

**FINAL OFFICIAL STATEMENT DATED AUGUST 15, 2024****NEW ISSUES  
BOOK ENTRY ONLY****MOODY'S RATING: Aaa**

In the opinion of Kutak Rock LLP, Minneapolis, Minnesota, and MWH Law Group LLP, Milwaukee, Wisconsin, Co-Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2024-B Notes (including any original issue discount properly allocable to the owner of a Series 2024-B Note) and Series 2024-C Notes (including any original issue discount properly allocable to the owner of a Series 2024-C Note) (the "Tax-Exempt Notes") is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Tax-Exempt Notes may affect the federal alternative minimum tax imposed on certain corporations. Interest on the Tax-Exempt Notes is not exempt from Wisconsin income taxes. See "TAX MATTERS - Federal Income Tax Treatment of Interest on the Tax-Exempt Notes" herein. In the opinion of Co-Bond Counsel, the interest to be paid on the Series 2024-D Notes is included in gross income for federal and State of Wisconsin income tax purposes. See "TAX MATTERS - Tax Matters Relating to the Series 2024-D Notes" herein.

**CITY OF MADISON, WISCONSIN****\$81,780,000**

**General Obligation Promissory Notes,  
Series 2024-B  
(the "Series 2024-B Notes")**

**\$18,205,000**

**General Obligation Promissory Notes,  
Series 2024-C (Green Notes)  
(the "Series 2024-C Notes")**

**\$6,280,000**

**Taxable General Obligation Promissory Notes, Series 2024-D  
(the "Series 2024-D Notes")**

<b>Dated Date</b>	<b>Date of Delivery (September 5, 2024)</b>
<b>Security</b>	The Notes will be general obligations of the City of Madison, Wisconsin (the "City" or "Madison") for which the City pledges its full faith, credit and power and unlimited taxing authority to levy direct general ad valorem taxes without limit as to rate or amount.
<b>Authorization</b>	The Notes are being issued pursuant to Wisconsin Statutes, Section 67.12(12), a parameters resolution adopted by the Common Council on August 6, 2024 (the "Resolution"), and determinations made by the City's Finance Director in compliance with the provisions and parameters of the Resolution. See "AUTHORITY AND SECURITY" herein.
<b>Purpose</b>	The proceeds of the Notes will be used to finance capital projects for various City Departments. See "AUTHORITY AND SECURITY" herein.
<b>Green Notes</b>	The City is issuing the Series 2024-C Notes as "Green Notes" based on the City's determination of the environmental benefits of the capital projects to be financed with proceeds of Series 2024-C Notes. See "DESCRIPTION OF THE NOTES - GREEN NOTE DESIGNATION" herein.
<b>Principal and Interest Payments</b>	Principal will be paid annually on October 1, beginning October 1, 2025. Interest will be payable semiannually on April 1 and October 1, beginning April 1, 2025.
<b>Redemption Provisions</b>	The City may elect on October 1, 2033 and on any day thereafter, to redeem Series 2024-B Notes and/or Series 2024-C Notes due on or after October 1, 2034 at a price of par plus accrued interest. The Series 2024-D Notes are not subject to redemption in advance of their respective stated maturity dates. The Series 2024-B Notes and Series 2024-C Notes were issued with term notes and are subject to mandatory sinking fund redemption.
<b>Book Entry</b>	The Notes will be issued only as fully registered obligations, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). See Appendix B for "Book-Entry".
<b>Denominations</b>	The Notes are being issued in the denomination of \$5,000 or integral multiple thereof.
<b>Fiscal Agent/Registrar</b>	U.S. Bank Trust Company, National Association, located in Milwaukee, Wisconsin ("Fiscal Agent/Registrar").
<b>Underwriters</b>	Please see the "PURCHASER/UNDERWRITING" section herein for discussion regarding the Underwriters of the Notes.

# CITY OF MADISON, WISCONSIN

## \$81,780,000 SERIES 2024-B NOTES MATURITY SCHEDULE (Base CUSIP(1) 55844R)

<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>	<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>
2025	\$7,755,000	5.00%	2.73%	102.380%	ZL1	2033	\$7,745,000	5.00%	2.81%	117.428%	ZU1
2026	\$7,745,000	5.00%	2.67%	104.664%	ZM9	2034	\$7,745,000	5.00%	2.84%	117.166%(2)	ZV9
2027	\$7,745,000	5.00%	2.68%	106.796%	ZN7	2035	\$ 480,000	5.00%	2.91%	116.557%(2)	ZW7
2028	\$7,745,000	5.00%	2.72%	108.730%	ZP2	2036	\$ 480,000	5.00%	2.97%	116.038%(2)	ZX5
2029	\$7,745,000	5.00%	2.66%	111.032%	ZQ0	2037	\$ 480,000	5.00%	3.03%	115.522%(2)	ZY3
2030	\$7,745,000	5.00%	2.72%	112.680%	ZR8	2038	\$ 480,000	5.00%	3.06%	115.264%(2)	ZZ0
2031	\$7,745,000	5.00%	2.76%	114.300%	ZS6	2043(3)	\$2,400,000	4.00%	4.02%	99.732%	A61
2032	\$7,745,000	5.00%	2.79%	115.872%	ZT4						

## \$18,205,000 SERIES 2024-C NOTES (GREEN NOTES) MATURITY SCHEDULE (Base CUSIP(1) 55844R)

<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>	<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>
2025	\$1,475,000	5.00%	2.75%	102.359%	A79	2033	\$1,470,000	5.00%	2.85%	117.079%	B78
2026	\$1,475,000	5.00%	2.72%	104.561%	A87	2034	\$1,470,000	5.00%	2.88%	116.817%(2)	B86
2027	\$1,475,000	5.00%	2.74%	106.613%	A95	2035	\$ 385,000	5.00%	2.96%	116.124%(2)	B94
2028	\$1,475,000	5.00%	2.72%	108.730%	B29	2036	\$ 385,000	5.00%	3.03%	115.522%(2)	C28
2029	\$1,475,000	5.00%	2.68%	110.932%	B37	2037	\$ 385,000	5.00%	3.09%	115.008%(2)	C36
2030	\$1,475,000	5.00%	2.73%	112.620%	B45	2038	\$ 385,000	5.00%	3.11%	114.837%(2)	C44
2031	\$1,475,000	5.00%	2.80%	114.024%	B52	2043(3)	\$1,925,000	4.00%	4.02%	99.732%	C93
2032	\$1,475,000	5.00%	2.83%	115.560%	B60						

## \$6,280,000 TAXABLE SERIES 2024-D NOTES MATURITY SCHEDULE (Base CUSIP(1) 55844R)

<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>	<u>Maturity (October 1)</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>
2025	\$630,000	5.00%	4.50%	100.514%	D27	2030	\$630,000	4.00%	3.95%	100.265%	D76
2026	\$630,000	5.00%	4.15%	101.668%	D35	2031	\$625,000	4.00%	4.00%	100.000%	D84
2027	\$630,000	5.00%	4.00%	102.861%	D43	2032	\$625,000	4.00%	4.05%	99.656%	D92
2028	\$630,000	5.00%	3.95%	103.911%	D50	2033	\$625,000	4.00%	4.10%	99.246%	E26
2029	\$630,000	5.00%	3.95%	104.780%	D68	2034	\$625,000	4.05%	4.15%	99.181%	E34

(1) CUSIP® is a registered trademark of the American Bankers Association ("ABA"). CUSIP data (including CUSIP identifiers and related descriptive data) contained herein is provided by CUSIP Global Services ("CGS"), which is operated on behalf of the ABA by FactSet Research Systems Inc. CUSIP data is the valuable intellectual property of the ABA and the inclusion of CUSIP data herein is not intended to create a database and does not serve in any way as a substitute for any CUSIP Service provided by CGS. CUSIP data herein is provided for convenience of reference only. Neither the City, the Municipal Advisor, the Underwriter(s) nor their agents take any responsibility for the accuracy of such data now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Notes.

(2) Priced to the first optional redemption date of October 1, 2033.

(3) Term Bonds (see "DESCRIPTION OF THE NOTES – Mandatory Redemption" herein).

The Official Statement dated August 15, 2024 is a Final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

The City designates the senior managing underwriter of the syndicate to which the Series 2024-B Notes and Series 2024-D Notes are awarded as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. By delivering an offer with respect to the purchase of the Series 2024-B Notes and Series 2024-D Notes, the senior managing underwriter has agreed that (i) it accepts such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Series 2024-B Notes and Series 2024-D Notes for purposes of assuring the receipt by each such participating underwriter of the Final Official Statement.

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representations with respect to the Notes, other than as contained in the Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

Certain information contained in the Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness or accuracy. The information and expressions of opinion in the Official Statement are subject to change, and neither the delivery of the Official Statement nor any sale made under either such document shall create any implication that there has been no change in the affairs of the City since the respective date thereof. However, upon delivery of the securities, the City will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement since its delivery.

References herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement, they will be furnished upon request.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for the purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

The Notes are considered securities and have not been approved or disapproved by the Securities and Exchange Commission or any state or federal regulatory authority nor has any state or federal regulatory authority confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense. Investors must rely on their own examination of this Official Statement, the security pledged to repay the Notes, the City and the merits and risks of the investment opportunity.

## **FORWARD-LOOKING STATEMENTS**

This Official Statement, including its appendices, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget," "may," or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause a deviation from the actual results, performance or achievements expressed or implied by such forward-looking statements. The City does not expect or intend to update or revise any forward-looking statements contained herein if or when its expectations, or events, conditions, or circumstances on which such statements are based occur.

## **CITY OF MADISON, WISCONSIN**

### **COMMON COUNCIL**

Yannette Figueroa Cole, President  
John W. Duncan, Vice President  
Barbara Harrington-McKinney  
Amani Latimer Burris  
Derek Field  
Michael E. Verveer  
Regina M. Vidaver  
Dina Nina Martinez-Rutherford  
Nasra Wehelie  
Juliana R. Bennett

Nikki Conklin  
Isadore Knox Jr.  
Tag Evers  
Jael Currie  
John P. Guequierre  
Marsha A. Rummel  
MGR Govindarajan  
Charles Myadze  
Sabrina V. Madison  
William Tishler

### **MAYOR**

Satya Rhodes-Conway

### **SENIOR APPOINTED STAFF**

David P. Schmiedicke, Finance Director/  
City Treasurer  
Karen Kapusta-Pofahl, Council Chief of Staff  
Michelle Drea, City Assessor  
Michael Haas, City Attorney  
Maribeth Witzel-Behl, City Clerk  
Norman Davis, Civil Rights Director  
Arlyn Gonzalez, Employee Assistance  
Program Administrator  
Chris Carbon, Fire Chief  
Erin Hillson, Human Resources Director  
Sarah Edgerton, Information Technology Director  
Tana Elias, Library Director  
Connie Thompson, Monona Terrace Director  
Shon F. Barnes, Police Chief  
Janel Heinrich, Public Health Director  
Jim Wolfe, City Engineer

Mahanth Joishy, Fleet Service Superintendent  
Eric Knepp, Park Superintendent  
Charles Romines, Street Superintendent  
Yang Tao, City Traffic Engineer  
Stefanie Cox, Parking Division Manager  
Justin Stuehrenberg, Metro Transit General Manager  
Krishna Kumar, Water Utility General Manager  
Matt Wachter, Planning & Community &  
Economic Development Director  
James O'Keefe, Community Development  
Division Director  
Matthew Mikolajewski, Economic Development  
Division Director  
Larry Kilmer, CDA Executive Director  
Matthew W. Tucker, Building Inspection Division Director  
Meagan Tuttle, Planning Division Director  
Thomas Lynch, Transportation Director

### **MUNICIPAL ADVISOR**

Baker Tilly Municipal Advisors, LLC  
Madison, Wisconsin and Saint Paul, Minnesota

### **CO-BOND COUNSEL**

Kutak Rock LLP  
Minneapolis, Minnesota

MWH Law Group LLP  
Milwaukee, Wisconsin

### **FISCAL AGENT/REGISTRAR**

U.S. Bank Trust Company, National Association  
Milwaukee, Wisconsin

### **UNDERWRITERS**

**Series 2024-B Notes**  
Morgan Stanley & Co. LLC  
New York, New York

**Series 2024-C Notes**  
BofA Securities  
New York, New York

**Series 2024-D Notes**  
Robert W. Baird Co., Incorporated  
Milwaukee, Wisconsin

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## OFFICIAL STATEMENT

### CITY OF MADISON, WISCONSIN

**\$81,780,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024-B**  
**\$18,205,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024-C (GREEN NOTES)**  
**\$6,280,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024-D**

### PURPOSE OF THE NOTES AND USE OF FUNDS

#### PURPOSE OF THE NOTES

The proceeds of the Notes will be used to finance capital projects for various City Departments. For additional information as it relates to the City, see "Appendix A – GENERAL INFORMATION OF THE CITY" herein.

#### SOURCES AND USES OF FUNDS

The composition of the **Series 2024-B Notes** is estimated to be as follows:

Sources of Funds:	
Principal Amount	\$81,780,000.00
Reoffering Premium	<u>8,898,702.40</u>
Total Sources of Funds	\$90,678,702.40
Uses of Funds:	
Deposit to Project Fund	
Engineering	\$ 1,277,602.00
Engineering – Facilities Management	5,926,588.00
Engineering – Major Streets	21,874,785.00
Engineering – Other Projects	19,117.00
Engineering – Ped/Bike	4,438,427.00
Police	329,300.00
Public Health	60,351.00
Streets	475,000.00
Traffic Engineering	5,683,392.00
Finance	75,000.00
Fire	2,533,000.00
CDA Redevelopment	4,000,000.00
Economic Development	2,118,500.00
Transportation	2,580,000.00
Fleet Service	7,110,192.00
Planning	242,500.00
PCED Office of Director	838,682.00
Metro Transit	4,636,800.00
Information Technology	8,193,430.00
Library	1,565,294.00
Monona Terrace	1,904,283.00
Parks	5,668,599.00
Parking	<u>74,831.00</u>
Subtotal	\$81,625,673.00
Deposit to Debt Service Fund (Premium and Rounding)	\$ 8,788,910.19
Underwriter's Compensation	119,871.41
Costs of Issuance(1)	<u>144,247.80</u>
Total Uses of Funds	\$90,678,702.40

(1) Includes fees for Co-Bond Counsel, Municipal Advisor, Fiscal Agent/Registrar, rating, and other miscellaneous expenses.

The composition of the **Series 2024-C Notes** is estimated to be as follows:

Sources of Funds:	
Principal Amount	\$18,205,000.00
Reoffering Premium	<u>1,841,987.80</u>
Total Sources of Funds	\$20,046,987.80
Uses of Funds:	
Deposit to Project Fund:	
Water	\$ 7,328,000.00
Stormwater	2,500,000.00
Metro Transit	2,500,000.00
Engineering	10,905.00
Engineering – Facilities Management	1,215,818.00
Engineering – Ped/Bike	1,613,374.00
Traffic Engineering	933,750.00
Fleet Services	600,000.00
Library	130,000.00
Streets	708,000.00
Parks	<u>603,855.00</u>
Subtotal	\$18,143,702.00
Deposit to Debt Service Fund (Premium and Rounding)	1,811,230.55
Underwriter's Compensation	48,138.75
Costs of Issuance(1)	<u>43,916.50</u>
Total Uses of Funds	\$20,046,987.80

(1) Includes fees for Co-Bond Counsel, Municipal Advisor, Fiscal Agent/Registrar, rating, and other miscellaneous expenses.

The composition of the **Series 2024-D Notes** is estimated to be as follows:

Sources of Funds:	
Principal Amount	\$6,280,000.00
Reoffering Premium	<u>76,212.45</u>
Total Sources of Funds	\$6,356,212.45
Uses of Funds:	
Deposit to Project Fund:	
Tax Increment District	<u>\$6,250,000.00</u>
Subtotal	\$6,250,000.00
Underwriter's Compensation	47,647.49
Deposit to Debt Service Fund (Premium and Rounding)	33,099.46
Costs of Issuance(1)	<u>25,465.50</u>
Total Uses of Funds	\$6,356,212.45

(1) Includes fees for Co-Bond Counsel, Municipal Advisor, Fiscal Agent/Registrar, rating, and other miscellaneous expenses.

## INVESTMENT OF FUNDS

The proceeds of the Notes are to be invested in accordance with the laws of the State relating to the depositing, holding, securing, or investing of public funds. The City shall direct the investment of Note proceeds.

## DESCRIPTION OF THE NOTES

### INTEREST CALCULATION

Interest on the Notes is payable on April 1 and October 1 of each year, commencing April 1, 2025. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Fiscal Agent/Registrar as of the fifteenth day of the calendar month next preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months.

### OPTIONAL REDEMPTION

The City may elect on October 1, 2033 and on any day thereafter, to redeem Series 2024-B Notes and/or Series 2024-C Notes due on or after October 1, 2034. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all the Notes of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

The Series 2024-D Notes are not subject to redemption in advance of their respective stated maturity dates.

### MANDATORY REDEMPTION

#### The Series 2024-B Note

The Series 2024-B Note maturing on October 1, 2043 (the "Series 2024-B Term Note") is subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on the mandatory dates and in the principal amounts as follows:

<u>Series 2024-B Term Note</u>	
<u>Year</u>	<u>Amount</u>
2039	\$480,000
2040	\$480,000
2041	\$480,000
2042	\$480,000
2043*	\$480,000

\* *Final Maturity.*

The principal amount of the Series 2024-B Term Note may be reduced through the earlier optional redemption, with any partial optional redemptions of the Series 2024-B Term Note credited against future mandatory redemption requirements for such Series 2024-B Term Note in such order as the Issuer shall determine.



### The Series 2024-C Note

The Series 2024-C Note maturing on October 1, 2043 (the “Series 2024-C Term Note”) is subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on the mandatory dates and in the principal amounts as follows:

<u>Series 2024-C Term Note</u>	
<u>Year</u>	<u>Amount</u>
2039	\$385,000
2040	\$385,000
2041	\$385,000
2042	\$385,000
2043*	\$385,000

\* *Final Maturity.*

The principal amount of the Series 2024-C Term Note may be reduced through the earlier optional redemption, with any partial optional redemptions of the Series 2024-C Term Note” credited against future mandatory redemption requirements for such Series 2024-C Term Note” in such order as the Issuer shall determine.

### **NOTICE OF REDEMPTION**

Thirty days’ written notice of redemption shall be given to the registered owner(s) of the Notes. Failure to give such written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

### **GREEN NOTE DESIGNATION**

The City has designated the Series 2024-C Notes as “Green Notes.” The purpose of labeling the Series 2024-C Notes as “Green Notes” is to allow investors to more easily identify that they are investing directly in obligations that finance environmentally beneficial projects. See Appendix G for a summary of the projects that are being financed with proceeds of the Series 2024-C Notes.

The designation of the Series 2024-C Notes as Green Notes is solely as a result of the determination by the City. While the City’s determination of environmentally beneficial projects took into consideration the list of project categories in the Green Bond principles published by the International Capital Market Association (the “ICMA”) in its June 2021 publication, *Green Bond Principles* (as updated in June 2022), the City does not intend to obtain any outside source to certify the Series 2024-C Notes as Green Notes. The term “Green Notes” is not defined in the Resolution or any other agreement or document relating to the Series 2024-C Notes. The use of the term in this Official Statement is solely for identification purposes and is not intended to provide or imply that any owner of any Series 2024-C Note is entitled to any security other than as provided in the Resolution.

