

## PRELIMINARY OFFICIAL STATEMENT DATED MARCH 14, 2024

*In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.*

*The Bonds shall not be "qualified tax-exempt obligations".*

### New Issue

Rating: Moody's Investors Service, Inc. "Aa2"

### VILLAGE OF MENOMONEE FALLS, WISCONSIN (Waukesha County)

## \$13,130,000\* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2024A

**BID OPENING:** March 21, 2024, 9:30 A.M., C.T.

**CONSIDERATION:** Not later than 11:59 P.M., C.T. on March 21, 2024 (PARAMETERS RESOLUTION)

**PURPOSE/AUTHORITY/SECURITY:** The \$13,130,000\* General Obligation Corporate Purpose Bonds, Series 2024A (the "Bonds") are being issued pursuant to Section 67.04, Wisconsin Statutes, by the Village of Menomonee Falls, Wisconsin (the "Village"), for the public purposes of paying the cost of street improvement projects, bridge projects, parks and public ground projects, constructing engine houses, sewerage projects consisting of storm sewer projects, and water system projects. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

**DATE OF BONDS:**

April 10, 2024

**MATURITY:**

February 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2025	\$1,315,000	2032	\$750,000	2039	\$530,000
2026	610,000	2033	780,000	2040	550,000
2027	635,000	2034	800,000	2041	570,000
2028	660,000	2035	460,000	2042	600,000
2029	685,000	2036	475,000	2043	625,000
2030	705,000	2037	490,000	2044	650,000
2031	730,000	2038	510,000		

**\*MATURITY  
ADJUSTMENTS:**

The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each up to \$400,000 per maturity for maturities 2025 through 2034 and \$200,000 per maturity for maturities 2035 through 2044. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BONDS:**

See "Term Bond Option" herein.

**INTEREST:**

February 1, 2025 and semiannually thereafter.

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

**MINIMUM BID:** \$12,965,875.

**MAXIMUM BID:** \$14,049,100.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$262,600 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** Bond Trust Services Corporation.

**BOND COUNSEL AND**

**DISCLOSURE COUNSEL:** Quarles & Brady LLP.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

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

## REPRESENTATIONS

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

This Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles & Brady LLP will serve as Disclosure Counsel to the Village with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Bonds.

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

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

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

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

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

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

## CLOSING CERTIFICATES

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

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## **VILLAGE OF MENOMONEE FALLS VILLAGE BOARD**

		<u>Term Expires</u>
Jeremy Walz	Village President	April 2024 <sup>1</sup>
Brad Jubber	Village Trustee	April 2026
Katie Kress	Village Trustee	April 2026
Ann Lessila	Village Trustee	April 2026
Joel Stueland	Village Trustee	April 2025
Paul Tadda	Village Trustee	April 2025
Steve Taggart	Village Trustee	April 2025

## **ADMINISTRATION**

Mark Fitzgerald, Village Manager  
Valerie Emrich, Director of Finance & Village Treasurer  
Amy Dishinger, Village Clerk

## **PROFESSIONAL SERVICES**

Adam Koenings, Village Attorney, Menomonee Falls, Wisconsin  
Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin  
Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin  
(*Other office located in Roseville, Minnesota*)

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<sup>1</sup> Seeking re-election.

## INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Menomonee Falls, Wisconsin (the "Village") and the issuance of its \$13,130,000\* General Obligation Corporate Purpose Bonds, Series 2024A (the "Bonds"). **The Village Board adopted a resolution on February 5, 2024 (the "Parameters Resolution"), which authorized the Director of Finance & Treasurer or Village Manager to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are met. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on March 21, 2024, then neither the Director of Finance & Treasurer or Village Manager have the authority to award the sale of the Bonds, and all bids will be rejected.**

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Village's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE BONDS

### GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of April 10, 2024. The Bonds will mature on February 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on February 1 and August 1 of each year, commencing February 1, 2025, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

### OPTIONAL REDEMPTION

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

\*Preliminary, subject to change.

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

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

## **AUTHORITY; PURPOSE**

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, by the Village, for the public purposes of paying the cost of street improvement projects, bridge projects, parks and public ground projects, constructing engine houses, sewerage projects consisting of storm sewer projects, and water system projects.

## **ESTIMATED SOURCES AND USES\***

### **Sources**

Par Amount of Bonds	\$13,130,000	
Estimated Interest Earnings	<u>116,172</u>	
<b>Total Sources</b>		<b>\$13,246,172</b>

### **Uses**

Estimated Underwriter's Discount	\$164,125	
Costs of Issuance	123,550	
Deposit to Borrowed Money Fund	12,956,000	
Rounding Amount	<u>2,497</u>	
<b>Total Uses</b>		<b>\$13,246,172</b>

\*Preliminary, subject to change.

## **SECURITY**

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

## **RATING**

The Village received a rating of "Aa2" by Moody's Investors Service, Inc. ("Moody's"), and bidders were notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

## **CONTINUING DISCLOSURE**

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

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

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

A notice for the incurrence of a financial obligation incurred in September 2019 was not timely filed. Except to the extent that the preceding is deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the Village.

## **LEGAL MATTERS**

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Bonds. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

## **TAX EXEMPTION**

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Bonds under existing law substantially in the following form:

"The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Village has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds."

The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

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

## **ORIGINAL ISSUE DISCOUNT**

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.



Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged 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.

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

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

## **BOND PREMIUM**

To the extent that the initial offering price of certain of the Bonds is more than the principal amount payable at maturity, such Bonds ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

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

The Bonds shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

## **MUNICIPAL ADVISOR AFFILIATED COMPANIES**

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

## **INDEPENDENT AUDITORS**

The basic financial statements of the Village for the fiscal year ended December 31, 2022 have been audited by Reilly, Penner & Benton LLP, Milwaukee, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement. The Village has engaged Baker Tilly US LLP to serve as auditor for preparation of the Village's audited financial statements for the fiscal year ended December 31, 2023.

## **RISK FACTORS**

The following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

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

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

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

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

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

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

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

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

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

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

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

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

# **VALUATIONS**

## **WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES**

### **Equalized Value**

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

### **Assessed Value**

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

## CURRENT PROPERTY VALUATIONS

2023 Equalized Value	\$7,795,110,600
2023 Equalized Value Reduced by Tax Increment Valuation	\$7,307,647,500
2023 Assessed Value	\$7,603,803,000

## 2023 EQUALIZED VALUE BY CLASSIFICATION

	<b>2023 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$5,134,064,900	65.863%
Commercial	2,150,310,100	27.585%
Manufacturing	364,702,800	4.679%
Agricultural	702,900	0.009%
Undeveloped	1,372,000	0.018%
Ag Forest	999,000	0.013%
Forest	2,849,000	0.037%
Other	23,504,200	0.302%
Personal Property	116,605,700	1.496%
Total	<u><u>\$7,795,110,600</u></u>	<u><u>100.000%</u></u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>1</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2019	\$4,892,430,140	\$5,289,929,600	3.78%
2020	4,984,826,010	5,621,021,400	6.26%
2021	5,077,866,690	6,150,246,600	9.42%
2022	5,107,233,210	6,939,272,100	12.83%
2023	7,603,803,000	7,795,110,600	12.33%

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

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<sup>1</sup> Includes tax increment valuation.

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2023 Equalized Value <sup>1</sup>	Percent of Village's Total Equalized Value
Fred the Junction LLC	Real Estate Ownership	\$110,360,219	1.42%
Kohl's Department Stores	Retail/Corporate Headquarters	72,336,409	0.93%
CT Menomonee Falls LLC	Industrial	63,729,193	0.82%
Froedtert & Medical College of WI	Health Care Provider	55,017,308	0.71%
Grace Commons Property LLC	Senior Housing	44,585,749	0.57%
USCOFW W129N7055 Northfield Dr LLC	Medical Office	37,283,313	0.48%
Tamarack Springs	Real Estate Ownership	34,742,851	0.45%
Harley Davidson	Motorcycle Manufacturer	34,359,746	0.44%
Starboard Jade DST	Real Estate Ownership	27,692,892	0.36%
NNN OPP IV Owner I, LLC	Distribution Center	<u>26,141,714</u>	<u>0.34%</u>
Total		\$506,249,394	6.49%

Village's Total 2023 Equalized Value<sup>2</sup> \$7,795,110,600

**Source:** The Village.

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<sup>1</sup> Calculated by dividing the 2023 Assessed Values by the 2023 Aggregate Ratio of assessment for the Village.

<sup>2</sup> Includes tax increment valuation.

## DEBT

### DIRECT DEBT<sup>1</sup>

#### General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds)*	<u>\$91,035,000</u>
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#### Revenue Debt (see schedules following)

Total revenue debt secured by sewer revenues	<u>\$473,079</u>
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### DEBT PAYMENT HISTORY

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

### FUTURE FINANCING

The Village expects to issue general obligation debt for capital projects in 2025, but the amount and timing have not yet been determined. Other than the preceding, the Village has no current plans for additional financing in the next 12 months.

### DEBT LIMIT

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

Equalized Value	\$7,795,110,600
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$389,755,530
Less: General Obligation Debt*	<u>(91,035,000)</u>
Unused Debt Limit*	<u>\$298,720,530</u>

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Bonds.



Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness  
General Obligation Debt Secured by Taxes  
(As of 04/10/2024)

	Promissory Notes		Taxable Refunding Bonds		Taxable Promissory Notes Series 2015B		Promissory Notes Series 2015C		Promissory Notes Series 2015D	
Dated	06/16/2014		10/30/2014		03/30/2015		03/30/2015		05/04/2015	
Amount	\$4,920,000		\$8,450,000		\$4,300,000		\$7,850,000		\$3,110,000	
Maturity	06/01		05/01		03/01		03/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	1,495,000	22,425	775,000	239,063	0	43,875	0	74,469	755,000	35,775
2025			825,000	207,063	2,700,000	43,875	4,725,000	74,469	815,000	12,225
2026			875,000	173,063						
2027			900,000	136,438						
2028			925,000	97,656						
2029			950,000	59,000						
2030			1,000,000	20,000						
2031										
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	1,495,000	22,425	6,250,000	932,281	2,700,000	87,750	4,725,000	148,938	1,570,000	48,000

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Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 04/10/2024)

	Promissory Notes Series 2016A		Promissory Notes Series 2016D		Taxable Refunding Bonds Series 2016E		Promissory Notes Series 2017B		Promissory Notes Series 2018A	
Dated	05/02/2016		11/21/2016		11/21/2016		06/20/2017		06/18/2018	
Amount	\$3,190,000		\$2,500,000		\$7,425,000		\$14,935,000		\$3,340,000	
Maturity	05/01		06/01		06/01		06/01		06/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	255,000	26,250	325,000	16,750	300,000	176,313	1,375,000	149,725	130,000	56,850
2025	255,000	21,150	325,000	10,250	300,000	167,313	1,550,000	106,725	275,000	50,775
2026	930,000	9,300	350,000	3,500	325,000	157,938	1,575,000	73,113	275,000	42,525
2027					650,000	143,313	2,200,000	27,500	295,000	33,975
2028					675,000	124,281			985,000	14,775
2029					700,000	105,025				
2030					725,000	84,356				
2031					750,000	62,225				
2032					800,000	38,388				
2033					825,000	12,994				
2034										
2035										
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	1,440,000	56,700	1,000,000	30,500	6,050,000	1,072,144	6,700,000	357,063	1,960,000	198,900

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Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 04/10/2024)

	Promissory Notes Series 2019A		Corporate Purpose Bonds Series 2019B		Taxable Corporate Purpose Bonds Series 2019C		Promissory Notes Series 2020A		Water Project Bonds Series 2020B	
Dated	07/10/2019		07/10/2019		07/10/2019		07/07/2020		07/07/2020	
Amount	\$2,030,000		\$4,350,000		\$18,435,000		\$3,270,000		\$1,460,000	
Maturity	02/01		02/01		09/01		02/01		02/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	16,050	0	49,875	420,000	240,379	0	21,013	0	11,600
2025	195,000	29,175	245,000	95,463	790,000	471,518	345,000	36,850	75,000	22,450
2026	195,000	22,350	260,000	86,625	1,295,000	453,348	345,000	26,500	75,000	20,950
2027	205,000	15,375	270,000	77,350	1,495,000	420,973	345,000	17,875	75,000	19,450
2028	205,000	9,225	280,000	69,125	1,820,000	382,103	350,000	10,925	75,000	17,950
2029	205,000	3,075	300,000	61,875	2,345,000	332,963	350,000	5,063	75,000	16,450
2030			330,000	54,000	2,860,000	268,475	200,000	1,350	75,000	14,950
2031			365,000	45,313	2,815,000	188,395			75,000	13,450
2032			370,000	36,125	2,800,000	108,168			75,000	11,950
2033			395,000	25,575	125,000	26,968			70,000	10,500
2034			210,000	16,500	120,000	22,780			70,000	9,100
2035			215,000	10,125	140,000	18,760			70,000	7,700
2036			60,000	6,000	140,000	14,070			70,000	6,300
2037			60,000	4,200	140,000	9,380			70,000	4,900
2038			60,000	2,400	140,000	4,690			70,000	3,500
2039			50,000	750					70,000	2,100
2040									70,000	700
2041										
2042										
2043										
2044										
	1,005,000	95,250	3,470,000	641,300	17,445,000	2,962,966	1,935,000	119,575	1,160,000	194,000

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Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 04/10/2024)

	Promissory Notes Series 2021A		Corporate Purpose Bonds Series 2021B		Promissory Notes Series 2022A		Water System Bonds Series 2022B		Taxable Community Development Bonds Series 2022C	
Dated	05/13/2021		05/13/2021		04/27/2022		04/27/2022		05/04/2022	
Amount	\$3,150,000		\$3,400,000		\$6,190,000		\$1,350,000		\$2,645,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	23,053	0	27,900	0	80,925	0	15,326	0	49,879
2025	360,000	42,505	210,000	53,700	665,000	151,875	100,000	29,528	155,000	95,883
2026	360,000	35,305	210,000	49,500	595,000	132,975	105,000	27,221	155,000	88,133
2027	365,000	28,055	210,000	45,300	670,000	114,000	105,000	24,780	155,000	80,383
2028	365,000	20,755	215,000	41,050	670,000	93,900	105,000	22,260	155,000	72,633
2029	395,000	13,155	215,000	36,750	680,000	73,650	105,000	19,688	155,000	64,883
2030	395,000	7,033	220,000	32,400	695,000	53,025	105,000	17,063	160,000	57,008
2031	405,000	2,430	220,000	28,000	705,000	32,025	105,000	14,175	160,000	49,008
2032			220,000	23,600	715,000	10,725	105,000	11,025	165,000	42,079
2033			225,000	19,150			105,000	7,875	165,000	36,098
2034			110,000	15,800			105,000	4,725	165,000	29,993
2035			105,000	13,650			105,000	1,575	165,000	23,805
2036			105,000	11,550					165,000	17,535
2037			105,000	9,450					120,000	12,000
2038			105,000	7,350					120,000	7,200
2039			105,000	5,250					120,000	2,400
2040			105,000	3,150						
2041			105,000	1,050						
2042										
2043										
2044										
	2,645,000	172,290	2,790,000	424,600	5,395,000	743,100	1,150,000	195,240	2,280,000	728,915

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Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 04/10/2024)

	Promissory Notes Series 2023A		Water Bonds Series 2023B		Corporate Purpose Bonds Series 2024A							
Dated	05/24/2023		05/24/2023		04/10/2024							
Amount	\$2,655,000		\$2,430,000		\$13,130,000*							
Maturity	02/01		02/01		02/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	48,500	0	46,300	0	0	5,830,000	1,472,293	7,302,293	85,205,000	6.40%	2024
2025	260,000	91,800	80,000	91,000	1,315,000	596,239	16,565,000	2,501,828	19,066,828	68,640,000	24.60%	2025
2026	260,000	81,400	85,000	87,700	610,000	413,830	8,880,000	1,985,274	10,865,274	59,760,000	34.35%	2026
2027	265,000	70,900	90,000	84,200	635,000	391,711	8,930,000	1,731,576	10,661,576	50,830,000	44.16%	2027
2028	265,000	60,300	95,000	80,500	660,000	369,639	7,845,000	1,487,076	9,332,076	42,985,000	52.78%	2028
2029	275,000	49,500	100,000	76,600	685,000	347,315	7,535,000	1,264,990	8,799,990	35,450,000	61.06%	2029
2030	275,000	38,500	105,000	72,500	705,000	324,450	7,850,000	1,045,109	8,895,109	27,600,000	69.68%	2030
2031	275,000	27,500	110,000	68,200	730,000	300,990	6,715,000	831,710	7,546,710	20,885,000	77.06%	2031
2032	275,000	16,500	110,000	63,800	750,000	276,903	6,385,000	639,261	7,024,261	14,500,000	84.07%	2032
2033	275,000	5,500	115,000	59,300	780,000	251,925	3,080,000	455,883	3,535,883	11,420,000	87.46%	2033
2034			125,000	54,500	800,000	225,852	1,705,000	379,249	2,084,249	9,715,000	89.33%	2034
2035			125,000	49,500	460,000	204,689	1,385,000	329,804	1,714,804	8,330,000	90.85%	2035
2036			130,000	44,400	475,000	188,438	1,145,000	288,293	1,433,293	7,185,000	92.11%	2036
2037			135,000	39,100	490,000	170,990	1,120,000	250,020	1,370,020	6,065,000	93.34%	2037
2038			140,000	33,600	510,000	152,209	1,145,000	210,949	1,355,949	4,920,000	94.60%	2038
2039			140,000	28,000	530,000	132,133	1,015,000	170,633	1,185,633	3,905,000	95.71%	2039
2040			150,000	22,200	550,000	110,935	875,000	136,985	1,011,985	3,030,000	96.67%	2040
2041			155,000	16,100	570,000	88,673	830,000	105,823	935,823	2,200,000	97.58%	2041
2042			160,000	9,800	600,000	65,063	760,000	74,863	834,863	1,440,000	98.42%	2042
2043			165,000	3,300	625,000	39,946	790,000	43,246	833,246	650,000	99.29%	2043
2044					650,000	13,520	650,000	13,520	663,520	0	100.00%	2044
	2,425,000	490,400	2,315,000	1,030,600	13,130,000	4,665,445	91,035,000	15,418,382	106,453,382			

\* Preliminary, subject to change.

