVERNMENTAL ACTIVITIES (cont.)



BUSINESS-TYPE ACTIVITIES

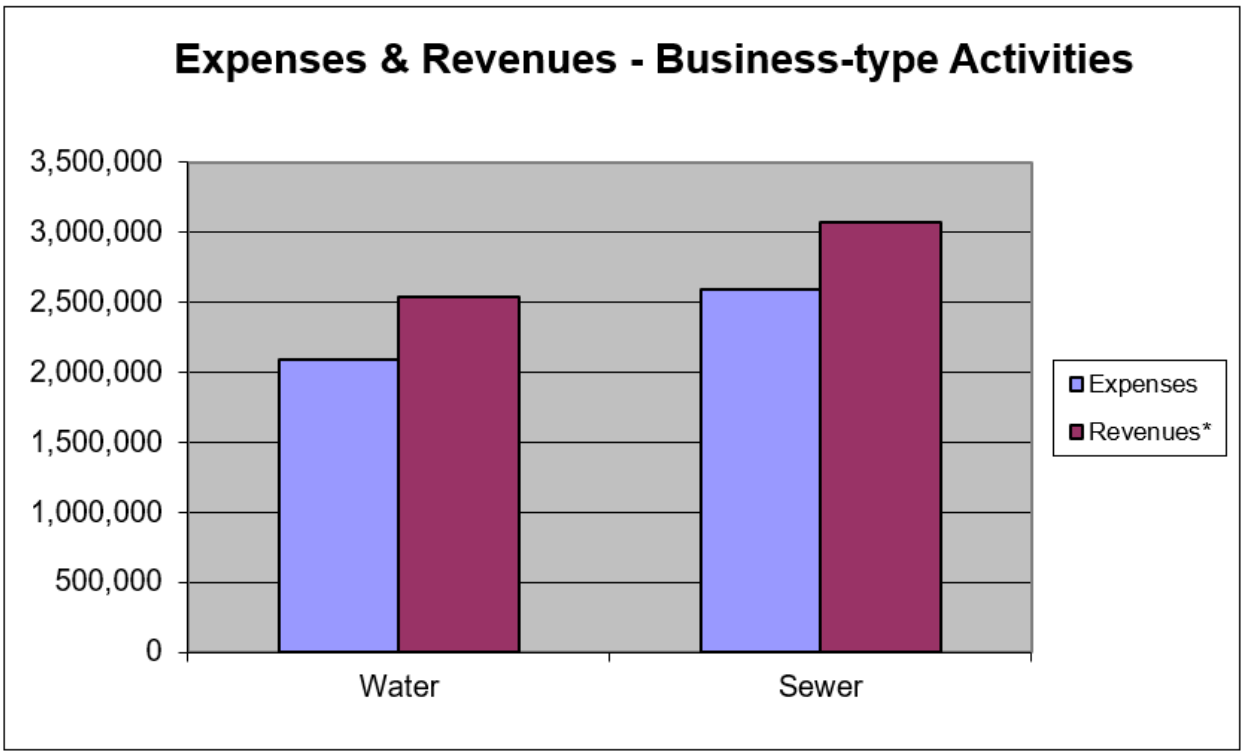
The City generated $6,562,859 in business-type activity revenue in 2025 from its Water and Sewer Utilities. Charges for services are by far the largest revenue source for these operations, representing 80% of revenues. In 2025, the City did see an influx of contributed capital which accounted for 15% of revenues.



FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (cont.)

BUSINESS-TYPE ACTIVITIES (cont.)

Business-type activities increased the City's net position by $1,391,652 in 2025, which represents a 8% increase over the previous year. The net operating income of the Water and Sewer Utilities was $1,031,683. The following graph compares the revenues to the expenses for each utility. The current water and sewer rates became effective September 2024 and July 2025, respectively.



***Revenues do not include contributions/transfers**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

GOVERNMENTAL FUNDS

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

At the end of current fiscal year, the City's governmental funds reported combined ending fund balances of $9,445,406. $5,892,519 of the fund balance is not available for new spending because it is either restricted or is in a nonspendable format.

MAJOR FUNDS

General Fund – The General Fund is the main operating fund of the City. The general fund balance increased from $4,092,314 to $4,544,280, or $451,966. Overall, expenditures in the General Fund were under budget by $239,200; total revenues were $137,028 higher than budgeted with other financing sources and uses were more than budget by $75,738. The General Fund's activities are funded by state aids, property taxes, charges for services and other minor miscellaneous revenues.

Ambulance Fund – This fund accounts for the revenue and expenses related to the City's ambulance services. Fund balance changed from $(279,628) to $998,275, an increase of $1,277,903. This increase is due mainly to the tax levy generated in 2025 and a full year of charges for services.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term principal, interest and related costs. The fund balance increased to $532,568 from $441,160, or $91,408 due to the levy and transfers exceeding the debt service expenditures.

Capital Projects Fund – This fund accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects. Fund balance changed from $3,111,215 to $2,015,651, a decrease of $1,095,564. This decrease is due mainly to using unspent bond proceeds.

NON–MAJOR GOVERNMENTAL FUNDS

Fund balance of all other governmental funds is a surplus of $1,354,632 and is comprised of restricted, committed, and assigned amounts, in addition to some unassigned (deficit) balances. This is an increase of $453,845 from 2024. The increase came largely from the TIF funds having a combined net income during 2025.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)

PROPRIETARY FUNDS

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

Water Utility – The water utility net position increased $584,960 or 5.65%. Operating income was $535,146, compared to a loss of $172,342 in the prior year. This was primarily due to large repairs required for well maintenance in 2024 and no such expenses in 2025.

Sewer Utility – The wastewater treatment plant provides sewer service for the City residents. The sewer utility net position increased $806,692 or 12.88%. Operating income was $496,537, compared to a loss of $71,746 in the prior year. This was driven by an increase in operating revenues due to the rate increase.

GENERAL FUND BUDGETARY HIGHLIGHTS

The total original and final budget expenditures, including those for transfers out, were $9,612,469, while the actual expenditures were $9,384,517 under budget by $241,448. Actual revenues and other financing sources were above budgeted revenues in total by $215,014 resulting in a $442,965 positive variance to budget.

The actual expenditures were below budget in the following areas: general government $46,933, public works $46,776, conservation & development $2,776, and public safety $156,199. Expenditures were over budget for health and human services $54 and culture, recreation, and education $13,430. Drivers in public safety were patrol salaries.

Revenues were higher than budget overall leading with Intergovernmental income $106,583, followed by transfers in $81,981, intergovernmental charges for services $42,228, public charges for services $26,268, investment income $26,135, and miscellaneous $9,989; offset by being under budget in fines, forfeitures and penalties $48,306, licenses and permits $17,063 and taxes $8,806.

CAPITAL ASSETS

At the end of 2025, the City had invested a total of $93,073,054 in capital assets (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, infrastructure, water and sewer plant, and construction work in progress.

Major capital asset events during the current fiscal year included the following: street reconstruction including water mains, sewer laterals, public works building, and two dump trucks.

CITY OF PORTAGE
CAPITAL ASSETS AT YEAR-END
NET OF ACCUMULATED DEPRECIATION

	Govermental Activities 2025	Business-type Activities 2025	Total
Land	$ 2,494,501	$ 500,618	$ 2,995,119
Construction in progress	443,044	3,893,274	4,336,318
Buildings and improvement	32,325,743		32,325,743
Equipment	4,255,741		4,255,741
Infrastructure	62,159,079		62,159,079
Water plant		27,803,747	27,803,747
Sewer plant		33,155,595	33,155,595
Less Depreciation	(37,880,340)	(36,077,948)	(73,958,288)
Totals	$ 63,797,768	$ 29,275,286	$ 93,073,054

Additional information on the City's capital assets can be found in Note 3 of this report.

LONG-TERM DEBT

The City had $52,405,504 in outstanding notes and bonds payable at the end of 2025. Of the bonded debt, $37,921,093 is to be repaid with general property taxes (of which $2,140,000 are TID obligations). $19,675,011 are water and sewer utility obligations.

LONG-TERM DEBT (cont.)

Under Wisconsin State Statutes, Chapter 67, the City's aggregate general obligation indebtedness may not exceed 5% of the equalized value of taxable property located in the City. The net amount of debt that is applicable to the statutory limit is $37,921,093, which is 68% of the maximum $56,040,465 allowable.

CITY OF PORTAGE'S OUTSTANDING BONDS AND NOTES

	Govermental Activities 2025	Business-type Activities 2025	Total
General obligation bonds and notes payable	$ 36,326,093	$ 1,595,000	$ 37,921,093
Revenue bonds	-	14,484,411	14,484,411
Bond anticipation notes	-	3,595,600	3,595,600
Totals	$ 36,326,093	$ 19,675,011	$ 52,405,504

Additional information on the City's long-term debt can be found in Note 3 of this report.

CURRENTLY KNOWN FACTS/ECONOMIC CONDITIONS

The City is located approximately 45 miles north of Madison and it is also the county seat of Columbia County. The population as of 2025 was 10,581, making it the largest city within the county.

The property tax base posted an 11% increase in equalized value for 2025.

The City of Portage Council adopted the 2026 budget in November 2025. The budget authorizes General Fund expenditures of $9.62 million, a 1.3% decrease from the previous year. The combined property tax levy for all funds is $9.77 million, a 38.8% increase from the previous year.

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. City's estimated award is $1,088,448, which has been used to combat the negative effects of the public health emergency in the local economy. The City received 50% of the funds in June 2021 and the remaining 50% in June 2022. The funds are to cover costs incurred by December 31, 2026.

All other currently known facts and economic conditions were considered in preparing the 2026 budget.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City Administrator.

General information relating to the City of Portage, Wisconsin, can be found at the City's website, https://www.portagewi.gov/.