The City does not make any representation as to the ability of the Series 2024-C Notes to fulfill any environmental and sustainability criteria of the ICMA principles, and the Series 2024-C Notes may not be a suitable investment for investors seeking exposure to green or sustainable assets. No assurance can be provided to investors that the projects financed with the proceeds of the Series 2024-C Notes will continue to meet investor expectations regarding sustainability performance.

The City will not provide any performance or project outcomes pertaining to the projects funded with proceeds of the Series 2024-C Notes, and the City will not provide any continuing disclosure relating to the Green Note designation of the Series 2024-C Notes or on the projects funded with proceeds of the Series 2024-C Notes. The City is authorized to use proceeds of the Notes only for the projects included in the Resolution and this Official Statement, and the City does not intend to provide any further information on the use of the 2024-C Note proceeds.

## **REGISTRATION AND EXCHANGE FEATURES**

Each registered Note shall be transferable or exchangeable only on such record at the designated corporate trust office of the Fiscal Agent/Registrar, at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Fiscal Agent/Registrar duly executed by the registered owner or his duly authorized attorney.

## **BOOK-ENTRY**

When issued, the Notes will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Notes will be made in book-entry-only form. *See Appendix B: Book-Entry.*

## **PROVISIONS FOR PAYMENT**

The principal on the Notes shall be payable at the designated corporate trust office of the Fiscal Agent/Registrar, or by wire transfer to DTC or any successor depository. All payments of interest on the Notes shall be paid to the registered owners as the names appear as of the Record Date and at the addresses as they appear on the registration books kept by the Fiscal Agent/Registrar or at such other address as is provided to the Fiscal Agent/Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Notes shall be made in lawful money of the United States of America which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Notes, principal and interest on the Notes will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Notes will be the responsibility of the DTC Participants and Indirect Participants.

## **AUTHORITY AND SECURITY**

### **AUTHORITY**

The Notes are being issued pursuant to Wisconsin Statutes, Section 67.12(12), a parameters resolution adopted by the Common Council of the City (the "Common Council") on August 6, 2024 (the "Resolution"), and determinations made by the City's Finance Director in compliance with the provisions and parameters of the Resolution.

### **SECURITY AND SOURCES OF PAYMENT**

The Notes will be general obligations of the City for which it pledges its full faith and credit and unlimited taxing authority to levy general ad valorem taxes without limit as to rate or amount. The City will make its first levy in the fall of 2024 for collection in 2025. Each year's levy collections will be sufficient to pay the interest due April 1 and the principal and interest due October 1 in the year of collection.

## **RATING**

Moody's Investors Service ("Moody's"), 7 World Trade Center, 250 Greenwich Street, 23<sup>rd</sup> Floor, New York, New York has assigned a rating of "Aaa" to each series of the Notes. Such rating reflects only the view of Moody's and any explanation of the significance of such rating may only be obtained from Moody's.

The rating is not a recommendation to buy, sell or hold the Notes, and such rating may be subject to revision or withdrawal at any time by Moody's. Any revision or withdrawal of the rating may have an adverse effect upon the market price of the Notes.

The City has not applied to any other rating service for a rating on the Notes.

## **RISK FACTORS AND INVESTOR CONSIDERATIONS**

A prospective purchaser of the Notes described herein should be aware that there are certain risks associated with the Notes which must be recognized. The following statements regarding certain risks associated with the offerings should not be considered as a complete description of all risks to be considered in the decision to purchase the Notes. Prospective purchasers of the Notes should analyze carefully the information contained in this Official Statement and additional information in the form of the complete documents summarized herein, copies of which are available and may be obtained from the City.

### **POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS**

The City's finances may be materially adversely affected by unforeseen impacts of epidemics or pandemics, such as the Coronavirus (COVID-19) pandemic. The City cannot predict future impacts of epidemics, pandemics, or any similar outbreaks, including their impact on travel, on assemblies or gatherings, on the State, national or global economy, or on securities markets, or whether any such outbreaks may have a material adverse impact on the financial condition or operations of the City, including but not limited to the payment of debt service on any of its outstanding debt obligations.

### **CYBERSECURITY**

The City relies on computer networks, data storage, collection, and transmission to conduct the operations of the City and has implemented security measures to protect data and limit financial exposure, including securing cyber security insurance to assist with the reduction of potential risk of financial and operational damage resulting from network attacks. Even with these security measures, the City, its information technology, data stored by the City and its infrastructure may be vulnerable in the event of a deliberate system attack, including malware, ransomware, computer virus, employee error or general disruption. If breached or compromised, the networks could be disrupted and information could be accessed, disclosed, lost, or stolen. The City acknowledges that its systems could be affected by a cybersecurity attack and that a loss, disruption, or unauthorized access to data held by the City could have a material impact on the City. Further, as cybersecurity threats evolve, the City will continue to evaluate and implement security measures and work to mitigate any vulnerabilities in its system.

### **LEGAL MATTERS**

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Notes. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City or the taxing authority of the City.

### **TAXATION OF INTEREST ON THE SERIES 2024-B NOTES AND THE SERIES 2024-C NOTES**

An opinion of Co-Bond Counsel will be obtained to the effect that interest earned on the Series 2024-B Notes and the Series 2024-C Notes is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Series 2024-B Notes and the Series 2024-C Notes includable in gross income for federal income tax purposes.

The City has covenanted in the Resolution and in other documents and certificates to be delivered in connection with the issuance of the Series 2024-B Notes and the Series 2024-C Notes to comply with the provisions of the Code, including those which require the City to take or omit to take certain actions after the issuance of the Series 2024-B Notes and the Series 2024-C Notes. Because the existence and continuation of the excludability of the interest on the Series 2024-B Notes and the Series 2024-C Notes depends upon events occurring after the date of issuance of the Series 2024-B Notes and the Series 2024-C Notes, the opinion of Co-Bond Counsel described under "FEDERAL INCOME TAX TREATMENT OF INTEREST ON THE TAX-EXEMPT NOTES" assumes the compliance by the City with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Co-Bond Counsel

with respect to the excludability of the interest on the Series 2024-B Notes and the Series 2024-C Notes in the event of noncompliance with such provisions. The failure of the City to comply with the provisions described above may cause the interest on the Series 2024-B Notes and the Series 2024-C Notes to become includable in gross income as of the date of issuance.

#### **NO ADDITIONAL INTEREST OR MANDATORY REDEMPTION UPON EVENT OF TAXABILITY**

The Resolution does not provide for the payment of additional interest or penalty on the Series 2024-B Notes and the Series 2024-C Notes or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes.

#### **SUITABILITY OF INVESTMENT**

The federal tax exempt feature of the Notes is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Notes are an appropriate investment.

#### **MARKET FOR THE NOTES**

##### Rating

Moody's has assigned a rating of "Aaa" to the Notes. The rating reflects only the opinion of Moody's. Any explanation of the significance of the rating may be obtained only from Moody's. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse effect on the market price of the Notes.

##### Secondary Market

There is no assurance that a secondary market will develop for the purchase and sale of the Notes. It is the present practice of the Underwriter, however, to make a secondary market as dealers in issues of municipal notes which the underwriter distributes. The Underwriter intends to continue this practice with respect to the Notes, but is not obligated to do so. Prices of notes traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary for the Underwriter to suspend indefinitely secondary market trading in the Notes as a result of the financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the City, or a material adverse change in the financial condition of the City, whether or not the Notes are in default as to principal and interest payments, and other factors which in the opinion of the Underwriter may give rise to uncertainty concerning prudent secondary market practices.

#### **PURCHASER/UNDERWRITING**

##### **THE SERIES 2024-B NOTES**

The Series 2024-B Notes are being purchased by Morgan Stanley & Co. LLC and its syndicate (the "Series 2024-B Underwriter") and its syndicate at a purchase price of \$90,558,830.99, which is the par amount of the Series 2024-B Notes of \$81,780,000.00, less the Series 2024-B Underwriter's discount of \$119,871.41, plus the net reoffering premium of \$8,898,702.40.

Morgan Stanley & Co. LLC, an underwriter of the Series 2024-B Notes, has entered into a distribution agreement with its affiliate, Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2024-B Notes.

The Series 2024-B Underwriter intends to offer the Series 2024-B Notes to the public at the offering prices set forth on the inside cover page of this Official Statement. The Series 2024-B Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Series 2024-B Underwriter and other dealers depositing the Series 2024-B Notes into investment trusts), who may realow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Series 2024-B Notes.

#### **THE SERIES 2024-C NOTES**

The Series 2024-C Notes are being purchased by BofA Securities (the "Series 2024-C Underwriter") at a purchase price of \$19,998,849.05, which is the par amount of the Series 2024-C Notes of \$18,205,000.00, less the Series 2024-C Underwriter's discount of \$48,138.75, plus the net reoffering premium of \$1,841,987.80.

The Series 2024-C Underwriter intends to offer the Series 2024-C Notes to the public at the offering prices set forth on the inside cover page of this Official Statement. The Series 2024-C Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Series 2024-C Underwriter and other dealers depositing the Series 2024-C Notes into investment trusts), who may realow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Series 2024-C Notes.

#### **THE SERIES 2024-D NOTES**

The Series 2024-D Notes are being purchased by Robert W. Baird & Co., Incorporated and its syndicate (the "Series 2024-D Underwriter") and its syndicate at a purchase price of \$6,308,564.96, which is the par amount of the Series 2023-B Notes of \$6,280,000.00, less the Series 2023-B Underwriter's discount of \$47,647.49, plus the net reoffering premium of \$76,212.45.

The Series 2024-D Underwriter intends to offer the Series 2024-D Notes to the public at the offering prices set forth on the inside cover page of this Official Statement. The Series 2024-D Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Series 2024-D Underwriter and other dealers depositing the Series 2024-D Notes into investment trusts), who may realow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Series 2024-D Notes.

### **CONTINUING DISCLOSURE**

The Resolution authorizes the City to enter into a Continuing Disclosure Undertaking (the "Undertaking") pursuant to which the City will covenant and agree, for the benefit of the beneficial owners of the Notes, to provide certain financial information and operating data relating to the City within 270 days after the close of the City's fiscal year (the "Annual Report"), and to provide, in a timely manner, notices of the occurrence of certain enumerated events, if material. The form of the Undertaking is provided in Appendix D of this Official Statement. The Annual Report will be filed by the City with the Electronic Municipal Market Access System ("EMMA"). The information to be contained in the Annual Report will consist of the annual audited financial statements of the City and updated information with respect to the information in the Official Statement contained under the captions "Debt Structure", "General Fund Financial Information", "Tax Levies, Collections and Rates", and "City Property Values". Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units prepared in accordance with standards of the Governmental Accounting Standards Board. The notices of material events and timely notice of any failure to file its Annual Report within the 270-day period will be filed by the City with EMMA.

The City's undertaking with respect to material events includes the occurrence of any of the following events with respect to the Notes:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Notes;
7. Modifications to rights of Note holders, if material;
8. Note calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Notes, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or a similar event with respect to the City;
13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The City has agreed to the foregoing undertakings in order to assist participating underwriters of the Notes and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The City will provide the foregoing information for so long as Rule 15c2-12 is applicable to the Notes and the City remains an "obligated person" under the Rule with respect to the Notes. No provision of the Undertaking limits the remedies available to any beneficial owner of the Notes with respect to the enforcement of the continuing disclosure covenants of the City described above. Failure to comply with the continuing disclosure covenants will not constitute an event of default under the Undertaking.

The City may amend the continuing disclosure undertakings upon a change in circumstances provided that (a) the undertakings, as amended, would have complied with the requirements of Rule 15(c)2-12(b)(5) at the time of this offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (b) in the opinion of nationally recognized co-bond counsel selected by the City, the amendment does not materially impair the interests of the beneficial owners of the Notes.

The City believes it has complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule.

Continuing disclosure information, as well as the City's budgets and audited financial statements, may also be found on the City's web page at the following: <http://www.cityofmadison.com/finance/>. Additional information, such as rating reports, may be added as they become available.

## **FUTURE FINANCING**

As of the date of the Official Statement, the City does not anticipate any other obligations in calendar year 2024.

The City periodically evaluates market conditions and outstanding financial obligations for refunding and refinancing opportunities and may issue refunding bonds if debt service savings can be achieved.

## **LITIGATION**

To the knowledge of the officers for the City, there is no litigation pending, or threatened, against the City, which in any way questions or affects the validity of the Notes, or any proceedings or transactions relating to the issuance, sale, or delivery thereof.

The officers for the City will certify at the time of delivery of the Notes that there is no litigation pending or in any way threatened questioning the validity of the Notes, or any of the proceedings relating to the authorization, issuance and sale of the Notes that would result in a material adverse impact on the financial condition of the City.

## **LEGAL MATTERS**

The Notes are subject to approval as to certain matters by Kutak Rock LLP of Minneapolis, Minnesota, and MWH Law Group LLP, Milwaukee, Wisconsin, as Co-Bond Counsel. Co-Bond Counsel has not participated in the preparation of this Official Statement except for guidance concerning the sections, "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF INTEREST ON THE TAX-EXEMPT NOTES" and "TAX MATTERS - TAX MATTERS RELATING TO THE SERIES 2024-D NOTES", and will not pass upon its accuracy, completeness, or sufficiency. Co-Bond Counsel has not examined nor attempted to examine or verify, any of the financial or statistical statements, or data contained in this Official Statement, and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix C herein will be delivered at closing.

## **TAX MATTERS**

### **FEDERAL INCOME TAX TREATMENT OF INTEREST ON THE TAX-EXEMPT NOTES**

#### In General

In the opinion of Kutak Rock LLP, Minneapolis, Minnesota, and MWH Law Group LLP, Milwaukee, Wisconsin Co-Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2024-B Notes (including any original issue discount properly allocable to the owner of a Series 2024-B Note) and the Series 2024-C Notes (including any original issue discount properly allocable to the owner of a Series 2024-C Note) (the "Tax-Exempt Notes") is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. The opinion described above assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Tax-Exempt Notes. Failure to comply with such requirements could cause interest on the Tax-Exempt Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Tax-Exempt Notes. The City has covenanted to comply with such requirements. Co-Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Tax-Exempt Notes. Interest on the Tax-Exempt Notes is not exempt from present Wisconsin income or franchise taxes. Interest on the Tax-Exempt Notes may affect the federal alternative minimum tax imposed on certain corporations.

The accrual or receipt of interest on the Tax-Exempt Notes may otherwise affect the federal income tax liability of the owners of the Tax-Exempt Notes. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Co-Bond Counsel has expressed no opinion regarding any such consequences.

Purchasers of the Tax-Exempt Notes, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Tax-Exempt Notes.

### Original Issue Discount

The Tax-Exempt Notes that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount Notes"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Notes and their stated amounts to be paid at maturity (excluding "qualified stated interest" within the meaning of Section 1.1273-1 of the Regulations) constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Note is added to the cost basis of the owner of the note in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Note (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Note that are attributable to accrued or otherwise recognized original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Note, on days that are determined by reference to the maturity date of such Discount Note. The amount treated as original issue discount on such Discount Note for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Note (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Note at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Note during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Note the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Note is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Notes should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Note. Subsequent purchasers of Discount Notes that purchase such notes for a price that is higher or lower than the "adjusted issue price" of the notes at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

### Original Issue Premium

The Tax-Exempt Notes that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium Notes"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Note over its stated redemption price at maturity constitutes premium on such Premium Note. A purchaser of a Premium Note must amortize any premium over such Premium Note's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Notes callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to the call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser's basis in such Premium Note is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Note prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Notes should consult with their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Note.

### **NOT BANK-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The City will not designate the Tax-Exempt Obligations as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes interest expense that is allocable to carrying and acquiring tax-exempt obligations.



## TAX MATTERS RELATING TO THE SERIES 2024-D NOTES

### In General

In the opinion of Co-Bond Counsel, the interest to be paid on the Series 2024-D Notes is included in gross income for federal and State of Wisconsin income tax purposes. Co-Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2024-D Notes under the laws of the State of Wisconsin or any other state or jurisdiction.

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2024-D Notes under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the Series 2024-D Notes should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2024-D Notes.

In general, interest paid on the Series 2024-D Notes, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2024-D Notes, and principal payments (excluding the portion, if any, of such payments characterized as original issue discount or accrued market discount) will be treated as a return of capital.

### Tax Treatment of Note Premium

An investor that acquires a Series 2024-D Note for a cost greater than its remaining stated redemption price at maturity and holds such instrument as a capital asset will be considered to have purchased such instrument at a premium. Such premium may generally be amortized under the constant yield method upon prior election permitted by Section 171(c) of the Code and, if so amortized, any call options of the City with respect to the Series 2024-D Notes are generally disregarded such that the instruments are amortized to their maturity date. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizing note premium that reduces interest payments under Section 171 of the Code. Investors of any Series 2024-D Note purchased with a note premium should consult their own tax advisors as to the effect of such note premium with respect to their own tax situation and as to the treatment of note premium for state tax purposes.

### Tax Treatment of Original Issue Discount

If the Series 2024-D Notes are issued with original issue discount, Section 1272 of the Code requires the current ratable inclusion in income of original issue discount greater than a specified *de minimis* amount using a constant yield method of accounting. In general, original issue discount is calculated, with regard to any accrual period, by applying the instrument's yield to its adjusted issue price at the beginning of the accrual period, reduced by any qualified stated interest allocable to the period. The aggregate original issue discount allocable to an accrual period is allocated to each day included in such period. As a general rule, the owner of a debt instrument must include in income the sum of the daily portions of original issue discount attributable to the number of days the owner owned the instrument. Owners of Series 2024-D Notes purchased at a discount should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning such Series 2024-D Notes.

### Market Discount

An investor that acquires a Series 2024-D Note for a price less than the adjusted issue price of such instrument may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of a Series 2024-D Note originally issued at a discount, the amount by which the issue price of such instrument, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest,

and (b) in the case of a Series 2024-D Note not originally issued at a discount, the amount by which the stated redemption price of such instrument at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a Series 2024-D Note will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the instrument, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such an instrument or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a Series 2024-D Note with original issue discount, in proportion to the accrual of original issue discount.

An owner of a Series 2024-D Note that acquired such instrument at a market discount also may be required to defer, until the maturity date of such instrument or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such instrument in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such instrument. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2024-D Note for the days during the taxable year on which the owner held such instrument and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2024-D Note matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

#### Unearned Income Medicare Contribution Tax

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals earning certain investment income. Holders of the Series 2024-D Notes should consult their own tax advisors regarding the application of this tax to interest earned on the Series 2024-D Notes and to gain on the sale of a Series 2024-D Note.

#### Sales or Other Dispositions

If an owner of a Series 2024-D Note sells the instrument, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such instrument. Ordinarily, such gain or loss will be treated as a capital gain or loss.

If the terms of a Series 2024-D Note were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those which relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a Series 2024-D Note should consult its own tax advisor concerning the circumstances in which the Series 2024-D Notes would be deemed reissued and the likely effects, if any, of such reissuance.

## Defeasance

The legal defeasance of the Series 2024-D Notes may result in a deemed sale or exchange of such Series 2024-D Notes under certain circumstances. The owners of such Series 2024-D Notes should consult their tax advisors as to the federal income tax consequences of such a defeasance.