**Village of Menomonee Falls, Wisconsin  
Schedule of Bonded Indebtedness Revenue  
Debt Secured by Sewerage Revenues  
(As of 04/10/2024)**

Sewerage System Revenue Bonds (CWFL 1)								
<b>Dated</b>	08/22/2007							
<b>Amount</b>	\$1,867,778							
<b>Maturity</b>	05/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
<b>2024</b>	113,845	10,600	113,845	10,600	124,445	359,234	24.06%	<b>2024</b>
<b>2025</b>	116,746	7,663	116,746	7,663	124,409	242,488	48.74%	<b>2025</b>
<b>2026</b>	119,719	4,652	119,719	4,652	124,371	122,769	74.05%	<b>2026</b>
<b>2027</b>	122,769	1,563	122,769	1,563	124,332	0	100.00%	<b>2027</b>
	473,079	24,477	473,079	24,477	497,556			

1) Represents a share of the debt service payable by the Village to the Village of Sussex under an Intergovernmental Agreement.

## OVERLAPPING DEBT<sup>1</sup>

Taxing District	Equalized Value <sup>2</sup>	% In Village	Total G.O. Debt <sup>3</sup>	Village's Proportionate Share
Waukesha County	\$84,956,236,000	9.1754%	\$66,315,000	\$6,084,667
Menomonee Falls School District	6,056,551,537	98.2000%	29,970,000	29,430,540
Hamilton School District	5,750,131,717	32.1310%	39,360,000	12,646,762
Waukesha County Technical College District <sup>4</sup>	86,973,761,741	8.9626%	15,580,000	<u>1,396,373</u>
Village's Share of Total Overlapping Debt				<u><u>\$49,558,341</u></u>

## DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$7,795,110,600	Debt/ Per Capita 39,565 <sup>5</sup>
Total General Obligation Debt*	\$91,035,000	1.17%	\$2,300.90
Village's Share of Total Overlapping Debt	<u>49,558,341</u>	<u>0.64%</u>	<u>\$1,252.58</u>
Total*	\$140,593,341	1.80%	\$3,553.48

\*Preliminary, subject to change.

<sup>1</sup> Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

<sup>2</sup> Includes tax increment valuation.

<sup>3</sup> Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

<sup>4</sup> Includes the \$4,000,000 General Obligation Promissory Notes, Series 2024A expected to close May 1, 2024.

<sup>5</sup> Estimated 2023 population.

## TAX LEVIES AND COLLECTIONS

### TAX LEVIES AND COLLECTIONS

<b>Tax Year</b>	<b>Levy for Village Purposes Only</b>	<b>% Collected</b>	<b>Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000</b>
2019/20	\$24,635,000	100%	\$4.81
2020/21	24,775,000	100%	4.62
2021/22	25,046,000	100%	4.30
2022/23	25,046,000	100%	3.83
2023/24	27,113,000	In Process	3.71

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

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



## PROPERTY TAX RATES

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

<b>Year Levied/ Year Collected</b>	<b>Schools<sup>1</sup></b>	<b>County</b>	<b>Local</b>	<b>Total</b>
2019/20	\$9.71	\$1.82	\$4.81	\$16.34
2020/21	9.57	1.76	4.62	15.95
2021/22	8.45	1.68	4.30	14.43
2022/23	8.01	1.53	3.83	13.37
2023/24	7.16	1.39	3.71	12.26

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

## LEVY LIMITS

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

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

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

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

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

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

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

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

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

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

## **REVENUE FROM THE STATE**

In addition to local property taxes described above, a number of state programs exist which provide revenue to the Village. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the Village that can be used for any public purpose. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the Village is expected to receive approximately \$1,353,000 in shared revenue and supplemental shared revenue from the State, an increase from the approximately \$420,000 received in 2023. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

# THE ISSUER

## VILLAGE GOVERNMENT

The Village is governed by a Village President and six other Village Board members. The President is a voting member. Trustees are elected for three-year overlapping terms. The appointed Village Manager, Director of Finance & Village Treasurer, and Village Clerk are responsible for administrative details and financial records.

## EMPLOYEES; PENSIONS

The Village employs a staff of 198 full-time, 68 part-time, and two seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2020 ("Fiscal Year 2020"), the fiscal year ended December 31, 2021 ("Fiscal Year 2021") and the fiscal year ended December 31, 2022 ("Fiscal Year 2022"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$1,272,776, \$1,423,931 and \$1,482,193, respectively.

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

As of December 31, 2021, the total pension liability of the WRS was calculated as \$133.79 billion and the fiduciary net position of the WRS was calculated as \$141.85 billion, resulting in a net pension asset of \$8.06 billion. As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion. Accordingly, the Village will report a liability for its proportionate share of the net pension liability of the WRS in its audited financial statements for the year ended December 31, 2023.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2022, the Village reported an asset of \$10,083,484 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2021 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.1251% of the aggregate WRS net pension asset as of December 31, 2021.

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

**Recognized and Certified Bargaining Units**

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

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

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

The following bargaining units represent employees of the Village:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Menomonee Falls Police Association, Local 313	December 31, 2024
Local 3879, International Association of Firefighters	December 31, 2024

**OTHER POST EMPLOYMENT BENEFITS**

The Village provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) through a single-employer defined benefit plan to employees who have terminated their employment with the Village and have satisfied specified eligibility standards. Eligible employees may remain on the Village's group health plan after retirement if they pay the full cost of premiums. Membership in the plan consisted of 5 retirees receiving benefits and 159 active eligible plan members as of December 31, 2020, the date of the latest actuarial valuation.

OPEB calculations are required to be updated every two years and be prepared in accordance with Statement Nos. 74 and 75 of the Governmental Accounting Standards Board ("GASB 74/75"). An actuarial study for the plan prepared in accordance with GASB 74/75 was most recently completed by Key Benefit Concepts, LLC in April 2022 with an actuarial valuation date of December 21, 2020. The Village is in the process of having a new actuarial study prepared.

For Fiscal Year 2022, the Village's contributions to the plan totaled \$26,393. The Village's current funding practice is to pay the amount of benefits due in a given year on a "pay-as-you-go" basis.

Under GASB 74/75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

For Fiscal Year 2022 (measured as of December 31, 2021), the plan's total OPEB liability was \$2,414,582 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$2,414,582.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information, see Note 4.C. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

The Village also participates in the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2022, the Village's portion of contributions to the LRLIF totaled \$5,588. For Fiscal Year 2022, the Village reported a liability of \$1,613,631 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2021 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.2730% of the aggregate LRLIF net OPEB liability as of December 31, 2021.

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

## **LITIGATION**

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

## **MUNICIPAL BANKRUPTCY**

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

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

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Bonds are outstanding, in a way that would allow the Village to file for bankruptcy relief under Chapter 9 of the Bankruptcy

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

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

**FUNDS ON HAND** (as of February 29, 2024)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$48,553,167
Special Revenue	4,754,739
Tourism Commission	141,107
Garbage & Recycling	38,021
Library Operations	576,060
Library Maintenance	474,381
Special Assessments	227,546
Debt Service	22,160
Municipal Facilities	1,295,687
Capital Projects	33,490
TID 6	43,883
TID 7	46,884
TID 8	666,784
TID 9	489,975
TID 10	97,987
TID 11	380,357
TID 12	816,464
TID 13	136,828
TID 14	139,528
TID 15	11,609
TID 16	10,826
Internal Service	222,511
Water Utility	8,144,188
Sewer Utility	11,763,319
Storm Utility	<u>51,728</u>
 Total Funds on Hand	 <u><u>\$79,139,229</u></u>

## ENTERPRISE FUNDS

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

	<b>2020 Audited</b>	<b>2021 Audited</b>	<b>2022 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$7,041,072	\$7,033,718	\$6,812,228
Less: Operating Expenses	<u>(5,831,423)</u>	<u>(5,813,991)</u>	<u>(6,305,916)</u>
Operating Income	\$1,209,649	\$1,219,727	\$506,312
Plus: Depreciation	1,856,725	1,899,055	2,020,150
Interest Income	<u>57,473</u>	<u>7,393</u>	<u>153,016</u>
Revenues Available for Debt Service	<u><u>\$3,123,847</u></u>	<u><u>\$3,126,175</u></u>	<u><u>\$2,679,478</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$9,510,525	\$9,514,149	\$9,648,773
Less: Operating Expenses	<u>(10,398,261)</u>	<u>(10,526,013)</u>	<u>(10,613,319)</u>
Operating Income	(\$887,736)	(\$1,011,864)	(\$964,546)
Plus: Depreciation	1,496,270	1,571,921	1,613,425
Interest Income	<u>44,698</u>	<u>4,883</u>	<u>106,100</u>
Revenues Available for Debt Service	<u><u>\$653,232</u></u>	<u><u>\$564,940</u></u>	<u><u>\$754,979</u></u>
<b>Storm Water</b>			
Total Operating Revenues	\$981,668	\$979,695	\$987,426
Less: Operating Expenses	<u>(1,497,613)</u>	<u>(1,589,203)</u>	<u>(1,653,584)</u>
Operating Income	(\$515,945)	(\$609,508)	(\$666,158)
Plus: Depreciation	763,385	786,357	812,723
Interest Income	<u>1,818</u>	<u>248</u>	<u>10,501</u>
Revenues Available for Debt Service	<u><u>\$249,258</u></u>	<u><u>\$177,097</u></u>	<u><u>\$157,066</u></u>
<b>Solid Waste</b>			
Total Operating Revenues	\$2,013,404	\$2,019,588	\$2,098,185
Less: Operating Expenses	<u>(2,036,642)</u>	<u>(2,063,060)</u>	<u>(2,129,385)</u>
Operating Income	(\$23,238)	(\$43,472)	(\$31,200)
Plus: Depreciation	0	0	0
Interest Income	<u>5,318</u>	<u>585</u>	<u>12,783</u>
Revenues Available for Debt Service	<u><u>(\$17,920)</u></u>	<u><u>(\$42,887)</u></u>	<u><u>(\$18,417)</u></u>



## SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the Village's General Fund. These summaries are not purported to be the complete audited financial statements of the Village, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village. Copies of the complete statements are available upon request. Appendix A includes the 2022 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT	2020 Audited	2021 Audited	2022 Audited	2023 Estimated	2024 Adopted Budget <sup>1</sup>
Revenues					
Property taxes	\$19,534,920	\$19,508,882	\$19,779,658	\$19,582,000	\$22,563,000
Other taxes	90,787	175,731	207,699	360,000	521,700
Licenses and permits	1,583,317	1,555,925	1,814,566	1,205,000	1,261,800
Fine and forfeitures	609,227	660,315	591,021	669,900	619,900
Other charges for Services	1,681,079	1,914,787	2,181,403	2,855,300	2,785,600
Intergovernmental	4,859,053	3,965,072	4,411,884	4,243,500	7,391,100
Donations	1,000	4,025	1,100	0	0
Investment earnings	145,083	11,420	120,823	0	0
Interest on advances to governmental funds	19,818	11,162	41,853	0	0
Other revenues	144,465	339,723	370,064	746,100	1,425,500
Transfers from other funds	0	0	0	536,400	0
<b>Total Revenues</b>	<b>\$28,668,749</b>	<b>\$28,147,042</b>	<b>\$29,520,071</b>	<b>\$30,198,200</b>	<b>\$36,568,600</b>
Expenditures					
Current:					
General government	\$4,086,267	\$3,825,121	\$4,335,864	\$4,743,450	\$5,138,500
Public safety	16,456,472	17,535,215	18,718,503	20,155,850	23,154,000
Public works	3,974,082	3,498,683	4,170,795	4,524,500	7,413,000
Culture and recreation	907,944	1,029,653	1,077,746	1,227,400	1,341,800
Conservation and development	965,300	917,469	877,561	847,000	821,300
Capital outlay	1,669,184	493,354	558,293	0	0
Debt Service	29,280	1,040	0	0	0
<b>Total Expenditures</b>	<b>\$28,088,529</b>	<b>\$27,300,535</b>	<b>\$29,738,762</b>	<b>\$31,498,200</b>	<b>\$37,868,600</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$580,220</b>	<b>\$846,507</b>	<b>(\$218,691)</b>	<b>(\$1,300,000)</b>	<b>(\$1,300,000)</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets	\$2	(\$2,256)	\$0	\$0	\$0
Transfers (out)	(2,720,112)	(2,003,867)	(910,429)	0	0
Transfers from water utility-PILOT	1,233,360	1,152,198	1,129,120	1,300,000	1,300,000
Face value of bonds issued	1,240,000	0	0	0	0
Premiums on debt issued	66,534	7,418	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(180,216)</b>	<b>(846,507)</b>	<b>218,691</b>	<b>1,300,000</b>	<b>1,300,000</b>
<b>Net changes in Fund Balances</b>	<b>\$400,004</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
General Fund Balance January 1	\$10,114,236	\$10,514,240	\$10,514,240		
General Fund Balance December 31	\$10,514,240	\$10,514,240	\$10,514,240		
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$2,430,795	\$2,759,237	\$2,206,238		
Unassigned	8,083,445	7,755,003	8,308,002		
<b>Total</b>	<b>\$10,514,240</b>	<b>\$10,514,240</b>	<b>\$10,514,240</b>		

<sup>1</sup> The 2024 budget was adopted on November 20, 2023.

## GENERAL INFORMATION

### LOCATION

The Village, with a 2020 U.S. Census population of 38,527 and a current estimated population of 39,565 comprises an area of 33.3 square miles, and is located northwest of the City of Milwaukee.