City of Portage

Statement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total	BID Fund
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	$ 9,298,365	$ 4,634,384	$ 13,932,749	$ 4,386
Receivables (net):				
Taxes	10,870,245	65,751	10,935,996	100,522
Accounts	837,711	589,725	1,427,436	-
Delinquent personal property taxes	1,203	-	1,203	-
Loans	1,147,464	-	1,147,464	-
Special assessments	80,174	21,492	101,666	-
Internal balances	431,981	(431,981)	-	-
Due from other governmental units	25,635	-	25,635	-
Inventories and prepaid items	193,287	113,548	306,835	-
Restricted assets:				
Cash and investments	30,501	4,443,425	4,473,926	-
Capital assets:				
Land	2,494,501	500,618	2,995,119	-
Construction in progress	443,044	3,893,274	4,336,318	-
Capital assets, being depreciated	98,740,563	60,959,342	159,699,905	46,479
Less accumulated depreciation	(37,880,340)	(36,077,948)	(73,958,288)	(41,442)
Total assets	86,714,334	38,711,630	125,425,964	109,945
Deferred Outflows of Resources				
Pension related amounts	3,955,752	314,806	4,270,558	-
Total deferred outflows of resources	3,955,752	314,806	4,270,558	-
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	597,596	301,892	899,488	171
Accrued liabilities and deposits	999,759	39,872	1,039,631	-
Unearned revenues	70,539	-	70,539	-
Liabilities payable from restricted assets:				
Accrued interest	-	117,710	117,710	-
Revenue bonds payable	-	4,455,314	4,455,314	-
Noncurrent liabilities:				
Due within one year	2,914,471	190,689	3,105,160	-
Due in more than one year	35,506,921	15,670,332	51,177,253	-
Net pension liability	634,741	59,674	694,415	-
Total liabilities	40,724,027	20,835,483	61,559,510	171
Deferred Inflows of Resources				
Unearned revenues	10,846,446	-	10,846,446	100,522
Pension related amounts	1,849,082	187,420	2,036,502	-
Total deferred inflows of resources	12,695,528	187,420	12,882,948	100,522

See notes to financial statements

City of Portage

Statement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total	BID Fund
Net Position				
Net investment in capital assets	$ 27,734,294	$ 10,008,910	$ 37,743,204	$ -
Restricted for:				
Debt service	63,843	1,162,689	1,226,532	-
Equipment replacement	231,988	1,023,995	1,255,983	-
Loan programs	1,379,259	-	1,379,259	-
Grants	224,202	-	224,202	-
Capital projects	158,556	-	158,556	-
TIF projects	872,547	-	872,547	-
Library	202,328	-	202,328	-
Donations	184,494	-	184,494	-
Ambulance	127,930	-	127,930	-
Unrestricted	6,071,090	5,807,939	11,879,029	9,252
Total net position	$ 37,250,531	$ 18,003,533	$ 55,254,064	$ 9,252

See notes to financial statements

City of Portage

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 (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: BID Fund
Primary Government								
Governmental activities:								
General government	$ 1,102,649	$ 151,482	$ 317,573	$ 28,718	$ (604,876)	$ -	$ (604,876)	$ -
Public safety	9,722,475	4,290,083	220,793	100,000	(5,111,599)	-	(5,111,599)	-
Public works	6,097,740	451,625	570,528	1,538,338	(3,537,249)	-	(3,537,249)	-
Health and human services	66,054	-	-	-	(66,054)	-	(66,054)	-
Culture, education and recreation	2,445,880	127,665	336,546	15,910	(1,965,759)	-	(1,965,759)	-
Conservation and development	392,392	40,186	49,945	-	(302,261)	-	(302,261)	-
Interest and fiscal charges	1,430,749	-	-	-	(1,430,749)	-	(1,430,749)	-
Total governmental activities	21,257,939	5,061,041	1,495,385	1,682,966	(13,018,547)	-	(13,018,547)	-
Business-type activities:								
Water utility	2,092,285	2,402,257	-	598,280	-	908,252	908,252	-
Sewer utility	2,591,707	2,845,332	-	359,207	-	612,832	612,832	-
Total business-type activities	4,683,992	5,247,589	-	957,487	-	1,521,084	1,521,084	-
Total primary government	$ 25,941,931	$ 10,308,630	$ 1,495,385	$ 2,640,453	(13,018,547)	1,521,084	(11,497,463)	-
Component Unit								
BID Fund	$ 94,571	$ 4,489	$ 3,500	$ -	-	-	-	(86,582)
General Revenues								
Taxes:								
Property taxes, levied for general purposes					6,028,021	-	6,028,021	100,522
Property taxes, levied for debt service					3,131,341	-	3,131,341	-
Property taxes, levied for TIF districts					924,804	-	924,804	-
Property taxes, levied for the library					608,658	-	608,658	-
Other taxes					456,544	-	456,544	-
Intergovernmental revenues not restricted to specific programs					2,900,164	-	2,900,164	-
Investment income					465,062	325,769	790,831	1,492
Gain on sale of capital assets					13,008	-	13,008	-
Miscellaneous					198,073	32,014	230,087	50
Total general revenues					14,725,675	357,783	15,083,458	102,064
Transfers					487,215	(487,215)	-	-
Change in net position					2,194,343	1,391,652	3,585,995	15,482
Net Position (Deficit) - Beginning					35,056,188	16,611,881	51,668,069	(6,230)
Net Position, Ending					$ 37,250,531	$ 18,003,533	$ 55,254,064	$ 9,252

See notes to financial statements

City of Portage

Balance Sheet -
Governmental Funds
December 31, 2025

	General Fund	Ambulance Fund	Debt Service
Assets			
Cash and investments	$ 2,441,318	$ 623,195	$ 532,568
Receivables:			
Taxes	4,608,352	1,482,272	3,038,928
Accounts	123,779	510,047	-
Special assessments	-	-	-
Delinquent personal property taxes	1,203	-	-
Loans	-	-	-
Due from other governments	25,635	-	-
Due from other funds	451,442	-	-
Prepaid items	193,287	-	-
Restricted cash and investments	-	-	-
Advances to other funds	1,980,267	-	-
Total assets	$ 9,825,283	$ 2,615,514	$ 3,571,496
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	$ 351,341	$ 28,214	$ -
Accrued liabilities	319,235	106,753	-
Deposits	2,356	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	672,932	134,967	-
Deferred Inflows of Resources			
Property taxes levied for next period	4,608,071	1,482,272	3,038,928
Unavailable revenues	-	-	-
Total deferred inflows of resources	4,608,071	1,482,272	3,038,928
Fund Balances			
Nonspendable	2,174,757	-	-
Restricted	-	127,930	532,568
Committed	-	-	-
Assigned	-	870,345	-
Unassigned (deficit)	2,369,523	-	-
Total fund balances	4,544,280	998,275	532,568
Total liabilities, deferred inflows of resources and fund balances	$ 9,825,283	$ 2,615,514	$ 3,571,496

See notes to financial statements

Capital Projects Fund	Nonmajor Governmental Funds	Total
$ 2,296,268	$ 3,405,016	$ 9,298,365
7,450	1,733,243	10,870,245
638	208,185	842,649
11,073	69,101	80,174
-	-	1,203
-	1,147,464	1,147,464
-	-	25,635
-	-	451,442
-	-	193,287
-	30,501	30,501
-	-	1,980,267
$ 2,315,429	$ 6,593,510	$ 24,921,232
$ 288,705	$ 81,103	$ 749,363
-	41,886	467,874
-	63,975	66,331
-	19,461	19,461
-	1,980,267	1,980,267
-	70,539	70,539
288,705	2,257,231	3,353,835
-	1,717,175	10,846,446
11,073	1,264,472	1,275,545
11,073	2,981,647	12,121,991
-	-	2,174,757
930,187	2,127,077	3,717,762
-	4,864	4,864
1,085,464	1,264,299	3,220,108
-	(2,041,608)	327,915
2,015,651	1,354,632	9,445,406
$ 2,315,429	$ 6,593,510	$ 24,921,232

See notes to financial statements

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2025

Total Fund Balances, Governmental Funds	$	9,445,406
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.		
Land		2,494,501
Construction in progress		443,044
Other capital assets		98,740,563
Less accumulated depreciation		(37,880,340)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.		1,275,545
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		3,955,752
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.		(1,849,082)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable		(36,326,093)
Compensated absences		(994,148)
Accrued interest		(468,725)
Unamortized debt premium		(754,591)
Retiree health insurance		(196,560)
Net pension liability		(634,741)
Net Position of Governmental Activities	$	37,250,531

See notes to financial statements

City of Portage

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2025

	General Fund	Ambulance Fund	Debt Service	Capital Projects Fund
Revenues				
Taxes	$ 4,579,708	$ 1,482,272	$ 3,131,341	$ -
Special assessments	-	-	-	-
Intergovernmental	3,529,560	127,930	-	112,500
Licenses and permits	152,127	-	-	-
Fines, forfeitures and penalties	108,694	-	-	-
Public charges for services	189,449	3,553,108	-	8,329
Intergovernmental charges for services	456,780	-	-	-
Investment income	207,385	18,728	-	94,714
Miscellaneous	180,794	3,164	-	22,180
Total revenues	9,404,497	5,185,202	3,131,341	237,723
Expenditures				
Current:				
General government	1,234,913	-	-	-
Public safety	4,859,304	3,907,299	-	-
Public works	2,005,865	-	-	-
Health and human services	66,054	-	-	-
Culture, recreation and education	869,889	-	-	-
Conservation and development	59,967	-	-	-
Capital outlay	-	-	-	4,073,987
Debt service:				
Principal	-	-	2,082,925	-
Interest and fiscal charges	-	-	1,507,146	101,664
Total expenditures	9,095,992	3,907,299	3,590,071	4,175,651
Excess (deficiency) of revenues over expenditures	308,505	1,277,903	(458,730)	(3,937,928)
Other Financing Sources (Uses)				
Debt issued	-	-	-	2,770,000
Transfers in	431,981	-	450,315	40,000
Sale of capital assets	5	-	-	-
Premium on debt issued	-	-	99,823	32,364
Transfers out	(288,525)	-	-	-
Total other financing sources (uses)	143,461	-	550,138	2,842,364
Net change in fund balances	451,966	1,277,903	91,408	(1,095,564)
Fund Balances, Beginning, as previously reported	4,092,314	-	441,160	3,111,215
Accounting changes (see note disclosure)	-	(279,628)	-	-
Fund Balances (Deficit), Beginning, as adjusted	4,092,314	(279,628)	441,160	3,111,215
Fund Balances, Ending	$ 4,544,280	$ 998,275	$ 532,568	$ 2,015,651

See notes to financial statements

Nonmajor Governmental Funds	Total
$ 1,956,047	$ 11,149,368
35,277	35,277
983,007	4,752,997
224,927	377,054
-	108,694
467,948	4,218,834
125,460	582,240
144,235	465,062
364,010	570,148
4,300,911	22,259,674
34,934	1,269,847
341,157	9,107,760
1,093,550	3,099,415
-	66,054
1,306,335	2,176,224
333,071	393,038
823,645	4,897,632
-	2,082,925
5,946	1,614,756
3,938,638	24,707,651
362,273	(2,447,977)
165,000	2,935,000
441,259	1,363,555
73,128	73,133
-	132,187
(587,815)	(876,340)
91,572	3,627,535
453,845	1,179,558
621,159	8,265,848
279,628	-
900,787	8,265,848
$ 1,354,632	$ 9,445,406

See notes to financial statements

City of Portage

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds	$	1,179,558
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		4,897,632
Some items reported as capital outlay were not capitalized		(84,518)
Depreciation is reported in the government-wide financial statements		(2,907,524)
Net book value of assets retired		(26,676)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		(43,306)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Debt issued		(2,935,000)
Principal repaid		2,082,925
Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the Statement of Net Position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.		
Premium on debt issued		(132,187)
Premium amortization		47,643
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.		
Compensated absences		(148,108)
Retiree health insurance		30,256
Accrued interest on debt		136,364
Net pension asset/liability		(84,292)
Deferred outflows of resources related to pensions		(1,084,601)
Deferred inflows of resources related to pensions		1,116,177
Settlement obligation		150,000
Change in Net Position of Governmental Activities	$	2,194,343