## Foreign Investors

An owner of a Series 2024-D Note that is not a “United States person” (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a Series 2024-D Note will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2024-D Note, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term “United States person” means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a United States withholding tax may apply to interest paid and original issue discount accruing on Series 2024-D Notes owned by foreign investors. In those instances in which payments of interest on the Series 2024-D Notes continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Series 2024-D Notes having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Series 2024-D Note.

## Tax-Exempt Investors

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. Unrelated business taxable income generally means the gross income derived by an organization from any unrelated trade or business as defined in Section 513 of the Code. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity’s exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a Series 2024-D Note incurs acquisition indebtedness with respect to such instrument, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of a Series 2024-D Note is urged to consult its own tax advisor regarding the application of these provisions.

## ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain requirements on “employee benefit plans” (as defined in Section 3(3) of ERISA) subject to ERISA, including entities whose underlying assets are considered to include “plan assets” (within the meaning of 29 C.F.R. Section 2510.3 (as modified by Section 3(42) of ERISA), such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, “ERISA Plans,” and together with arrangements that are subject to Section 4975 of the Code or similar provisions under any other federal, state, local, non-United States or other laws or regulations or similar law, as applicable, “Plans”)) and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA’s general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan’s investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the Series 2024-D Notes must be determined by the responsible fiduciary of the ERISA Plan by taking into

account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the Series 2024-D Notes could be viewed as violating those prohibitions. In addition, Code Section 4975 prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Code Section 503 includes similar restrictions with respect to governmental and church plans. In this regard, the City or any Dealer of the Series 2024-D Notes might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Code Sections 4975 or 503. Prohibited transactions within the meaning of ERISA and the Code may arise if the Series 2024-D Notes are acquired by such plans or arrangements with respect to which the City or any Dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above Code Sections, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Series 2024-D Notes. The sale of the Series 2024-D Notes to a plan is in no respect a representation by the City or the conduit borrower, if any, of the Series 2024-D Notes or any dealer that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. **Any plan proposing to invest in the Series 2024-D Notes should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.**

Neither the City or conduit borrower, if any, of the Series 2024-D Notes nor the Underwriter is acting as a fiduciary, or undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, to such purchaser or transferee with respect to the decision to purchase or hold the Series 2024-D Notes or an interest in the Series 2024-D Notes.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed on persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Series 2024-D Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any similar laws to such investment and whether an exemption would be applicable to the purchase and holding of the Series 2024-D Notes.

#### **BACKUP WITHHOLDING**

An owner of an Note may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Notes if such owner fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

#### **CHANGES IN FEDERAL AND STATE TAX LAW**

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Notes. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to notes issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or

commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes or the market value thereof would be impacted thereby. Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes and Co-Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

**PROSPECTIVE PURCHASERS OF THE NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE NOTES AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE NOTES.**

#### **MUNICIPAL ADVISOR**

The City has retained Baker Tilly Municipal Advisors, LLC (the “Municipal Advisor” or “BTMA”) as municipal advisor in connection with certain aspects of the issuance of the Notes. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP (“BTAG”) which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC (“H&F”), an investment adviser registered with the Securities and Exchange Commission (the “SEC”), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP (“Valeas”), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International, Ltd. Baker Tilly US, LLP (“BTUS”) is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the City to provide certain municipal advisory services to City and, in that capacity, has assisted the City in preparing this Official Statement. The information contained in the Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the City. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the City, and it has no secondary obligations or other responsibility. The Municipal Advisor’s fees are expected to be paid from proceeds of the Notes. BTMA provides certain specific municipal advisory services to the City but is neither a placement agent to the City nor a broker/dealer.

#### *Other Financial Industry Activities and Affiliations:*

Baker Tilly Wealth Management, LLC (“BTWM”), an SEC registered investment adviser, and Baker Tilly Capital, LLC (“BTC”), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority (“FINRA”), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

## **MISCELLANEOUS**

The information contained in this Official Statement has been compiled from the City officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Notes, the security for the payment of the Notes and the rights and obligations of the owners thereof.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Notes.

## **CERTIFICATION**

The City has authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Notes and a Final Official Statement following award of the Notes. The City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the City and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

## GENERAL INFORMATION OF THE CITY

### General Information

The City of Madison is located approximately 150 miles northwest of Chicago, Illinois and 75 miles west of Milwaukee, Wisconsin. Madison is Wisconsin's second largest city with an estimated population of 286,785 and a land area of approximately 84.9 square miles. The City is the Wisconsin state capital and is home to the University of Wisconsin-Madison.

The Madison Standard Metropolitan Statistical Area ("SMSA") ranks high in census categories describing educational attainment. According to Census Bureau, the Madison SMSA ranked high among the 387 United States SMSAs in percent of residents 25 years and older having completed high school, and of residents having four years of college or more. Comparable figures for the City itself show over 95.5% having completed high school and 58.9% completing at least four years of college.

Madison's population increased from 170,616 in 1980 to 286,785 as of January 1, 2023. Between 2003 and 2023, the median value of single-family homes rose 141% from \$189,500 to \$457,300\*.

\*From 2022 to 2023, the median value of single family homes increased 7.8%, from \$424,400 to \$457,300.

### Mayor/Council Powers

The Common Council has the management and control of the City property, finances, highways, navigable waters, and the public service and has power to act for the government and the good order of the City, for its commercial benefit and for the health, safety, and welfare of the public. It may carry out its powers by license, regulation, suppression, borrowing of money, tax levy, appropriation, fine, confiscation and other necessary or convenient means.

The Mayor is the chief executive officer of the City. The Mayor has veto power as to all acts of the Common Council, except those as to which it is expressly or by necessary implication otherwise provided. A two-thirds vote of all the members of the Common Council shall then make an act effective, notwithstanding a veto by the Mayor.

The Mayor has the general supervisory responsibility of all City officers and heads of departments in the performance of their official duties. The Mayor is authorized under State Statutes and City Ordinances to appoint department heads, citizen officials and employees to various boards, committees and commissions, all subject to Common Council confirmation.

### Principal Officials

The following is a list of the principal officials of the City of Madison as of July 1, 2024:

Satya Rhodes-Conway, Mayor

#### Common Council

Yannette Figueroa Cole, President  
John W. Duncan, Vice President  
Barbara Harrington-McKinney  
Amani Latimer Burris  
Derek Field  
Michael E. Verveer  
Regina M. Vidaver  
Dina Nina Martinez-Rutherford  
Nasra Wehelie  
Juliana R. Bennett

Nikki Conklin  
Isadore Knox Jr.  
Tag Evers  
Jael Currie  
John P. Guequierre  
Marsha A. Rummel  
MGR Govindarajan  
Charles Myadze  
Sabrina V. Madison  
William Tishler

The Mayor is elected to a four-year term and the Common Council to two-year terms. The Common Council president serves a one-year term and is elected by the other members of the Common Council. Department officials are appointed by the Mayor with the Common Council approval after a competitive recruitment process. The Fire Chief and Police Chief are appointed by the City's Police and Fire Commission. Currently, each department head serves under a five-year renewable contract. Following are the senior appointed staff:

David P. Schmiedicke, Finance Director/ City Treasurer	Mahanth Joishy, Fleet Service Superintendent
Karen Kapusta-Pofahl, Council Chief of Staff	Eric Knepp, Park Superintendent
Michelle Drea, City Assessor	Charles Romines, Street Superintendent
Michael Haas, City Attorney	Yang Tao, City Traffic Engineer
Maribeth Witzel-Behl, City Clerk	Stefanie Cox, Parking Division Manager
Norman Davis, Civil Rights Director	Justin Stuehrenberg, Metro Transit General Manager
Arlyn Gonzalez, Employee Assistance Program Administrator	Krishna Kumar, Water Utility General Manager
Chris Carbon, Fire Chief	Matt Wachter, Planning & Community & Economic Development Director
Erin Hillson, Human Resources Director	James O'Keefe, Community Development Division Director
Sarah Edgerton, Information Technology Director	Matthew Mikolajewski, Economic Development Division Director
Tana Elias, Library Director	Larry Kilmer, CDA Executive Director
Connie Thompson, Monona Terrace Director	Matthew W. Tucker, Building Inspection Division Director
Shon F. Barnes, Police Chief	Meagan Tuttle, Planning Division Director
Janel Heinrich, Public Health Director	Thomas Lynch, Transportation Director
Jim Wolfe, City Engineer	

#### **Employee Relations as of July 7, 2024**

The City of Madison employs 2,950 permanent full-time and 58 part-time civil service employees. Five unions represent 1,324 employees or 45% of the permanent work force. The principal unions that represent employees of the City are: Association of Madison Fire Supervisors; International Association of Fire Fighters Local 311; Association of Madison Police Supervisors; Madison Professional Police Officers Association; and Teamsters Union Local 695.

#### **Services**

The State of Wisconsin (the "State") mandates that certain services be performed by municipalities. Those functions and/or activities that are mandated by State law or administrative rule are: (i) providing for elections, (ii) maintaining a fire department, (iii) maintaining a police department, (iv) providing for a public health joint venture, and (v) providing traffic control.

In addition, the City furnishes numerous services including a comprehensive parks and recreational program, a modern mass transit system, public parking lots and ramps, a solid waste management program, housing and community development activities, an equal opportunities commission, as well as numerous services to low-income and elderly citizens.



The following table illustrates the 2024 budgeted revenue sources of the General Fund (by percentage) that support the services and activities of the City.

<u>Revenue Source</u>	<u>Percent of Total Revenue</u>
Real Estate and Personal Property Tax	70.7%
Intergovernmental Revenues (includes payments in lieu of taxes)	17.0
Miscellaneous (includes applied fund balance)	4.5
Charges for Services	2.9
Licenses and Permits	2.1
Fines and Forfeitures	1.3
Interest on Investments	<u>1.5</u>
Total	<u>100.0%</u>

NOTE: Total budgeted 2024 General Fund Revenues (including Madison Public Library) were \$405,368,750.

### **City Facilities**

The principal facilities utilized by the City are considered to be suitable and adequate for the present and future requirements, except as noted below. Major facilities are:

- Municipal Offices: The City and Dane County jointly own and operate a City-County Building, located in the central business district of the City. This facility, and the City-owned Madison Municipal Building located across the street, house most of the City's central administrative staff operations.
- Fire Stations: The City has 14 fire stations, an administration office, and a maintenance facility. In 2024 there are plans to purchase turnout gear, fire hoses, and SCBA replacements to ensure that the department has adequate equipment to attend to emergency operations.
- Police Stations: The Police Department has decentralized police services by operating district stations serving specific geographic areas of the City. Current initiatives include purchasing technology, safety, and other operational equipment to stay current with industry standards, attend to emergency incidents, significant events, and other public safety and investigative concerns.
- Health: The administrative central offices for Public Health-Madison and Dane County and the Public Health Lab are located in the City-County Building. Clinic facilities with staff offices are operated in leased space at the Village on Park on South Park Street, and at the Madison East Shopping Center on East Washington Avenue. The offices for Environmental Health and Animal Services are in leased space on International Lane.
- Library: Madison's library system is comprised of a centrally-located main facility and eight neighborhood branches. The central facility and four branches are City-owned, while the remaining four branches operate in leased space.

The main project in 2024 includes the continued design and planned construction of the new Reindahl Library and Imagination Center on Madison's northeast side. The Imagination Center at Reindahl Park will be a 18,000 square foot building that will function as a Library and Parks Pavilion. The goal of the project is to provide a safe public space with health and environmental literacy resources and education opportunities with Madison Parks, Community Development, and key eastside health facilities. Other initiatives include additions and replacements to Madison Public Library's materials collection in all formats, other than electronic resources and periodicals.

- Parking Systems: The City provides over 5,000 public parking spaces through its five parking ramps, seven parking lots and more than 1,300 on-street metered parking spaces. Planned projects in 2024 include the design and construction of the new State Street Campus Garage as the original structure is approaching the end of its useful life. The new garage will provide additional housing and an intercity bus terminal which will include an indoor waiting area with the potential for restrooms and other service amenities.
- Monona Terrace Community and Convention Center: a 250,000 square-foot convention center originally designed by Frank Lloyd Wright, opened in 1997. A 550-space parking ramp connecting to the convention center is owned by the State of Wisconsin. In 2024 the City plans to make building improvements with the goal to increase efficiencies, reduce maintenance costs and improve the customer experience at Monona Terrace. The increased budget in 2024 is to address any major renovations which are completed on a ten-year cycle.
- Warner Park Community Recreation Center: located in Warner Park on the City's northeast side, is a multi-purpose, state-of-the-art public facility for recreational, educational, cultural and community programs and activities. The \$4.7 million project was developed by the City of Madison Department of Planning and Development, Community Development Block Grant Office, in partnership with the Northside Planning Council. Building funds were provided by the Department of Housing and Urban Development, the City, and contributions from community businesses and residents.

The Warner Park Community Recreation Center's Mission Statement provides that the center is a gathering place which provides innovative growth and enrichment opportunities for the Madison community and connects people of all ages, races and cultural backgrounds.

- Parks: In addition to Warner Park Community Recreation Center listed above, the City is responsible for the upkeep of the Goodman Pool, 12 beaches (8 of which have lifeguard services), over 274 parks, four golf courses, three splash parks, a skatepark, eight off-leash dog exercise areas, 20 conservation parks, botanical gardens, cemetery, and boulevard maintenance encompassing over 5,600 acres, as well as the care and pruning of over 96,000 street trees and 100,000 park trees.

Taking place in 2024 are improvements to Madison's community, neighborhood and mini parks. This includes building improvements, maintaining park shelters, courts, paths, parking lots, and land improvements on the golf course. The City is also pursuing opportunities to add additional land to the City's park inventory by expanding existing parks or purchasing land in park deficient areas.

The goal of these projects is to ensure equitable access to restroom facilities, address park deficiencies for rentable community space, reduce consumption by implementing sustainable building system improvements, and to provide safe and accessible recreational amenities across the park system.

- Streets and Sidewalks: The City budgets annually for the expansion and maintenance of this system, which currently includes over 790 miles of streets and 1,234 miles of sidewalks. In 2024 the City plans to purchase a tandem dump, 2 patrol trucks, a liquid de-icing brine trailer and hook lift containers. This is to ensure reliable equipment and machinery for the services that are provided by the Streets Division.
- Transit Utility: The City offers public transit services to its citizens, including service on both mainline and secondary routes, as well as school, commuter and special events service. The Transit Utility is also responsible for planning and coordinating all fixed route transit improvements and programs, as well as the repair and maintenance services required by the transit fleet. Because the City operates the only publicly-owned bus system in Dane County, this service has been extended to other governmental entities at their request. When services are extended outside the City boundaries, the receiving entity pays its share of the operating costs.

In 2024 the City plans to replace the fixed route transit buses with new electric buses, as well as purchase the associated bus charging infrastructure. In addition, the City plans to make improvements at the new Hanson Road satellite bus facility which includes maintenance bays, lifts, a service lane, bus wash and utility infrastructure. This will alleviate space constraints at Metro's existing East Washington Avenue

location in preparation of Bus Rapid Transit. The City also budgeted approximately \$10 million for major repairs and improvements to the existing 1101 East Washington Avenue location to ensure that the facility remains usable for at least the next 20 years.

- **Facility Management:** The City Engineering Division's Facilities Management Section is responsible for development of a large portion of the City's physical plant. City Engineering staff perform architectural services and supervise construction projects, including building retrofits to meet energy and accessibility standards. This section also maintains data considering age and conditions for approximately 250 buildings city-wide, along with leading the Madison Municipal Building renovation and reconstruction efforts to provide additional functional workspace, improved energy efficiency, a high quality public environment, and to extend the useful life of the structure by more than 50 years.

Planned projects include improvements to the City County Building as well as office remodels. This will replace decade old building systems, optimize and expand the usage of available space, and improve work spaces and meeting rooms. Solar projects planned in 2024 include design and installation at CDA Truax Campus, along with Madison Public Market and Bartillon Homeless Shelter.

- **Facility Maintenance:** The City Engineering Division's Facilities Maintenance Section provides maintenance services to several City agency facilities including fire and police stations, streets, facilities, the First Street Garage and the Engineering Services building.
- **Fleet Equipment and Facilities:** The Fleet Service Division is responsible for the purchase and preparation of fleet equipment used by City agencies, in-house repairs, and the purchase of outside repair and maintenance services.

In 2024 planned projects include replacing the City's general fleet in order to ensure city staff have access to safe and reliable vehicles.

- **Water:** The Madison Water Utility serves the entire area of the City and additional wholesale customers beyond the municipal boundaries through its owned supply and distribution system, which draws from 23 active deep wells which includes over 895 miles of water main. Current projects include the construction and installation of new equipment at Well 15 and replacing existing water mains in conjunction with the reconstruction of roads. The goal is to update water infrastructure, reduce the risk of pipe failure and extend the useful life of the pipes.
- **Sanitary Sewer:** The Madison Sanitary Sewer Utility serves the entire area of the City and maintains 760 miles of sanitary sewer mains and 29 sanitary sewerage lift stations to convey wastewater to the interceptors and wastewater treatment plant of the Madison Metropolitan Sewerage District. In 2024 the Sewer Utility plans to rehabilitate and replace the 32 wastewater lift stations and force mains. The goal of the project is to maintain system reliability and reduce the number of back-ups or emergency incidents.

## **Relationship to Other Political Units**

### Dane County

The City and Dane County (the "County") have a policy of cooperation and non-duplication of service. Examples of this are as follows:

- The governance of the Monona Terrace Community and Convention Center is shared jointly between the City and the County with the State also having representation.
- The County contracts with the City for the manufacturing of road and street signs, radio repair and the use of radio towers.
- The City and the County operate a unified and jointly funded Department of Public Health. Shared, or "joint" costs are apportioned to the City and County tax levies based upon equalized value. In addition, some expenses are funded entirely by either the City or County.

- The City and County jointly own and operate the City-County Building.
- The City, the County and other governmental entities bordering on lakes Monona and Mendota cooperate in lake patrol and weed control.
- The Dane County library system purchases various services from the City library.
- Dane County's Department of Public Safety Communications provides countywide 9-1-1 emergency call taking services. The Department also provides dispatching and centralized communications services for the Dane County Sheriff's Department, Madison Police and Fire Departments, as well as 21 local law enforcement agencies, 26 local fire departments, and 21 local EMS agencies.
- The County Sheriff's Department coordinates with the Madison Police Department.
- The County has a Capitol Area Regional Planning Commission which assists in coordinating planning activities of all local jurisdictions.
- The Madison Area Transportation Planning Board ("TPB") (the Metropolitan Planning Organization for the Madison Area) carries out a cooperative, continuing and comprehensive planning process for making transportation investment decisions in the Metropolitan area, working with 34 contiguous villages, cities and townships. The TPB prepares and maintains a long range multi-modal transportation plan and a five-year transportation improvement program to provide for transportation investments to meet metropolitan transportation needs.

#### Madison Metropolitan Sewerage District

The Madison Metropolitan Sewerage District (the "District") was established to provide sewerage disposal and treatment services to a wide geographic area. The District owns and operates a major collection system and the processing/disposal facilities. Each local unit of government owns, operates and maintains the sewer mains and laterals within its geographic boundaries.