### LARGER EMPLOYERS<sup>1</sup>

Larger employers in the Village include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Kohl's Department Stores	Retail/Corporate Headquarters	4,000
Froedtert Health	Health services	3,000
Milwaukee Tool	Manufacturing	1,000
Harley-Davidson	Manufacturing	950
Menomonee Falls School District	Elementary and secondary education	735
Leonardo DRS	Defense contractor	600
Arandell Schmidt	Commercial Printing	600
Bradley Corporation	Manufacturing	500
Alto-Shaam	Manufacturing	500
Wacker Neuson	Manufacturing/Corporate Headquarters	450

**Source:** The Village.

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

## BUILDING PERMITS

	2020	2021	2022	2023	2024 <sup>1</sup>
<u>New Residential Construction</u>					
No. of building permits	825	775	643	78	13
Valuation	\$52,380,000	\$64,380,000	\$55,040,000	\$34,049,367	\$5,688,953
<u>New Non-Residential Construction</u>					
No. of building permits	109	104	93	9	3
Valuation	\$71,090,000	\$49,870,000	\$109,590,000	\$6,410,706	\$1,137,328
<u>All Building Permits</u> (including additions and remodelings)					
No. of building permits	934	879	736	724	52
Valuation	\$123,470,000	\$114,250,000	\$164,630,997	\$115,055,161	\$9,229,128

**Source:** The Village.

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<sup>1</sup> As of February 1, 2024.

## U.S. CENSUS DATA

### Population Trend: The Village

2010 U.S. Census Population	35,626
2020 U.S. Census Population	38,527
Percent of Change 2010 - 2020	8.14%

2023 Estimated Population	39,565
---------------------------	--------

### Income and Age Statistics

	<b>The Village</b>	<b>Waukesha County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2022 per capita income	\$55,576	\$55,573	\$40,130	\$41,261
2022 median household income	\$96,986	\$101,639	\$72,458	\$75,149
2022 median family income	\$127,522	\$126,010	\$92,974	\$92,646
2022 median gross rent	\$1,217	\$1,235	\$992	\$1,268
2022 median value owner occupied units	\$312,400	\$352,600	\$231,400	\$281,900
2022 median age	41.9 yrs.	43.3 yrs.	39.9 yrs.	38.5 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
Village % of 2022 per capita income	138.49%	134.69%
Village % of 2022 median family income	137.16%	137.64%

### Housing Statistics

	<b><u>The Village</u></b>		
	<b>2020</b>	<b>2022</b>	<b>Percent of Change</b>
All Housing Units	16,923	16,585	-2.00%

**Source:** 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center ([https://doa.wi.gov/Pages/LocalGovtsGrants/Population\\_Estimates.aspx](https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx)) and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

## EMPLOYMENT/UNEMPLOYMENT DATA

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>		
	<b>The Village</b>	<b>Waukesha County</b>	<b>The Village</b>	<b>Waukesha County</b>	<b>State of Wisconsin</b>
2019	20,303	219,419	2.7%	2.8%	3.2%
2020	19,526	210,790	5.7%	5.6%	6.4%
2021	20,049	216,435	3.1%	3.2%	3.8%
2022	20,161	217,639	2.4%	2.5%	2.9% <sup>1</sup>
2023, December <sup>1</sup>	20,429	220,539	2.3%	2.3%	2.7%

**Source:** Wisconsin Department of Workforce Development.

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<sup>1</sup> Preliminary.

### **FINANCIAL STATEMENTS**

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Village has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Bonds, the Village represents that there have been no material adverse change in the financial position or results of operations of the Village, nor has the Village incurred any material liabilities, which would make such financial statements misleading.

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

**VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin**

**Annual Comprehensive Financial Report  
Year Ended December 31, 2022**

**Prepared by the Finance Department**

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Annual Comprehensive Financial Report**  
**Year Ended December 31, 2022**

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**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Annual Comprehensive Financial Report**  
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# INTRODUCTION

July 31, 2023

Citizens of Menomonee Falls  
Members of the Board of Trustees

Wisconsin Statutes and the Wisconsin Administrative Code require that municipalities with a population greater than 25,000 publish, at the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The attached Comprehensive Annual Financial Report of the Village of Menomonee Falls for the fiscal year ended December 31, 2022 satisfies these requirements.

The Village retained the services of Reilly, Penner & Benton, LLP to perform its audit. Based upon standard audit procedures, Reilly, Penner & Benton, LLP has issued an unmodified opinion on the Village's financial statements for the year ended December 31, 2022. The auditor's opinion is located at the front of the financial section of this report.

This report was prepared to provide the Village Board, Village staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition of Village government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Village.

This report was prepared by the Village's Finance Department and contains representations concerning the finances of the Village. We believe the data, as presented, is accurate in all material respects, and is organized in a manner designed to present fairly the financial position and results of operations of the Village. We also believe that all disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

The financial section of this report includes Management's Discussion and Analysis (MD&A), an overview of the basic financial statements. The Village's MD&A can be found immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it.

## **VILLAGE PROFILE**

The Village of Menomonee Falls is located in Waukesha County directly northwest of the City of Milwaukee, in the southeast corner of Wisconsin. Incorporated in 1892, the Village of Menomonee Falls covers approximately 33 square miles and has a population of 39,213 (per the State of Wisconsin Department of Administration). Approximately one third of the Village remains undeveloped.

## **VILLAGE PROFILE (continued)**

The governing and legislative body of the Village is the seven member Village Board. The Village operates under the council/manager form of government whereby the appointed Village Manager is responsible for the day-to-day operations of the Village, the appointment of administrative staff members, and the supervision of all Village employees.

The Village provides typical municipal services including; police, fire, and ambulance services; public works activities such as highway and street maintenance, garbage and recycling collection; recreational activities such as parks, public library and historical center; community development activities including planning and zoning enforcement, economic development, and supportive services such as general administration and finance. The Village operates Water, Sewer, and Storm Water utilities as well as Garbage and Recycling as enterprise funds. Risk management services for property liability are accounted for in the Village's Internal Service Fund.

For financial reporting purposes, all funds involved in the provision of these services are included if the Village is considered financially accountable for the fund. Financial accountability is determined by several different factors including fiscal dependence, ability to impose its will upon the entity's governing body, provision of specific financial burdens or benefits and separate legal status. After careful evaluation, the Village has included in this financial report all funds of the Village, including the Water, Sewer, and Storm Water Utilities, Garbage and Recycling, as well as the Tourism Commission, a special revenue fund.

## **ACCOUNTING SYSTEMS AND BUDGETARY CONTROL**

The Village's accounting records for governmental and agency funds are based upon the modified accrual basis, with revenues recorded when available and measurable and expenditures recorded when the services and goods are received and the liabilities are incurred. Accounting records for the Village's utilities and garbage and recycling are maintained on the accrual basis.

In developing the Village's overall accounting system, consideration was given to the adequacy of the internal accounting control structure. Internal controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial resources for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. I believe that the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Village Board policy provides for adoption of an annual budget prepared by management. The budget, as adopted by the Board, is intended to appropriate expenditures on a program or functional basis. The Village Manager is granted authority to allow the expenditure level for a specific department to exceed the budget amount, provided that the overall program or functional appropriation is not exceeded. Amendments to the adopted General Fund Budget, at the function level or in total, require the approval of the Village Board (*Wis. Stats. 65.90(5)(a)*).

The annual capital budget summarizes long range plans for infrastructure and major equipment purchases. The adopted capital budget is typically funded through a debt issuance. The Village works closely with financial advisors from Ehler's Inc. in the management of overall debt. Additional information related to Village debt can be found in Footnote 3-F.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Local Economy**

The fiscal health of a municipality can be assessed in several ways: current growth, preparation for the future, and the results of operations. The Village continues to forge new directions and is emerging as a regional leader in economic innovation. Using a variety of financing tools such as impact fees, tax incremental financing, municipal revenue obligations, and close partnerships with businesses, the Village is preparing for a robust economic future. Evidence of the health of the Village is reflected in unemployment percentages consistently lower than the State average. The Village's 2022 unemployment rate is 2.3% versus the State's 3.3%.

In 2022, the Village's equalized value (including TIDs) increased 12.8% which; reflects evidence of continued economic growth. Menomonee Falls has a growing residential sector and continues to be a desirable location for both large and small businesses to locate and expand. This development trend supports a resilient tax base and was evidenced by the Village having the fourth highest net new construction value in Waukesha County in 2022.

In 2022, development activity was strong with redevelopment projects and new development happening across all sectors. The Village issued 643 residential and 93 non-residential building permits with an estimated construction value of \$165 million. At \$55 million, the total construction value of single family/duplex residential projects was the 4th highest on record. Other major contributors to construction value in 2022 include High Bluff at Creekwood Crossing apartments (\$24.4 million), Highlands at Aero Park senior housing project (\$23.5 million), JAX Incorporated (\$17 million), SpringHill Suites hotel (\$12 million), and the Riverwalk II apartments (\$9.8 million). At 736, the total number of building permits issued in 2022 was 19 percent fewer than 2021 and represents the lowest total since 2012. Increased building costs and higher interest rates for loans contributed to the slowing pace of construction across the region in 2022.

While many of the developments in Menomonee Falls in 2022 were conceptual multi-phase projects, the Village ultimately approved 105 new single family lots in four subdivisions and one Certified Survey Map. With 78 single family housing starts in 2022, the Village issued the fewest single family home permits since 2014. Although Menomonee Falls makes up five percent of the land area in Waukesha County, our 78 home starts accounted for 10.5 percent of all new single family homes in 2022. The decline in the rate of single family home construction in Menomonee Falls mirrored that of the metropolitan area which saw a 21 percent year over year decrease in new home starts. Despite the construction slow down, new lot creation kept pace with recent years.

The Village aggressively uses Tax Incremental Financing Districts (TIDs) as catalysts for development. The Village Board policy of working for continued growth is evident in its commitment to capital expenditures and public improvements in the TIDs. In 2022, tax increment value increased \$83.8M from 2021 to 2022. TID-assisted projects in 2022 included the Tailored Label Corp Headquarters, Ascension Hospital and Milwaukee Tool Technology Center.

### **Financial Policies**

The Village continues to follow basic short-term and long-term planning policies. In the short-term, the Village philosophy is one of conservative stability towards budgets, taxes and utility user charges. Long range planning focuses on the maintenance and protection of Village infrastructure and a commitment towards balanced growth.

The Village Board is committed to maintaining an unassigned General Fund balance of around 3 months of operating expenditures. As of December 31, 2022, the unassigned General Fund balance approximated 3.2 months of 2023 budgeted expenditures, providing a reasonable cushion for unanticipated emergencies.

Although not as high as pre-2008 recession rates, interest earnings had continued to improve in recent years. State statutes limit the investment options available for public funds. Based on what's allowed, management chooses to follow a conservative approach to investing excess funds, placing safety and liquidity before return on investment.

## **Financial Planning**

The Village continually updates its long-range development and financial plans. The local road maintenance program is based upon assessment of local road conditions together with the age and condition of the underlying utility infrastructure. The Village relies on an Overall Economic Development Plan, Comprehensive Outdoor Recreation Plan, and impact fee studies, to provide a basis for the development of new parks, utility structures and fire stations.

The Village policy towards budget and tax stabilization prompted the development of an internal Revolving Capital Loan program which provides departments with an interest-free method of funding large equipment and vehicle purchases with amortized repayments included in the General Fund budget. Consolidation of the Municipal Facilities Fund with the Revolving Capital Loan Fund at the end of 2010 provided combined resources for the primary government as a whole, further evidence of the Village Board's commitment toward control of debt and tax stabilization.

By necessity, long range planning includes analysis of future debt issuances in conjunction with current debt service requirements. Village debt policies are designed to comply with requirements of Wisconsin State Statutes, and bond covenants, while maintaining the highest bond rating possible. Management reviews capital planning and resultant bond issuances in light of resources on hand and effects on future cash flows. The Village maintains a solid Aa2 general obligation bond rating from Moody's, based upon its healthy fund balance, conservative financial management and aggressive debt repayment schedules.

## **ACKNOWLEDGEMENTS**

The preparation of this report was made possible by the dedicated services of the entire staff of the Village of Menomonee Falls Finance Department and the advice of the Village's independent auditors, Reilly, Penner & Benton, LLP. Appreciation is expressed to Village employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

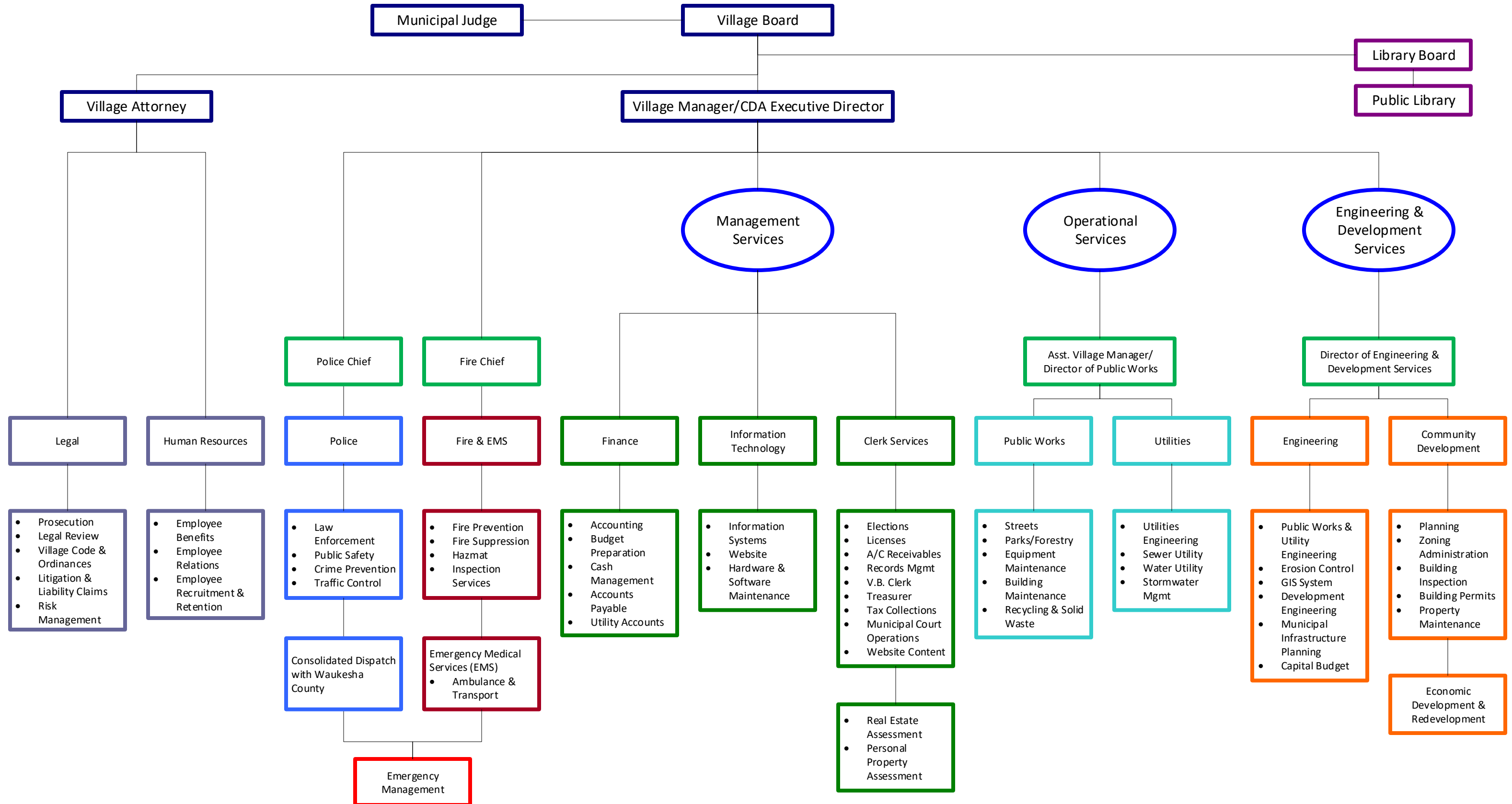
Respectfully submitted,



Julie Muthauf  
Director of Finance

# VILLAGE OF MENOMONEE FALLS

## Functional Organization Chart



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Directory of Officials**  
**As of December 31, 2022**

**Elected Officials:**

<b>Village Board:</b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Jeremy Walz	President	April 2024
Katie Kress	Trustee	April 2023
Timothy Newmann	Trustee	April 2023
Paul Tadda	Trustee	April 2025
Steve Taggart	Trustee	April 2025
Randy Van Alstyne	Trustee	April 2023
Vacant	Trustee	April 2025

**Certified Public Accountants:**

Reilly, Penner & Benton LLP, Milwaukee, Wisconsin

**Bond Counsel:**

Quarles & Brady, Milwaukee, Wisconsin

**Financial Advisor:**

Ehlers, Waukesha, Wisconsin

# **FINANCIAL SECTION**





## INDEPENDENT AUDITORS' REPORT

To the Village Board  
Village of Menomonee Falls  
Menomonee Falls, Wisconsin

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Menomonee Falls ("Village") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Change in Accounting Principle

As discussed in Note 1.D to the financial statements, in 2022 the Village adopted new accounting guidance, GASBS No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Required Supplementary Information**

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

## Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Menomonee Falls as of and for the year ended December 31, 2021 which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Menomonee Falls' basic financial statements as a whole. The supplementary information for the year ended December 31, 2021 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 supplementary information is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

## Other information

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

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



July 31, 2023  
Milwaukee, Wisconsin

## **Management's Discussion and Analysis (Unaudited)**

Management's Discussion and Analysis provides management's overview and analysis of the Village's basic financial statements for the year ended December 31, 2022. This discussion is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position, and (4) identify any changes in the Village's financial plan.