See notes to financial statements

City of Portage

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility Fund	Sewer Utility Fund	Total
Assets			
Current assets:			
Cash and investments	$ 1,092,139	$ 3,542,245	$ 4,634,384
Receivables:			
Taxes	60,313	5,438	65,751
Accounts	586,590	3,135	589,725
Special assessments	-	21,492	21,492
Due from other funds	-	190,139	190,139
Inventories and prepaid items	113,548	-	113,548
Restricted cash and investments:			
Redemption account	584,349	696,050	1,280,399
Total current assets	2,436,939	4,458,499	6,895,438
Noncurrent assets:			
Restricted assets:			
Construction account	474,133	423,556	897,689
Reserve account	524,998	716,344	1,241,342
Equipment replacement	-	1,023,995	1,023,995
Capital assets:			
Land	118,723	381,895	500,618
Construction in progress	16,107	3,877,167	3,893,274
Property and equipment	27,803,747	33,155,595	60,959,342
Less accumulated depreciation	(12,911,300)	(23,166,648)	(36,077,948)
Total noncurrent assets	16,026,408	16,411,904	32,438,312
Total assets	18,463,347	20,870,403	39,333,750
Deferred Outflows of Resources			
Pension related amounts	194,174	120,632	314,806
Total deferred outflows of resources	194,174	120,632	314,806

See notes to financial statements

City of Portage

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility Fund	Sewer Utility Fund	Total
Liabilities			
Current liabilities:			
Accounts payable	$ 224,186	$ 77,706	$ 301,892
Accrued interest	4,062	8,193	12,255
Accrued wages	12,151	11,519	23,670
Accrued taxes	-	3,946	3,946
Current portion of compensated absences	20,004	15,685	35,689
Current portion of general obligation debt	55,000	100,000	155,000
Due to other funds	622,120	-	622,120
Current liability from restricted assets:			
Accrued interest payable	35,701	82,009	117,710
Revenue bonds payable	366,742	4,088,572	4,455,314
Total current liabilities	1,339,966	4,387,630	5,727,596
Noncurrent liabilities:			
Long-term debt:			
General obligation debt payable	525,000	915,000	1,440,000
Revenue debt payable	5,565,000	8,059,698	13,624,698
Unamortized premium	121,334	367,720	489,054
Other liabilities:			
Compensated absences	30,548	86,033	116,581
Net pension liability	26,595	33,079	59,674
Total noncurrent liabilities	6,268,477	9,461,530	15,730,007
Total liabilities	7,608,443	13,849,160	21,457,603
Deferred Inflows of Resources			
Pension related amounts	114,017	73,403	187,420
Total deferred inflows of resources	114,017	73,403	187,420
Net Position			
Net investment in capital assets	8,868,334	1,140,576	10,008,910
Restricted for:			
Debt service	548,648	614,041	1,162,689
Equipment replacement	-	1,023,995	1,023,995
Unrestricted	1,518,079	4,289,860	5,807,939
Total net position	$ 10,935,061	$ 7,068,472	$ 18,003,533

See notes to financial statements

City of Portage

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility Fund	Sewer Utility Fund	Total
Operating Revenues			
Public charges for services	$ 2,402,257	$ 2,845,332	$ 5,247,589
Total operating revenues	2,402,257	2,845,332	5,247,589
Operating Expenses			
Operation and maintenance	1,345,541	1,310,719	2,656,260
Depreciation	507,262	1,038,076	1,545,338
Taxes	14,308	-	14,308
Total operating expenses	1,867,111	2,348,795	4,215,906
Operating income	535,146	496,537	1,031,683
Nonoperating Revenues (Expenses)			
Investment income	116,664	209,105	325,769
Interest and fiscal charges	(225,174)	(242,912)	(468,086)
Miscellaneous	19,918	12,096	32,014
Total nonoperating revenues (expenses)	(88,592)	(21,711)	(110,303)
Income before contributions and transfers	446,554	474,826	921,380
Contributions and Transfers			
Contributions in aid of construction	598,280	359,207	957,487
Transfers out	(459,874)	(27,341)	(487,215)
Total contributions and transfers	138,406	331,866	470,272
Change in net position	584,960	806,692	1,391,652
Net Position, Beginning	10,350,101	6,261,780	16,611,881
Net Position, Ending	$ 10,935,061	$ 7,068,472	$ 18,003,533

See notes to financial statements

City of Portage

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility Fund	Sewer Utility Fund	Total
Cash Flows From Operating Activities			
Received from customers	$ 2,312,823	$ 2,774,881	$ 5,087,704
Paid to suppliers for goods and services	(1,075,535)	(1,066,390)	(2,141,925)
Paid to employees for services	(347,166)	(407,124)	(754,290)
Net cash flows from operating activities	890,122	1,301,367	2,191,489
Cash Flows From Investing Activities			
Investment income	116,664	209,105	325,769
Net cash flows from investing activities	116,664	209,105	325,769
Cash Flows From Noncapital Financing Activities			
Paid to municipality for tax equivalent	(459,874)	-	(459,874)
Transfers	-	(27,341)	(27,341)
Net cash flows from noncapital financing activities	(459,874)	(27,341)	(487,215)
Cash Flows From Capital and Related Financing Activities			
Debt issued	-	3,355,831	3,355,831
Debt retired	(386,579)	(561,285)	(947,864)
Interest paid	(236,435)	(317,269)	(553,704)
Special assessments	-	9,250	9,250
Debt issuance costs and premium	-	22,890	22,890
Acquisition and construction of capital assets	(743,649)	(3,059,835)	(3,803,484)
Contribution received for construction	-	7,216	7,216
Net cash flows from capital and related financing activities	(1,366,663)	(543,202)	(1,909,865)
Net change in cash and cash equivalents	(819,751)	939,929	120,178
Cash and Cash Equivalents, Beginning	3,495,370	5,462,261	8,957,631
Cash and Cash Equivalents, Ending	$ 2,675,619	$ 6,402,190	$ 9,077,809

See notes to financial statements

City of Portage

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility Fund	Sewer Utility Fund	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities			
Operating income	$ 535,146	$ 496,537	$ 1,031,683
Nonoperating revenue	19,918	12,096	32,014
Adjustments to reconcile operating income to net cash flows from operating activities:			
Depreciation	507,262	1,038,076	1,545,338
Depreciation charged to other funds	43,231	-	43,231
Changes in assets, outflows, liabilities, and inflows:			
Customer accounts receivable	(108,871)	2,047	(106,824)
Receivable from municipality	(53,680)	(84,594)	(138,274)
Other accounts receivable	9,968	-	9,968
Prepayments	28,292	-	28,292
Accounts payable	(154,649)	(169,941)	(324,590)
Payable to municipality	(22,692)	-	(22,692)
Payable to other utility	88,646	-	88,646
Other current liabilities	393	2,373	2,766
Accrued sick leave	(4,608)	(50,600)	(55,208)
Pension related deferrals and liabilities	1,766	21,760	23,526
Retiree health deferrals and liabilities	-	33,613	33,613
Net cash flows from operating activities	$ 890,122	$ 1,301,367	$ 2,191,489
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds			
Unrestricted cash and investments	$ 1,092,139	$ 3,542,245	$ 4,634,384
Restricted cash and investments			
Redemption account	584,349	696,050	1,280,399
Reserve account	524,998	716,344	1,241,342
Equipment replacement account	-	1,023,995	1,023,995
Construction account	474,133	423,556	897,689
Cash and cash equivalents	$ 2,675,619	$ 6,402,190	$ 9,077,809
Noncash Capital and Related Financing Activities			
Amortization of debt premium	$ 9,158	$ 24,410	
Developer contributed capital	$ 598,280	$ 351,991	

See notes to financial statements

City of Portage

Statement of Fiduciary Net Position -
Fiduciary Fund
December 31, 2025

	Custodial Fund Tax Roll Fund
Assets	
Cash and investments	$ 5,977,459
Property taxes receivable	5,724,832
Total assets	11,702,291
Liabilities	
Due to other governments	11,702,291
Total liabilities	11,702,291
Net Position	
Total net position	$ -

See notes to financial statements

City of Portage

Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended December 31, 2025

	Custodial Fund Tax Roll Fund
Additions	
Property taxes collected for other governments	$ 7,949,922
Total additions	7,949,922
Deductions	
Property taxes distributed to other governments	7,949,922
Total deductions	7,949,922
Change in fiduciary net position	-
Net Position, Beginning	-
Net Position, Ending	$ -

See notes to financial statements

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1. Summary of Significant Accounting Policies

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

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit 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 or its component units, is entitled to, or has the ability to 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 primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Units

Community Development Authority

The government-wide financial statements include the Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the City Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. The Community Development Authority is part of the reporting entity of the City of Portage. However, the CDA had no financial transactions during 2025 which are material to these financial statements. Also, the CDA does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The CDA does not issue separate financial statements.

Business Improvement District

The government-wide financial statements include the Business Improvement District (BID) as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the mayor and confirmed by the local legislative body. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BID, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the BID's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2025. The BID does not issue separate financial statements.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable 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 City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

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

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

b. The same element of the individual governmental 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.

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

The City reports the following major governmental funds:

General Fund

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

Special Revenue Fund

Ambulance Fund is used to account for charges for services and supporting expenditures for the ambulance program.

Debt Service Fund

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

Capital Projects Fund

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

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

The City reports the following nonmajor governmental funds:

Special Revenue Funds

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

Park Land Dedication Fund	Swimming Pool Fund
Inspection Fund	Library Fund
Library, Restricted Fund	Criminal Investigation Fund
Tourism Promotion Fund	School Liaison Fund
Donation Fund	ARPA Fund
Portage Enterprise Center Fund	Housing and Urban Development (HUD) Fund
Wheel Tax Fund	Mass Transit Fund
Postretirement Benefits Fund	Recycling Fund
Library Memorial Fund	CDBG Fund

Capital Projects Funds

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

Industrial Development Fund	TIF #5
Revolving Alley Fund	TIF #6
Airport Construction Fund	TIF #7
Revolving Sidewalk Fund	TIF #8
Canal Project Fund	TIF #9
Vehicle Equipment Replacement Fund	TIF #10
TIF #4	TIF #11

In addition, the City reports the following fund type:

Custodial Fund

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

Tax Roll Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

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

Proprietary and Fiduciary Funds

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 water and sewer funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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

a. Time deposits in any credit union, bank, savings bank or trust company.

b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

g. Repurchase agreements with public depositories, with certain conditions.

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments.

Credit Risk: The City of Portage will minimize credit risk, which is the risk of loss due to failure of the security issuer or backer, by limiting investments to the types of securities permitted under Wisconsin Statutes Chapter 66.0603; approve by resolution the public depositories that are deemed appropriate for use under Wisconsin and Federal law; diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Interest Rate Risk: The City of Portage will minimize interest rate risk, which is risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Custodial Risk: The City of Portage will minimize custodial risk, which is the risk that in the event of a financial institution failure, the City's deposits may not be returned to it, by maintaining a list of public depositories, financial institutions and brokers/dealers authorized to provide deposit and investment services; all public depositories, financial institutions and brokers/dealers authorized to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

No policy exists for the following risks:

Concentration of credit risk

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement 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.