The District bills each local unit of government based on volume of sewerage processed. The City accounts for all of its sewer-related costs in a separate enterprise fund. Monthly billings are submitted along with the water bill and the revenue collected is sufficient to pay for the District's sewer services plus the City's Sewer Utility's debt service and cost of local engineering and sewer maintenance.

#### Neighboring Municipalities

Since 1990, the City has entered into intergovernmental agreements with the Cities of Fitchburg, Middleton, Monona, Sun Prairie and Verona; the Villages of DeForest, Maple Bluff, McFarland, Shorewood Hills, and Waunakee; the Towns of Blooming Grove, Burke, Madison, Middleton, Springfield, Verona, and Westport; and Dane County. These agreements are intended to minimize annexation legal battles, provide for orderly City growth, and to ensure that each municipal identity will be maintained. Such agreements also provide opportunities for cost-sharing on capital projects such as road construction, as well as cost savings arising from municipal service consolidation.

#### Cooperative Boundary Plans and Annexation

On February 18, 2005, the Town of Blooming Grove and the City of Madison executed an intergovernmental agreement under authority of Section 66.0307 of the Wisconsin Statutes.

The term and implementation phases within the plan recognize and attempt to balance the competing desires of the City and the town and the existing town and City property owners and residents. The plan provides for the eventual dissolution of the town after a protected period of up to 22 years, but allows early annexations within several areas to address near-term problems and opportunities.

The plan shall terminate on October 31, 2027, or at such earlier time as the town may cease to exist as a separate entity in accordance with the terms of this plan. A complete copy of the plan can be obtained from the City of Madison.

On January 17, 2007, the Town of Burke, the Village of DeForest, the City of Sun Prairie, and the City of Madison executed an intergovernmental agreement under authority of Section 66.0307 of the Wisconsin Statutes.

The term and implementation phases within the plan recognize and attempt to balance the competing desires of the cities, the village, and the town and the existing town, village, and City property owners and residents. The plan provides for the eventual dissolution of the town after a protected period of up to 29 years, but allows early annexations within several areas to address near-term problems and opportunities.

The plan shall terminate on October 26, 2036, or at such earlier time as the town may cease to exist as a separate entity in accordance with the terms of this plan. A complete copy of the plan can be obtained from the City of Madison.

### **City Finances**

The City Finance Department is responsible for overall accounting, finance and budget functions for agencies and proprietary operations of the City. The centralized accounting system is multi-dimensional and provides information necessary for budgetary control, resource allocation, and program costs.

Financial statements conform to Generally Accepted Accounting Principles applicable to governmental units prepared in accordance with standards of the Governmental Accounting Standards Board and are included in the City's Annual Comprehensive Financial Report ("ACFR"). The City's ACFR for the year ended December 31, 2023 has been filed with the MSRB's Electronic Municipal Market Access (EMMA) system. Interim financial statements are prepared monthly for some enterprise funds, as well as quarterly budget to actual and cash-flow projections, and specialized financial reports are also prepared on an as-needed basis.

The City maintains a "financial trend monitoring system" that charts various balance sheet, revenue and cost items, as well as key financial ratios. Changes in trends are analyzed and, when appropriate, corrective action is taken. Results of the trends also play a role in the City's debt management program.

The City maintains a segregated debt service fund. Annual deposits are made to the fund in amounts sufficient to pay all current year interest and principal on all general obligation debts. In addition, any unused proceeds from borrowing are transferred to the fund. These amounts are used to offset future years' debt service payments.

### **Investment Policies**

The City has a comprehensive written investment policy. All of the City's temporary idle cash is invested by the Treasury and Revenue Manager as the Investment Officer. Cash flow projections prepared by the City Finance Department are used in making investment decisions. Major features of the policy are as follows:

- Safety – safety of principal is the foremost objective of the City.
- Liquidity – the investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- Return – the City's investment portfolio is designed to attain a market-average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraint and liquidity needs.
- Local considerations – where possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The City may accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

- Socially Responsible Investing - investments in corporate equities and bonds will be limited to companies with an Environmental, Social and Governance (“ESG”) score within the top 50% of the ranking index and consistent with Common Council authorized guidance.
- Authorized financial institutions, depositories, and broker/dealers – the City maintains a list of financial institutions and depositories authorized to provide investment services, as well as of approved security broker/dealers selected for credit worthiness, experience, and other relevant factors.
- Delivery vs. payment – all trades of marketable securities will be executed by delivery vs. payment (“DVP”) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.
- Safekeeping – securities will be held by an independent third-party custodian selected by the City as evidenced by safekeeping receipts in the City’s name.
- Internal controls – the Investment Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse.
- Investment types – as a unit of local government in the State, the City is restricted by Section 66.0603(1m) of the Wisconsin Statutes to the following investment options:
  - A. U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government.
  - B. U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value.
  - C. Certificates of deposit and other evidences of deposit in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in Wisconsin if the time deposits mature in not more than 3 years.
  - D. Commercial paper rated in the highest tier by a nationally recognized rating agency.
  - E. Investment-grade obligations of state and local governments and public authorities which mature or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it was acquired.
  - F. Any corporate security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by a nationally recognized rating agency.
  - G. Repurchase agreements whose underlying securities consist of U.S. Treasury obligations or U.S. government agency or instrumentality obligations.
  - H. Money market mutual funds regulated by the Securities and Exchange Commission and invested primarily in government or government agency money market instruments.
  - I. Local government investment pools administered by the State of Wisconsin or developed through joint powers statutes and other intergovernmental agreement legislation.
- Collateralization – all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit, should be fully collateralized.
- Repurchase agreements – repurchase agreements shall be consistent with the Recommended Practices on Repurchase Agreements of the Government Finance Officers Association.

- All investments of the City shall be diversified on the following basis:
  - A. The City shall limit investments to avoid over-concentration in securities from a specific City or business sector. In general, no limits are necessary for U.S. Treasury securities, no more than 40% should be invested in a single government agency issuer, no more than 20% in a single money market fund (excluding the Wisconsin Local Government Investment Pool), no more than 10% in corporate bonds, no more than 10% in commercial paper, no more than 3% in a single issue of corporate bonds, and no more than 3% in a single issue of commercial paper. In no case should combined corporate bond/commercial paper holdings in a particular business sector exceed 10%.
  - B. The City shall invest in securities with varying maturities.
  - C. The City shall continuously invest a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.
- Maximum maturities – the City shall attempt to match its investments with anticipated cash flow requirements to the extent possible. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than ten years from the date of purchase. The City will invest in accordance with state and local statutes or ordinances. Reserve funds remaining after short-term fund requirements are met will be invested using a “laddered maturity” approach. The portfolio shall have a weighted average maturity of less than five years, with the exception of investments made to coincide as nearly as practicable with the expected use of funds. Any securities purchased will be liquid with an active secondary market that can be accessed if necessary to sell a security prior to its maturity.
- Competitive Bids – the investment officer shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.
- Management – the investment officer may consult with internal and external partners regarding the diversification of the portfolio and cash management.
- Reporting – the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status and statement of market value and the individual transactions executed over the last quarter, which will determine whether investment activities during the reporting period have conformed to the investment policy. The report will include a listing of individual securities held at the end of the reporting period, realized and unrealized gains and losses resulting from appreciation or depreciation, average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks, a list of investments by maturity date, the percentage of total portfolio that each type of investment represents, and the demographic data for broker/dealers engaged for City investments.
- Performance Standards - the City of Madison’s cash management portfolio shall be designated with the objective of regularly meeting or exceeding the average return on three-month U.S. Treasury bills.
- Marking to Market – the market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly.

As of June 30, 2024, the City had invested a total of \$675,720,365 for itself, and the Water Utility. Of that total, \$193,846,907 (28.69%) was invested in securities having a maturity date of later than June 30, 2025.

## **Budget Process**

The City of Madison utilizes the “Executive Budget” process, whereby the Mayor develops and submits a budget for the upcoming fiscal year. The Mayor develops priorities and guidelines for the next year and presents them to City agencies. Each agency is then required to submit a budget request to the Finance Director prior to August 15 for the ensuing calendar year. Operating budget requests are reviewed by the Finance Director and the Mayor. Capital budget requests are reviewed by the Mayor, Finance Director and appropriate staff. Based on the

requests and changes made thereto, the Mayor makes final determination as to which programs, and their level of funding, are to be included in the Executive Budget and presents it to the Common Council.

The Council's Finance Committee reviews the Executive Budget in detail, holding several public hearings and numerous meetings for deliberation. The Board may make changes to the Executive Budget.

When completed, the budget, as amended by the Finance Committee, is submitted to the Common Council for final approval. The Council may make further amendments to the budget, and final adoption requires a simple majority vote.

Once the budget is adopted, subsequent amendments and additional appropriations require a three-fourths vote of the Common Council. A balanced budget (appropriations equal to the sum of estimated revenues, tax levy and applied fund balance) is required at all times.

#### FY2025 Budget Discussions

The Mayor has previously identified to the Council and the public a potential \$27 million budget shortfall for the City's FY2025 budget. In response to the identification of this budget shortfall and potential impacts on City residents, the Council held a series of public meetings in May and June, 2024. The Mayor has provided updates to the Council which include a revised potential shortfall of \$22 million and two alternatives to address such shortfall. The Council is expected to consider these alternatives at a special Council meeting scheduled for August 16, 2024. One alternative is placement of a referendum question on the ballot for the November 5, 2024 general election that would provide for the City to exceed State of Wisconsin mandated limits on property tax levies placed on the City and other Wisconsin municipalities while the other alternative implements a certain amount of service reductions along with a series of special charges for services provided by the City.

#### **Pension Costs**

All employees holding qualified positions, as defined by the City's retirement plan, are eligible for participation in the Wisconsin Retirement System ("WRS"). The City pays a portion of the program's entire cost. Also included in payments to the WRS are amounts to fund disability pensions of police officers and firefighters as provided by Section 40.65 of the Wisconsin Statutes. The total cost of the retirement plan and disability pensions approximated the following for the past five years is:

2023	\$42,613,049
2022	37,321,471
2021	36,993,201
2020	36,851,640
2019	33,765,363

Effective with the adoption of the State of Wisconsin 2011-2013 budget (Wisconsin Act 32) and Wisconsin Act 10, all new employees hired after July 1, 2011, that are expected to work over 1,200 hours in a year, are eligible to participate in WRS. Current employees already in the WRS, became eligible when expected to work over 600 hours in a year.

All eligible employees except commissioned Police and Fire staff must pay 50% of their respective total WRS contribution rates. Employee contributions for 2024 are 6.90% and will increase to 6.95% in 2025. Commissioned Police and Fire staff pay these same employee contribution rates.

WRS utilizes the "Entry Age Normal with Frozen Initial Liability" actuarial method in establishing employer contribution rates. Under this method, the unfunded accrued actuarial liability is affected only by the monthly amortization payments, compound interest, the added liability created by new employer units, and any added liabilities caused by changes in benefit provisions. All actuarial gains or losses arising from the difference between actual and assumed experience are reflected in the determination of the normal cost. The City has no unfunded accrued pension liabilities as determined by the WRS.



## GASB 68

The Government Accounting Standards Board ("GASB") issued Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB 68") and related GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment to GASB 68, which revised existing standards for measuring and reporting pension liabilities for pension plans provided to City employees and require recognition of a liability equal to the City's proportionate share of net pension liability which is measured as the total pension liability less the amount of the pension plan's fiduciary net position.

The City's proportionate shares of the pension costs and the City's net pension liability or (asset) for WRS for the past three years are as follows:

	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>
2023	1.84596440%	\$97,793,725
2022	1.82854391	(147,384,003)
2021	1.80992057	(112,995,852)

For more information regarding GASB 68 with respect to the City, please reference "Note V- Other Information –A. Employees' Retirement System" of the City's ACFR for fiscal year ended December 31, 2023.

## **Other Post-Employment Benefits**

The City contributes to other post-employment benefits ("OPEB") to eligible retired City employees and their spouses that covers both active and retired members.

The City of Madison adopted the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective January 1, 2018.

The following table shows the components of the City's annual OPEB costs for the fiscal year ended December 31, 2023.

Balance at January 1, 2023	<u>\$69,016,664</u>
Changes for the year:	
Service cost	\$ 4,839,362
Interest	3,108,924
Changes of benefit terms	-
Changes in assumptions	5,006,447
Differences between expected and actual experience	3,632,350
Benefit payments	<u>(3,461,128)</u>
Net changes	<u>\$ 13,125,955</u>
Balance at December 31, 2023	<u>\$ 82,142,619(1)</u>

(1) Excludes OPEB obligation for the Department of Public Health for Madison and Dane County ("DPHMDC") and CDA. DPHMDC is a joint venture with Dane County and CDA is a component unit of the City.

Funded status of the City's OPEB as reported in the actuarial reports for the past three fiscal years is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>OPEB Expense</u>	<u>Actuarial Total OPEB Liability</u>
December 31, 2023	(1)	\$6,488,779	\$82,142,619
December 31, 2022	(1)	6,174,836	69,016,664
December 31, 2021	(1)	8,318,876	84,581,716

(1) Plan assets are not currently administered by a fund trustee.

For more information concerning the City's OPEB obligations, please reference "Note V – Other Information, D. Other Post-Employment Benefits" and "Required Supplementary Information" of the City's ACFR for the fiscal year ended December 31, 2023.

Sources: City's ACFRs.

## ECONOMY

Statistics prepared by the State Department of Workforce Development for the Madison Metropolitan Statistical Area ("MSA") break down employment by category for May 2024 as follows:

<u>Employment Category</u>	<u>Approximate Number Employed</u>
Government	90,600
Goods Producing	59,900
Professional and Business Services	52,200
Manufacturing	39,600
Leisure and Hospitality	39,100
Finance	24,100
Information	21,100
Other Services	20,800

The principal private employers are Epic Systems (10,000 employees), SSM Health Care (7,499 employees), and Exact Sciences (3,400 employees).

Employment/unemployment statistics are as follows:

	<u>Annual Average</u>				<u>May 2024</u>
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
Madison MSA					
Labor Force (000)	384.8	398.3	395.7	407.0	405.7
Employed (000)	365.8	386.7	386.9	397.6	395.6
Unemployed (000)	18.9	11.6	8.8	9.4	10.0
Percent Unemployed					
United States	8.1%	5.3%	3.6%	3.9%	3.7%
State of Wisconsin	6.3	3.8	2.9	3.0	3.0
Madison MSA	4.9	2.9	2.2	2.3	2.5

Source: Wisconsin Department of Workforce Development, <https://www.jobcenterofwisconsin.com/wisconomy/>.

NOTE: 2024 data is preliminary. Data is not seasonally adjusted.

## Major Employers in the Madison Area

<u>Employer</u>	<u>Number of Employees</u>
State of Wisconsin	45,280
University of Wisconsin – Madison	25,297
UW Health	15,744
Epic Systems (Verona)	10,000
SSM Health Care	7,499
United States Government	5,637
Madison Metropolitan School District	4,171
Exact Sciences	3,400
City of Madison	3,183
Unity Point Health – Meriter	3,103

Source: This is not a comprehensive list, but is based on the City's 2023 ACFR, (Table 16 page 248).

## Population Data (City of Madison)

The population trend of the City since 1990 is shown below:

<u>Year</u>	<u>Census Population Count</u>	<u>Percent Increase (Decrease) from Previous Year Shown</u>
2023 (Est. Jan. 1, 2023)	286,785	11.5%
2020	257,197	10.3
2010	233,209	12.1
2000	208,054	8.8
1990	191,262	--

Sources: U.S. Census Bureau, <https://www.census.gov>, and Wisconsin State Department of Administration, <https://www.doa.wi.gov>.

## Population by Age Distribution (City of Madison)

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2023</u>
Under 5	10,815	13,561	14,403	14,913
5-14	20,348	21,298	23,662	25,237
15-19	18,192	16,508	19,290	22,656
20-24	32,394	34,919	40,637	41,584
25-44	66,979	73,364	79,474	88,330
45-64	40,142	51,176	52,983	55,636
65 & Over	<u>19,184</u>	<u>22,383</u>	<u>26,748</u>	<u>38,429</u>
Total	<u>208,054</u>	<u>233,209</u>	<u>257,197</u>	<u>286,785</u>

Sources: U.S. Census Bureau, <https://www.census.gov> and Wisconsin State Department of Administration, <https://www.doa.wi.gov>.

## Family Income Range (City of Madison)

	Number of Families			
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2022(1)</u>
Under - \$9,999	1,627	2,100	1,197	1,112
\$10,000 - \$14,999	1,141	1,137	776	598
\$15,000 - \$24,999	3,163	2,533	1,593	1,596
\$25,000 - \$49,999	10,692	8,108	6,550	5,658
\$50,000 - \$74,999	11,495	9,433	7,900	6,960
\$75,000 & Over	<u>14,642</u>	<u>23,938</u>	<u>32,607</u>	<u>37,470</u>
Total	<u>42,760</u>	<u>47,249</u>	<u>50,623</u>	<u>53,394</u>
Median Family Income	\$59,840	\$75,739	\$96,502	\$111,576

(1) 2018-2022 American Community Survey 5-Year Estimates; most recent information available. Released in March 2024.

Source: U.S. Census Bureau, <https://www.census.gov>

## Growth and Trends

As of June 30, 2024, the City encompassed 84.9 square miles.

The City of Madison's Comprehensive Plan is the result of Imagine Madison, a community engagement process that reached over 15,000 people. The Comprehensive Plan is the City's high-level plan for the future. It includes recommendations regarding land use, transportation, housing, economic development, parks and open space, cultural resources, and a variety of services. The primary function of the Plan is to guide growth and development in the City over the next 20 years. Several key recommendations of the Comprehensive Plan include transit improvements, more housing choices, creation of family-supporting jobs, and focusing future growth on infill and redevelopment priority areas. Additionally, the 2024 Capital Improvement Plan ("CIP") invests approximately \$1.5 billion over the next 6 years. The timing of major projects, such as construction of new facilities, causes the variability in budget amounts across the CIP. In 2024 the CIP grows to \$273 million for major streets and transit utility projects, but ranges from \$209-346 million from 2024 to 2029.

## City Tax Increment Districts

As of January 1, 2023, the City had 13 active Tax Incremental Districts. The total 2023 equalized value of property in the active districts is \$3,885,226,500 or 9.11% of the City's 2023 equalized value of \$42,648,777,000. Taxes generated from the incremental values have been sufficient to pay all costs associated with the districts, including applicable debt service.

The following table is a listing of the City's active districts and their total incremental value generated as of January 1, 2023.

<u>No. and Title</u>	<u>General Location</u>	<u>Incremental Value Generated</u>
29. Allied Dunn's Marsh Neighborhood	Southeast	\$ 44,340,200
36. Capitol Gateway Corridor	Central city	548,132,300
37. Union Corners	East	191,877,200
39. Stoughton Road	Southeast	240,079,700
41. University- Whitney	West	71,243,100
42. Wingra	West	151,806,800
44. Royster Clark	East	81,409,900

45. Capitol Square West	Central city	116,526,000
46. Research Park	West	499,907,500
47. Silicon Prairie	West	6,338,700
48. Regent Street	Central city	124,294,400
49. Femrite Drive	Southeast	-
50. State and Lake	Central city	<u>35,753,700</u>

Total Incremental Value Generated \$2,111,709,500

### Assessed Valuation Growth

Assessed valuation changes in millions of dollars for residential and commercial real property for the last five years are shown in the following schedule.