Please read it in conjunction with the transmittal letter beginning on page 1 and the Village's financial statements, which begin on page 22.

### **Using This Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 22 and 23) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements start on page 24. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. These statements also include information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

### **Reporting the Village as a Whole – Government-Wide Financial Statements**

The analysis of the Village as a whole begins on page 22. One of the most important questions asked about the Village's finances is . . . "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Village as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Village's net position and changes in them. Net position is the difference between what the citizens own and what the citizens owe in liabilities at one moment in time. Over time, increases or decreases in the Village's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors play a significant role in determining the Village's overall position, such as changes in property tax base and the condition of the Village's capital assets (roads, buildings, water and sewer lines, etc.).

Two kinds of activities are reported in the Statement of Net Position and the Statement of Activities:

- Governmental activities include most of the Village's services, including police, fire, EMS, street maintenance, parks, library, and general administration. These services are supported primarily by property taxes and state revenues.
- Business-type activities include the Water, Sewer, Storm Water and Garbage Collection Utilities. The Village charges a fee to customers to cover the cost of water, sanitary sewer and garbage collection utility services. The Village funds storm water activities through property taxes.

## **Reporting the Village's Most Significant Funds - Fund Financial Statements**

The analysis of the Village's major funds begins on page 24, and provides detailed information about the most significant funds, not the Village as a whole. Some funds are required by state law, or by debt covenants. However, the Village establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using certain taxes, grants and other money (like donations). The Village's two kinds of funds, governmental and proprietary, use different accounting approaches.

### **Governmental Funds**

Most of the Village's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general operations and the services it provides. Governmental fund information helps the user determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. Reconciliations between the government-wide statements and the governmental fund statements are provided with the fund financial statements.

### **Proprietary Funds**

Proprietary funds are financed and reported in a manner similar to normal business-type entities and are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Village's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements; but, provide more detail and additional information, such as cash flows. The Village uses an internal service fund (the other component of proprietary funds) to report self-insurance activities.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties other than the Village. These funds are not available to fund Village activities, and are therefore not reflected in the government-wide financial statements. The Village maintains one fiduciary fund, which is used to record assets collected on behalf of other taxing units.

### **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 34 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which begins on page 83. Combining and individual fund statements and schedules begin on page 88.

## Government-Wide Financial Analysis

### Net Position

Net position may serve over time, as a useful indicator of a government's financial position. In the case of the Village of Menomonee Falls, total net position was \$313.1 million as of December 31, 2022. The largest portion of the Village's net position (96%) reflects its investments in capital assets (e.g. land, building, equipment, improvements, construction in progress and infrastructure) less any outstanding debt used to acquire those assets. The Village uses these assets to provide service to citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to pay debt related to capital assets must be provided from other sources, since the capital assets themselves will not be used to liquidate these liabilities. An additional portion of the Village's net position, 4%, represents resources that are subject to external restriction on how they may be used. The remaining unrestricted net position will be discussed in later sections of this analysis. Net position of the Village as a whole increased by \$11.4 million, or 3.8%.

#### Condensed Net Position

(in millions of dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Assets:</b>						
Capital assets	\$ 194.4	\$ 192.3	\$ 157.8	\$ 153.8	\$ 352.2	\$ 346.1
Other assets	72.0	64.7	34.7	28.0	106.7	92.7
Total assets	266.4	257.0	192.5	181.8	458.9	438.8
<b>Deferred outflows of resources:</b>	19.3	12.7	1.5	1.0	20.8	13.7
<b>Liabilities:</b>						
Long-term liabilities	71.3	70.6	11.5	11.7	82.8	82.3
Other liabilities	17.4	16.7	6.2	4.6	23.6	21.3
Total liabilities	88.7	87.3	17.7	16.3	106.4	103.6
<b>Deferred inflows of resources:</b>	53.3	45.0	6.9	2.2	60.2	47.2
<b>Net Position:</b>						
Net investment in capital assets	154.1	148.4	147.1	142.9	301.2	291.3
Restricted	3.5	4.4	10.5	12.3	14.0	16.7
Unrestricted	(13.9)	(15.4)	11.8	9.1	(2.1)	(6.3)
Total net position	\$ <u>143.7</u>	\$ <u>137.4</u>	\$ <u>169.4</u>	\$ <u>164.3</u>	\$ <u>313.1</u>	\$ <u>301.7</u>

### Changes in Net Position

During 2022 the net position of governmental activities increased 4.6% to \$143.7 million. Restricted net position includes \$1.1 million for capital projects (including Tax Incremental Financing Districts or TIDs), \$1.5 million for other special revenue fund purposes, and \$0.9 million for the Library. The unrestricted net position of governmental activities amounts to a deficit of (\$13.9 million).

Net position of business activities totaled \$169.4 million as of December 31, 2022. Business-type assets totaling \$10.5 million are restricted for capital projects, operations and maintenance, depreciation, and projected future pension obligations. The Village may use the unrestricted net position totaling \$11.8 million to finance continuing operations and capital projects of the utilities.

### **Changes in Net Position**

(in millions of dollars)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 7.5	\$ 7.1	\$ 18.6	\$ 18.6	\$ 26.1	\$ 25.7
Operating grants and contributions	5.7	4.1	-	-	5.7	4.1
Capital grants and contributions	1.7	4.5	4.2	4.1	5.9	8.6
<b>General revenues:</b>					-	-
Property taxes	29.1	28.1	0.9	0.9	30.0	29.0
Unrestricted grants and contributions	1.8	2.2	-	-	1.8	2.2
Other revenues	0.9	2.1	2.3	(1.0)	3.2	1.1
<b>Total revenues</b>	<u>46.7</u>	<u>48.1</u>	<u>26.0</u>	<u>22.6</u>	<u>72.7</u>	<u>70.7</u>
<b>Expenses:</b>						
General government	5.1	4.6	-	-	5.1	4.6
Public safety	18.3	17.3	-	-	18.3	17.3
Public works	8.6	8.6	-	-	8.6	8.6
Culture and recreation	4.1	3.6	-	-	4.1	3.6
Conservation and development	2.2	2.9	-	-	2.2	2.9
Interest on long-term debt	2.1	2.0	-	-	2.1	2.0
Water Utility	-	-	6.5	6.1	6.5	6.1
Sewer Utility	-	-	10.6	10.5	10.6	10.5
Storm Water Utility	-	-	1.7	1.6	1.7	1.6
Solid Waste Collection	-	-	2.1	2.1	2.1	2.1
Total expenses	<u>40.4</u>	<u>39.0</u>	<u>20.9</u>	<u>20.3</u>	<u>61.3</u>	<u>59.3</u>
<b>Increase (decrease) in net position</b>	<u>6.3</u>	<u>9.1</u>	<u>5.1</u>	<u>2.3</u>	<u>11.4</u>	<u>11.4</u>
Net position, beginning of year	<u>137.4</u>	<u>128.3</u>	<u>164.3</u>	<u>162.0</u>	<u>301.7</u>	<u>290.3</u>
<b>Net position, end of year</b>	<u>\$ 143.7</u>	<u>\$ 137.4</u>	<u>\$ 169.4</u>	<u>\$ 164.3</u>	<u>\$ 313.1</u>	<u>\$ 301.7</u>

Governmental activities increased net position by \$6.3 million. Significant changes in governmental revenues and expenses were as follows.

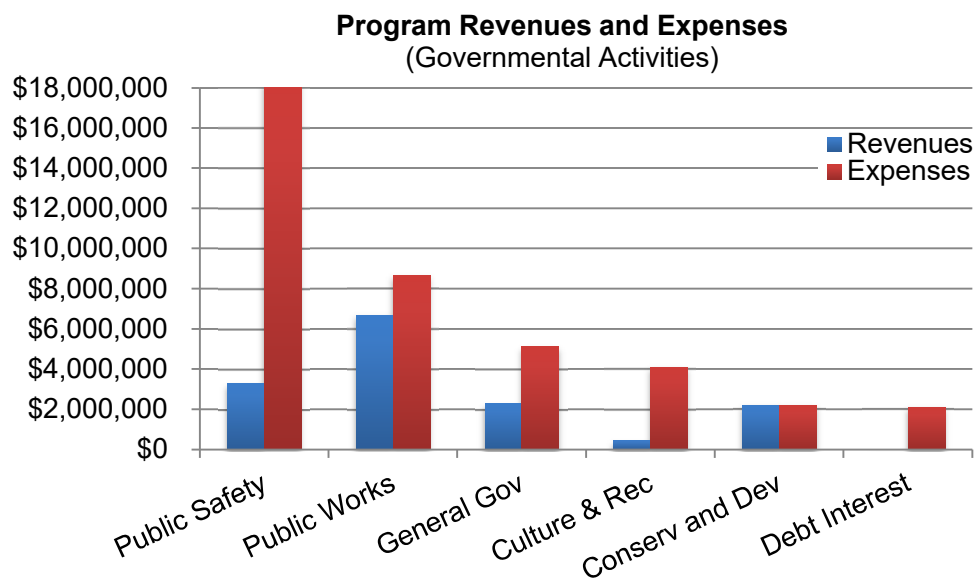
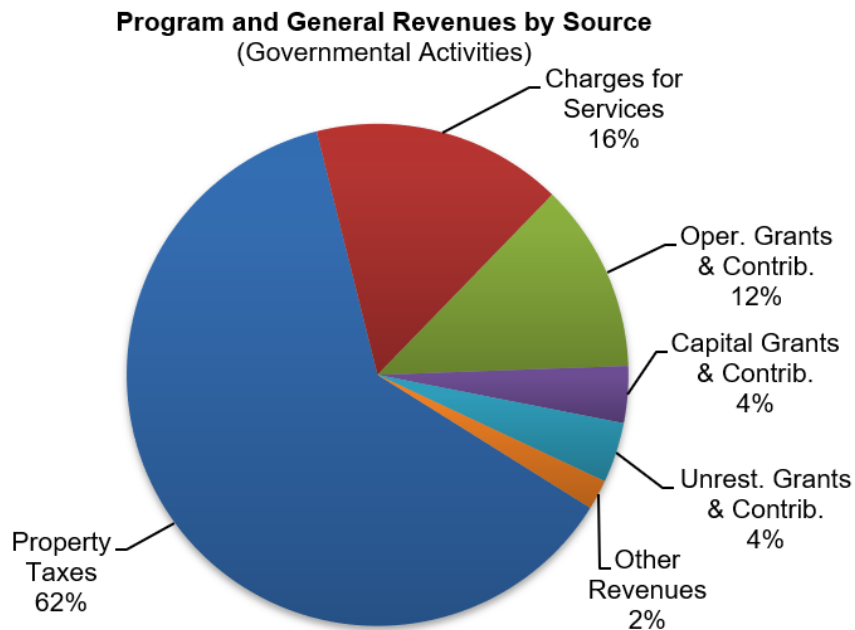
#### **Revenues:**

Charges for services totaled \$7.5 million, an increase of \$0.4 million from 2021. The most significant revenues in this category includes landfill tipping fees (\$2.4 million), EMS services (\$1.5 million), and permits (\$1.2 million). Program grants and contributions totaled \$5.9 million, a \$2.7 million decrease from the prior year.

All governmental revenues other than program revenues are reported as general revenues. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose. For 2022, general revenues totaled \$31.8 million, a \$0.6 million decrease from the prior year.

## Expenses:

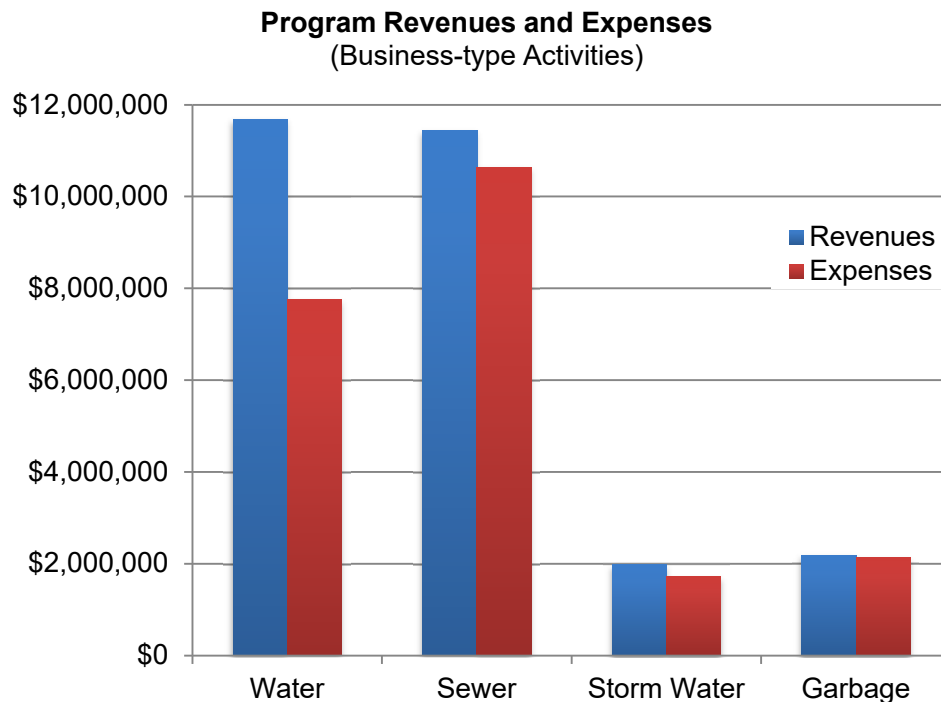
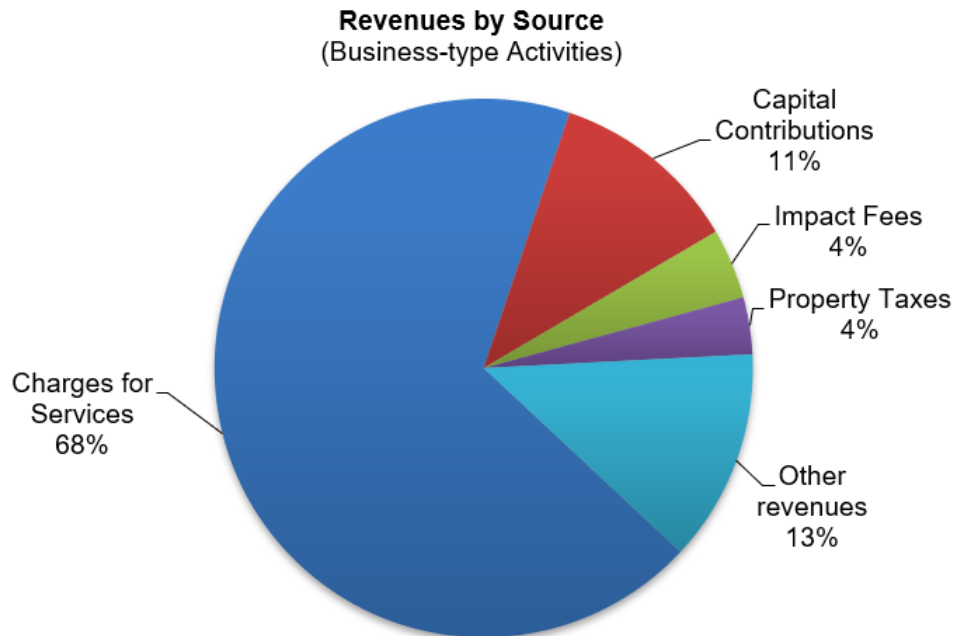
Governmental expenses totaled \$40.4 million, an overall increase of \$1.4 million from 2021. There was no specific governmental activity change that contributed to this amount as each category's expense did not have a significant change to note.