See Note 3 for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the county government as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary 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, 2026
First installment due	January 31, 2026
Second installment due	July 31, 2026
Tax sale - 2025 delinquent real estate taxes	October 2028

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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 governmental-wide financial statements as internal balances.

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

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale.

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $5,000 general capital assets and $25,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Depreciation 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. The range of estimated useful lives by type of asset is as follows:

Buildings	20-40	Years
Land Improvements	20	Years
Machinery and Equipment	20-35	Years
Utility System	30-50	Years
Infrastructure	20-50	Years
Machinery and equipment	2-15	Years
Computer and related hardware	5	Years
Vehicles	2-10	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.

Deferred Outflows of Resources

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

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts.

Vacation and sick leave pay is accrued in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

The City provides postemployment health insurance benefits for all eligible employees. Eligibility is based on terms of employee policies. The benefits are based on contractual agreements with employee groups, local ordinances or employee benefit policies. Employees may convert balance of accumulated sick leave to pay for health care premiums. The cost of those premiums is recognized as an expenditure as the premiums are paid. The City pays for 88% of the premium for the lowest cost plan. Funding for those costs is provided out of the current operating budget of the City. The contributions are financed on a pay as you go basis. Total expenditures for such premiums during the year were not material. There are nine participants currently eligible and receiving benefits. The total amount outstanding at year-end to be paid in the future is $196,560 and is included in the government-wide statement of net position.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2025, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

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

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

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

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.

e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

The City has a formal minimum fund balance policy. That policy is to maintain a minimum unassigned fund balance equal to 20-25% of total general fund expenditures. The balance at year end was $2,369,523, or 26%, and is included in unassigned general fund balance.

See Note 3 for further information.

Pension

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

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

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

Basis for Existing Rates

Water Utility Fund

Current water rates were approved by the Public Service Commission of Wisconsin to be effective on September 1, 2024.

Sewer Utility Fund

Current sewer rates were approved by the Common Council on April 10, 2025 and were effective July 1, 2025.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the all funds except for the Swimming Pool Fund, ARPA Fund, and Canal Project Fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

The following funds had significant expenditures and other financing uses over budget:

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
Ambulance Fund	$ 2,261,513	$ 3,907,299	$ 1,645,786
Debt Service Fund	3,564,236	3,590,071	25,835
Capital Projects	3,712,239	4,175,651	463,412
Park Land Dedication Fund	5,000	50,816	45,816
Vehicle Equipment Replacement Fund	362,960	447,020	84,060
Inspection	124,476	190,290	65,814
Library - Restricted Fund	3,050	56,645	53,595
Tourism Promotion Fund	195,400	207,948	12,548
School Liaison Fund	125,972	134,140	8,168
Donation Fund	92,313	95,418	3,105
TIF #4	235,455	236,358	903
TIF #6	55,604	214,146	158,542
TIF #10	3,970	6,402	2,432
TIF #11	13,693	27,076	13,383

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

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2025, the following individual funds held a deficit balance:

Fund	Amount	Reason
Portage Enterprise Center	$ 9,579	Costs exceed accumulated revenues
Postretirement Benefits Fund	19,456	Costs exceed accumulated revenues
TIF #4	1,205,129	Costs exceed accumulated increments
TIF #5	534,257	Costs exceed accumulated increments
TIF #6	245,968	Costs exceed accumulated increments
TIF #11	27,219	Costs exceed accumulated increments

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. Portage Enterprise Center and Postretirement Benefits Fund fund deficits are anticipated to be funded with future contributions, general tax revenues, or long-term borrowing.

Limitations on the City's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the City's funds.

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	$ 22,908,929	$ 23,779,141	Custodial credit
LGIP	1,478,044	1,478,044	Credit
Petty cash	1,547	-	N/A
Total deposits and investments	$ 24,388,520	$ 25,257,185	

Reconciliation to financial statements

Per statement of net position:	
Unrestricted cash and investments	$ 13,932,749
Restricted cash and investments	4,473,926
BID Fund	4,386
Per statement of net position - fiduciary fund:	
Custodial Fund	5,977,459
Total deposits and investments	$ 24,388,520

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

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

The City maintains collateral agreements with its banks. At December 31, 2025, the banks had pledged various government securities in the amount of $840,833 to secure the City's deposits.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

As of December 31, 2025, $77,827 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 77,827
Total	$ 77,827

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The City had investments in the external Wisconsin Local Government Investment Pool which is not rated.

See Note 1 for further information on deposit and investment policies.

Receivables

All of the receivables on the balance sheet are expected to be collected within one year with the exception of a portion of the delinquent personal property taxes and the loans receivable balance in its entirety.

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	$ 10,846,446	$ -
Loans	-	1,144,547
Special assessments not yet due	-	80,174
ARPA funds	70,539	-
Donations	-	13,314
Developer payment	-	37,510
Total unearned/unavailable revenue for governmental funds	$ 10,916,985	$ 1,275,545
Unearned revenue included in liabilities	$ 70,539	
Unearned revenue included in deferred inflows	10,846,446	
Total unearned revenue for governmental funds	$ 10,916,985	

For economic development loans, the City is limited by the Wisconsin Department of Administration to the amount of program income from economic development loans that it may retain to be loaned to other businesses and/or the amount of time for which funds may be held without use. Program income includes the principal and interest received from economic development loans repayments.

At December 31, 2025, the City has not exceeded the maximum amount of program income that it may retain or the amount of time for which funds may be held without use. When it does, a liability to the state will be recorded.

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.

Construction - Used to report proceeds of revenue bond issuances that are restricted for use in construction.

Equipment Replacement Account

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Library Restricted Account

Used to report amounts donated for library purposes.

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

Restricted assets:	
Redemption account	$ 1,280,399
Reserve account	1,241,342
Replacement account	1,023,995
Construction account	897,689
Library restricted funds	30,501
Total restricted assets	4,473,926

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	$ 2,494,501	$ -	$ -	$ 2,494,501
Construction in progress	13,461,142	3,298,147	16,316,245	443,044
Total capital assets not being depreciated	15,955,643	3,298,147	16,316,245	2,937,545
Capital assets being depreciated:				
Buildings	11,903,763	14,285,308	-	26,189,071
Land improvements	5,924,522	212,150	-	6,136,672
Equipment	3,905,373	408,873	58,505	4,255,741
Vehicles	9,613,233	727,944	329,311	10,011,866
Infrastructure	50,387,176	2,196,937	436,900	52,147,213
Total capital assets being depreciated	81,734,067	17,831,212	824,716	98,740,563
Total capital assets	97,689,710	21,129,359	17,140,961	101,678,108
Less accumulated depreciation for:				
Buildings	(5,838,871)	(631,865)	-	(6,470,736)
Land improvements	(2,121,946)	(224,458)	-	(2,346,404)
Equipment	(2,749,594)	(206,456)	72,649	(2,883,401)
Vehicles	(4,813,979)	(576,755)	294,031	(5,096,703)
Infrastructure	(20,246,466)	(1,267,990)	431,360	(21,083,096)
Total accumulated depreciation	(35,770,856)	(2,907,524)	798,040	(37,880,340)
Net capital assets being depreciated	45,963,211	14,923,688	26,676	60,860,223
Total governmental activities capital assets, net as reported in the statement of net position	$ 61,918,854	$ 18,221,835	$ 16,342,921	$ 63,797,768

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	$ 102,951
Public safety	514,471
Public works	1,879,159
Culture, education and recreation	410,943
Total governmental activities depreciation expense	$ 2,907,524

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land	$ 118,723	$ -	$ -	$ 118,723
Construction in progress	16,377	16,107	16,377	16,107
Total capital assets not being depreciated	135,100	16,107	16,377	134,830
Capital assets being depreciated:				
Source of supply	5,561,549	-	-	5,561,549
Pumping	800,558	-	-	800,558
Water treatment	2,572,188	-	-	2,572,188
Transmission and distribution	14,694,422	1,343,199	187,828	15,849,793
General	3,019,659	-	-	3,019,659
Total capital assets being depreciated	26,648,376	1,343,199	187,828	27,803,747
Total capital assets	26,783,476	1,359,306	204,205	27,938,577
Less accumulated depreciation for:				
Water system	(12,547,635)	(550,493)	186,828	(12,911,300)
Total accumulated depreciation	(12,547,635)	(550,493)	186,828	(12,911,300)
Net capital assets being depreciated	14,100,741	792,706	1,000	14,892,447
Net water capital assets	$ 14,235,841	$ 808,813	$ 17,377	$ 15,027,277

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated:				
Land	$ 381,895	$ -	$ -	$ 381,895
Construction in progress	2,089,199	2,477,294	689,326	3,877,167
Total capital assets not being depreciated	2,471,094	2,477,294	689,326	4,259,062
Capital assets being depreciated:				
Buildings and structures	8,152,727	-	-	8,152,727
Collecting system	9,441,767	833,797	137,738	10,137,826
Pumping	2,037,871	28,961	-	2,066,832
Treatment and disposal	10,941,060	670,625	-	11,611,685
General	1,096,050	90,475	-	1,186,525
Total capital assets being depreciated	31,669,475	1,623,858	137,738	33,155,595
Total capital assets	34,140,569	4,101,152	827,064	37,414,657
Less accumulated depreciation for:				
Sewer system	(22,266,308)	(1,038,078)	137,738	(23,166,648)
Total accumulated depreciation	(22,266,308)	(1,038,078)	137,738	(23,166,648)
Net capital assets being depreciated	9,403,167	585,780	-	9,988,947
Net sewer capital assets	$ 11,874,261	$ 3,063,074	$ 689,326	$ 14,248,009
Business-type activities capital assets, net as reported in the statement of net position	$ 26,110,102	$ 3,871,887	$ 706,703	$ 29,275,286

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Water	$ 507,262
Sewer	1,038,076
Total business-type activities, net as reported in the statement of net position expense	$ 1,545,338

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

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General Fund	Inspection Fund	$ 19,461
General Fund	Water Utility Fund	431,981
Sewer Utility	Water Utility Fund	190,139
Total, fund financial statements		641,581
Less fund eliminations		(209,600)
Total internal balances, government-wide statement of net position		$ 431,981

All amounts are due within one year.

The principal purpose of these interfunds is the PILOT due from the water utility to the general fund in the amount of $431,981. All remaining balances resulted 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.

Advances

The general fund is advancing funds to the TIF Districts #4, #5, #6 and #11. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedule has been established.

The general fund is also advancing funds to the Postretirement Benefits Fund. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. No repayment schedule has been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Postretirement Benefits Fund	$ 20,264	$ 20,264
General Fund	TIF #4	1,195,129	1,195,129
General Fund	TIF #5	496,747	496,747
General Fund	TIF #6	245,968	245,968
General Fund	TIF #11	22,159	22,159
Total, fund financial statements		1,980,267	
Less fund eliminations		(1,980,267)	
Total, interfund advances, government-wide statement of net position		$ -	

The principal purpose of these advances is cash deficits.