	(In Millions of Dollars)				
<u>Assessment Year</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential:					
Construction	\$ 237	\$ 212	\$ 223	\$ 206	\$ 205
Revaluation	<u>747</u>	<u>1,131</u>	<u>2,354</u>	<u>2,751</u>	<u>1,994</u>
Subtotal	\$ 984	\$1,343	\$2,577	\$2,957	\$2,199
Commercial:					
Construction	\$ 392	\$ 288	\$ 553	\$ 648	\$ 915
Revaluation	<u>490</u>	<u>438</u>	<u>1,137</u>	<u>1,354</u>	<u>808</u>
Subtotal	\$ 882	\$ 726	\$1,690	\$ 2,002	\$ 1,723
Agricultural:					
Construction	\$ 1	-	-	-	-
Revaluation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	\$1	-	-	-	-
Total:					
Construction	\$ 630	\$ 500	\$ 776	\$ 854	\$ 1,120
Revaluation	<u>1,237</u>	<u>1,569</u>	<u>3,491</u>	<u>4,105</u>	<u>2,802</u>
Grand Total	<u>\$1,867</u>	<u>\$2,069</u>	<u>\$4,267</u>	<u>\$4,959</u>	<u>\$3,922</u>

Source: 2023 assessed valuation breakdowns as of January 1, 2024, as published by the City Assessor in June 2024.

New residential construction during each of the last five years is shown below:

#### Number of Dwelling Units Constructed as of June 30, 2024

<u>Assessment Year</u>	<u>One Family</u>	<u>Two or More Families</u>	<u>Total</u>
2020	355	1,825	2,180
2021	289	3,331	3,620
2022	244	2,074	2,318
2023	298	1,979	2,277
2024 (through 6-30)	111	1,707	1,818

### Permits Issued by the City

<u>Year</u>	<u>New Single Family Residential</u>		<u>New Commercial/Industrial</u>		<u>Total Value* (All Permits)</u>
	<u>Number</u>	<u>Value</u>	<u>Number</u>	<u>Value</u>	
2024 (to 7-1)	111	\$43,767,531	40	\$452,830,141	\$502,046,312
2023	298	113,692,077	62	482,177,546	609,811,291
2022	244	96,256,256	76	613,585,564	723,566,237
2021	289	107,763,317	105	519,606,251	645,481,901
2020	355	122,951,202	86	452,741,692	592,777,296
2019	378	117,916,106	73	426,303,664	812,994,688

(1) In addition to building permits, the total value includes all other permits issued by the City (i.e. heating, lighting, plumbing, roof replacement, etc.).

Source: The City.

### Education

The majority of the City is within the Madison Metropolitan School District, which educates more than 25,000 students. It is the second largest school district in Wisconsin. The district operates 52 schools, including four comprehensive high schools and four alternative high schools. There are also 21 schools that offer dual language immersion. Of the 2,760 teachers, 60.8% have a master's degree or higher. In addition, the District operates the University of Wisconsin Hospital School which serves the educational needs of school age children who are under care and treatment at the University of Wisconsin hospital. The Verona School District, the Sun Prairie Area School District, the Middleton-Cross Plains School District, the DeForest School District, the Monona Grove School District, the McFarland School District and the Waunakee Community School District also serve small parts of the City. Madison is the home of the main campus of the University of Wisconsin ("UW") system. In 2023 UW Madison graduated over 8,000 undergraduate students, and issued over 12,000 degrees in total, which includes master and doctorate degrees.

## DEBT STRUCTURE

### Estimated General Obligation Debt Outstanding as of September 5, 2024

General Obligation Bonds	\$ 152,180,000
General Obligation Promissory Notes(1)	<u>596,272,000</u>
Total	<u>\$748,452,000</u>

(1) Includes the Notes.

NOTE: The total general obligation debt of the City of Madison currently includes \$187,784,729 that will be reimbursed from the earnings of various City operations. The total general obligation debt also includes \$45,737,016 borrowed to fund the City's portion of Tax Incremental Districts ("TIDs"). Principal and interest for TID-related debt are paid by the incremental taxes generated in the TIDs, not the general tax levy.

### Estimated Calendar Year General Obligation Debt Service Payments

<u>Year</u>	<u>Principal</u>	<u>Principal and Interest(1)</u>
2024 (at 9-5)	\$ 95,104,000	\$106,625,375
2025	98,367,500	123,608,354
2026	91,409,500	112,754,803
2027	83,173,000	101,141,332
2028	74,453,000	89,247,950
2029	64,500,000	76,442,419
2030	56,560,000	66,094,313
2031	49,555,000	56,917,314
2032	41,140,000	46,594,989
2033	30,055,000	33,736,063
2034	17,000,000	19,330,350
2035	8,020,000	9,635,425
2036	7,405,000	8,747,181
2037	7,070,000	8,156,525
2038	6,380,000	7,220,500
2039	5,880,000	6,496,900
2040	4,390,000	4,827,000
2041	3,260,000	3,561,800
2042	2,365,000	2,554,200
2043	<u>2,365,000</u>	<u>2,459,600</u>
	\$748,452,000(2)	\$886,152,393

(1) Includes debt service on the Notes.

(2) 91.4% of this debt will be retired within ten years.

### Computation of City's Legal Debt Margin

Debt Limit (5% of 2024 Equalized Value of \$46,078,958,100)	\$2,303,947,905
Total Debt Applicable to Debt Limit (Including the Notes)	<u>(748,452,000)</u>
Legal Debt Margin as of September 5, 2024(1)	<u>\$1,555,495,905(1)</u>
Debt Outstanding as a Percent of Legal Debt Limit	32.49%

(1) The legal debt margin permits debt to be offset by debt service funds. No such offset has been used to decrease the margin shown above.

### Percentage of General Obligation Debt To Equalized Value as of December 31 for Last Five Years

<u>Fiscal Year</u>	<u>G.O. Debt</u>	<u>Equalized Value</u>	<u>G.O. Debt as a % of Equalized Value</u>
2019	\$521,391,000	\$30,910,698,000	1.69%
2020	571,852,500	33,036,794,000	1.73
2021	564,374,500	32,940,368,400	1.71
2022	588,110,945	38,606,699,100	1.52
2023	614,509,049	42,648,777,000	1.44

### General Obligation Debt Per Capita and Debt Per Capita as a Percentage of Per Capita Personal Income as of December 31 for Last Five Years

<u>Fiscal Year</u>	<u>G.O. Debt</u>	<u>Population</u>	<u>Debt Per Capita</u>	<u>Madison MSA Per Capita Income</u>	<u>Debt Per Capita as a % of Per Capita Income</u>
2019	\$521,391,000	255,650	\$2,039	\$ 62,087	3.28%
2020	571,852,500	257,197	2,223	64,280	3.46
2021	564,374,500	259,233	2,177	69,116	3.15
2022	588,110,945	279,012	2,108	71,516	2.95
2023	614,509,049	286,785	2,143	N/A	N/A

Sources: The City and the Bureau of Economic Analysis – US Department of Commerce, <http://www.bea.gov/regional/bearfacts>. Personal income last published on November 16, 2023.



## Overlapping Debt

Taxing Unit	Estimated G.O. Debt as of 12-31-2023(1)	Debt Applicable to Value in City	
		Percent	Amount
Dane County	\$681,070,000	43.44%	\$295,856,808
DeForest School District	133,498,000	10.30	13,750,294
Madison Metropolitan School District	183,130,000	90.09	164,981,817
McFarland School District	54,730,000	10.23	5,598,879
Middleton-Cross Plains School District	179,110,000	23.31	41,750,541
Monona Grove School District	74,800,000	0.16	119,680
Sun Prairie Area School District	307,875,000	14.95	46,027,313
Verona School District	133,655,000	3.48	4,651,194
Waunakee Community School District	154,760,000	2.33	3,605,908
Madison Area Technical College	184,585,000	31.57	<u>58,273,485</u>
Total			<u>\$634,615,918</u>

(1) Excludes general obligation debt of the Madison Metropolitan Sewerage District (the "District"). The District has not levied a property tax since 1973 for this general obligation debt. All operating and debt service expenditures of the District are paid out of sewer service charges billed to the local units of government within the District.

## Estimated Non-General Obligation Debt Outstanding

Revenue Bonds Payable from Enterprise Funds:	
Water Utility	\$134,415,000
Sewer Utility	<u>51,260,000</u>
Total as of July 15, 2024	<u>\$185,675,000</u>

In addition, the Community Development Authority of the City has issued various obligations payable solely from revenues generated by the associated projects, and housing bonds and notes payable from public housing rentals and subsidies. As of July 15, 2024, the total principal amount outstanding of the Community Development Authority obligations is \$0.

# GENERAL FUND FINANCIAL INFORMATION

## Balance Sheet General Fund Years Ended December 31, 2019-2023

	2019	2020	2021	2022	2023
<b>ASSETS</b>					
Cash and investments	\$ 78,890,748	\$ 90,207,940	\$ 99,944,648	\$ 112,867,364	\$ 136,903,964
Receivables					
Taxes	230,971,165	237,215,746	240,076,528	254,078,100	265,911,695
Accounts	4,515,384	3,770,091	4,994,494	7,009,148	7,443,581
Accrued revenue	-	50,477	222,612	277,373	513,220
Accrued interest	651,661	230,680	306,660	803,159	1,243,455
Long-term loans	779,273	763,680	763,680	677,680	677,680
Leases	-	-	-	19,750,083	19,701,689
Other receivables	14,648,000	14,648,000	14,648,000	14,095,000	14,095,000
Due from other funds	579,225	580,964	726,239	1,384,484	9,088,450
Due from component unit	11,831	-	-	-	-
Due from other governmental units	3,958,201	134,602	622,467	287,903	528,213
Advances to other funds	1,316,829	802,005	702,005	-	-
Advances to component unit	238,000	238,000	238,000	-	-
Inventories	557,686	534,622	524,572	505,134	495,682
Prepaid items	2,032,826	2,144,359	2,150,849	3,538,082	3,459,420
<b>TOTAL ASSETS</b>	<b>\$ 339,150,829</b>	<b>\$ 351,321,166</b>	<b>\$ 365,920,754</b>	<b>\$ 415,273,510</b>	<b>\$ 460,062,049</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 5,103,947	\$ 5,483,377	\$ 5,731,293	\$ 6,414,165	\$ 7,687,464
Accrued liabilities	12,325,628	15,077,715	15,665,911	17,154,146	16,632,097
Deposits	6,260,882	6,615,829	9,406,336	9,878,926	9,854,726
Due to other governmental units	125,325	22,833	3,426	250,716	223,974
Other liabilities	34,144	34,144	34,144	34,144	34,144
Total Liabilities	23,849,926	27,233,898	30,841,110	33,732,097	34,432,405
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	16,307,165	16,187,903	17,256,225	18,508,513	19,915,452
Lease-related amounts	-	-	-	19,671,646	19,286,014
Property taxes for subsequent year	230,855,731	237,087,198	240,016,323	253,903,925	265,749,247
Total Deferred Inflows of Resources	247,162,896	253,275,101	257,272,548	292,084,084	304,950,713
<b>Fund Balances</b>					
<b>Nonspendable</b>					
Noncurrent advances to other funds	1,316,829	802,005	702,005	-	-
Advances to component units	238,000	238,000	238,000	-	-
Noncurrent receivables	64,245	21,413	-	-	-
Inventories	557,685	534,622	524,572	505,134	495,682
Prepaid items	2,032,826	2,144,359	2,150,849	3,538,082	3,459,420
Restricted	779,273	763,680	763,680	677,680	677,680
Assigned	9,977,440	22,329,709	17,056,222	18,620,248	33,192,418
Unassigned	53,171,709	43,978,379	56,371,768	66,116,185	82,853,731
Total Fund Balances	68,138,007	70,812,167	77,807,096	89,457,329	120,678,931
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 339,150,829</b>	<b>\$ 351,321,166</b>	<b>\$ 365,920,754</b>	<b>\$ 415,273,510</b>	<b>\$ 460,062,049</b>

Source: City's ACFRs.

# GENERAL FUND FINANCIAL INFORMATION

## Statements of Revenues, Expenditures and Changes in Fund Balances General Fund Years Ended December 31, 2019-2023

	2019	2020	2021	2022	2023
<b>REVENUES</b>					
Taxes	\$ 225,805,119	\$ 232,397,875	\$ 238,943,340	\$ 241,822,635	\$ 256,029,564
Intergovernmental	38,503,530	40,784,212	40,452,543	40,718,930	42,734,108
Licenses and permits	7,385,413	6,404,298	8,270,863	9,182,207	8,662,256
Fines and forfeitures	6,452,870	3,902,015	4,843,905	5,419,349	5,312,500
Public charges for services	14,786,359	12,566,844	15,336,166	17,747,548	17,031,062
Investment income (loss)	5,767,747	3,698,642	(281,028)	(10,880,549)	24,414,521
Miscellaneous	3,171,525	924,845	1,063,926	3,433,134	1,882,557
Total Revenues	<u>301,872,563</u>	<u>300,678,731</u>	<u>308,629,715</u>	<u>307,443,254</u>	<u>356,066,568</u>
<b>EXPENDITURES</b>					
Current					
General government	\$ 25,698,059	\$ 29,039,169	\$ 25,966,960	\$ 28,674,979	\$ 28,954,547
Public safety	137,676,340	148,187,195	150,606,837	154,260,972	165,147,292
Public works	40,180,686	38,295,805	38,365,105	39,830,840	41,137,096
Planning & development	23,808,696	24,590,836	24,799,767	24,295,164	25,170,840
Culture & recreation	18,104,270	14,966,049	15,324,952	15,210,915	16,218,984
Debt service					
Principal payments on leases and subscriptions	-	-	-	209,272	2,495,123
Interest payments on leases and subscriptions	-	-	-	10,761	59,862
Total Expenditures	<u>245,468,051</u>	<u>255,079,054</u>	<u>255,063,621</u>	<u>262,492,903</u>	<u>279,183,744</u>
Excess of revenues over expenditures	<u>56,404,512</u>	<u>45,599,677</u>	<u>53,566,094</u>	<u>44,950,351</u>	<u>76,882,824</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital assets	51,758	46,823	12,378	1,004,395	38,393
Transfers in	20,898,187	14,318,203	19,423,195	32,085,750	23,665,472
Transfers out	(71,573,341)	(57,290,543)	(66,006,738)	(66,390,263)	(69,365,087)
Total Other Financing Sources (Uses)	<u>(50,623,396)</u>	<u>(42,925,517)</u>	<u>(46,571,165)</u>	<u>(33,300,118)</u>	<u>(45,661,222)</u>
<b>Net Change in Fund Balances</b>	5,781,116	2,674,160	6,994,929	11,650,233	31,221,602
FUND BALANCES - Beginning of Year	<u>62,356,891</u>	<u>68,138,007</u>	<u>70,812,167</u>	<u>77,807,096</u>	<u>89,457,329</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 68,138,007</u>	<u>\$ 70,812,167</u>	<u>\$ 77,807,096</u>	<u>\$ 89,457,329</u>	<u>\$ 120,678,931</u>

Sources: City's ACFRs.

## General Fund and Debt Service Budget Summary

	<u>2023</u>	<u>2024</u>
Revenues:		
Property Taxes	\$273,679,349	\$286,497,699
Intergovernmental revenues (includes payment in lieu of taxes)	66,788,006	69,365,476
Charges for Services	13,286,455	17,666,455
Other Local Taxes and revenues	10,262,000	12,207,000
Fines and Forfeitures	5,650,000	5,250,000
Licenses and Permits	8,664,120	8,382,120
Interest Income	<u>4,000,000</u>	<u>6,000,000</u>
Total Revenues	<u>\$382,329,930</u>	<u>\$405,368,750</u>
Expenditures:		
Public Safety and Health	\$165,144,960	\$172,427,357
General Government	2,717,556	2,981,006
Public Works and Transportation	59,057,732	76,238,533
Administration	27,742,871	30,665,782
Department of Planning and Development	30,474,418	28,351,278
Debt Service	61,587,222	63,879,900
Miscellaneous	<u>15,834,346</u>	<u>10,076,416</u>
Total General Fund Expenditures	\$362,559,105	\$384,620,272
Library	<u>19,770,825</u>	<u>20,748,477</u>
Total Expenditures	<u>\$382,329,930</u>	<u>\$405,368,750</u>

Source: The City's 2024 Adopted Operating Budget, pages 14-17.

### Debt Service Expenditures

Net debt service cost as a percentage of total General Fund expenditures for the past five years is shown as follows:

<u>Year</u>	<u>(In Thousands of Dollars)</u>		<u>Percent of Total</u>
	<u>Total General Fund Expenditures</u>	<u>Debt Service Expenditures</u>	
2020	321,545	54,423	16.9
2021	330,649	55,913	16.9
2022	341,254	56,108	16.4
2023	362,559	61,587	17.0
2024 (Budget)	384,620	63,880	16.6

Source: The City's 2024 Adopted Operating Budget, page 17.

## TAX LEVIES, COLLECTIONS AND RATES

The City of Madison levies property taxes for general City operations and collects the City's share of tax levies of other governmental units (School Districts, County, Madison Area Technical College ("MATC") and State) certified to the City. Taxes are levied by the Common Council. The City collects taxes, and offers citizens two types of payment options. The first option is a lump sum payment due on or before January 31. The second option is four installment payments due on or before January 31, March 31, May 31, and July 31. All delinquent real estate taxes are purchased by Dane County. Final settlement for these taxes is August 20, at which time the City receives 100% of its real property levy from the County. The City charges back delinquent personal property taxes to other taxing entities on a pro rata basis. Overdue or delinquent personal property taxes and special assessments are subject to an interest charge of 1% per month or fraction of a month. In addition to the interest charge, special assessments are subject to a penalty of 0.5% per month or fraction of a month.

Delinquent personal property taxes for the last five years as of July 31, 2024 are:

<u>Tax/Levy Year</u>	<u>Collection Year</u>	<u>Delinquent Taxes</u>
2019	2020	266,325
2020	2021	232,890
2021	2022	277,185
2022	2023	398,786
2023	2024	282,749

The City of Madison has never borrowed against delinquent taxes nor has the City ever engaged in interim borrowing for operational purposes.

### Property Tax Rates Per \$1,000 of Assessed Value

<u>Fiscal Year</u>	<u>City(1)</u>	<u>Madison School District</u>	<u>County</u>	<u>MATC</u>	<u>Less: State Credit</u>	<u>Total</u>
2020	8.90	11.78	2.87	0.94	(1.93)	22.56
2021	8.65	11.92	2.84	0.92	(1.87)	22.47
2022	8.32	11.50	2.69	0.81	(1.82)	21.50
2023	7.70	10.43	2.59	0.75	(1.65)	19.82
2024	7.11	9.85	2.53	.66	(1.87)	18.28

(1) Includes levy for Madison Public Library.

Source: The City's 2024 Adopted Operating Budget, page 12.

## Tax Levies

<u>Fiscal Year</u>	<u>City(1)</u>	<u>School District(2)</u>	<u>County</u>	<u>State(3)</u>	<u>MATC</u>	<u>Total(4)</u>
2020	250,016,152	331,214,274	80,483,264	-	26,324,292	688,037,982
2021	255,933,573	352,466,919	84,042,021	-	27,308,136	719,750,649
2022	259,044,042	354,790,526	83,949,321	-	25,292,483	723,076,373
2023	273,679,351	368,244,826	91,936,234	-	26,789,633	760,650,044
2024	286,497,699	393,378,181	101,905,225	-	26,826,420	808,607,525

(1) Includes levy for Madison Public Library. Actual city levy may differ adopted budget property tax levy.