## Business-Type Activities

Business-type activities, which include the operations of the water, sewer, storm water and garbage collection utilities, accounted for an increase of \$5.1 million in the Village's net position. Total expenses exceeded charges for services by \$2.3 million. The deficit was offset by capital grants and contributions totaling \$4.2 million and a tax levy of \$0.9 million.



## Water Utility

The Water Utility reported net operating income of \$0.5 million for 2022, \$0.7 million decrease from 2021. Operating revenues of the Water Utility totaled \$6.8 million for 2022, a decrease of \$0.2 million from 2021. Operating expenses totaled \$6.3 million, an increase of \$0.5 million prior year. Real estate taxes paid to the Village in 2022 were \$1.1 million. Overall, 2022 net income is \$4.0 million, \$2.5 higher than 2021.

The Village purchases water from Milwaukee Water Works (MWW) and supplements with water from Village deep wells. The Village paid \$1.8 million to MWW in 2022, which closely matches the amount paid in 2021. Village water rates were last increased in January 2017.

The Water Utility capitalized \$5.6 million of improvements during 2022, of which \$1.0 million were contributed by developers. The majority of the utility-paid capitalized improvements were related to the continued replacement of old utility infrastructure. Note that capital contributions can vary widely from year-to-year since they are dependent on the completion of developer projects in the Village. Capital contributions for 2022 were similar to 2021.

### Water Utility Activity Summary (in millions of dollars)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Charges for services	\$ 6.8	\$ 7.0	\$ (0.2)
Operating expenses	<u>6.3</u>	<u>5.8</u>	<u>0.5</u>
<b>Operating income</b>	<b>0.5</b>	<b>1.2</b>	<b>(0.7)</b>
Non-operating income	2.2	0.5	1.7
Payment-in-lieu of taxes	(1.1)	(1.2)	0.1
Transfers from governmental funds	1.4	-	1.4
Capital contributions	<u>1.0</u>	<u>1.0</u>	<u>-</u>
<b>Increase in net position</b>	<b>4.0</b>	<b>1.5</b>	<b>2.5</b>
Net position, beginning of year	<u>71.7</u>	<u>70.2</u>	<u>1.5</u>
<b>Net position, end of year</b>	<b>\$ <u>75.7</u></b>	<b>\$ <u>71.7</u></b>	<b>\$ <u>4.0</u></b>

## Sewer Utility

The Sewer Utility reported a net operating loss of \$1.0 million for 2022, comparable to the \$1.0 million operating loss in 2021. Sewer rates were not increased in 2021 and 2022, but increased 1% in 2020 as recommended by the Village's Sewer Rate Study.

Operating expenses totaled \$10.6 million, which is \$0.1 higher than in 2021. The Village contracts with other municipalities for sewerage treatment. The largest vendor servicing the Village is Metropolitan Milwaukee Sewerage Treatment District (MMSD). In 2022, the Village paid MMSD \$2.7 million for user charges and \$5.0 million for capital charges. Overall, total payments to MMSD were about the same when compared to the prior year.

The Sewer Utility capitalized \$2.1 million of improvements during 2022 of which \$1.2 million was contributed by developers. Note that capital contributions can vary widely from year-to-year since they are dependent on the completion of developer projects in the Village. Capital contributions for 2022 were similar to 2021.

## Sewer Utility (continued)

### Sewer Utility Activity Summary (in millions of dollars)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Charges for services	\$ 9.6	\$ 9.5	\$ 0.1
Operating expenses	<u>10.6</u>	<u>10.5</u>	<u>0.1</u>
<b>Operating loss</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>-</b>
Non-operating income	0.6	0.5	0.1
Capital contributions	<u>1.2</u>	<u>0.8</u>	<u>0.4</u>
<b>Increase (decrease) in net position</b>	<b>0.8</b>	<b>0.3</b>	<b>0.5</b>
Net position, beginning of year	<u>62.4</u>	<u>62.1</u>	<u>0.3</u>
<b>Net position, end of year</b>	<b>\$ <u>63.2</u></b>	<b>\$ <u>62.4</u></b>	<b>\$ <u>0.8</u></b>

## Storm Water Utility

The Storm Water Utility is funded primarily through property taxes. Operating revenues of the Storm Water Utility totaled \$1.0 million and operating expenses totaled \$1.7 million. The net operating loss of \$0.7 million for 2022 is consistent with the results of 2021 operations.

The Storm Water Utility capitalized \$1.1 million of improvements during 2022, of which \$0.9 million were contributed from developers. Most of the infrastructure installed by the Village is attributable to the addition of new utility infrastructure. Capital contributions for 2022 were the same as in 2021.

### Storm Water Utility Activity Summary (in millions of dollars)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Property taxes and charges for services	\$ 1.0	\$ 1.0	\$ -
Operating expenses	<u>1.7</u>	<u>1.6</u>	<u>0.1</u>
<b>Operating loss</b>	<b>(0.7)</b>	<b>(0.6)</b>	<b>(0.1)</b>
Non-operating Income	(0.1)	-	(0.1)
Capital contributions	<u>1.0</u>	<u>1.0</u>	<u>-</u>
<b>Increase (decrease) in net position</b>	<b>0.2</b>	<b>0.4</b>	<b>(0.2)</b>
Net position, beginning of year	<u>30.0</u>	<u>29.6</u>	<u>0.4</u>
<b>Net position, end of year</b>	<b>\$ <u>30.2</u></b>	<b>\$ <u>30.0</u></b>	<b>\$ <u>0.2</u></b>

## Solid Waste Collection Utility

The Solid Waste Collection Utility is funded primarily through user charges and this was the primary reason to treat this function as an Enterprise Fund activity rather than a Governmental Fund activity beginning in 2020. Operating revenues of the Solid Waste Collection Utility totaled \$2.1 million and operating expenses totaled \$2.1 million.

### Solid Waste Collection Utility Activity Summary (in millions of dollars)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Charges for services	\$ 2.1	\$ 2.0	\$ 0.1
Operating expenses	<u>2.1</u>	<u>2.0</u>	<u>0.1</u>
<b>Operating income</b>	-	-	-
Non-operating income	0.1	-	0.1
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase in net position</b>	0.1	-	0.1
Net position, beginning of year	<u>0.1</u>	<u>0.1</u>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ 0.2</u>	<u>\$ 0.1</u>	<u>\$ 0.1</u>

## Fund Financial Analysis

Fund financial reporting, beginning on page 24, focuses on short-term spendable resources and fund balances available for future use.

### Governmental Funds

As of December 31, 2022, Village governmental funds reported a combined fund balance of \$22.9 million, \$3.3 million less than last year's total of \$19.6 million. Further details on the General Fund and other significant or "Major" funds are listed below.

### General Fund

The final fund balance of the General Fund amounted to \$10.5 million, no change from the prior year. \$2.2 million of the total fund balance is a result of non-spendable assets. The remaining \$8.3 million is considered "unassigned" and available for spending. The unassigned balance equates to 3.2 months of 2023 budgeted expenditures; which is consistent with our fund balance policy of around 3 months.

Overall, for 2022, General Fund revenues were \$1.0 million more than budgeted. This increased revenue is a result of multiple revenues cumulatively exceeding the budgeted figures, including fines and forfeitures and charges for services. Ambulance fees were increased at the end of 2022 which will provide the necessary revenues to cover expenses to provide service to the community.

General Fund expenditures were within budgeted expectations. The budget overage in public safety and savings with open positions across the Village and as well as savings from employee health plan changes and delaying of new employee hires ended 2022 total expenditures per budget figures.

### **Debt Service Fund**

The Debt Service Fund balance decreased \$0.4 million. Annual debt service requirements were met primarily by transfers from other governmental funds of \$6.7 million and property taxes levied of \$2.5 million.

### **Capital Projects Fund**

The Capital Projects Fund is used to account for capital expenditures and other project-related purchases and financing. The final fund balance amounted to \$1.6 million, a \$1.0 million increase from the prior year. Expenditures increased by \$3.0 million due to an increase in capital outlay. Transfers in of \$4.9 million along with debt issuance total of \$2.2 million provided funding for the increase expense in capital outlay.

### **Proprietary Funds**

The Water, Sewer, Storm Water and Garbage Collection Utilities were discussed in the Government-Wide Analysis on pages 10-18.

### **The Village as Trustee**

The Village acts as Trustee for property taxes collected on behalf of other taxing units: the State of Wisconsin, Waukesha County, Menomonee Falls School District, Hamilton School District, and Waukesha County Technical College. All of the Village's fiduciary activities are reported in the Statement of Net Position - Fiduciary Fund on page 33. The Village excludes these assets from other financial statements because the Village cannot use these assets to finance its operations.

## Capital Assets

As of December 31, 2022, the Village had \$352.2 million invested in a broad range of capital assets including buildings, police, fire and public works equipment, roads, bridges, and water and sewer lines. (See table below) More information on capital assets is located in Note 3 E.

### Capital Assets (in millions of dollars)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>Non-depreciable assets:</b>						
Land	\$ 106.8	\$ 106.6	\$ 0.6	\$ 0.6	\$ 107.4	\$ 107.2
Construction in progress	6.9	2.5	6.4	3.0	13.3	5.5
<b>Total non-depreciable assets</b>	<b>113.7</b>	<b>109.1</b>	<b>7.0</b>	<b>3.6</b>	<b>120.7</b>	<b>112.7</b>
<b>Depreciable assets:</b>						
Land improvements	6.4	6.3	1.9	1.9	8.3	8.2
Buildings and improvements	60.8	60.7	9.3	9.3	70.1	70.0
Equipment and furnishings	24.8	23.8	10.5	10.1	35.3	33.9
Infrastructure	64.3	62.8	220.2	215.7	284.5	278.5
<b>Total depreciable assets</b>	<b>156.3</b>	<b>153.6</b>	<b>241.9</b>	<b>237.0</b>	<b>398.2</b>	<b>390.6</b>
Less accumulated depreciation	75.6	70.4	91.1	86.8	166.7	157.2
<b>Net depreciable assets</b>	<b>80.7</b>	<b>83.2</b>	<b>150.8</b>	<b>150.2</b>	<b>231.5</b>	<b>233.4</b>
<b>Total capital assets</b>	<b>\$ 194.4</b>	<b>\$ 192.3</b>	<b>\$ 157.8</b>	<b>\$ 153.8</b>	<b>\$ 352.2</b>	<b>\$ 346.1</b>

The Village's 2022 capital budget anticipated a spending level of \$10.7 million for capital projects. The Village borrowed \$6.7 million in 2022 to fund these expenditures, with the remaining \$4.0 million being financed with cash on hand.

The most significant changes in capital assets of governmental activities included the following (in millions):

	<b>Book Value</b>
Contributed Infrastructure from Three Subdivision Developments	\$ 1.2
Curb & Gutter Improvements	0.1

The most significant changes in capital assets of business-type activities included the following (in millions):

	<b>Book Value</b>
Water Utility infrastructure	\$ 5.6
Sewer Utility infrastructure	2.1
Storm Utility infrastructure	1.1

## Long-term Debt

As of December 31, 2022, long-term debt outstanding totaled \$84.4 million compared to \$83.1 million at December 31, 2021, a net increase of \$1.3 million.

The following debt issuances occurred in 2022:

2022A GO Notes – 2022 Capital Budget	\$ 6,190,000
2022B GO Notes – 2022 Water Utility Capital Expenditures	1,350,000
2022C GO Bonds – 2022 Community Development (TID 8, 10)	2,645,000
	<u>\$ 10,185,000</u>

Principal paid on outstanding debt totaled \$9.0 million for 2022, all of which was paid toward principal reduction.

The debt issued to fund the 2022 Capital Budget is summarized as follows:

Streets and Storm Water Infrastructure	\$ 2,200,000
Parks Projects	3,220,000
Water Utility Infrastructure	1,306,000
Total debt issuance	<u>\$ 6,726,000</u>

### Outstanding Debt, December 31 (in millions of dollars)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
General obligation bonds/notes	\$ 72.5	\$ 71.3	\$ 11.3	\$ 11.1	\$ 83.8	\$ 82.4
Mortgage revenue bonds	-	-	0.6	0.7	0.6	0.7
	<u>\$ 72.5</u>	<u>\$ 71.3</u>	<u>\$ 11.9</u>	<u>\$ 11.8</u>	<u>\$ 84.4</u>	<u>\$ 83.1</u>

The Village's general obligation bond rating is Aa2 by Moody's; a strong rating for a village of our size. The outstanding Sewer Utility mortgage revenue bonds are clean water fund loans and are therefore not rated by Moody's.

State Statutes limit the amount of general obligation debt a government entity may issue to 5 percent of its total equalized value. The current debt limit for the Village of Menomonee Falls is \$347.0 million. As of December 31, 2022 the Village had \$84 million in outstanding general obligation debt, or 24.3% of the limit.

For more information related to long-term debt obligations, see Note 3 F. Other long-term obligations include accrued sick leave and other post-employment benefits (OPEB) obligation.

## Economic Factors and Next Year's Budgets and Rates

Property taxes make up 63% of the General Fund's 2023 budget and state revenues account for another 14%. Together, 77% of the General Fund's expenditures are covered by taxes and state revenues. Overall, the 2023 General Fund operating budget increased \$1.1 million compared to 2022.

The total assessed value for the Village increased \$29.3 million, or 0.6%. Total assessed values for 2022 and 2021 were \$5.1 billion and \$5.07 billion respectively. The ratio of assessed values to equalized values was 73.6% as of January 1, 2022.

## Contacting Village Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If there are questions about this report or a need for further information, contact Financial Services by email at [fs@menomonee-falls.org](mailto:fs@menomonee-falls.org); or by mail at Village of Menomonee Falls, W156N8480 Pilgrim Road, Menomonee Falls, Wisconsin, 53051.