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Water Utility Fund	$ 431,981	PILOT
Debt Service Fund	TIF #4	216,430	Debt service
Debt Service Fund	TIF #6	46,089	Debt service
Debt Service Fund	TIF #7	123,338	Debt service
Debt Service Fund	TIF #8	47,038	Debt service
Debt Service Fund	TIF #11	17,420	Debt service
Vehicle Equipment Replacement Fund	General Fund	71,200	Capital outlay
Vehicle Equipment Replacement Fund	School Liaison Fund	7,500	Capital outlay
Vehicle Equipment Replacement Fund	Water Utility Fund	27,893	Capital outlay
Vehicle Equipment Replacement Fund	Sewer Utility Fund	27,341	Capital outlay
Mass Transit Fund	General Fund	31,799	Subsidy
Swimming Pool Fund	General Fund	25,943	Fund operations
School Liaison Fund	General Fund	40,488	Fund operations
TIF #4	Portage Enterprise Center	90,000	TIF development
Capital Projects Fund	Wheel Tax Fund	40,000	Wheel tax revenue
Postretirement Benefits Fund	General Fund	119,095	Retirement funding
Subtotal, fund financial statements		1,363,555	
Less fund eliminations		(876,340)	
Total transfers, government-wide statement of activities		$ 487,215	

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

Long-Term Obligations

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	$ 34,995,000	$ 2,935,000	$ 1,895,000	$ 36,035,000	$ 2,260,000
General obligation debt from direct borrowings and direct placements	479,018	-	187,925	291,093	125,148
(Discounts)/Premiums:					
Premiums	670,047	132,187	47,643	754,591	-
Total bonds and notes payable	36,144,065	3,067,187	2,130,568	37,080,684	2,385,148
Other liabilities:					
Retiree health insurance	226,816	-	30,256	196,560	-
Compensated absences*	846,040	148,108	-	994,148	379,323
Claims payable	300,000	-	150,000	150,000	150,000
Total other liabilities	1,372,856	148,108	180,256	1,340,708	529,323
Total governmental activities long-term liabilities	$ 37,516,921	$ 3,215,295	$ 2,310,824	$ 38,421,392	$ 2,914,471
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	$ 1,000,000	$ 715,000	$ 120,000	$ 1,595,000	$ 155,000
Revenue bonds	15,080,000	-	750,000	14,330,000	780,000
Revenue bonds from direct borrowings and direct placements	232,276	-	77,865	154,411	79,714
Bond anticipation notes	954,769	1,645,231	-	2,600,000	2,600,000
Bond anticipation notes from direct borrowings and direct placements	-	995,600	-	995,600	995,600
(Discounts)/Premiums:					
Premiums	499,347	21,739	32,032	489,054	-
Total bonds and notes payable	17,766,392	3,377,570	979,897	20,164,065	4,610,314
Other liabilities:					
Compensated absences*	144,056	-	55,208	88,848	35,689
Retiree health insurance	29,809	33,613	-	63,422	-
Total other liabilities	173,865	33,613	55,208	152,270	35,689
Total business-type activities long-term liabilities	$ 17,940,257	$ 3,411,183	$ 1,035,105	$ 20,316,335	$ 4,646,003

In addition to the liabilities above, information on the net pension liability (asset) is provided in Note 4.

*The change in the compensated absences liability is presented as a net change.

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 $56,040,465. Total general obligation debt outstanding at year end was $37,921,093.

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt 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.

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
General obligation promissory bonds	08/02/12	04/01/27	0.55-3.50%	$ 2,175,000	$ 365,000
General obligation promissory bonds	08/02/12	04/01/29	2.00-2.85	3,130,000	845,000
General obligation promissory bonds	08/16/15	04/01/28	2.00-3.50	2,950,000	1,815,000
General obligation promissory bonds	05/19/16	05/01/36	0.75-3.20	1,450,000	790,000
General obligation promissory bonds	04/13/17	04/01/32	3.00-3.50	3,225,000	1,625,000
General obligation promissory bonds	05/15/19	04/01/39	2.75	3,055,000	2,250,000
General obligation promissory notes (direct)	10/05/20	08/01/27	1.65	300,000	89,006
General obligation promissory notes	06/03/21	04/01/41	2.00-4.00	2,630,000	2,235,000
General obligation corporate purpose bonds	06/29/22	04/01/42	3.00-4.00	2,125,000	1,875,000
General obligation promissory notes (direct)	10/27/22	08/01/29	3.75	265,000	158,490
Promissory note (direct)	08/31/23	08/01/26	5.00	125,000	43,597
General obligation corporate purpose bonds	07/06/23	04/01/43	4.00-5.00	3,055,000	2,860,000
General obligation promissory notes	06/13/24	04/01/44	4.00-4.25	18,965,000	18,440,000
General obligation promissory notes	08/14/25	04/01/45	4.00-5.00	2,935,000	2,935,000
Total governmental activities, general obligation debt					$ 36,326,093

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
General obligation promissory bonds	08/16/15	04/01/28	2.00-3.50%	$ 670,000	$ 165,000
General obligation promissory bonds	05/19/16	05/01/30	0.75-3.20	405,000	135,000
General obligation promissory bonds	04/13/17	04/01/32	3.00-3.50	505,000	280,000
General obligation promissory bonds	06/03/21	04/01/41	2.00-4.00	360,000	300,000
General obligation promissory notes	8/14/25	04/01/45	4.00-5.00	715,000	715,000
Total business-type activities, general obligation debt					$ 1,595,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt Principal	Governmental Activities General Obligation Debt Interest	Business-Type Activities General Obligation Debt Principal	Business-Type Activities General Obligation Debt Interest
2026	$ 2,260,000	$ 1,344,512	$ 155,000	$ 57,146
2027	2,320,000	1,242,840	155,000	48,293
2028	2,185,000	1,160,572	160,000	43,306
2029	2,135,000	1,081,284	110,000	38,806
2030	2,110,000	1,002,329	115,000	34,956
2031-2035	10,465,000	3,813,078	340,000	130,356
2036-2040	8,215,000	2,090,625	295,000	78,406
2041-2045	6,345,000	533,824	265,000	26,997
Total	$ 36,035,000	$ 12,269,064	$ 1,595,000	$ 458,266

Years	Governmental Activities Notes From Direct Borrowings and Direct Placements Principal	Governmental Activities Notes From Direct Borrowings and Direct Placements Interest
2026	$ 125,148	$ 6,966
2027	83,719	4,798
2028	40,335	2,756
2029	41,891	1,202
Total	$ 291,093	$ 15,722

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and sewer utilities.

The water utility fund has pledged future water revenues, net of specified operating expenses, to repay revenue bonds issued in 2007-2024. Proceeds from the bonds provided financing for the water system. The bonds are payable solely from water revenues and are payable through 2044. Annual principal and interest payments on the bonds are expected to require 34.56% of net revenues. The total principal and interest remaining to be paid on the bonds is $7,740,894. Principal and interest paid for the current year and total customer net revenues were $571,115 and $1,178,990, respectively.

The sewer utility fund has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 2008-2024. Proceeds from the bonds provided financing for the sewer system. The bonds are payable solely from sewer revenues and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 35.71% of net revenues. The total principal and interest remaining to be paid on the bonds is $10,660,337. Principal and interest paid for the current year and total customer net revenues were $751,621 and $1,755,814, respectively.

Revenue debt payable at December 31, 2025, consists of the following:

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Water Utility					
Water system revenue bonds (direct)	04/25/07	05/01/26	2.475%	$ 121,379	$ 6,742
Water system revenue bonds	04/16/15	05/01/35	1.00-3.50	855,000	505,000
Water system revenue bonds	05/19/16	05/01/36	2.00-3.00	2,190,000	1,475,000
Water system revenue bonds	05/15/19	05/01/39	2.89	1,335,000	1,010,000
Water system revenue bonds	06/29/22	05/01/42	4.00	990,000	885,000
Water system revenue bonds	06/13/24	05/01/44	4.35	2,115,000	2,050,000
				Total Water Utility	5,931,742
Sewer Utility					
Sewer system revenue bonds (direct)	03/26/08	05/01/27	2.36	1,159,443	147,669
Sewer system revenue bonds	04/13/27	05/01/37	3.00-3.75	2,180,000	1,465,000
Sewer system revenue bonds	05/15/19	05/01/39	2.86	1,265,000	955,000
Sewer system revenue bonds	06/03/21	05/01/41	1.37-4.00	4,335,000	3,655,000
Sewer system revenue bonds	06/29/22	05/01/42	4.00	1,655,000	1,550,000
Sewer system revenue bonds	08/01/24	05/01/39	5.00	815,000	780,000
				Total Sewer Utility	8,552,669
Total business-type activities, revenue debt					$ 14,484,411

Debt service requirements to maturity are as follows:

	Business-Type Activities Revenue Debt	
Years	**Principal**	**Interest**
2026	$ 780,000	$ 464,164
2027	800,000	436,200
2028	800,000	406,801
2029	865,000	376,100
2030	900,000	346,110
2031-2035	4,860,000	1,283,030
2036-2040	4,050,000	532,759
2041-2044	1,275,000	69,061
Total	$ 14,330,000	$ 3,914,225

Years	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	Principal	Interest
2026	$ 79,714	$ 1,712
2027	74,697	883
Total	$ 154,411	$ 2,595

Business-Type Activities Bond Anticipation Notes	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2025
Bond Anticipation Note	06/05/24	N/A	5.40%	$ 2,600,000	$ 2,600,000
Bond Anticipation Note	12/17/2025	N/A	5.40	995,600	995,600
Total business-type activities bond anticipation notes					$ 3,595,600

Debt service requirements to maturity are as follows:

Years	Business-Type Activities Bond Anticipation Notes		Business-Type Activities Bond Anticipation Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2026	$ 2,600,000	$ 140,400	$ 995,600	$ 53,762
Total	$ 2,600,000	$ 140,400	$ 995,600	$ 53,762

Claims Payable

On February 26, 2024, the City signed a settlement agreement with Aspirus Wausau Hospital, Inc. for prior year services. Per the agreement, the City is to pay Aspirus $150,000 on June 1 for the next three years, starting on June 1, 2024, for a total amount of $450,000. The current portion of the claims payable is reported within the General Fund as of December 31, 2025.

Other Debt Information

Estimated payments of compensated absences and the retiree health insurance are not included in the debt service requirement schedules. The compensated absences liability and retiree health insurance liability attributable to governmental activities will be liquidated primarily by the general fund.

A statutory mortgage lien upon the utility's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The utility's 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 City's 2018, 2020, 2022 and 2023 promissory notes outstanding as of December 31, 2025 are direct borrowings. These notes contain clauses that if the City fails to pay any amount when due the unpaid balances shall automatically mature and become immediately payable.