(2) The amount shown is the total for all of the school districts in which the City has property.

(3) The State of Wisconsin did not levy taxes during the current fiscal year.

(4) Levy before State tax credit.

Source: The City's 2024 Adopted Operating Budget, page 12.

## CITY PROPERTY VALUES

### Equalized and Assessed Value of Taxable Property

<u>Levy Year</u>	<u>Equalized Value</u>	<u>Assessed Value</u>	<u>Ratio of Assessed to Equalized</u>
2019	\$30,910,698,000	\$29,125,082,300	94.2%
2020	33,036,794,000	30,918,142,500	93.6
2021	32,940,368,400	32,730,771,200	99.4
2022	38,606,699,100	36,974,513,700	95.8
2023	42,648,777,000	42,415,486,500	99.5
2024	46,078,958,100	(1)	(1)

(1) 2024 Assessed Value is not yet available.

NOTE: Includes captured tax increment value.

Source: Annual Assessment Summary Report, <https://www.revenue.wi.gov>.

### 2023 Equalized Value by Class of Property

#### Real Estate:

Residential	\$26,032,046,000	61.04%
Commercial	15,598,922,000	36.57
Manufacturing	446,235,100	1.05
Agricultural and Other	14,090,600	0.03
Personal Property	<u>557,483,300</u>	<u>1.31</u>

Total	\$42,648,777,000	100.00%
Less: Captured Tax Increment Value	<u>(2,111,709,500)</u>	
Net Equalized Value	<u>\$40,537,067,500</u>	

Source: Equalized Value by Class of Property report, <https://www.revenue.wi.gov>.

The City Assessor has the statutory duty to determine the full market value of all locally assessable, non- exempt property in the City to ensure that property taxes are levied uniformly and equitably. The Assessor assesses all property at full market value as of January 1; publishes an annual assessment roll which describes the property and lists the owners' names and addresses and sets forth the assessed valuations that are used in computing property tax statements for City taxpayers.

The “equalized value,” also called the “full value assessment” or the “aggregate full value,” attempts to equalize the various local assessment policies so that a basis for uniformity of property values throughout the State is established. Under Section 70.57, Wisconsin Statutes, the State Department of Revenue is required to determine the equalized value of all taxable property in each county and taxation district. Based on several economic factors, including past sales studies, the State Department of Revenue calculates a percentage which, when applied to the assessed value, produces a value which most closely approximates the full market value of each county and taxation district. The State Department of Revenue shall notify each county and taxation district of its equalized value on August 15; with school districts being notified on October 15.

All municipalities must assess taxable property at a minimum of 90% of State equalized values at least once every five years.

### Top Ten Individual Taxpayers in the City

<u>Taxpayer &amp; Type of Business</u>	<u>2023 Assessed Value</u>	<u>Amount of Taxes Levied</u>	<u>Percentage of the Tax Levy</u>
1. University Research Park Inc (Property Dev. & Management)	\$ 248,520,100	\$ 4,540,185	1.58%
2. CG Growth LLC (Educational Services)	217,919,000	3,897,828	1.36
3. American Family Insurance Corp (Insurance)	130,321,300	2,354,043	0.82
4. Madison Malls Ground LLC (Property Dev. & Management)	112,445,700	2,054,894	0.72
5. Core Campus Madison LLC (Property Dev. & Management)	102,270,000	1,869,250	0.65
6. CMFG Life Insurance Co. (Insurance)	98,420,600	1,798,801	0.63
7. Core Campus Madison II LLC (Property Dev. & Management)	87,095,000	1,591,875	0.56
8. 777 University Ave LLC (Property Dev. & Management)	84,643,900	1,546,984	0.54
9. Timber Valley Apartments (Property Dev. & Management)	80,390,000	1,469,141	0.51
10. Covance Laboratories Inc (Research)	<u>78,699,000</u>	<u>1,438,409</u>	<u>0.50</u>
Totals	\$1,240,724,600(1)	\$22,561,410(2)	7.87%

(1) Represents 2.93% of the City's 2023 assessed value of \$42,415,486,500. 2024 assessed values are not yet available.

(2) Represents 7.87% of the City's 2024 adopted property tax levy of \$286,497,699.

## **Intergovernmental and Operating State Revenues**

The City received just under 14.1% of its total revenue from intergovernmental and operating program revenues in 2023. Primary sources are described below:

State Shared Taxes – Long-term, payment to municipalities based on population and property values.

State Highway Aid – Long-term, funded by state gasoline tax and motor vehicle fees. This revenue source is based on the type and size of governmental unit. Aid is distributed under a formula which considers the number of miles, types of roads in a municipality and local costs of maintaining the roads. This revenue is utilized by municipalities for major street repairs.

State Payment for Municipal Services – It is a payment in lieu of taxes funded in the state budget based on the value of State-owned property within a local jurisdiction; recognizes the cost of municipal services to state facilities.

State Recycling Aid – Since its inception in 1990, this State-funded grant program has existed to assist local units of government in recovering their recycling costs.

Expenditure Restraint Program – Starting in 1991, the State of Wisconsin implemented a program to provide additional financial assistance to cities with tax rates above the statewide average. In order to qualify for payments, the City must adopt an annual budget reflecting an increase no greater than the increase in the Consumer Price Index ("CPI"). Debt service expenditures are excluded from cost controls. Additional allowances for annual increases may be made due to growth in the City's tax base.

State Computer Reimbursement – Exempted business computers from being subject to property taxes beginning with the 1999 property tax collected in 2000. It also provides for a state aid payment to municipalities to offset the loss of this taxable property. This aid payment is recognized as General Fund revenue.

Fire Insurance Dues – The State of Wisconsin collects 2% of all fire insurance premiums sold in Wisconsin. All municipalities receive a share based on equalized value of real property improvements. Funds may be used for fire inspection, prevention and protection, training, purchase of fire protection equipment and funding of firefighters' pension programs.

State Personal Property Exempt – Effective January 1, 2018 the State exempted machinery, tools, and patterns, other than items already considered exempt manufacturing property under prior law. A new state aid program was also created to reimburse municipalities for lost personal property tax revenue.

Video Service Provider Aid – The aid is distributed by the State to each municipality imposing the video service provider fee. The aid is equal to .5% of the gross receipts used to calculate fee revenue and is intended to reimburse municipalities for the mandated reduction in communities' video service provider fee.



The following table illustrates the amount of revenue the City has received from intergovernmental and operating program revenues over the last five years:

	(In Thousands of Dollars)				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
State Shared Revenue	\$ 6,104	\$ 6,159	\$ 6,210	\$ 6,195	\$6,512
State Highway Aid	10,799	12,332	12,527	12,559	12,715
State Payment for Municipal Services	7,619	8,367	7,806	7,933	8,394
State Recycling Aid	805	805	809	807	811
Expenditure Restraint Program	7,043	6,887	6,708	6,568	7,469
State Computer Reimbursement	3,726	3,726	3,726	3,730	3,748
State Fire Insurance Dues	1,228	1,273	1,379	1,341	1,554
State Personal Property Exempt	1,180	987	794	1,093	1,038
Video Service Provider Aid	<u>0</u>	<u>248</u>	<u>493</u>	<u>493</u>	<u>493</u>
Total	<u>\$38,504</u>	<u>\$40,784</u>	<u>\$40,452</u>	<u>\$40,719</u>	<u>\$42,734</u>

### INSURANCE

The City is provided general liability, automobile liability, public official's liability and police professional liability by the Wisconsin Municipal Mutual Insurance Company ("WMMIC"). The City's WMMIC policy has a \$15,000,000 per occurrence/\$33,000,000 aggregate limit in excess of \$500,000 self-insured retention. WMMIC also places a Cyber Liability policy for the City through Starr Surplus Lines Insurance Company with a \$3,000,000 aggregate limit and a \$250,000 deductible.

Automobile liability insurance for the City's mass transit operation is provided by the Transit Mutual Insurance Corporation of Wisconsin. The group participants are insured with limits of \$250,000 per person and \$7,000,000 per accident.

Property and Equipment Breakdown insurance is provided by Municipal Property Insurance Company. In addition, the City insures its cash and crime exposures through an insurance program underwritten by Fidelity and Deposit Company of Maryland.

Claims against the City are referred to the insurance administrators for processing. The independent administrators also establish "reserves" for the claims.

The City's Insurance and Worker's Compensation Funds had positive net positions of \$2,294,499, and \$7,023,127, respectively as of December 31, 2023. These balances are based on actuarial estimates of future claim liability and will be recovered through future charges to departments.

The Worker's Compensation program is self-insured and administered by a third-party administrator hired by the City. The City purchases workers' compensation excess coverage from Safety National Casualty Corp. with a \$750,000 retention for police and fire personnel and a \$650,000 retention for all other City staff.

**GENERAL FUND**  
**STATEMENT OF REVENUES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
(With comparative totals for the year ended December 31, 2022)

	2023			
	Final Amended Budget	Actual	Variance - Positive (Negative)	2022 Actual
<b>Taxes:</b>				
Property	\$ 253,908,524	\$ 253,646,782	\$ (261,742)	\$ 239,821,529
Penalties and Interest on				
Delinquent Property Taxes	500,000	712,852	212,852	564,171
Prior Years Taxes	80,000	201,506	121,506	54,740
Mobile Home Tax	142,000	184,022	42,022	130,113
Municipal Device Fee	40,000	8,313	(31,687)	-
Transient Occupancy Tax	5,700,000	6,288,337	588,337	5,667,799
Payments in Lieu of Property Taxes	10,957,600	10,289,838	(667,762)	10,192,901
<b>Total Taxes</b>	<b>271,328,124</b>	<b>271,331,650</b>	<b>3,526</b>	<b>256,431,253</b>
<b>Intergovernmental:</b>				
State Shared Revenues	6,903,665	6,512,293	(391,372)	6,195,163
State Payment for Municipal Services	7,950,257	8,393,702	443,445	7,932,549
State Computer Reimbursement	3,729,459	3,748,572	19,113	3,729,459
State Highway Aids	12,886,179	12,714,583	(171,596)	12,559,383
State Recycling Aid	805,000	811,225	6,225	806,834
State Expenditure Restraint Program	7,468,562	7,468,562	-	6,568,366
State Fire Insurance Dues	1,500,000	1,554,017	54,017	1,340,980
State Personal Property Exempt	987,284	1,038,253	50,969	1,093,295
State Video Service Provider Aid	-	492,901	492,901	492,901
<b>Total Intergovernmental</b>	<b>42,230,406</b>	<b>42,734,108</b>	<b>503,702</b>	<b>40,718,930</b>
<b>Licenses and Permits:</b>				
Licenses	1,159,000	1,388,029	229,029	1,251,312
Permits	7,505,120	7,274,227	(230,893)	7,930,895
<b>Total Licenses and Permits</b>	<b>8,664,120</b>	<b>8,662,256</b>	<b>(1,864)</b>	<b>9,182,207</b>
<b>Fines and Forfeitures:</b>				
Moving Violations	500,000	394,299	(105,701)	408,491
Uniform Citations	900,000	904,009	4,009	798,869
Parking Violations	4,250,000	4,014,117	(235,883)	4,211,839
NSF Fee	-	75	75	150
<b>Total Fines and Forfeitures</b>	<b>5,650,000</b>	<b>5,312,500</b>	<b>(337,500)</b>	<b>5,419,349</b>
<b>Charges for Services:</b>				
Engineering	1,000,000	1,348,258	348,258	1,534,199
Recreation	600,000	774,155	174,155	654,751
Cemetery	300,000	319,170	19,170	284,435
Current Services	1,750,000	1,239,089	(510,911)	2,045,370
Cable TV Fees	1,890,482	1,716,706	(173,776)	1,799,495
Ambulance Fees	11,745,000	11,633,684	(111,316)	11,429,298
<b>Total Charges for Services</b>	<b>17,285,482</b>	<b>17,031,062</b>	<b>(254,420)</b>	<b>17,747,548</b>
Investment Income	4,000,000	24,414,521	20,414,521	(10,880,549)
<b>Other:</b>				
Proceeds from Rental and				
Sale of Property	50,000	38,393	(11,607)	1,559,895
TIF Reimbursements	6,900,000	6,978,341	78,341	1,337,875
Miscellaneous	3,050,000	1,882,557	(1,167,443)	18,782,249
<b>Total Other</b>	<b>10,000,000</b>	<b>8,899,291</b>	<b>(1,100,709)</b>	<b>21,680,019</b>
<b>Total Revenues</b>	<b>\$ 359,158,132</b>	<b>\$ 378,385,388</b>	<b>\$ 19,227,256</b>	<b>\$ 340,298,757</b>

**GENERAL FUND**  
**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
(With comparative totals for the year ended December 31, 2022)

	2023			
	Final Amended Budget	Actual	Variance - Positive (Negative)	2022 Actual
General Government:				
Council	\$ 1,196,630	\$ 951,033	\$ 245,597	\$ 757,602
Mayor	1,350,000	1,332,319	17,681	1,174,054
Municipal Court	391,805	325,118	66,687	207,780
Attorney	3,341,403	3,330,628	10,775	3,014,190
Assessor	3,141,568	3,138,293	3,275	2,860,301
Clerk	2,279,694	2,310,157	(30,463)	2,957,858
Finance/Treasury	4,692,041	4,378,155	313,886	4,222,541
Information Technology	9,569,371	9,124,506	444,865	7,769,178
Human Resources	2,241,888	1,851,121	390,767	1,921,043
EAP	559,114	503,990	55,124	463,181
Department of Civil Rights	2,399,743	2,283,062	116,681	2,006,077
Total General Government	31,163,257	29,528,382	1,634,875	27,353,805
Public Safety and Health:				
Fire	69,089,906	68,649,655	440,251	65,368,265
Police	87,438,724	86,403,471	1,035,253	81,498,708
Office of Independent Monitor	473,168	203,700	269,468	52,551
Public Health	9,656,299	9,657,444	(1,145)	7,489,070
Total Public Safety and Health	166,658,097	164,914,270	1,743,827	154,408,594
Public Works and Transportation:				
Engineering	5,186,586	5,412,676	(226,090)	4,704,947
Streets	27,379,176	27,314,603	64,573	26,633,786
Transit Utility	2,009,664	2,513,890	(504,226)	9,126,564
Transportation	568,319	380,603	187,716	288,185
Traffic Engineering	8,671,577	8,312,054	359,523	8,186,184
Total Public Works and Transportation	43,815,322	43,933,826	(118,504)	48,939,666
Planning and Development:				
Office of the Director of Planning	624,967	486,913	138,054	435,558
Planning Division	3,626,900	3,518,870	108,030	3,390,871
Building Inspection Division	5,116,291	4,948,034	168,257	4,868,276
Community Development Division	18,854,949	14,363,309	4,491,640	13,915,211
Economic Development Division	2,324,802	2,058,223	266,579	1,928,989
Total Planning and Development	30,547,909	25,375,349	5,172,560	24,538,905
Culture and Recreation:				
Parks	15,787,345	15,719,822	67,523	15,014,465
Other:				
Miscellaneous	13,386,805	5,562,701	7,824,104	2,284,766
Total Other	13,386,805	5,562,701	7,824,104	2,284,766
Debt Service	61,587,222	62,129,436	(542,214)	56,108,323
Total Expenditures	\$ 362,945,957	\$ 347,163,786	\$ 15,782,171	\$ 328,648,524

**GENERAL FUND**  
**STATEMENT OF CHANGES IN UNASSIGNED FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
(With comparative totals for the year ended December 31, 2022)

	<u>2022</u>	<u>2023</u>
Unassigned Fund Balance—January 1	\$56,371,768	\$66,116,185
Excess (Deficit) of Revenues Over Expenditures and Encumbrances	11,650,233	31,221,602
Decrease (Increase) in Amount Assigned for Future Expenditures	(1,564,026)	(14,572,170)
Other Changes to Nonspendable, Restricted, Committed and/or Assigned Fund Balance	<u>(341,790)</u>	<u>88,114</u>
Unassigned Fund Balance—December 31	<u>\$66,116,185</u>	<u>\$82,853,731</u>

**Federal Financial Assistance**

The City received \$47.2 million of American Rescue Plan Act (“ARPA”) Funds.

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**BOOK-ENTRY**

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each series of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to City or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

## FORM OF CO-BOND COUNSEL OPINION

September 5, 2024

The Common Council of the  
City of Madison, Wisconsin

\$81,780,000  
City of Madison, Wisconsin  
General Obligation Promissory Notes  
Series 2024-B

\$18,205,000  
City of Madison, Wisconsin  
General Obligation Promissory Notes  
Series 2024-C (Green Notes)

\$6,280,000  
City of Madison, Wisconsin  
Taxable General Obligation Promissory Notes  
Series 2024-D

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$81,780,000 General Obligation Promissory Notes, Series 2024-B (the “Series 2024-B Notes”), \$18,205,000 General Obligation Promissory Notes, Series 2024-C (Green Notes) (the “Series 2024-C Notes” and together with the Series 2024-B Notes, the “Tax-Exempt Notes”) and \$6,280,000 Taxable General Obligation Promissory Notes, Series 2024-D (the “Series 2024-D Notes,” and together with the Series 2024-B Notes and the Series 2024-C Notes, the “Notes”), of the City of Madison, a municipal corporation of the State of Wisconsin (the “City”) situate in the County of Dane. The Notes are authorized and issued pursuant to the provisions of Section 67.12(12) of the Wisconsin Statutes and a resolution duly adopted by the Common Council of the City on August 6, 2024 (the “Note Resolution”) together with the Approving Certificate dated August 15, 2024.

The Notes are issued and issuable only in fully registered form in the denominations of \$5,000 or any integral multiple thereof and are numbered from one upward in order of their issuance. The Notes initially issued are dated September 5, 2024. The Notes mature on October 1 in each of the following years in the respective principal amount set opposite each such year in the following tables, respectively, and the Notes maturing in each such year bear interest from their date payable April 1, 2025 and semiannually thereafter on the first days of October and April of each year at the respective rate of interest per annum set forth opposite such year:

**Series 2024-B Notes**

<b>Maturities</b>	<b>Amounts (\$)</b>	<b>Interest Rates (%)</b>
2025	7,755,000	5.00
2026	7,745,000	5.00
2027	7,745,000	5.00
2028	7,745,000	5.00
2029	7,745,000	5.00
2030	7,745,000	5.00
2031	7,745,000	5.00
2032	7,745,000	5.00
2033	7,745,000	5.00
2034	7,745,000	5.00
2035	480,000	5.00
2036	480,000	5.00
2037	480,000	5.00
2038	480,000	5.00
2043	2,400,000	4.00

**Series 2024-C Notes**

<b>Maturities</b>	<b>Amounts (\$)</b>	<b>Interest Rates (%)</b>
2025	1,475,000	5.00
2026	1,475,000	5.00
2027	1,475,000	5.00
2028	1,475,000	5.00
2029	1,475,000	5.00
2030	1,475,000	5.00
2031	1,475,000	5.00
2032	1,475,000	5.00
2033	1,470,000	5.00
2034	1,470,000	5.00
2035	385,000	5.00
2036	385,000	5.00
2037	385,000	5.00
2038	385,000	5.00
2043	1,925,000	4.00

**Series 2024-D Notes**

<b>Maturities</b>	<b>Amounts (\$)</b>	<b>Interest Rates (%)</b>
2025	630,000	5.00
2026	630,000	5.00
2027	630,000	5.00
2028	630,000	5.00
2029	630,000	5.00
2030	630,000	4.00
2031	625,000	4.00
2032	625,000	4.00



**Series 2024-D Notes**

<b>Maturities</b>	<b>Amounts (\$)</b>	<b>Interest Rates (%)</b>
2033	625,000	4.00
2034	625,000	4.05

The Notes maturing on or after October 1, 2034 are subject to redemption prior to maturity as a whole or in part at the option of the City, in any other maturity and by lot within a single maturity, on October 1, 2033 and on any date thereafter, at a redemption price of 100% of the principal amount hereof to be redeemed plus accrued interest to the redemption date and without premium.