## **BASIC FINANCIAL STATEMENTS**



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Net Position**  
**December 31, 2022**

	Primary Government		
	Governmental	Business-	
	Activities	type	Total
	Activities	Activities	
<b>Assets:</b>			
Cash and equivalents	\$ 28,871,751	\$ 10,384,124	\$ 39,255,875
Taxes receivable	26,445,057	931,000	27,376,057
Special charges on the tax roll	25,568	2,638,530	2,664,098
Intergovernmental aid receivable	1,333,773	---	1,333,773
Accounts receivable (net)	2,466,085	2,964,759	5,430,844
Lease receivable	1,086,386	4,367,238	5,453,624
Interest receivable - leases	3,940	26,384	30,324
Inventories	602,117	131,924	734,041
Prepaid items	79,324	2,427	81,751
Special assessments	721,911	186,064	907,975
Restricted assets:			
Cash and equivalents	967,360	10,570,917	11,538,277
Net pension asset	9,417,974	665,510	10,083,484
Prepaid capacity charges	---	1,856,374	1,856,374
Capital assets:			
Land and construction in progress	113,728,370	6,994,409	120,722,779
Other capital assets net of accumulated depreciation	80,711,428	150,821,654	231,533,082
<b>Total assets</b>	<b>266,461,044</b>	<b>192,541,314</b>	<b>459,002,358</b>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to pensions	18,488,322	1,306,457	19,794,779
Deferred outflows related to OPEB - life insurance	531,006	120,535	651,541
Deferred outflows related to OPEB - health	286,357	29,361	315,718
<b>Total deferred outflows of resources</b>	<b>19,305,685</b>	<b>1,456,353</b>	<b>20,762,038</b>
<b>Liabilities:</b>			
Accounts payable and accrued expenses	2,608,109	2,099,091	4,707,200
Incurred but not reported claims	96,893	---	96,893
Deposits	584,211	50,000	634,211
Unearned revenue	1,333,773	2,157,870	3,491,643
Unearned ARPA grant funds	1,710,978	---	1,710,978
Liabilities payable from restricted assets:			
Current portion of revenue bonds	---	74,012	74,012
Accrued interest	---	2,493	2,493
Accrued interest	650,520	87,017	737,537
Compensated absences - vacation due within one year	1,259,650	175,864	1,435,514
Compensated absences - sick leave due within one year	419,075	67,056	486,131
Compensated absences - sick leave more than one year	2,742,310	357,054	3,099,364
Net OPEB - life insurance liability	1,315,109	298,522	1,613,631
Total OPEB - health liability	2,190,025	224,557	2,414,582
Bonds and notes - due within one year	7,255,000	952,006	8,207,006
Bonds and notes - due in more than one year	66,560,562	11,181,564	77,742,126
<b>Total liabilities</b>	<b>88,726,215</b>	<b>17,727,106</b>	<b>106,453,321</b>
<b>Deferred Inflows of Resources:</b>			
Subsequent year's taxes	29,534,965	931,000	30,465,965
Unamortized gains on debt refunding	13,366	---	13,366
Deferred inflows related to pensions	22,179,929	1,567,319	23,747,248
Deferred inflows related to OPEB - health	276,008	29,248	305,256
Deferred inflows related to OPEB - life insurance	265,304	60,223	325,527
Lease related amounts	1,078,019	4,304,586	5,382,605
<b>Total deferred inflows of resources</b>	<b>53,347,591</b>	<b>6,892,376</b>	<b>60,239,967</b>
<b>Net Position:</b>			
Net investment in capital assets	154,096,714	147,086,085	301,182,799
Restricted for:			
Capital projects	1,075,492	9,442,345	10,517,837
Debt service	1,245	---	1,245
Library operations and maintenance	900,115	---	900,115
Other	1,533,627	1,052,067	2,585,694
Unrestricted	(13,914,270)	11,797,688	(2,116,582)
<b>Total net position</b>	<b>\$ 143,692,923</b>	<b>\$ 169,378,185</b>	<b>\$ 313,071,108</b>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Statement of Activities**  
**Year Ended December 31, 2022**

					Net Revenue (Expense) and Changes in Net Position		
	Expenses	Program Revenues			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General government	\$ 5,187,183	\$ 648,278	\$ 1,642,893	\$ ---	\$ (2,896,012)	\$ ---	\$ (2,896,012)
Public safety	18,271,861	2,990,015	324,051	---	(14,957,795)	---	(14,957,795)
Public works	8,644,351	2,390,797	2,619,679	1,683,487	(1,950,388)	---	(1,950,388)
Culture and recreation	4,050,148	322,788	104,253	28,014	(3,595,093)	---	(3,595,093)
Conservation and development	2,197,480	1,210,932	1,002,155	---	15,607	---	15,607
Interest and fiscal charges	2,123,607	---	---	---	(2,123,607)	---	(2,123,607)
<b>Total governmental activities</b>	<b>40,474,630</b>	<b>7,562,810</b>	<b>5,693,031</b>	<b>1,711,501</b>	<b>(25,507,288)</b>	<b>---</b>	<b>(25,507,288)</b>
<b>Business-type Activities:</b>							
Water Utility	6,533,360	6,812,228	---	1,601,403	---	1,880,271	1,880,271
Sewer Utility	10,629,404	9,648,773	---	1,679,464	---	698,833	698,833
Storm Water Utility	1,716,186	56,426	---	876,322	---	(783,438)	(783,438)
Solid Waste Collection	2,129,385	2,098,185	---	---	---	(31,200)	(31,200)
<b>Total business-like activities</b>	<b>21,008,335</b>	<b>18,615,612</b>	<b>---</b>	<b>4,157,189</b>	<b>---</b>	<b>1,764,466</b>	<b>1,764,466</b>
<b>Total primary government</b>	<b>\$ 61,482,965</b>	<b>\$ 26,178,422</b>	<b>\$ 5,693,031</b>	<b>\$ 5,868,690</b>	<b>(25,507,288)</b>	<b>1,764,466</b>	<b>(23,742,822)</b>
<b>General Revenues:</b>							
Taxes:							
Property taxes levied for general purposes					21,906,357	---	21,906,357
Property taxes levied for utility purposes					---	931,000	931,000
Property taxes levied for debt service					2,525,000	---	2,525,000
Property taxes levied for TID districts					4,658,359	---	4,658,359
Grants and contributions not restricted to specific programs					1,815,506	---	1,815,506
Lease revenue					143,186	418,789	561,975
Interest on leases					20,976	75,799	96,775
Investment earnings					471,477	282,400	753,877
Loss on disposal of capital assets					(9,399)	---	(9,399)
Transfer of capital assets to business-type activities					(96,712)	96,712	---
Transfers - PILOT					1,129,120	(1,129,120)	---
Transfers					(1,377,893)	1,377,893	---
Other revenues					615,452	1,230,877	1,846,329
<b>Total general revenues</b>					<b>31,801,429</b>	<b>3,284,350</b>	<b>35,085,779</b>
<b>Change in net position</b>					<b>6,294,141</b>	<b>5,048,816</b>	<b>11,342,957</b>
<b>Net position, beginning of year</b>					<b>137,398,782</b>	<b>164,329,369</b>	<b>301,728,151</b>
<b>Net position, end of year</b>					<b>\$ 143,692,923</b>	<b>\$ 169,378,185</b>	<b>\$ 313,071,108</b>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Balance Sheet - Governmental Funds**  
**December 31, 2022**

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and equivalents	\$ 13,654,321	\$ 256,245	\$ 2,028,194	\$ 12,595,940	\$ 28,534,700
Restricted assets:					
Cash and equivalents	---	---	---	967,360	967,360
Accounts receivable:					
Taxes	16,492,225	2,525,000	---	7,427,832	26,445,057
Special charges on the tax roll	9,335	---	---	16,233	25,568
Intergovernmental aid	1,084,930	---	---	248,843	1,333,773
Special assessments	---	---	---	721,911	721,911
Accounts	1,772,467	---	418,284	236,599	2,427,350
Leases	1,086,386	---	---	---	1,086,386
Interest - leases	3,940	---	---	---	3,940
Prepaid items	79,324	---	---	---	79,324
Inventory of supplies, at cost	602,117	---	---	---	602,117
Advances to other governmental funds	1,515,735	---	---	3,265,172	4,780,907
<b>Total assets</b>	<u>36,300,780</u>	<u>2,781,245</u>	<u>2,446,478</u>	<u>25,479,890</u>	<u>67,008,393</u>
<b>Liabilities:</b>					
Accounts payable and other accrued liabilities	1,704,359	---	739,509	150,182	2,594,050
Accrued compensated absences	1,191,988	---	---	67,662	1,259,650
Deposits	419,409	---	142,343	22,459	584,211
Unearned ARPA grant funds	---	---	---	1,710,978	1,710,978
Long-term advances from other governmental funds	---	255,000	---	4,525,907	4,780,907
<b>Total liabilities</b>	<u>3,315,756</u>	<u>255,000</u>	<u>881,852</u>	<u>6,477,188</u>	<u>10,929,796</u>
<b>Deferred Inflows of Resources:</b>					
Subsequent year's taxes	19,582,132	2,525,000	---	7,427,833	29,534,965
Miscellaneous unavailable revenue	1,810,633	---	---	248,843	2,059,476
Special assessments	---	---	---	512,067	512,067
Lease related amounts	1,078,019	---	---	---	1,078,019
<b>Total deferred inflows of resources</b>	<u>22,470,784</u>	<u>2,525,000</u>	<u>---</u>	<u>8,188,743</u>	<u>33,184,527</u>
<b>Fund Balances (Deficit):</b>					
Nonspendable	2,206,238	---	---	3,475,016	5,681,254
Restricted:					
Capital projects	---	---	---	4,892,782	4,892,782
Other	---	1,245	---	2,680,021	2,681,266
Committed	---	---	1,564,626	224,136	1,788,762
Assigned	---	---	---	3,653,280	3,653,280
Unassigned	8,308,002	---	---	(4,111,276)	4,196,726
<b>Total fund balances (deficit)</b>	<u>\$ 10,514,240</u>	<u>\$ 1,245</u>	<u>\$ 1,564,626</u>	<u>\$ 10,813,959</u>	<u>\$ 22,894,070</u>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position**  
**December 31, 2022**

Total fund balance of governmental funds	\$ 22,894,070
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**Amounts reported for governmental activities in the government-wide statement of net assets are different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund statements.

Land and construction in progress	113,728,370
Other capital assets net of accumulated depreciation	80,711,428

Other unavailable revenues are not available to pay for current period expenditures and therefore are deferred in the funds.

Special assessments receivable	512,067
Miscellaneous unavailable revenue	725,703

Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses, but these items are amortized over the life of the debt issue on the statement of activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds, but amortized over the life of the debt issue on the statement of activities.

Net unamortized gains on debt refunding	(13,366)
Net unamortized premiums on debt	(1,345,562)

The following long-term liabilities which are not due and payable in the current period are not reported in the governmental funds:

Bonds and promissory notes payable	(72,470,000)
Compensated absences payable - sick pay	(3,161,385)
Total OPEB - health	(2,190,025)
Accrued interest payable on long-term bonds and notes	(650,520)

The Village's proportionate share of the net pension asset at the WRS exceeds its obligation. This is reported as an asset on the statement of net position, but is not reported in the governmental funds.

9,417,974

The Village's proportionate share of the net OPEB liability for the Local Retiree Life Insurance Fund ("LRLIF") administered by the Wisconsin Department of Employee Trust Funds ("ETF") is reported on the statement of net position, but is not reported in the governmental funds.

(1,315,109)

Deferred outflows and inflows of resources related to pensions, OPEB - life insurance and OPEB -health are applicable to future periods, and therefore, are not reported in the governmental funds.

Deferred outflows related to pensions	18,488,322
Deferred inflows related to pensions	(22,179,929)
Deferred outflows related to OPEB - health	286,357
Deferred outflows related to OPEB - life insurance	531,006
Deferred inflows related to OPEB - health	(276,008)
Deferred inflows related to OPEB - life insurance	(265,304)

The Risk Management Fund, an internal service fund, is used by management to charge the cost of insurance to individual funds. The assets and liabilities of this fund are included in governmental activities in the statement of net assets.

264,834

<b>Net position of governmental activities</b>	<b>\$ <u>143,692,923</u></b>
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The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds**  
**Year Ended December 31, 2022**

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total
<b>Revenues:</b>					
Property taxes	\$ 19,779,658	\$ 2,525,000	\$ ---	\$ 6,577,359	\$ 28,882,017
Other taxes	207,699	---	---	270,709	478,408
Charges for services:					
Licenses and permits	1,814,566	---	---	---	1,814,566
Fines and forfeitures	591,021	---	---	16,829	607,850
Program revenues	---	---	---	395	395
Tipping fees	---	---	---	2,364,281	2,364,281
Other charges for services	2,181,403	---	150	---	2,181,553
Operating grants and contributions:					
Intergovernmental	4,411,884	---	---	2,054,529	6,466,413
Donations	1,100	---	---	46,973	48,073
Capital grants and contributions:					
Intergovernmental	---	---	102,076	---	102,076
Special assessments and interest	---	---	---	4,305	4,305
Contributions from developers	---	---	351,290	---	351,290
Platting fees	---	---	---	51,000	51,000
Impact fees	---	---	---	944,151	944,151
Investment earnings	120,823	40,444	23,071	348,513	532,851
Interest on advances to governmental funds	41,853	---	---	58,793	100,646
Other revenues	370,064	---	300,000	14,058	684,122
<b>Total governmental revenues</b>	<u>29,520,071</u>	<u>2,565,444</u>	<u>776,587</u>	<u>12,751,895</u>	<u>45,613,997</u>
<b>Expenditures:</b>					
Current:					
General government	4,335,864	---	63,733	145,051	4,544,648
Public safety	18,718,503	---	---	92,114	18,810,617
Public works	4,170,795	---	978,233	355,824	5,504,852
Culture and recreation	1,077,746	---	294,883	2,228,748	3,601,377
Conservation and development	877,561	---	62,000	1,266,386	2,205,947
Uncollectible accounts	---	---	---	3,148	3,148
Capital outlay	558,293	---	5,609,717	406,714	6,574,724
Debt Service:					
Principal on long-term debt	---	7,707,951	---	---	7,707,951
Interest and fiscal charges on long-term debt	---	1,986,725	---	---	1,986,725
Bond expenses	---	---	---	170,703	170,703
Interest on advances from governmental funds	---	---	---	100,646	100,646
Debt issuance costs	---	---	50,528	---	50,528
<b>Total expenditures</b>	<u>29,738,762</u>	<u>9,694,676</u>	<u>7,059,094</u>	<u>4,769,334</u>	<u>51,261,866</u>
<b>Excess (deficit) of revenues over (under) expenditures</b>	(218,691)	(7,129,232)	(6,282,507)	7,982,561	(5,647,869)
<b>Other Financing Sources (Uses):</b>					
Proceeds from sales of capital assets	---	---	43,002	63,303	106,305
Transfers in	---	6,732,261	4,915,040	627,478	12,274,779
Transfers out	(910,429)	---	(44,026)	(11,320,324)	(12,274,779)
Transfers to water utility	---	---	---	(1,377,893)	(1,377,893)
Transfers from water utility - PILOT	1,129,120	---	---	---	1,129,120
Face value of bonds issued	---	---	2,225,000	6,610,000	8,835,000
Premiums on debt issued	---	---	66,491	203,329	269,820
<b>Total other financing sources (uses)</b>	<u>218,691</u>	<u>6,732,261</u>	<u>7,205,507</u>	<u>(5,194,107)</u>	<u>8,962,352</u>
<b>Net change in fund balances</b>	---	(396,971)	923,000	2,788,454	3,314,483
Fund balance, beginning of year	10,514,240	398,216	641,626	8,025,505	19,579,587
<b>Fund balance, end of year</b>	<u>\$ 10,514,240</u>	<u>\$ 1,245</u>	<u>\$ 1,564,626</u>	<u>\$ 10,813,959</u>	<u>\$ 22,894,070</u>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended December 31, 2022**

Net change in fund balances of governmental funds	\$ 3,314,483
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>	
Governmental funds report capital outlays as expenditures. In the government-wide statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation.	
Governmental capital outlays in fund financial statements	6,574,724
Depreciation expense in government-wide financial statements	(5,439,487)
Certain capital assets acquired by the Village are contributed to the Village by outside parties. As no current financial resources were acquired by the Village as a result of these contributions, these contributions are not recorded in the governmental funds.	
	1,250,858
In the statement of activities, the net gain or loss on the sale, exchange or retirement of capital assets is reported. However, in the governmental funds, only the proceeds from the sale of capital assets provides a current financial resource to be reported. Therefore, the change in fund balance differs from the change in net position by the cost of the assets sold or retired net of the accumulated depreciation on those assets.	
	(212,416)
Governmental funds report proceeds from the issuance of long-term debt and financing leases as other financing sources, but issuing debt and financing leases increases long-term liabilities in the statement of net position. Repayments of long-term debt and financing lease principal are expenditures in the governmental funds but the repayments reduce long-term liabilities in the statement of net position.	
Proceeds from the issuance of debt in governmental fund financial statements	(8,835,000)
Principal payments on debt in governmental fund financial statements	7,707,951
Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the statement of activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds but amortized over the life of the debt issue on the statement of activities.	
Premiums on issuances of debt in governmental fund financial statements	(269,820)
Amortization of these amounts included in interest expense in the statement of activities	227,036
Interest on long-term debt in the governmental funds is reported as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities; however, interest costs are reported as they accrue, regardless of when they are due. This is the change in the accrual.	
	(142,687)
The Risk Management Fund, an internal service fund, is used to allocate the cost of insurance to individual funds. The change in net position of this fund is reported under governmental activities in the statement of activities.	
	(14,572)
In the Statement of Activities the cost of pension benefits earned net of employee contributions is reported as pension revenue (expense). In the governmental funds, however, expenditures for those items are measured by the amount of financial resources used.	
	2,301,484
Certain revenues which do not provide current financial resources are deferred in the governmental funds, but are reported in the statement of activities.	
Change in special assessments receivable	2,972
Change in miscellaneous unavailable revenue	216,358
Net OPEB - life insurance obligations are recognized as paid in the governmental funds but recognized as the expense is incurred in the statement of activities.	
	(148,462)
Certain expenses do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds. These expenses are accrued in the government-wide statement of net position and reported as expenses in the statement of activities.	
Change in accrued compensated absences - sick pay	(32,816)
Change in OPEB obligation	(206,465)
<b>Change in net position of governmental activities</b>	<b>\$ <u>6,294,141</u></b>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - General Fund**  
**Year Ended December 31, 2022**