Bond Covenant Disclosures

Insurance

The utilities are exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

Debt Coverage - Water

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the annual debt service. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2025 as follows:

Operating revenues	$ 2,402,257
Investment income	116,664
Miscellaneous nonoperating income	19,918
Less operation and maintenance expenses	(1,359,849)
Net defined earnings	$ 1,178,990
Minimum Required Earnings per Resolution:	
Annual debt service	$ 571,115
Coverage factor	1.25
Minimum required earnings	$ 713,894
Actual debt coverage	2.06

Debt Coverage - Sewer

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the annual debt service. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2025 as follows:

	2025
Operating revenues	$ 2,845,332
Investment income	209,105
Miscellaneous nonoperating income	12,096
Less operation and maintenance expenses	(1,310,719)
Net defined earnings	$ 1,755,814
Minimum Required Earnings per Resolution:	
Annual debt service	$ 751,621
Coverage factor	1.25
Minimum required earnings	$ 939,526
Actual debt coverage	2.34

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:	
Land	$ 2,494,501
Construction in progress	443,044
Other capital assets, net of accumulated depreciation	60,860,223
Less long-term debt outstanding	(36,326,093)
Plus unspent capital related debt proceeds	1,017,210
Less unamortized debt premium	(754,591)
Total net investment in capital assets	$ 27,734,294

Governmental Funds

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

	General Fund	Ambulance Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Funds	Total
Fund Balances						
Nonspendable:						
Prepaid items	$ 193,287	$ -	$ -	$ -	$ -	$ 193,287
Delinquent personal property taxes	1,203	-	-	-	-	1,203
Long-term receivables	1,980,267	-	-	-	-	1,980,267
Subtotal	2,174,757	-	-	-	-	2,174,757
Restricted for:						
Library	-	-	-	-	202,328	202,328
Unspent proceeds	-	-	-	930,187	87,204	1,017,391
TIF activities	-	-	-	-	872,547	872,547
Hazmat vehicles	-	-	-	-	231,988	231,988
Wheel tax activities	-	-	-	-	102,916	102,916
Donations	-	-	-	-	171,180	171,180
HUD	-	-	-	-	24,437	24,437
CDBG	-	-	-	-	210,275	210,275
Debt service	-	-	532,568	-	-	532,568
Transit	-	-	-	-	224,202	224,202
Ambulance activities	-	127,930	-	-	-	127,930
Subtotal	-	127,930	532,568	930,187	2,127,077	3,717,762
Committed to:						
Recycling	-	-	-	-	4,864	4,864
Subtotal	-	-	-	-	4,864	4,864
Assigned to:						
Special revenue	-	870,345	-	-	334,147	1,204,492
Capital projects	-	-	-	1,085,464	930,152	2,015,616
Subtotal	-	870,345	-	1,085,464	1,264,299	3,220,108
Unassigned (deficit):	2,369,523	-	-	-	(2,041,608)	327,915
Total fund balances	$ 4,544,280	$ 998,275	$ 532,568	$ 2,015,651	$ 1,354,632	$ 9,445,406

Business-Type Activities

Net investment in capital assets:	
Land	$ 500,618
Construction in progress	3,893,274
Other capital assets, net of accumulated depreciation	24,881,394
Less long-term debt outstanding	(19,675,011)
Plus unspent capital related debt proceeds	897,689
Less unamortized debt premium	(489,054)
Total net investment in capital assets	$ 10,008,910

Accounting Changes

Changes to or Within the Financial Reporting Entity (See Adjustments Below)

The City has determined that the Ambulance Fund meets the criteria of a major governmental fund and has been reclassified.

Adjustments to Beginning Balances

During fiscal year 2025, changes within the financial reporting entity resulted in adjustments to beginning fund balance, as follows:

	December 31, 2024 As Previously Reported	Change to or Within the Financial Reporting Entity	December 31, 2024 As Adjusted
Governmental funds			
Major funds:			
Ambulance Fund	$ -	$ (279,628)	$ (279,628)
Nonmajor funds	621,159	279,628	900,787
Total governmental funds	$ 621,159	$ -	$ 621,159

Component Unit

Business Improvement District

This report contains the Business Improvement District (BID), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The BID follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

At year end, the carrying amount of the BID's deposits was $4,386 and is part of the City's commingled cash. See Note 3.

c. Capital Assets

At year end, the capital assets in the BID consisted of a bobcat and a shed, net of depreciation with an ending balance of $5,037. The BID considers a capital asset to have an initial cost of $1,000 and an estimated useful life in excess of three years.

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (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 occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

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	0.0	(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

Contributions

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

During the reporting period, the WRS recognized $647,194 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2025 are:

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

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

At December 31, 2025, the City reported an liability of $694,415 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the City's proportion was 0.04226082%, which was an increase of 0.00138584% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the City recognized pension expense (revenue) of $723,997.

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
Differences between projected and actual experience	$ 2,156,539	$ 2,026,470
Changes in assumptions	206,046	-
Net differences between projected and actual earnings on pension plan investments	1,055,201	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	10,032
Employer contributions subsequent to the measurement date	852,772	-
Total	$ 4,270,558	$ 2,036,502

$852,772 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) 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 in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2026	$ 413,610
2027	1,436,383
2028	(357,629)
2029	(111,080)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage 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 prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2024

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

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

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

*** *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%.*

Single Discount Rate

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

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

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City's proportionate share of the net pension liability (asset)	$ 6,514,521	$ 694,415	$ (3,440,603)

Pension Plan Fiduciary Net Position

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

At December 31, 2025, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Commitments and Contingencies

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

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

The City has entered into a development agreement with Belco Vehicle Solutions LLC (the LLC). The LLC agrees to purchase a parcel of land and construct a light manufacturing facility. If all benchmarks within the agreement are met, the City agrees to reimburse the LLC for 75% of the land purchase. The payments will consist of $16,450 annually for a three-year period. As of December 31, 2025, the total amount paid out under this agreement is $32,900.

The City has active construction projects as of December 31, 2025. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Joint Ventures

Fire Protection Agreement

The City has entered into an agreement with the Towns of Pacific, Caledonia, Lewiston and Fort Winnebago (the Town) to provide fire protection services. The Towns are jointly responsible for the replacement of designated firefighting apparatus used by the City to provide fire/rescue services to the Towns. The Towns contribute a fixed sum annually to the vehicle and equipment replacement fund. In July 2015, the City turned over the Towns' balance of the vehicle and equipment replacement fund to be managed by a designated agent assigned by the Towns. The amount is based on the amortized replacement cost of firefighting apparatus owned by the Towns. The Towns contribute an additional amount annually to the Vehicle and Replacement Fund based on the amortized replacement cost of firefighting apparatus owned in common by the Towns and the City. The Towns' prorated contribution is 49% and the City's is 51% of the established annual amortized replacement cost of said apparatus. Each of the four Towns' annual contribution is determined on the basis of their respective percentage share of the aggregated equalized assessed valuation of the four Towns and is payable to the designated agent. The City does not have an equity interest in the joint venture.

Subsequent Event

On February 25, 2026, the City issued sewerage system revenue bonds (from the Clean Water Fund Program), series 2026, in the amount of $53,335,570 with an interest rate of 2.712%. This amount will be used for the wastewater treatment plant facilities improvement project.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City through its Tax Incremental Financing Districts (TID) No. 9 and No. 11 has entered into a tax abatement agreement with a developers in the form of a tax incremental financing incentive payment to stimulate economic development. The abatements are authorized through the TID project plans. The developer pays property taxes as they become due, and after meeting the criteria established in the development agreement, are entitled to future incentive payments that directly correlates to the taxes paid. While agreements have been signed, no payments have been made as of December 31, 2025

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

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

REQUIRED SUPPLEMENTARY INFORMATION

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Revenues			
Taxes			
General property taxes	$ 4,549,814	$ 4,545,749	$ (4,065)
Mobile home lottery credit	22,500	17,832	(4,668)
Forest cropland and managed forest land taxes	1,160	1,082	(78)
Sales and use	40	45	5
Payments in lieu of taxes	15,000	15,000	-
Total taxes	4,588,514	4,579,708	(8,806)
Intergovernmental Revenues			
State shared revenues	2,153,116	2,160,300	7,184
State expenditure restraint	183,083	183,083	-
Fire insurance tax	40,000	46,661	6,661
State aid, law enforcement improvement	4,920	8,146	3,226
State aid, general transportation aids	589,888	625,058	35,170
State aid, connecting streets	155,943	159,846	3,903
Other state payments, operating	180,474	180,474	-
Video service provider payment	27,153	27,153	-
Payments for municipal services	74,960	100,162	25,202
In lieu of taxes on state conservation lands	440	760	320
State aid, fire training	-	21,179	21,179
Other state payments	7,000	6,738	(262)
County aid, highway and bridges	6,000	10,000	4,000
Total intergovernmental revenues	3,422,977	3,529,560	106,583
Licenses and Permits			
Business and occupational licenses	1,600	1,700	100
Liquor and malt beverage licenses	33,000	31,753	(1,247)
Operators' license	1,500	1,045	(455)
Mobile home park licenses	300	200	(100)
Cable television franchise fees	105,440	61,475	(43,965)
Dog and cat licenses	7,500	5,956	(1,544)
Other nonbusiness licenses	100	-	(100)
Other regulatory permits and fees	19,750	49,998	30,248
Total licenses and permits	169,190	152,127	(17,063)
Fines, Forfeitures and Penalties			
Court penalties and costs	146,500	102,223	(44,277)
Parking violations	7,000	6,045	(955)
Judgments and damages	3,500	426	(3,074)
Total fines, forfeitures and penalties	157,000	108,694	(48,306)

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Public Charges for Services			
Clerk's fees	$ 250	$ 661	$ 411
Law enforcement fees	6,500	9,206	2,706
Street related facilities	7,500	30,854	23,354
Parking lots, ramps and meters	20	-	(20)
Other transportation	300	-	(300)
Solid waste disposal	7,000	7,843	843
Culture, recreation and education	4,000	1,641	(2,359)
Parks	81,661	86,638	4,977
Recreation programs	3,800	2,175	(1,625)
Park rental	20,000	21,697	1,697
Conservation and development	3,500	(3,226)	(6,726)
Other public charges for services	28,150	31,403	3,253
Fire protection fees	500	557	57
Total public charges for services	163,181	189,449	26,268
Intergovernmental Charges for Services			
Local, rural fire services	230,000	264,892	34,892
Local, HAZMAT services	22,500	29,836	7,336
Local, intra-agency administration fees	162,052	162,052	-
Total intergovernmental charges for services	414,552	456,780	42,228
Investment Income			
Interest on investments	180,000	205,815	25,815
Interest on special assessments	1,250	1,570	320
Total investment income	181,250	207,385	26,135
Miscellaneous Revenues			
Rent	88,700	94,648	5,948
Insurance recoveries, police	2,000	12,632	10,632
Donations	7,000	8,216	1,216
Insurance dividends	6,000	8,074	2,074
Other miscellaneous	65,105	52,950	(12,155)
Insurance recoveries, highway	1,000	4,164	3,164
Insurance recoveries, other	1,000	110	(890)
Total miscellaneous revenues	170,805	180,794	9,989
Total revenues	9,267,469	9,404,497	137,028