In our opinion, the Notes are valid and legally binding general obligations of the City of Madison, and the City has power and is obligated to levy ad valorem taxes upon all the taxable property within the City for the payment of the Notes and the interest thereon, without limitation as to rate or amount, and provision has been made for such levy. However, the enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and remedies heretofore or hereafter enacted.

We are further of the opinion that, under existing law, interest on the Tax-Exempt Notes is not includable in gross income for federal income tax purposes. If there is continuing compliance with the requirements of the Internal Revenue Code of 1986 (the "Code"), we are of the opinion that interest on the Tax-Exempt Notes will continue to be excluded from gross income for federal income tax purposes. We are further of the opinion that the Tax-Exempt Notes are not "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, interest on the Tax-Exempt Notes is not an item of tax preference for purposes of computing alternative minimum taxable income. Interest on the Tax-Exempt Notes may affect the federal corporate alternative minimum tax imposed on certain corporations. Interest on the Tax-Exempt Notes is not exempt from Wisconsin income taxes.

Interest on the Series 2024-D Notes is included in gross income for federal income tax purposes. We express no other opinion regarding the federal tax consequences arising with respect to the Series 2024-D Notes. Interest on the Series 2024-D Notes is not exempt from Wisconsin income or franchise taxes.

The Code contains certain requirements that must be satisfied from and after the date hereof in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Notes. These requirements relate to the use and investment of the proceeds of the Tax-Exempt Notes, the payment of certain amounts to the United States, the security and source of payment of the Tax-Exempt Notes and the use of the property financed with the proceeds of the Tax-Exempt Notes. The City has covenanted in the Note Resolution to comply with these requirements.

Respectfully yours,

## FORM OF CONTINUING DISCLOSURE UNDERTAKING

**CONTINUING DISCLOSURE UNDERTAKING  
OF THE CITY OF MADISON, WISCONSIN, FOR THE PURPOSE OF PROVIDING  
CONTINUING DISCLOSURE INFORMATION  
UNDER SECTION (B)(5) OF SEC RULE 15c2-12, AS AMENDED**

This Continuing Disclosure Undertaking (this “Agreement”) is executed and delivered by the City of Madison, Wisconsin (the “Issuer”) in connection with the issuance of \$81,780,000 General Obligation Promissory Notes, Series 2024-B, \$18,205,000 General Obligation Promissory Notes, Series 2024-C (Green Notes), and \$6,280,000 Taxable General Obligation Promissory Notes, Series 2024-D (collectively, the “Notes”) of the Issuer. The Notes are being issued pursuant to resolution adopted on August 6, 2024 (the “Resolution”) and the Approving Certificate dated August 15, 2024.

In consideration of the issuance of the Notes by the Issuer and the purchase of such Notes by the owners thereof, the Issuer hereby covenants and agrees as follows:

**Section 1. Purpose of this Agreement.** This Agreement is executed and delivered by the Issuer as of the date set forth below, for the benefit of the holders and owners (the “Noteholders”) of the Notes and in order to assist the Participating Underwriter (as defined below) in complying with the requirements of the Rule (as defined below). The Issuer represents that it will be the only Obligated Person (as defined in the Rule) with respect to the Notes at the time the Notes are delivered to the Participating Underwriter and that no other person is expected to become an Obligated Person at any time after the issuance of the Notes.

**Section 2. Definitions.** The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data described in Exhibit I.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“*Audited Financial Statements*” means the audited consolidated financial statements of the Issuer, prepared pursuant to the standards and as described in Exhibit I.

“*Commission*” means the Securities and Exchange Commission.

“*Dissemination Agent*” means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent’s successors and assigns.

“*EMMA*” means the Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Financial Obligation*” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Material Event*” means the occurrence of any of the events with respect to the Notes set forth in Exhibit II.

“*Material Events Disclosure*” means dissemination of a notice of a Material Event as set forth in Section 5.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Participating Underwriter*” means each broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Notes.

“*Prescribed Form*” means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Material Events with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org) (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“*Rule*” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*State*” means the State of Wisconsin.

“*Undertaking*” means the obligations of the Issuer pursuant to Sections 4 and 5.

**Section 3. CUSIP Number/Final Official Statement.** The CUSIP numbers of the Notes are as follows:

**Series 2024-B:**

Maturity (October 1)	CUSIP (55844R)
2025	ZL1
2026	ZM9
2027	ZN7
2028	ZP2
2029	ZQ0
2030	ZR8
2031	ZS6
2032	ZT4
2033	ZU1
2034	ZV9
2035	ZW7
2036	ZX5
2037	ZY3
2038	ZZ0
2043	A61

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**Series 2024-C:**

Maturity (October 1)	CUSIP (55844R)
2025	A79
2026	A87
2027	A95
2028	B29
2029	B37
2030	B45
2031	B52
2032	B60
2033	B78
2034	B86
2035	B94
2036	C28
2037	C36

2038	C44
2043	C93

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**Series 2024-D:**

Maturity (October 1)	CUSIP (55844R)
2025	D27
2026	D35
2027	D43
2028	D50
2029	D68
2030	D76
2031	D84
2032	D92
2033	E26
2034	E34

The final Official Statement relating to the Notes is dated August 15, 2024 (the “Final Official Statement”).

**Section 4. Annual Financial Information Disclosure.** Subject to Section 9 of this Agreement, the Issuer hereby covenants that it will disseminate the Annual Financial Information and the Audited Financial Statements (in the form and by the dates set forth below and in Exhibit I) to the MSRB within 270 days of the completion of the Issuer’s fiscal year.

The Issuer is required to deliver such information in Prescribed Form and by such time so that such entities receive the information by the dates specified.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to the MSRB) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

**Section 5. Material Events Disclosure.** Subject to Section 9 of this Agreement, the Issuer hereby covenants that it will disseminate in a timely manner, not in excess of 10 business days after the occurrence of the event, Material Events Disclosure to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Notes need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Notes pursuant to the Resolution. From and after the date of this Agreement, the Issuer is required to deliver such Material Events Disclosure in the same manner as provided by Section 4 of this Agreement.

**Section 6. Duty To Update EMMA/MSRB.** The Issuer shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB’s e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

**Section 7. Consequences of Failure of the Issuer to Provide Information.** The Issuer shall give notice in a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB in Prescribed Form of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the Issuer to comply with any provision of this Agreement, the Noteholder of any Note may seek specific performance by court order to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Resolution or the Agreement or any other agreement, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

**Section 8. Amendments; Waiver.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if:

(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer or type of business conducted;

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) The amendment or waiver does not materially impair the interests of the Noteholders of the Notes, as determined either by parties unaffiliated with the Issuer or the Issuer (such as the Trustee) or by an approving vote of the Noteholders of the Notes holding a majority of the aggregate principal amount of the Notes (excluding Notes held by or on behalf of the Issuer or its affiliates) pursuant to the terms of the Resolution at the time of the amendment; or

(iv) The amendment or waiver is otherwise permitted by the Rule.

**Section 9. Termination of Undertaking.** The Undertaking of the Issuer shall be terminated hereunder when the Issuer shall no longer have any legal liability for any obligation on or relating to the repayment of the Notes. The Issuer shall give notice to the MSRB in a timely manner and in Prescribed Form if this Section is applicable.

**Section 10. Dissemination Agent.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

**Section 11. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Material Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Agreement, the Issuer shall not have any obligation under this Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Material Event.

**Section 12. Beneficiaries.** This Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, and the Noteholders of the Notes, and shall create no rights in any other person or entity.

**Section 13. Recordkeeping.** The Issuer shall maintain records of all Annual Financial Information Disclosure and Material Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

**Section 14. Past Compliance.** The Issuer represents that, except as otherwise disclosed in the Final Official Statement, it has complied with the requirements of each continuing disclosure undertaking entered into by it pursuant to the Rule in connection with previous financings to which the Rule was applicable.

**Section 15. Governing Law.** This Agreement shall be governed by the laws of the State.

CITY OF MADISON, WISCONSIN

By \_\_\_\_\_  
David P. Schmiedicke  
Finance Director

Dated: September 5, 2024

## **EXHIBIT I**

### **ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS**

*“Annual Financial Information”* means financial information and operating data exclusive of Audited Financial Statements as set forth below of the type appearing or incorporated by reference under “Continuing Disclosure” in the Final Official Statement.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to the MSRB or filed with the Commission. The Issuer shall clearly identify each such item of information included by reference.

Annual Financial Information will be provided to the MSRB within 270 days after the last day of the Issuer’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and Audited Financial Statements will be provided to the MSRB within 10 business days after availability to the Issuer.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles in the United States as in effect from time to time.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, including for this purpose a change made to the fiscal year-end of the Obligated Person, the Issuer will disseminate a notice to the MSRB of such change in Prescribed Form as required by such Section 4.

## **EXHIBIT II**

### **EVENTS WITH RESPECT TO THE NOTES FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED**

1. Principal and interest payment delinquencies
2. Nonpayment-related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to rights of security holders, if material
8. Note calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer\*
13. The consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties

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\* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.



## **WISCONSIN PROPERTY VALUATION AND TAX LEVIES**

### **Assessed Value**

The "assessed value" of taxable property of a municipality is determined by the local assessor, who must be certified by the State Department of Revenue. The local assessor is required to use the property assessment manual provided by the Wisconsin Department of Revenue in estimating the "market value" of all taxable property. Property is valued as of January 1 of each year and filed with the municipality by the local assessor by the second Monday in May. Municipalities use assessed value as the basis for determining mill rates.

### **Equalized Value**

The State Department of Revenue is required, under Section 70.57 of the Wisconsin Statutes, to determine the equalized value of all taxable property in each county and taxation district. This "equalized value," also called the "full assessment value" or the "aggregate full value," equalizes the various local assessments for uniformity of property values throughout the State. Equalized value is based on several economic factors, including past sales studies from which the State Department of Revenue calculates a percentage that, when applied to the assessed value, produces a value that most closely approximates the full market value of each county and taxation district. This State Department of Revenue shall notify each county and taxation district of its equalized value on August 15; with school districts being notified on October 1.

At least once every five years, all municipalities must assess taxable property at a minimum of 90% of State equalized values.

Governmental units encompassing more than one municipality, such as a county or school district, use the equalized or full value of the underlying units in levying their taxes.

### **Tax Levies and Collections**

Personal property taxes, special assessments, special charges and special taxes must be paid to the municipal treasurer in full by January 31. Real property taxes and personal property on leased lands must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan that permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the municipal treasurer. Amounts paid after January 31 are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case all payments are made to the municipal treasurer. Any amounts paid after July 31 are paid to the county treasurer. On or before January 15 and February 20 the municipal treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities that have authorized the payment of real property taxes in three or more installments, the municipal treasurer settles on February 20 and additionally settles with the other taxing jurisdictions on the fifteenth day of each month following the month in which an installment payment is required. The county treasurer must settle in full with the underlying taxing jurisdictions for all real property taxes and special taxes. Settlement must occur on or before August 20. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may recover any tax delinquencies by enforcing the delinquency lien on the property and retain any penalties or interest on the delinquencies for which it has settled.

### **Change in Personal Property Taxes – 2023 Wisconsin Act 12**

Provisions of 2023 Wisconsin Act 12 ("Act 12"), which was enacted on June 20, 2023, provide for the exemption of certain personal property taxes effective on tax levies made in 2024 for revenues collected in 2025. In addition, Act 12 included provisions for additional state aid to offset this lost tax base.

## PROPERTY TAX LIMITS

Section 66.0602 of the Wisconsin Statutes imposes a limit on property tax levies by cities, villages, towns, and counties. No city, village, town, or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed or zero percent (0%)). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The carry forward resolution may be passed by a majority vote of the governing body if the increase is .5% or less of the prior year's actual levy. If the increase is between .5% and 1.5% of the prior year's actual levy the governing body must pass the carry forward resolution by an extraordinary vote. For municipal governing bodies that have less than five members, passage must be by a two-thirds majority vote. If the governing body consists of at least five members, then the carry forward resolution must be passed by a three-fourths majority vote.

Special provisions are made with respect to property taxes levied to pay general obligation debt service, as described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the tax levy limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy. This required adjustment does not apply to political subdivisions in any year that the subdivision does not claim the carry forward adjustment described above.

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

(c) The levy limits do not apply to property taxes levied to pay debt service on general debt authorized on or after July 1, 2005. The Notes were authorized after July 1, 2005 and therefore are **not** subject to the levy limits.

### Change in Shared Revenue – 2023 Wisconsin Act 12

While not changing key provisions of the property tax limits outlined above, the provisions of Act 12, provide for a supplement to the unrestricted aid payments from the State to municipalities, commonly referred to as shared revenue.

The new supplemental aid commenced in 2024 and must be used for specific purposes. For the City, the amount of shared revenue and supplemental aid in that year was approximately \$7.5 million, up from \$4.8 million the City would have received prior to enactment of Act 12. Other provisions of Act 12 create trust funds to be funded with a portion of State sale tax revenue collections. Commencing in 2025, the payment of shared revenues and supplemental aids will be paid from these funds, which provides for potential increases in such payments based on increases in State sales tax revenues.

## THE SERIES 2024-C NOTES (GREEN NOTES) SUMMARY OF PROJECTS

Project #	Project Title	Sum of ESG	ESG Project Year	Description	ICMA Principle #1	ICMA Principle #2
13574	BIKEWAYS PROGRAM 2022	\$10,905	2022	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean Transportation	
13367	SOLAR PV - MPD TRAINING	\$ 81,500	2021	Installation of a roughly 60 kW solar photovoltaic system at the Madison Police Department Training Center. The system will be a combination of roof mounted and ground mounted modules and will produce an estimated 78,000 kWh per year. When combined with the building's existing roof mounted system, 35% of the building's electricity usage will be generated by the solar arrays. The array will be installed by the Engineering Division's GreenPower program where trainees with little to no electrical skills are provide on-the-job training through solar installations on City buildings.	Renewable energy	
13370	STREETS WEST BADGER LIGHTING	\$14,000	2021	LED lighting will be installed in all garage and shop areas.	Energy efficiency	
13836	GREEN POWER 2022	\$ 222,300	2021	The Engineering Division's GreenPower program prepares participants for employment opportunities in the solar energy and electrical industries while also increasing the City's generation of renewable energy and decreasing its carbon footprint. Each year the City hires applicants from non-traditional trades backgrounds as trainees to work alongside Engineering Division Electricians to install solar photovoltaic systems on City facilities. Over the course of the program the trainees receive classroom training in basic photovoltaics (PV) and safety along with on-the-job training performing each step of the photovoltaic system installation.	Energy efficiency	

14270	SOLAR PV-WASTE TRANSFER BLDG	\$1,546	2022	Installation of a roughly 24 kW solar photovoltaic system at the City of Madison Streets Waste Transfer Station. The system will consist of roof mounted modules and will produce an estimated 31,000 kWh per year. When combined with the building's existing array, 16% of the building's electricity usage will be generated by the solar arrays.	Renewable energy	Energy efficiency
14271	SOLAR PV-FIRE STATION 2	\$25,885	2022	This program is for implementation of energy efficiency improvements. The goals of the program are to meet the 100%Renewable Madison plan at City-owned sites and facilities, support energy efficiency, and reduce energy demand. Projects supported by this program include supplying distributed renewable energy via solar photovoltaic (PV) panels, installation of LED lighting, retro-commissioning and building automation upgrades. Solar projects planned in 2023 include design and installations at State Street Ramp, Bartillon Permanent Men's Shelter, Madison Public Market, Door Creek Shelter, Imagination Center at Reindahl Park, CDA-Tenney Park Apartments, Water Utility - Paterson Operations Building, Fire Station 09, Fire Station 06, Tenney Park Beach Shelter, and Tenney Park Pavilion. LED lighting projects planned in 2023 include design and installation at Water Utility (design only at Heim Building), Fairchild Building, Fire Station 02, and Fire Station 08.	Energy efficiency	Renewable energy

14275	SOLAR PV-SOUTH POINT WARM STORAGE	\$15,731	2022	This program is for implementation of energy efficiency goals. The goals of the program are to meet the 100% Renewable Madison plan at City-owned sites and facilities, support energy efficiency, and reduce energy demand. Projects supported by this program include supplying distributed energy via solar photovoltaic (PV) panels, installation of LED lighting, and building automation upgrades. Projects planned in 2021 include installing of solar PV at Fire, Police, Library, and Traffic Engineering facilities through the Green Power job training program, as well as LED lighting installation, retro commissioning, and building automation. Engineering staff estimate that these projects will result in \$100,000 in operating savings in each year of the CIP due to lower utility costs.	Energy efficiency	Renewable energy
14382	GREEN POWER 2023	\$410,781	2022	The Engineering Division's GreenPower program prepares participants for employment opportunities in the solar energy and electrical industries while also increasing the City's generation of renewable energy and decreasing its carbon footprint. Each year the City hires applicants from non-traditional trades backgrounds as trainees to work alongside Engineering Division Electricians to install solar photovoltaic systems on City facilities. Over the course of the program the trainees receive classroom training in basic photovoltaics (PV) and safety along with on-the-job training performing each step of the photovoltaic system installation.	Renewable energy	

14435	BI-POLAR IONIZATION PROJECTS	\$29,801	2022	This program is for scheduled improvements and unplanned repairs to City-owned facilities. The goal of this program is to maintain and improve the City's facilities to optimize service operations and work conditions, and to lower energy costs by implementing energy efficiency components within the improvement projects. Projects funded in this program include building, mechanical, and utility system upgrades at City-owned facilities. Program includes \$530,000 in 2023 for unscheduled replacement of building systems and for installation of bipolar ionization systems in Engineering maintained facilities for improved health outcomes.	Energy efficiency	Pollution prevention and control
14624	TRUAX PARK APARTMENTS SOLAR	\$75,000	2023	This project will install 440 kW of solar electric (PV) panels on several buildings at the Community Development Divisions (CDA) public housing Truax Campus on the east side of Madison, WI. When complete, the arrays will generate ~561,000 kWh of electricity per year reducing operational costs for CDA and tenants. The array will be installed by the Engineering Division's Green Power program where trainees with little to no electrical skills are provided on-the-job training through solar installations on City buildings.	Energy efficiency	Renewable energy