	<b>Adopted Budget</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues:</b>				
Property taxes	\$ 19,671,000	\$ 19,671,000	\$ 19,779,658	\$ 108,658
Other taxes	136,000	136,000	207,699	71,699
Licenses and permits	1,692,144	1,692,144	1,814,566	122,422
Fines and forfeitures	642,000	642,000	591,021	(50,979)
Intergovernmental	4,378,952	4,378,952	4,411,884	32,932
Donations	---	---	1,100	1,100
Charges for services	1,802,000	1,802,000	2,181,403	379,403
Investment earnings	17,000	17,000	120,823	103,823
Interest on advances to other governmental funds	20,000	20,000	41,853	21,853
Other	192,000	192,000	370,064	178,064
<b>Total revenues</b>	<u>28,551,096</u>	<u>28,551,096</u>	<u>29,520,071</u>	<u>968,975</u>
<b>Expenditures:</b>				
General government	4,851,858	4,856,449	4,654,383	202,066
Public safety	18,228,460	18,223,869	18,937,262	(713,393)
Public works	4,495,778	4,495,778	4,191,810	303,968
Culture and recreation	1,161,700	1,161,700	1,077,746	83,954
Conservation and development	885,300	885,300	877,561	7,739
<b>Total expenditures</b>	<u>29,623,096</u>	<u>29,623,096</u>	<u>29,738,762</u>	<u>(115,666)</u>
<b>Deficit of revenues under expenditures</b>	<u>(1,072,000)</u>	<u>(1,072,000)</u>	<u>(218,691)</u>	<u>853,309</u>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(258,000)	(258,000)	(910,429)	(652,429)
Transfers from water utility - PILOT	1,330,000	1,330,000	1,129,120	(200,880)
<b>Net other financing sources</b>	<u>1,072,000</u>	<u>1,072,000</u>	<u>218,691</u>	<u>(853,309)</u>
<b>Net change in fund balance</b>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>Fund Balance:</b>				
Beginning of year	10,514,240	10,514,240	10,514,240	---
<b>End of year</b>	<u>\$ 10,514,240</u>	<u>\$ 10,514,240</u>	<u>\$ 10,514,240</u>	<u>---</u>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Statement of Net Position - Proprietary Funds**  
December 31, 2022

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Solid Waste Collection		
<b>Assets:</b>						
<b>Current Assets:</b>						
Cash and equivalents	\$ 7,806,116	\$ 2,220,041	\$ 15,721	\$ 342,246	\$ 10,384,124	\$ 337,051
Cash and equivalents - restricted (current)	---	76,505	---	---	76,505	---
Receivables:						
Taxes	---	---	931,000	---	931,000	---
Special charges on the tax roll	146,283	335,377	---	2,156,870	2,638,530	---
Utility customers	1,073,971	1,838,657	---	---	2,912,628	---
Special assessments - current	7,147	---	---	---	7,147	---
Other	47,067	---	4,500	564	52,131	38,735
Leases	175,217	---	---	---	175,217	---
Interest - leases	26,384	---	---	---	26,384	---
Prepaid items	2,427	---	---	---	2,427	---
Inventory	97,163	16,254	18,507	---	131,924	---
<b>Total current assets</b>	<b>9,381,775</b>	<b>4,486,834</b>	<b>969,728</b>	<b>2,499,680</b>	<b>17,338,017</b>	<b>375,786</b>
<b>Noncurrent Assets:</b>						
Restricted:						
Cash and equivalents - restricted (noncurrent)	3,693,028	6,801,384	---	---	10,494,412	---
Net pension asset	373,089	231,920	60,501	---	665,510	---
Advances to other funds	2,778,905	---	---	---	2,778,905	---
Special assessments - noncurrent	178,917	---	---	---	178,917	---
Leases - noncurrent	4,192,021	---	---	---	4,192,021	---
Prepaid capacity charge	---	1,856,374	---	---	1,856,374	---
Land and construction in progress	6,214,581	708,012	71,816	---	6,994,409	---
Other capital assets, net of accumulated depreciation	66,530,706	50,503,747	33,787,201	---	150,821,654	---
<b>Total noncurrent assets</b>	<b>83,961,247</b>	<b>60,101,437</b>	<b>33,919,518</b>	<b>---</b>	<b>177,982,202</b>	<b>---</b>
<b>Total assets</b>	<b>93,343,022</b>	<b>64,588,271</b>	<b>34,889,246</b>	<b>2,499,680</b>	<b>195,320,219</b>	<b>375,786</b>
<b>Deferred Outflows of Resources:</b>						
Deferred outflows related to pensions	732,408	455,280	118,769	---	1,306,457	---
Deferred outflows related to OPEB - life insurance	72,973	37,789	9,773	---	120,535	---
Deferred outflows related to OPEB - health	18,627	7,577	3,157	---	29,361	---
<b>Total deferred outflows of resources</b>	<b>824,008</b>	<b>500,646</b>	<b>131,699</b>	<b>---</b>	<b>1,456,353</b>	<b>---</b>
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts payable and accrued liabilities	1,534,656	341,898	42,097	180,440	2,099,091	14,059
Incurring but not reported insurance claims	---	---	---	---	---	96,893
Compensated absences - vacation due within one year	97,715	58,496	19,653	---	175,864	---
Compensated absences - sick due within one year	42,866	19,715	4,475	---	67,056	---
Unearned revenue	1,000	---	---	2,156,870	2,157,870	---
Current portion of general obligation notes	865,000	---	50,000	---	915,000	---
Current portion of revenue bonds	---	37,006	---	---	37,006	---
Accrued interest	81,765	---	5,252	---	87,017	---
Liabilities payable from restricted assets:						
Current portion of revenue bonds	---	74,012	---	---	74,012	---
Accrued interest	---	2,493	---	---	2,493	---
<b>Total current liabilities</b>	<b>2,623,002</b>	<b>533,620</b>	<b>121,477</b>	<b>2,337,310</b>	<b>5,615,409</b>	<b>110,952</b>
<b>Long-Term Liabilities:</b>						
Compensated absences - sick pay	199,974	111,066	46,014	---	357,054	---
Net OPEB - life insurance liability	180,727	93,591	24,204	---	298,522	---
Total OPEB - health liability	142,461	57,950	24,146	---	224,557	---
Deposits	---	---	50,000	---	50,000	---
Advances from other funds	---	---	2,778,905	---	2,778,905	---
General obligation notes	10,087,386	---	621,102	---	10,708,488	---
Revenue bonds	---	473,076	---	---	473,076	---
<b>Total long-term liabilities</b>	<b>10,610,548</b>	<b>735,683</b>	<b>3,544,371</b>	<b>---</b>	<b>14,890,602</b>	<b>---</b>
<b>Total liabilities</b>	<b>13,233,550</b>	<b>1,269,303</b>	<b>3,665,848</b>	<b>2,337,310</b>	<b>20,506,011</b>	<b>110,952</b>
<b>Deferred Inflows of Resources:</b>						
Subsequent year's taxes	---	---	931,000	---	931,000	---
Deferred inflows related to pensions	878,649	546,187	142,483	---	1,567,319	---
Deferred inflows related to OPEB - health	18,564	7,326	3,358	---	29,248	---
Deferred inflows related to OPEB - life insurance	36,459	18,881	4,883	---	60,223	---
Deferred inflows - leases	4,304,586	---	---	---	4,304,586	---
<b>Total deferred inflows of resources</b>	<b>5,238,258</b>	<b>572,394</b>	<b>1,081,724</b>	<b>---</b>	<b>6,892,376</b>	<b>---</b>
<b>Net Position:</b>						
Net investment in capital assets	62,686,411	51,211,759	33,187,915	---	147,086,085	---
Restricted for:						
Operations and maintenance	---	877,167	---	---	877,167	---
Depreciation	---	174,900	---	---	174,900	---
Capital projects	3,693,028	5,749,317	---	---	9,442,345	---
Unrestricted	9,315,783	5,234,077	(2,914,542)	162,370	11,797,688	264,834
<b>Total net position</b>	<b>\$ 75,695,222</b>	<b>\$ 63,247,220</b>	<b>\$ 30,273,373</b>	<b>\$ 162,370</b>	<b>\$ 169,378,185</b>	<b>\$ 264,834</b>

The accompanying notes to financial statements are an integral part of these statements.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds**  
Year Ended December 31, 2022

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Fund</b>
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Storm Water Utility</b>	<b>Solid Waste Collection</b>		
<b>Operating Revenues:</b>						
Charges for services	\$ 6,812,228	\$ 9,648,773	\$ 56,426	\$ 2,098,185	\$ 18,615,612	\$ ---
General property taxes	---	---	931,000	---	931,000	---
<b>Total operating revenues</b>	<u>6,812,228</u>	<u>9,648,773</u>	<u>987,426</u>	<u>2,098,185</u>	<u>19,546,612</u>	<u>---</u>
<b>Operating Expenses:</b>						
Operation and maintenance	2,887,524	7,921,929	456,335	2,129,385	13,395,173	154,688
Administrative expense	1,391,483	1,077,965	384,526	---	2,853,974	---
Depreciation expense	2,020,150	1,613,425	812,723	---	4,446,298	---
Regulatory commission remainder assessments	6,759	---	---	---	6,759	---
<b>Total operating expenses</b>	<u>6,305,916</u>	<u>10,613,319</u>	<u>1,653,584</u>	<u>2,129,385</u>	<u>20,702,204</u>	<u>154,688</u>
<b>Operating income (loss)</b>	<u>506,312</u>	<u>(964,546)</u>	<u>(666,158)</u>	<u>(31,200)</u>	<u>(1,155,592)</u>	<u>(154,688)</u>
<b>Nonoperating Revenues (Expenses):</b>						
Investment earnings	153,016	106,100	10,501	12,783	282,400	26,215
Sale of materials	47,761	---	---	---	47,761	---
Lease revenue	418,789	---	---	---	418,789	---
Interest on leases	75,799	---	---	---	75,799	---
Miscellaneous	---	---	500	---	500	113,901
Grant revenue	1,102,128	---	---	---	1,102,128	---
Intergovernmental revenue	---	---	---	80,488	80,488	---
Fiscal charges on debt	(2,626)	(292)	(492)	---	(3,410)	---
Amortization of debt premiums, discounts and losses on refundings	34,056	---	7,486	---	41,542	---
Debt issuance costs	(53,358)	---	---	---	(53,358)	---
Impact fees	648,787	501,877	---	---	1,150,664	---
Interest on long-term debt	(260,230)	(15,793)	(14,882)	---	(290,905)	---
Interest on advances from governmental funds	54,714	---	(54,714)	---	---	---
<b>Net non-operating revenues (expenses)</b>	<u>2,218,836</u>	<u>591,892</u>	<u>(51,601)</u>	<u>93,271</u>	<u>2,852,398</u>	<u>140,116</u>
<b>Net income (loss) before capital contributions</b>	<u>2,725,148</u>	<u>(372,654)</u>	<u>(717,759)</u>	<u>62,071</u>	<u>1,696,806</u>	<u>(14,572)</u>
Transfers to governmental funds - PILOT	(1,129,120)	---	---	---	(1,129,120)	---
Transfers to governmental funds	1,377,893	---	---	---	1,377,893	---
Capital contributions from municipality	---	---	96,712	---	96,712	---
Capital contributions from developers	952,616	1,177,587	876,322	---	3,006,525	---
<b>Net increase (decrease) in net position</b>	<u>3,926,537</u>	<u>804,933</u>	<u>255,275</u>	<u>62,071</u>	<u>5,048,816</u>	<u>(14,572)</u>
<b>Net Position:</b>						
<b>Balance, beginning of year</b>	<u>71,768,685</u>	<u>62,442,287</u>	<u>30,018,098</u>	<u>100,299</u>	<u>164,329,369</u>	<u>279,406</u>
<b>Balance, end of year</b>	<u>\$ 75,695,222</u>	<u>\$ 63,247,220</u>	<u>\$ 30,273,373</u>	<u>\$ 162,370</u>	<u>\$ 169,378,185</u>	<u>\$ 264,834</u>

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2022**

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Governmental Activities</b>
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Storm Water Utility</b>	<b>Solid Waste Collection</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Fund</b>
<b>Cash Flows from Operating Activities:</b>						
Receipts from customers	\$ 4,876,106	\$ 9,618,674	\$ 52,497	\$ 2,098,844	\$ 16,646,121	\$ ---
Payments to suppliers	(1,488,924)	(7,892,689)	(122,924)	(1,942,368)	(11,446,905)	(140,629)
Payments to and on behalf of employees	(1,360,892)	(1,052,317)	(689,925)	(7,959)	(3,111,093)	---
Internal activity - receipts from other funds	1,743,420	220,520	---	---	1,963,940	21,926
Internal activity - payments to other funds	(51,343)	(155,782)	(4,040)	---	(211,165)	---
Other receipts	1,506,026	---	931,500	---	2,437,526	---
Other payments	(4,074)	---	---	---	(4,074)	(33)
<b>Net cash provided (used) by operating activities</b>	<b>5,220,319</b>	<b>738,406</b>	<b>167,108</b>	<b>148,517</b>	<b>6,274,350</b>	<b>(118,736)</b>
<b>Cash Flows from Noncapital Financing Activities</b>						
Transfers - PILOT	(1,129,120)	---	---	---	(1,129,120)	---
Transfers from governmental funds	1,377,893	---	---	---	1,377,893	---
Advances from municipality	---	---	154,715	---	154,715	---
Interest on advances	---	---	(54,714)	---	(54,714)	---
Intergovernmental grant funds received	---	---	---	80,488	80,488	---
<b>Net cash provided by noncapital financing activities</b>	<b>248,773</b>	<b>---</b>	<b>100,001</b>	<b>80,488</b>	<b>429,262</b>	<b>---</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Proceeds from sale of property and plant	12,760	---	---	---	12,760	---
Purchases of property and plant	(4,558,284)	(872,734)	(115,966)	---	(5,546,984)	---
Fair value of debt issued	1,350,000	---	---	---	1,350,000	---
Debt issuance premiums	12,894	---	---	---	12,894	---
Debt issuance costs	(53,358)	---	---	---	(53,358)	---
Principal payments on debt	(945,000)	(108,261)	(195,000)	---	(1,248,261)	---
Interest on debt	(251,307)	(16,255)	(18,690)	---	(286,252)	---
Fiscal charges on debt	(2,626)	(292)	(492)	---	(3,410)	---
Interest received on leases	49,415	---	---	---	49,415	---
Impact fees	648,787	501,877	---	---	1,150,664	---
Special assessments collected	7,147	---	---	---	7,147	---
<b>Net cash used by capital and related financing activities</b>	<b>(3,729,572)</b>	<b>(495,665)</b>	<b>(330,148)</b>	<b>---</b>	<b>(4,555,385)</b>	<b>---</b>
<b>Cash Flows from Investing Activities:</b>						
Investment earnings	153,016	106,100	10,501	12,783	282,400	26,215
Interest on advances	54,714	---	---	---	54,714	---
Advances to other funds	(154,715)	---	---	---	(154,715)	---
<b>Net cash provided by investing activities</b>	<b>53,015</b>	<b>106,100</b>	<b>10,501</b>	<b>12,783</b>	<b>182,399</b>	<b>26,215</b>
<b>Net increase (decrease) in cash and equivalents</b>	<b>1,792,535</b>	<b>348,841</b>	<b>(52,538)</b>	<b>241,788</b>	<b>2,330,626</b>	<b>(92,521)</b>
<b>Cash and equivalents, beginning of year</b>	<b>9,706,609</b>	<b>8,749,089</b>	<b>68,259</b>	<b>100,458</b>	<b>18,624,415</b>	<b>429,572</b>
<b>Cash and equivalents, end of year</b>	<b>\$ 11,499,144</b>	<b>\$ 9,097,930</b>	<b>\$ 15,721</b>	<b>\$ 342,246</b>	<b>\$ 20,955,041</b>	<b>\$ 337,051</b>
<b>Reconciliation to cash and cash equivalents on the statement of net assets:</b>						
Cash and cash equivalents - unrestricted	\$ 7,806,116	\$ 2,220,041	\$ 15,721	\$ 342,246	\$ 10,384,124	\$ 337,051
Cash and cash equivalents - restricted	3,693,028	6,877,889	---	---	10,570,917	---
<b>Total cash and equivalents</b>	<b>\$ 11,499,144</b>	<b>\$ 9,097,930</b>	<b>\$ 15,721</b>	<b>\$ 342,246</b>	<b>\$ 20,955,041</b>	<b>\$ 337,051</b>