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Expenditures			
General Government			
Council	$ 39,116	$ 38,728	$ 388
Judicial	146,969	142,754	4,215
Legal	41,250	21,805	19,445
Mayor	13,084	12,969	115
Administrator	175,024	182,468	(7,444)
General administration	457,321	436,085	21,236
Financial administration	267,693	268,699	(1,006)
General buildings/plant/hall	129,389	130,156	(767)
Safety program	2,000	1,249	751
Contingency	10,000	-	10,000
Total general government	1,281,846	1,234,913	46,933
Public Safety			
Police	700,623	671,206	29,417
Patrol	2,490,963	2,329,605	161,358
Criminal investigation	444,967	410,129	34,838
Fire protection	275,748	287,077	(11,329)
Suppression	847,124	907,325	(60,201)
Prevention	107,520	106,788	732
Hazmat	13,650	15,445	(1,795)
Emergency government	2,400	2,058	342
Police special services	132,508	129,671	2,837
Total public safety	5,015,503	4,859,304	156,199
Public Works			
Engineering	256,784	243,720	13,064
Highway and street maintenance for local	1,301,060	1,299,242	1,818
Highway and street construction for local	4,000	12,000	(8,000)
Storm sewer maintenance	17,700	22,479	(4,779)
Parking facilities	1,350	1,352	(2)
Airport	50,917	40,039	10,878
Solid waste disposal	415,680	381,847	33,833
Weed and nuisance control	5,150	5,186	(36)
Total public works	2,052,641	2,005,865	46,776
Health and Human Services			
Public health services	17,500	17,554	(54)
Cemetery	48,500	48,500	-
Total health and human services	66,000	66,054	(54)

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual	Variance With Final Budget
Culture, Recreation and Education			
Parks	$ 267,223	$ 264,400	$ 2,823
Recreation programs and events	108,602	103,538	5,064
Park maintenance	480,634	501,951	(21,317)
Total culture, recreation and education	856,459	869,889	(13,430)
Conservation and Development			
Community development	62,743	59,967	2,776
Total conservation and development	62,743	59,967	2,776
Total expenditures	9,335,192	9,095,992	239,200
Excess (deficiency) of revenues over (under) expenditures	(67,723)	308,505	376,228
Other Financing Sources (Uses)			
Sale of capital assets	4,000	5	(3,995)
Transfers in	350,000	431,981	81,981
Transfers out	(286,277)	(288,525)	(2,248)
Total other financing sources (uses)	67,723	143,461	75,738
Net change in fund balance	-	451,966	451,966
Fund Balance, Beginning	4,092,314	4,092,314	-
Fund Balance, Ending	$ 4,092,314	$ 4,544,280	$ 451,966

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Ambulance Fund
Year Ended December 31, 2025

	Budgeted Amounts		
	Original and Final	Actual	Variance With Final Budget
Revenues			
Taxes			
General property taxes	$ 1,482,272	$ 1,482,272	$ -
Intergovernmental			
Intergovernmental	-	127,930	127,930
Public Charges for Services			
Ambulance fees	935,000	3,553,108	2,618,108
Investment Income			
Interest on investments	5,000	18,728	13,728
Miscellaneous			
Insurance recoveries - other	-	3,164	3,164
Total revenues	2,422,272	5,185,202	2,762,930
Expenditures			
Public Safety			
Ambulance	2,261,513	3,907,299	(1,645,786)
Total expenditures	2,261,513	3,907,299	(1,645,786)
Net change in fund balance	$ 160,759	1,277,903	$ 1,117,144
Fund Balance (Deficit), Beginning		(279,628)	
Fund Balance, Ending		$ 998,275	

See notes to required supplementary information

City of Portage

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
Wisconsin Retirement System
Year Ended December 31, 2025

City Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/25	0.04226082 %	$ 694,415	$ 5,834,000	11.90 %	98.79 %
12/31/24	0.04087498 %	607,731	5,379,850	11.30 %	98.85 %
12/31/23	0.04029896 %	2,134,919	5,108,158	41.79 %	95.72 %
12/31/22	0.03981344 %	(3,209,036)	4,951,235	64.81 %	106.02 %
12/31/21	0.03924360 %	(2,450,032)	4,781,122	51.24 %	105.26 %
12/31/20	0.03891791 %	(1,254,891)	4,707,027	26.66 %	102.96 %
12/31/19	0.03800963 %	1,352,263	4,473,631	30.23 %	96.45 %
12/31/18	0.03713377 %	(1,102,545)	4,382,903	25.16 %	102.93 %
12/31/17	0.03633968 %	299,526	4,267,076	7.02 %	99.12 %
12/31/16	0.03589219 %	583,241	4,168,161	13.99 %	98.20 %

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2025

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/25	$ 852,772	$ 852,772	$ -	$ 6,827,208	12.49 %
12/31/24	647,755	647,755	-	5,834,000	11.10 %
12/31/23	548,622	548,622	-	5,410,924	10.14 %
12/31/22	483,524	483,524	-	5,108,158	9.47 %
12/31/21	471,398	471,398	-	4,951,235	9.52 %
12/31/20	448,361	448,361	-	4,781,123	9.38 %
12/31/19	417,493	417,493	-	4,707,658	8.87 %
12/31/18	310,688	310,688	-	4,456,064	6.97 %
12/31/17	389,956	389,956	-	4,382,904	8.90 %
12/31/16	351,000	351,000	-	4,273,077	8.21 %

See notes to required supplementary information

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.

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

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

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

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

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

SUPPLEMENTARY INFORMATION

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds				
	Park Land Dedication Fund	Swimming Pool Fund	Inspection Fund	Library Fund	Library - Restricted Fund
Assets					
Cash and investments	$ 29,670	$ -	$ 89,691	$ 153,172	$ 52,824
Receivables:					
Taxes	-	-	684	608,658	-
Accounts	-	-	965	-	-
Loans	-	-	-	-	-
Special assessments	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	$ 29,670	$ -	$ 91,340	$ 761,830	$ 52,824
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ -	$ -	$ 3,077	$ 6,934	$ 27
Accrued liabilities	-	-	4,408	27,208	-
Deposits	-	-	-	-	-
Due to other funds	-	-	19,461	-	-
Advances from other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	-	26,946	34,142	27
Deferred Inflows of Resources					
Property taxes levied for next period	-	-	684	608,658	-
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	684	608,658	-
Fund Balances (Deficit)					
Restricted	-	-	-	119,030	52,797
Committed	-	-	-	-	-
Assigned	29,670	-	63,710	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	29,670	-	63,710	119,030	52,797
Total liabilities, deferred inflows of resources and fund balances	$ 29,670	$ -	$ 91,340	$ 761,830	$ 52,824

Special Revenue Funds							
Library Memorial Fund	Criminal Investigation Fund	Tourism Promotion Fund	School Liaison Fund	Donation Fund	Portage Enterprise Center Fund	HUD Fund
$ -	$ 16,535	$ 134,460	$ 15,577	$ 187,291	$ 1,337	$ 24,437
-	-	-	-	-	-	-
-	-	-	3,171	710	7,276	47,028
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,501	-	-	-	-	-	-
$ 30,501	$ 16,535	$ 134,460	$ 18,748	$ 188,001	$ 8,613	$ 71,465
$ -	$ -	$ 5,714	$ 1,735	$ 3,507	$ 3,843	$ -
-	-	-	5,396	-	4,874	-
-	-	2,000	-	-	9,475	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	7,714	7,131	3,507	18,192	-
-	-	-	-	-	-	-
-	-	-	-	13,314	-	47,028
-	-	-	-	13,314	-	47,028
30,501	-	-	-	171,180	-	24,437
-	-	-	-	-	-	-
-	16,535	126,746	11,617	-	-	-
-	-	-	-	-	(9,579)	-
30,501	16,535	126,746	11,617	171,180	(9,579)	24,437
$ 30,501	$ 16,535	$ 134,460	$ 18,748	$ 188,001	$ 8,613	$ 71,465

City of Portage

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Special Revenue Funds				
	Wheel Tax Fund	Post-retirement Benefits Fund	Recycling Fund	ARPA Fund	CDBG Fund
Assets					
Cash and investments	$ 105,105	$ 808	$ 4,864	$ 156,408	$ 160,330
Receivables:					
Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Loans	-	-	-	-	1,147,464
Special assessments	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	$ 105,105	$ 808	$ 4,864	$ 156,408	$ 1,307,794
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 2,189	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	20,264	-	-	-
Unearned revenue	-	-	-	70,539	-
Total liabilities	2,189	20,264	-	70,539	-
Deferred Inflows of Resources					
Property taxes levied for next period	-	-	-	-	-
Unavailable revenues	-	-	-	-	1,097,519
Total deferred inflows of resources	-	-	-	-	1,097,519
Fund Balances (Deficit)					
Restricted	102,916	-	-	-	210,275
Committed	-	-	4,864	-	-
Assigned	-	-	-	85,869	-
Unassigned (deficit)	-	(19,456)	-	-	-
Total fund balances (deficit)	102,916	(19,456)	4,864	85,869	210,275
Total liabilities, deferred inflows of resources and fund balances	$ 105,105	$ 808	$ 4,864	$ 156,408	$ 1,307,794

Special Revenue Funds	Capital Projects Funds					
Mass Transit Fund	Vehicle Equipment Replacement Fund	Canal Project Fund	Revolving Sidewalk Fund	Revolving Alley Fund	Airport Construction Fund	Industrial Development Fund
$ 127,206	$ 1,106,531	$ 5,717	$ 53,597	$ 3,543	$ 65,597	$ 59
-	-	-	2,685	13,383	-	-
149,035	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	39,131	29,970	-	-
-	-	-	-	-	-	-
$ 276,241	$ 1,106,531	$ 5,717	$ 95,413	$ 46,896	$ 65,597	$ 59
$ 52,039	$ -	$ -	$ 1,768	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
52,039	-	-	1,768	-	-	-
-	-	-	-	-	-	-
-	-	-	39,131	29,970	-	-
-	-	-	39,131	29,970	-	-
224,202	231,988	-	24,534	-	62,670	-
-	-	-	-	-	-	-
-	874,543	5,717	29,980	16,926	2,927	59
-	-	-	-	-	-	-
224,202	1,106,531	5,717	54,514	16,926	65,597	59
$ 276,241	$ 1,106,531	$ 5,717	$ 95,413	$ 46,896	$ 65,597	$ 59