14724	ELECTRIC VEHICLE CHARGING INFR 2024	\$60,000	2024	<p>This program is to fund improvements to electrical systems at City-owned sites and facilities to accommodate added load from electric vehicle chargers. Fleet Service is transitioning the City's fleet to more electric vehicles as part of the 100% Renewable Madison plan. Many of these electrical vehicles will be stored, charged, and operated from facilities with electrical systems that were not designed with the capacity to support the appropriate electric vehicle charging systems. These systems will need to be upgraded with additional capacity to prepare for these new vehicles. The goal of the program is to have necessary infrastructure in place before the new EV's arrive at each facility so they can be put into effective use right away. Some of this work will be completed by the Engineering Division's Green Power jobs training program.</p>	Clean transportation	Pollution prevention and control
14908	PUBLIC MARKET SOLAR	\$152,250	2023	<p>This program is for implementation of energy efficiency improvements. The goals of the program are to meet the 100% Renewable Madison plan at City-owned sites and facilities, support energy efficiency, and reduce energy demand. Projects supported by this program include supplying distributed renewable energy via solar photovoltaic (PV) panels, installation of LED lighting, retro-commissioning and building automation upgrades. Solar projects planned in 2023 include design and installations at State Street Ramp, Bartillon Permanent Men's Shelter, Madison Public Market, Door Creek Shelter, Imagination Center at Reindahl Park, CDA-Tenney Park Apartments, Water Utility - Paterson Operations Building, Fire Station 09, Fire Station 06, Tenney Park Beach Shelter, and Tenney Park Pavilion.</p>	Renewable energy	

15068	ENG OPS FACILITY EV CHARGER	\$44,414	2023	<p>This program is to fund improvements to electrical systems at City-owned sites and facilities to accommodate added load from electric vehicle chargers. Fleet Service is transitioning the City's fleet to more electric vehicles as part of the 100% Renewable Madison plan. These electrical vehicles will be stored and charged at facilities with electrical systems that were not designed with the capacity to support electric vehicle chargers. These electrical systems will need to be upgraded with additional capacity before the electric vehicle chargers can be installed.</p>	Pollution prevention and control	
15072	GREEN POWER 2024	\$23,870	2024	<p>The Engineering Division's GreenPower program prepares participants for employment opportunities in the solar energy and electrical industries while also increasing the City's generation of renewable energy and decreasing its carbon footprint. Each year the City hires applicants from non-traditional trades backgrounds as trainees to work alongside Engineering Division Electricians to install solar photovoltaic systems on City facilities. Over the course of the program the trainees receive classroom training in basic photovoltaics (PV) and safety along with on-the-job training performing each step of the photovoltaic system installation.</p>	Renewable energy	Pollution prevention and control



15163	POLICE TRAINING EV CHARGERS	\$28,738	2024	<p>This program is to fund improvements to electrical systems at City-owned sites and facilities to accommodate added load from electric vehicle chargers. Fleet Service is transitioning the City's fleet to more electric vehicles as part of the 100% Renewable Madison plan. Many of these electrical vehicles will be stored, charged, and operated from facilities with electrical systems that were not designed with the capacity to support the appropriate electric vehicle charging systems. These systems will need to be upgraded with additional capacity to prepare for these new vehicles. The goal of the program is to have necessary infrastructure in place before the new EV's arrive at each facility so they can be put into effective use right away.</p>	Pollution prevention and control
15179	CCB EV CHARGERS	\$30,000	2024	<p>This program is to fund improvements to electrical systems at City-owned sites and facilities to accommodate added load from electric vehicle chargers. Fleet Service is transitioning the City's fleet to more electric vehicles as part of the 100% Renewable Madison plan. Many of these electrical vehicles will be stored, charged, and operated from facilities with electrical systems that were not designed with the capacity to support the appropriate electric vehicle charging systems. These systems will need to be upgraded with additional capacity to prepare for these new vehicles. The goal of the program is to have necessary infrastructure in place before the new EV's arrive at each facility so they can be put into effective use right away.</p>	Pollution prevention and control

11859	AUTUMN RIDGE PATH	\$1,095,000	2018	This project funds the construction of 0.6 miles of new multi-use path from Milwaukee Street to Ziegler Road including a new pedestrian and bicycle overpass of State Highway 30. The goal of this project is to provide increased pedestrian and bicycle connectivity from the Capital City Path to north east neighborhoods in the City. Federal funding is anticipated from the Metropolitan Planning Organization (MPO).	Clean transportation
14336	BIKEWAYS 2024	\$100,000	2023	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation
14890	BARTILLON PATH	\$ 13,000	2023	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation
14893	SAUK CREEK BIKE PATH	\$330	2023	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation
14941	PHEASANT BRANCH PATH- FOURIER DEMING	\$ 272	2023	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation

15104	NORTH SHORE DR PATH	\$4,773	2024	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation	
15112	LOWER BADGER MILL CREEK PATH	\$400,000	2024	This program is for bicycle-related improvements and path resurfacing throughout the City. The goal of this program is to improve the pavement quality of the existing bike paths to meet City standards. Projects within this program are prioritized based on pavement quality rating of existing bikeways.	Clean transportation	
13675	2022 Electric Heavy Trucks	\$200,000	2022	This project is to fund the incremental costs associated with replacing diesel powered heavy duty trucks with electric heavy duty trucks. These vehicles have a much higher initial cost to purchase and require infrastructure equipment and upgrades. The scope of this project is to fund electric refuse trucks for the Streets and Parks divisions. The funding will also provide the necessary charging infrastructure equipment and installation.	Clean transportation	Pollution prevention and control
14455	2023 ELECTRIC HEAVY TRUCKS	\$400,000	2022	This project is to fund the incremental costs associated with replacing diesel powered heavy duty trucks with electric heavy duty trucks. These vehicles have a much higher initial cost to purchase and require infrastructure equipment and upgrades. The scope of this project is to fund electric refuse trucks for the Streets and Parks divisions. The funding will also provide the necessary charging infrastructure equipment and installation.	Clean transportation	Pollution prevention and control
12410	NEIGHBORHOOD LIBRARY LED UPGRADE	\$130,000	2020	This project funds the conversion of lighting in the neighborhood libraries to LED. The goal of the project is reduced energy consumption. Progress will be measured by energy savings in kilowatt hours.	Energy efficiency	

14958	Electric Trans Bus and Chrg Equip	\$2,500,000	2024	This program is for the replacement of fixed route transit buses with new electric buses, plus associated bus charging infrastructure. The program's goal is to maintain an updated and fully functional fleet of vehicles for Metro Transit's fixed route service. Metro typically targets the replacement of 1/12th of the fleet each year to ensure a consistent mix of new and old. This program was formally known as "Transit Coaches".	Clean transportation	Pollution prevention and control
12728	DOWNTOWN AREA PARK	\$ 190,000	2020	This project funds planning, design, and construction of a mini park in the open space at the City-owned plaza adjacent to the Senior Center. Amenities being considered for the park include a small inter-generational play area, plaza area for music, ice cream socials and other events, and seating. The goal of the project is to provide urban space that is flexible and accommodates a host of activities in the downtown area.	Environmentally sustainable management of living natural resources and land use	
12820	HABITAT MGMT 2020	\$699	2020	This program funds environmental enhancements to the City's diverse native ecosystems consistent with the adopted Land Management standards for the Parks Division. The goals of the program are to create natural landscapes and open space that are well maintained and accessible to park visitors and to preserve and protect the natural resources of the Madison area through long term focused land management practices. Progress will be measured by the percent of conservation park acreage that meets land management goals.	Environmentally sustainable management of living natural resources and land use	Terrestrial and aquatic biodiversity
12863	2020 FOCUS ON ENERGY LIGHTING UPGRA	\$5,650	2020	This program funds maintenance and improvements to existing park buildings and facilities. The goal of the program is to maintain facilities that meet the needs of park users and staff maintaining the parks. This project is funding lighting improvements to the existing park facilities.		

13640	2022 HABITAT MGMT	\$ 116,505	2022	This program funds environmental enhancements to the City's diverse native ecosystems consistent with the adopted Land Management standards for the Parks Division. The goals of the program are to create natural landscapes and open spaces that are well maintained and accessible to park visitors and to preserve and protect the natural resources of the Madison area through long-term focused land management practices. This will also provide welcoming conservation parks to promote social equity throughout the park system and further the objectives of the Connecting Children to Nature Initiative.	Environmentally sustainable management of living natural resources and land use	Terrestrial and aquatic biodiversity
14207	2023 HABITAT MGMT	\$174,000	2022	This program funds environmental enhancements to the City's diverse native ecosystems consistent with the adopted Land Management standards for the Parks Division. The goals of the program are to create natural landscapes and open spaces that are well maintained and accessible to park visitors and to preserve and protect the natural resources of the Madison area through long-term focused land management practices. This will also provide welcoming conservation parks to promote social equity throughout the park system and further the objectives of the Connecting Children to Nature Initiative.	Environmentally sustainable management of living natural resources and land use	Terrestrial and aquatic biodiversity
15107	HABITAT LAND MANAGEMENT 2024	\$117,000	2024	This program funds environmental enhancements to the City's diverse native ecosystems consistent with the adopted Land Management standards for the Parks Division. The goals of the program are to create natural landscapes and open spaces that are well maintained and accessible to park visitors and to preserve and protect the natural resources of the Madison area through long-term focused land management practices. This will also provide welcoming conservation parks to promote social equity throughout the park system and further the objectives of the Connecting Children to Nature Initiative.	Environmentally sustainable management of living natural resources and land use	Terrestrial and aquatic biodiversity

12750	WEXFORD POND AND GREENWAY	\$200,000	2020	This program is for stormwater network improvements where flooding occurs during large rain events. The goal of the program is to eliminate flooding and protect property from damage. Projects planned in 2022 include: the Hawks Landing North subdivision construction, Wexford Pond flood mitigation, and Mendota Grassman Greenway construction. This program also supports design of pond improvements and flood mitigation installations that are scheduled with street reconstruction projects.	Sustainable water and wastewater management
12882	MENDOTA- GRASSMAN GREENWAY	\$525,000	2019	This program is for stormwater network improvements where flooding occurs during large rain events. The goal of the program is to eliminate flooding and protect property from damage. Projects planned in 2022 include: the Hawks Landing North subdivision construction, Wexford Pond flood mitigation, and Mendota Grassman Greenway construction. This program also supports design of pond improvements and flood mitigation installations that are scheduled with street reconstruction projects.	Sustainable water and wastewater management
13170	DAVIES, MAJOR, DEMPSEY, MAHER RECON	\$25,000	2020	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2023 include: Sommers, Center, Willard, Hudson, Miller, Lowell, Dempsey, Davies, Lake Mendota Dr, Doncaster, Beverly, Danbury, Blue Harvest, Feathers Edge, Owen, Schmitt & Harvey. The adopted budget reduces the use of TIF proceeds in 2023 by \$3.2 million to reflect removing the Eastwood Area project, per Finance Committee Amendment #3	Sustainable water and wastewater management

13893	TREETOPS DR & FEATHER EDGE DR	\$75,000	2021	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2023 include: Sommers, Center, Willard, Hudson, Miller, Lowell, Dempsey, Davies, Lake Mendota Dr, Doncaster, Beverly, Danbury, Blue Harvest, Feathers Edge, Owen, Schmitt & Harvey. The adopted budget reduces the use of TIF proceeds in 2023 by \$3.2 million to reflect removing the Eastwood Area project, per Finance Committee Amendment #3	Sustainable water and wastewater management
13924	HAMMERSLEY RD RESURF-GLBRT TO FRNTG	\$75,000	2022	This program is for resurfacing, repair, crack sealants, and chip sealing on existing streets. The goal of the program is to extend the life of existing streets. Each year the program resurfaces 8-10 miles, chip seals approximately 75 miles, and crack seals approximately 75 miles. Projects planned in 2022 include: Anderson, Commercial, Hammersley & Mineral Point Road. Common Council Amendment #14 transferred \$565,000 in Sewer Utility-supported funding from this project to the Sewer Utility Lift Station project to reflect work that is no longer needed on the Commercial Avenue project.	Sustainable water and wastewater management
14078	LOWELL ST RECONSTRUCTION	\$ 80,000	2022	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2023 include: Sommers, Center, Willard, Hudson, Miller, Lowell, Dempsey, Davies, Lake Mendota Dr, Doncaster, Beverly, Danbury, Blue Harvest, Feathers Edge, Owen, Schmitt & Harvey. The adopted budget reduces the use of TIF proceeds in 2023 by \$3.2 million to reflect removing the Eastwood Area project, per Finance Committee Amendment #3	Sustainable water and wastewater management

14080	OWEN DR RECONSTRUCTION	\$85,000	2022	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2023 include: Sommers, Center, Willard, Hudson, Miller, Lowell, Dempsey, Davies, Lake Mendota Dr, Doncaster, Beverly, Danbury, Blue Harvest, Feathers Edge, Owen, Schmitt & Harvey. The adopted budget reduces the use of TIF proceeds in 2023 by \$3.2 million to reflect removing the Eastwood Area project, per Finance Committee Amendment #3	Sustainable water and wastewater management
14083	LAKE MENDOTA DR RECONSTRUCT 2024	\$200,000	2023	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2023 include: Sommers, Center, Willard, Hudson, Miller, Lowell, Dempsey, Davies, Lake Mendota Dr, Doncaster, Beverly, Danbury, Blue Harvest, Feathers Edge, Owen, Schmitt & Harvey. The adopted budget reduces the use of TIF proceeds in 2023 by \$3.2 million to reflect removing the Eastwood Area project, per Finance Committee Amendment #3	Sustainable water and wastewater management
14215	SEGOE & SHEBOYGAN RESURFACING	\$50,000	2022	This program is for resurfacing, repair, crack sealants, and chip sealing on existing streets. The goal of the program is to extend the life of existing streets. Each year the program resurfaces 8-10 miles, chip seals approximately 75 miles, and crack seals approximately 75 miles. Projects planned in 2023 include: Hammersley, Broom/Henry/Wilson, W Main, Segoe/Sheboygan, S Pinckney & W Beltline Frontage Rd.	Sustainable water and wastewater management
14369	GLENWOOD CHILDRENS PARK ARCH REPAIR	\$60,000	2022	This program is for stormwater network improvements where flooding occurs during large rain events. The goal of the program is to eliminate flooding and protect property from damage. This program also supports design of pond improvements and flood mitigation installations that are scheduled with street reconstruction projects.	Sustainable water and wastewater management



14389	W WASHINGTON & S HENRY RESURFACING	\$120,000	2023	This program is for resurfacing, repair, crack sealants, and chip sealing on existing streets. The goal of the program is to extend the life of existing streets. Each year the program resurfaces 8-10 miles, chip seals approximately 75 miles, and crack seals approximately 75 miles.	Sustainable water and wastewater management
14733	PAVEMENT MANAGEMENT 2024	\$100,000	2024	This program is for resurfacing, repair, crack sealants, and chip sealing on existing streets. The goal of the program is to extend the life of existing streets. Each year the program resurfaces 8-10 miles, chip seals approximately 75 miles, and crack seals approximately 75 miles.	Sustainable water and wastewater management
14734	RECONSTRUCTION STREETS 2024	\$ 585,000	2024	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2024 include: Lowell, Blue Harvest, Feathers Edge, Doncaster, Beverly, Danbury, Rutledge, Knutson, Hermina, Union, Lake Mendota, Norman & Atticus Way.	Sustainable water and wastewater management
14762	HERMINA ST & UNION ST RECONSTRUCT	\$20,000	2023	This program is for replacing deteriorated streets to maintain neighborhood roadways. Projects funded include those where a full street replacement is necessary. Projects planned in 2024 include: Lowell, Blue Harvest, Feathers Edge, Doncaster, Beverly, Danbury, Rutledge, Knutson, Hermina, Union, Lake Mendota, Norman & Atticus Way.	Sustainable water and wastewater management
14896	RESURFACING 2024	\$175,000	2023	This program is for resurfacing, repair, crack sealants, and chip sealing on existing streets. The goal of the program is to extend the life of existing streets. Each year the program resurfaces 8-10 miles, chip seals approximately 75 miles, and crack seals approximately 75 miles.	Sustainable water and wastewater management

14918	RAIN GARDEN AND BMPS 2024	\$ 25,000	2023	The goal of this program is to improve the quality of the stormwater entering our streams, rivers and lakes. Projects within the program are prioritized annually and include: greenway reconstructions, storm water pond improvements, shoreline restoration, and urban water quality projects. Smaller projects include rain gardens with street reconstruction and dredging. Many stormwater quality projects will be coupled with regional flood mitigation projects and grants will be sought to help leverage additional funding mechanisms. In addition, this program will help the City to comply with its Wisconsin Department of Natural Resources (WDNR)/Environmental Protection Agency (EPA) stormwater discharge permit.	Sustainable water and wastewater management
14980	LOWER BADGER MILL POND RESTORATION	\$ 100,000	2023	This program is for stormwater network improvements where flooding occurs during large rain events. The goal of the program is to mitigate or eliminate flooding and protect property from damage. Projects planned in 2023 include: construction of the Mendota Grassman Greenway, Lower Badger Mill Creek Pond, and the preliminary designs for West Towne Pond and Old Sauk Trails Business Park Pond and greenways.	Sustainable water and wastewater management
12759	STREETS EAB 2020	\$ 125,000	2020	This program is for the Streets Division component of the Emerald Ash Border mitigation efforts. The goal of the program is to grind all brush and logs resulting from EAB mitigation efforts, and provide stump removal mats to prevent erosion where trees are removed near shorelines.	Sustainable water and wastewater management
12908	2020 ST URBAN TREE INITIATIVE	\$340,000	2020	This program funds implementation strategies identified by the Urban Forest Task Force as best practices aimed at the maintenance and improvement of the City's forest.	Environmentally sustainable management of living natural resources and land use

13636	2022 STREET TREE PROGRAM	\$68,000	2022	This program provides funding for planting terrace trees along new streets and replacement of street trees within the City in conjunction with Emerald Ash Borer (EAB) efforts. The goal of the program is to ensure the maintenance and improvement of the urban forest tree canopy in the City by replacing damaged or sick trees and planting diverse tree species to create a resilient tree canopy. Progress will be measured by the number of trees planted, not including EAB Replacements.	Environmentally sustainable management of living  natural resources and land use
44234	2023 STREET TREE PROGRAM	\$175,000	2022	This program provides funding for planting terrace trees along new streets and replacement of street trees within the City in conjunction with Emerald Ash Borer (EAB) efforts. The goal of the program is to ensure the maintenance and improvement of the urban forest tree canopy in the City by replacing damaged or sick trees and planting diverse tree species to create a resilient tree canopy. Progress will be measured by the number of trees planted, not including EAB Replacements.	Environmentally sustainable management of living  natural resources and land use
13065	CITYWIDE LED LIGHTING CONVERSION	\$933,750	2021	This project is to convert all remaining City streetlights to LED. The goal of this project is to replace street light fixtures with more energy efficient LED fixtures, reducing energy usage and costs. The project's scope includes equipment costs for the replacement of all non-LED streetlight fixtures. Non-LED fixtures represent 66% of streetlight fixtures citywide.	Energy Efficiency
10448	UW19 IRON & MANGANESE FILTER	\$7,328,000	2022	This project is for a new iron, manganese, and radium treatment system at Well 19 located on Lake Mendota Drive on the City's west side. The goal of this project is to improve water quality in the area. Progress will be measured by the change in iron, manganese, and radium concentrations, which currently do not meet Madison Water Utility standards.	Sustainable Water and waste management