City of Portage

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Capital Projects Funds				
	TIF #4	TIF #5	TIF #6	TIF #7	TIF #8
Assets					
Cash and investments	$ -	$ -	$ -	$ 463,451	$ 188,486
Receivables:					
Taxes	168,936	163,246	183,349	312,007	66,345
Accounts	-	-	-	-	-
Loans	-	-	-	-	-
Special assessments	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	$ 168,936	$ 163,246	$ 183,349	$ 775,458	$ 254,831
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ 210
Accrued liabilities	-	-	-	-	-
Deposits	10,000	-	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	1,195,129	496,747	245,968	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	1,205,129	496,747	245,968	-	210
Deferred Inflows of Resources					
Property taxes levied for next period	168,936	163,246	183,349	312,007	66,345
Unavailable revenues	-	37,510	-	-	-
Total deferred inflows of resources	168,936	200,756	183,349	312,007	66,345
Fund Balances (Deficit)					
Restricted	-	-	-	463,451	188,276
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	(1,205,129)	(534,257)	(245,968)	-	-
Total fund balances (deficit)	(1,205,129)	(534,257)	(245,968)	463,451	188,276
Total liabilities, deferred inflows of resources and fund balances	$ 168,936	$ 163,246	$ 183,349	$ 775,458	$ 254,831

Capital Projects Funds			Total Nonmajor Governmental Funds
TIF #9	TIF #10	TIF #11	
$ 48,432	$ 209,888	$ -	$ 3,405,016
134,944	42,279	36,727	1,733,243
-	-	-	208,185
-	-	-	1,147,464
-	-	-	69,101
-	-	-	30,501
$ 183,376	$ 252,167	$ 36,727	$ 6,593,510
$ -	$ -	$ 60	$ 81,103
-	-	-	41,886
37,500	-	5,000	63,975
-	-	-	19,461
-	-	22,159	1,980,267
-	-	-	70,539
37,500	-	27,219	2,257,231
134,944	42,279	36,727	1,717,175
-	-	-	1,264,472
134,944	42,279	36,727	2,981,647
10,932	209,888	-	2,127,077
-	-	-	4,864
-	-	-	1,264,299
-	-	(27,219)	(2,041,608)
10,932	209,888	(27,219)	1,354,632
$ 183,376	$ 252,167	$ 36,727	$ 6,593,510

City of Portage

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds				
	Park Land Dedication Fund	Swimming Pool Fund	Inspection Fund	Library Fund	Library-Restricted Fund
Revenues					
Taxes	$ -	$ -	$ -	$ 608,658	$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	-	-	240,177	-
Licenses and permits	-	-	224,927	-	-
Public charges for services	-	-	628	14,433	1,081
Intergovernmental charges for services	-	-	38,500	-	-
Investment income	2,492	-	1,404	15,248	3,362
Miscellaneous	9,600	-	2,430	9,853	50,856
Total revenues	12,092	-	267,889	888,369	55,299
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	186,940	-	-
Public works	-	-	-	-	-
Culture, recreation and education	46,252	216	-	896,678	56,645
Conservation and development	-	-	3,350	-	-
Capital outlay	4,564	-	-	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	50,816	216	190,290	896,678	56,645
Excess (deficiency) of revenues over expenditures	(38,724)	(216)	77,599	(8,309)	(1,346)
Other Financing Sources (Uses)					
Transfers in	-	25,943	-	-	-
Transfers out	-	-	-	-	-
Debt issued	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	25,943	-	-	-
Net change in fund balances	(38,724)	25,727	77,599	(8,309)	(1,346)
Fund Balances (Deficit), Beginning, as previously reported	68,394	(25,727)	(13,889)	127,339	54,143
Accounting change(see note disclosure)	-	-	-	-	-
Fund Balances (Deficit), Beginning, as adjusted	68,394	(25,727)	(13,889)	127,339	54,143
Fund Balances (Deficit), Ending	$ 29,670	$ -	$ 63,710	$ 119,030	$ 52,797

Special Revenue Funds

Library Memorial Fund	Criminal Investigation Fund	Tourism Promotion Fund	School Liaison Fund	Donation Fund	Portage Enterprise Center	HUD Fund
$ -	$ -	$ 254,162	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	15,813	-	-
-	-	-	-	-	-	-
-	3,664	-	-	-	-	-
-	-	-	86,960	-	-	-
1,350	586	3,823	558	8,052	1,533	74
400	-	-	-	68,113	194,902	-
1,750	4,250	257,985	87,518	91,978	196,435	74
-	-	-	-	-	-	-
-	-	-	126,640	-	-	-
-	-	-	-	-	-	-
3,178	-	207,948	-	95,418	-	-
-	-	-	-	-	166,258	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,178	-	207,948	126,640	95,418	166,258	-
(1,428)	4,250	50,037	(39,122)	(3,440)	30,177	74
-	-	-	40,488	-	-	-
-	-	-	(7,500)	-	(90,000)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	32,988	-	(90,000)	-
(1,428)	4,250	50,037	(6,134)	(3,440)	(59,823)	74
31,929	12,285	76,709	17,751	174,620	50,244	24,363
-	-	-	-	-	-	-
31,929	12,285	76,709	17,751	174,620	50,244	24,363
$ 30,501	$ 16,535	$ 126,746	$ 11,617	$ 171,180	$ (9,579)	$ 24,437

City of Portage

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Revenue Funds				
	Wheel Tax Fund	Post-retirement Benefits Fund	Recycling Fund	ARPA Fund	CDBG Fund
Revenues					
Taxes	$ 168,423	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	-	20,456	28,718	-
Licenses and permits	-	-	-	-	-
Public charges for services	-	-	-	-	35,842
Intergovernmental charges for services	-	-	-	-	-
Investment income	5,973	-	423	7,097	6,407
Miscellaneous	-	-	-	-	-
Total revenues	174,396	-	20,879	35,815	42,249
Expenditures					
Current:					
General government	-	31,434	-	3,500	-
Public safety	-	27,577	-	-	-
Public works	44,715	12,974	20,000	-	-
Culture, recreation and education	-	-	-	-	-
Conservation and development	-	-	-	-	90,648
Capital outlay	87,198	-	-	25,218	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	131,913	71,985	20,000	28,718	90,648
Excess (deficiency) of revenues over expenditures	42,483	(71,985)	879	7,097	(48,399)
Other Financing Sources (Uses)					
Transfers in	-	119,095	-	-	-
Transfers out	(40,000)	-	-	-	-
Debt issued	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	(40,000)	119,095	-	-	-
Net change in fund balances	2,483	47,110	879	7,097	(48,399)
Fund Balances (Deficit), Beginning, as previously reported	100,433	(66,566)	3,985	78,772	258,674
Accounting change(see note disclosure)	-	-	-	-	-
Fund Balances (Deficit), Beginning, as adjusted	100,433	(66,566)	3,985	78,772	258,674
Fund Balances (Deficit), Ending	$ 102,916	$ (19,456)	$ 4,864	$ 85,869	$ 210,275

Special Revenue Funds	Capital Projects Funds					
Mass Transit Fund	Vehicle Equipment Replacement Fund	Canal Project Fund	Revolving Sidewalk Fund	Revolving Alley Fund	Airport Construction Fund	Industrial Development Fund
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	11,670	23,607	-	-
610,236	-	-	-	-	-	-
-	-	-	-	-	-	-
412,300	-	-	-	-	-	-
-	-	-	-	-	-	-
-	48,929	873	1,858	141	915	3
4,206	-	-	-	-	-	-
1,026,742	48,929	873	13,528	23,748	915	3
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,005,944	-	-	4,959	4,958	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	447,020	25,928	72,030	-	-	-
-	-	-	3,616	-	2,330	-
1,005,944	447,020	25,928	80,605	4,958	2,330	-
20,798	(398,091)	(25,055)	(67,077)	18,790	(1,415)	3
31,799	133,934	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	100,000	-	65,000	-
1,625	71,503	-	-	-	-	-
33,424	205,437	-	100,000	-	65,000	-
54,222	(192,654)	(25,055)	32,923	18,790	63,585	3
169,980	1,299,185	30,772	21,591	(1,864)	2,012	56
-	-	-	-	-	-	-
169,980	1,299,185	30,772	21,591	(1,864)	2,012	56
$ 224,202	$ 1,106,531	$ 5,717	$ 54,514	$ 16,926	$ 65,597	$ 59

City of Portage

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Capital Projects Funds				
	TIF #4	TIF #5	TIF #6	TIF #7	TIF #8
Revenues					
Taxes	$ 134,499	$ 164,466	$ 132,197	$ 291,613	$ 67,395
Special assessments	-	-	-	-	-
Intergovernmental	1,897	35	17,837	35,853	4,672
Licenses and permits	-	-	-	-	-
Public charges for services	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-
Investment income	-	-	-	16,025	7,314
Miscellaneous	-	-	-	-	8,000
Total revenues	136,396	164,501	150,034	343,491	87,381
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture, recreation and education	-	-	-	-	-
Conservation and development	19,928	5,848	6,370	6,036	7,103
Capital outlay	-	-	161,687	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	19,928	5,848	168,057	6,036	7,103
Excess (deficiency) of revenues over expenditures	116,468	158,653	(18,023)	337,455	80,278
Other Financing Sources (Uses)					
Transfers in	90,000	-	-	-	-
Transfers out	(216,430)	-	(46,089)	(123,338)	(47,038)
Debt issued	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	(126,430)	-	(46,089)	(123,338)	(47,038)
Net change in fund balances	(9,962)	158,653	(64,112)	214,117	33,240
Fund Balances (Deficit), Beginning, as previously reported	(1,195,167)	(692,910)	(181,856)	249,334	155,036
Accounting change(see note disclosure)	-	-	-	-	-
Fund Balances (Deficit), Beginning, as adjusted	(1,195,167)	(692,910)	(181,856)	249,334	155,036
Fund Balances (Deficit), Ending	$ (1,205,129)	$ (534,257)	$ (245,968)	$ 463,451	$ 188,276

Capital Projects Funds			Special Revenue Fund	
TIF #9	TIF #10	TIF #11	Previously Nonmajor Fund Ambulance Fund	Total Nonmajor Governmental Funds
$ 50,432	$ 81,672	$ 2,530	$ -	$ 1,956,047
-	-	-	-	35,277
1,622	5,691	-	-	983,007
-	-	-	-	224,927
-	-	-	-	467,948
-	-	-	-	125,460
1,353	8,159	283	-	144,235
-	-	15,650	-	364,010
53,407	95,522	18,463	-	4,300,911
-	-	-	-	34,934
-	-	-	-	341,157
-	-	-	-	1,093,550
-	-	-	-	1,306,335
11,472	6,402	9,656	-	333,071
-	-	-	-	823,645
-	-	-	-	5,946
11,472	6,402	9,656	-	3,938,638
41,935	89,120	8,807	-	362,273
-	-	-	-	441,259
-	-	(17,420)	-	(587,815)
-	-	-	-	165,000
-	-	-	-	73,128
-	-	(17,420)	-	91,572
41,935	89,120	(8,613)	-	453,845
(31,003)	120,768	(18,606)	(279,628)	621,159
-	-	-	279,628	279,628
(31,003)	120,768	(18,606)	-	900,787
$ 10,932	$ 209,888	$ (27,219)	$ -	$ 1,354,632