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2022**  
**(Continued)**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total Enterprise Funds</b>	<b>Governmental Activities</b>
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Storm Water Utility</b>	<b>Solid Waste Collection</b>		<b>Internal Service Fund</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>						
Operating income (loss)	\$ 506,312	\$ (964,546)	\$ (666,158)	\$ (31,200)	\$ (1,155,592)	\$ (154,688)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	2,020,150	1,516,027	812,723	---	4,348,900	---
Depreciation charged to other accounts	145,736	---	---	---	145,736	---
Amortization of prepaid capacity	---	252,152	---	---	252,152	---
Proceeds from sales of materials	47,761	---	---	---	47,761	---
Miscellaneous revenues	---	---	500	---	500	---
Grant revenues	1,102,128	---	---	---	1,102,128	---
Lease revenues	418,789	---	---	---	418,789	---
Abandonment of CIP	245,959	---	---	---	245,959	---
Changes in assets and liabilities related to operations:						
Receivables	(205,547)	(29,966)	(3,929)	660	(238,782)	(33)
Inventory	(17,797)	(3,031)	9,474	---	(11,354)	---
Prepaid items	(70)	---	---	---	(70)	---
Due to other funds	(51,343)	220,520	(4,040)	---	165,137	21,926
Accounts payable and accrued liabilities	1,227,711	(221,260)	31,790	179,057	1,217,298	14,059
WRS pension accrual	(83,686)	(56,583)	(18,433)	---	(158,702)	---
Compensated absences	(18,442)	5,546	(1,334)	---	(14,230)	---
OPEB obligation	30,165	19,547	6,515	---	56,227	---
Unearned revenue	(147,507)	---	---	---	(147,507)	---
<b>Net cash provided (used) by operating activities</b>	<b>\$ 5,220,319</b>	<b>\$ 738,406</b>	<b>\$ 167,108</b>	<b>\$ 148,517</b>	<b>\$ 6,274,350</b>	<b>\$ (118,736)</b>
<b>Non-Cash Capital Activities:</b>						
Utility plant contributions	\$ 952,616	\$ 1,177,587	\$ 973,034	\$ ---	\$ 3,103,237	\$ ---
Amortization of debt issuance premiums, discounts and losses on refundings	(34,056)	---	(7,486)	---	(41,542)	---

The accompanying notes to financial statements are an integral part of these statements.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Fiduciary Net Position**  
**December 31, 2022**

	<b>Taxing Jurisdiction Fund</b>
<b>Assets:</b>	
Cash and equivalents	\$ 5,905,922
Taxes receivable	56,481,976
<b>Total assets</b>	<b>\$ 62,387,898</b>
<b>Liabilities:</b>	
Due to other taxing units	\$ 62,387,898
<b>Total liabilities</b>	<b>\$ 62,387,898</b>

**Statement of Changes in Fiduciary Net Position**  
**December 31, 2022**

	<b>Taxing Jurisdiction Fund</b>
<b>Additions:</b>	
Collection of property taxes	\$ 59,164,134
<b>Deductions:</b>	
Distributions to other governmental units	59,164,134
<b>Net change in fiduciary net position</b>	<b>---</b>
<b>Net position, January 1</b>	<b>---</b>
<b>Net position, December 31</b>	<b>\$ ---</b>

The accompanying notes to financial statements are an integral part of these statements.

## **NOTES TO FINANCIAL STATEMENTS**

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**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies**

The Village complies with U.S. generally accepted accounting principles ("GAAP"). GAAP includes all relevant Governmental Accounting Standards Board ("GASB") pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

**A. Financial Reporting Entity**

The Village of Menomonee Falls ("Village") is a municipal corporation governed by a seven-member Board of Trustees and an appointed Village Manager. All significant operations of the Village over which it has oversight responsibility have been included in the accompanying financial statements. The decision to include a potential component unit in the Village's reporting entity is based on the criteria set forth in GASB, which includes the ability to appoint a voting majority of an organization's governing body and (1) the ability of the Village to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Village.

The Village has included in its financial statements the following entities, which are not considered separate entities with corporate powers:

- Water Utility
- Sewer Utility
- Storm Water Utility

The Village does not report the Village of Menomonee Falls Business Improvement District ("BID") as a discretely presented component unit. Management determined that the BID did not meet the above criteria for being reported as a component unit of the primary government.

**B. Government-Wide and Fund Financial Statements**

***Government-Wide Financial Statements***

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

The statement of net position presents the governmental and business-type activities assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position on a full accrual basis, which recognizes all long-term assets and long-term liabilities. The Village's net position is reported in three classifications: net investment in capital assets, which consists of the difference between capital assets net of accumulated depreciation less outstanding debt used to acquire those assets; restricted net position, which represents assets required by outside parties or legislation to be spent in a specific manner; and unrestricted net position, net position not included in the other two classifications.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**B. Government-Wide and Fund Financial Statements (continued)**

***Government-Wide Financial Statements (continued)***

The statement of activities presents the activities of the governmental and business-type activities on a full accrual basis. These activities are presented in a manner which demonstrates the degree to which the direct expenses of a given function are offset by program revenues of that function. Program revenues are presented in three classifications: charges for services, which include direct charges to customers benefiting from the services, goods or privileges provided; operating grants and contributions, which were received in activities related to that function but not required to be used for capital asset acquisition; and capital grants and contributions which were received in activities related to that function and required to be used in the acquisition of capital assets. Other revenues not attributable to individual functions and taxes are reported as general revenues.

***Fund Financial Statements***

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Village reports the following funds:

***Major Governmental Funds***

- General Fund – The General Fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all financial transactions except those legally or administratively required to be accounted for in another fund.
- Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term obligations principal, interest and related costs (other than debt accounted for in the Proprietary Funds).
- Capital Projects Fund – The Capital Projects Fund is used to account for capital expenditures and other project related purchases and financing.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**B. Government-Wide and Fund Financial Statements (continued)**

***Major Proprietary Funds***

- Sewer Utility – accounts for the operations of the Village’s sanitary sewer system.
- Water Utility – accounts for the operations of the Village’s water distribution system.
- Storm Water Utility – accounts for the operations of the Village’s storm water management system.

***Non-major Governmental Funds***

- Special Revenue Funds – are used to account for revenues requiring separate accounting because of legal or regulatory provisions, and consist of the following individual funds:

Revolving Loan Fund	Community Grant
Police Department	Teen Court
Fire Department	Cable TV
American Rescue Plan	Park Department
Library Operations and Maintenance	Community Development
Tourism Commission	Library
TID #9 EDMF	Debt Issuance

- Capital Projects Funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds), and consist of the following individual funds:

Municipal Facilities and Equipment Fund	Tax Incremental Financing District #11
Tax Incremental Financing District #6	Tax Incremental Financing District #12
Tax Incremental Financing District #7	Tax Incremental Financing District #13
Tax Incremental Financing District #8	Tax Incremental Financing District #14
Tax Incremental Financing District #9	Tax Incremental Financing District #15
Tax Incremental Financing District #10	Special Assessments

***Non-major Proprietary Funds***

- Risk Management Fund – an internal service fund used to allocate the cost of insurance to the individual funds. Internal service funds are always non-major funds and are eliminated in the preparation of the government-wide statements.
- Solid Waste Collection – accounts for the operations of the Village’s solid waste collection service.

***Fiduciary Funds***

- Custodial funds – are used to account for assets held by the Village in a purely custodial capacity. Since custodial funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not included in the preparation of the government-wide statements. The Village’s custodial fund consists of the following:
  - Taxing Jurisdiction Fund – accounts for assets collected for other taxing jurisdictions

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus and Basis of Accounting**

***Measurement Focus***

In the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b) below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a) All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, liabilities, and deferred inflows/outflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b) The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, liabilities, and deferred inflows/outflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
- c) Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

***Basis of Accounting***

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

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and custodial funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for certain items related to long-term liabilities. Such items include: accumulated unpaid sick pay, WRS pension, OPEB and principal and interest on general long-term debt which are reported when due.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus and Basis of Accounting (continued)**

***Basis of Accounting (continued)***

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Operating revenues and expenses for proprietary funds are those that result from providing services and production and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. Generally, property tax revenues of proprietary funds are considered nonoperating revenues; however, the Village's Storm Water Utility Fund does not charge user fees. The Village has determined that the portion of Storm Water Utility tax revenue budgeted to cover the cost of operations should be reported as operating revenue, while the portion of Storm Water Utility tax revenue budgeted to cover capital related costs should be reported as nonoperating revenue. The Village's proprietary funds include both enterprise funds and an internal service fund, as further described below.

***Enterprise Funds***

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Enterprise Funds consist of the Water Utility, Sewer Utility, Storm Water Utility and Solid Waste Collection.

***Internal Service Funds***

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Village or to other governments, on a cost-reimbursement basis. The Internal Service Fund consists of the Risk Management Fund which accounts for and finances the Village's uninsured risks of loss.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity**

***Cash and Investments***

For the purpose of the statement of net position and for the purpose of the statement of cash flows – Proprietary Funds "cash and equivalents": include all demand, savings and money market accounts, and monies invested in the Wisconsin Local Government Investment Pool. Investments are carried at cost, which approximates fair value.

***Receivables***

In the government-wide statements, receivables consist of all revenues earned or to which the Village is otherwise entitled to and has not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, police fines, ambulance fees, special assessments, notes and pledges. Business-type activities report utility fees and taxes and special charges on tax roll as their major receivables.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

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

***Receivables (continued)***

In the fund financial statements, material receivables in governmental funds include revenue accruals such as intergovernmental grants and aids and other similar revenues since they are usually both measurable and available. Receivables collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Proprietary fund material receivables consist of all revenues earned at year-end and not yet received and taxes and special charges on tax roll received but not yet earned. Utility accounts receivable, taxes and special charges on tax roll and interest earnings comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are provided. In addition to property taxes for the municipality, taxes are collected for and remitted to the state and county governments as well as the local and vocational school districts. Taxes for all state and other local governmental units billed in the current year for the succeeding year are reflected as receivables and as due to other taxing units on the statement of fiduciary net position. Taxes are levied in December on the assessed value as of the prior January 1. Special charges on the tax roll are recorded in the year levied as receivables and unearned revenue. They are recognized as revenues in the succeeding year when services are provided.

**Property Tax Calendar – 2022 Tax Roll:**

Levy date	December 2022
Tax bills mailed	December 2022
Payment in full or first installment due (real property)	January 31, 2023
Second installment due (real property)	July 31, 2023
Personal property taxes due in full	January 31, 2023
Tax settlement with other governmental units:	
First settlement	January 15, 2023
Second settlement	February 19, 2023
Third settlement	April 16, 2023
Final settlement	August 20, 2023
Lien date (by County)	September 1, 2023
Tax sale (by County) - 2022 delinquent real estate taxes	October 2026

***Leases***

The Village is a lessor because it leases capital assets to other entities. As a lessor, the Village reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The Village continues to report and depreciate the capital assets being leased as capital assets of the primary government.

During 2022, the District implemented GASB Statement No. 87, Leases. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

***Leases (continued)***

The implementation of GASB Statement No. 87 required the following restatements to the 2021 comparative financial statements:

	<u>Original</u>	<u>Adjustments</u>	<u>Restated</u>
<b>Comparative Balance Sheets – General Fund</b>			
Receivable - leases	\$ ---	\$ 1,198,908	\$ 1,198,908
Deferred inflow – lease related	---	1,198,908	1,198,908
<b>Comparative Statements of Net Position – Water Utility</b>			
Receivable - leases	\$ ---	\$ 165,223	\$ 165,223
Receivable – leases - noncurrent	---	3,789,369	3,789,369
Deferred inflow – lease related	---	3,954,592	3,954,592
<b>Comparative Statements of Revenues, Expenses and Changes in Net Position – Water Utility</b>			
Charges for services	\$ 7,033,718	\$ (328,765)	\$ 6,704,953
Lease revenue	---	257,185	257,185
Interest on leases	---	71,580	71,580
<b>Comparative Statements of Cash Flows – Water Utility</b>			
Receipts from customers	\$ 5,434,671	\$ (328,765)	\$ 5,105,906
Other receipts	46,493	257,185	303,678
Interest received on leases	---	71,580	71,580
Operating income	1,219,727	(328,765)	890,962
Lease revenue	---	257,185	257,185

***Interfund Receivables and Payables***

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds” on the fund financial statements and reflected as “internal balances” on the government-wide financial statements. Long-term interfund loans are reported as “advances from and to other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

***Inventories and Prepaid Items***

Inventories of Governmental and Proprietary Funds consist of supplies and are valued at cost using the first in/first out method, and are reported in both the government-wide and fund financial statements.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items.

***Restricted Assets***

Restricted assets include cash and investments of the proprietary funds and non-major special revenue funds that are legally restricted as to their use. These restrictions are the result of bond covenants and legislation.

***Prepaid Capital Charges***

The prepaid capital charges in the enterprise funds represent the Sewer Utility's share of construction costs for collection systems and treatment facilities shared with other municipalities and located outside of the municipal boundaries. Although the Village has no direct ownership of these facilities, it is entitled to a percentage of each facility's capacity. These costs are being amortized using the straight-line method over the expected life of the facilities.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

***Capital Assets***

The accounting treatment related to capital assets depends on whether the assets are used in governmental operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

***Government-Wide Statements***

Capital assets are defined by the Village as assets with an original cost of more than \$5,000 for general capital assets and more than \$50,000 for infrastructure assets and having an estimated useful life of four or more years. All capital assets are valued at historical cost, or estimated historical cost if actual costs are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

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

Buildings and improvements	40 years
Land improvements	20 years
Equipment and furnishings	4-25 years
Infrastructure	25-80 years

***Fund Financial Statements***

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

***Water Utility Depreciation Rates***

The Water Utility depreciation rates are set by the Public Service Commission of Wisconsin ("PSC").

***Compensated Absences***

The accounting treatment for compensated absences depends on whether the pay is expected to be paid from current resources or if the benefit is considered long-term in nature. The compensated absences consist of accumulated sick and vacation pay earned but unused by Village employees.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

***Compensated Absences (continued)***

***Accumulated Vacation Pay***

Employees accumulate vacation pay based on various factors but are generally required to use all vacation earned annually. Accordingly, the liability for accumulated vacation pay is expected to be paid from current resources. The liability for vacation pay is recorded in both the government-wide statement and fund financial statements for all fund types.

***Accumulated Sick Pay***

The Village's policies regarding sick leave permit employees to accumulate sick leave to an unlimited amount. Upon retirement or death, a maximum of 880 hours will be paid to the retiree or beneficiary.

The liability for accumulated sick pay is recorded as long-term debt in the government-wide financial statements up to the maximum amount to be paid out upon termination. The liability is generally liquidated by the general fund.

Due to the long-term nature of this liability, the governmental funds only report this liability in the fund financial statements if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). The proprietary funds record this liability as it is incurred in the same manner as it is recorded on the government-wide financial statements.

***Long-term Obligations and Conduit Debt***

The reporting of long-term obligations depends on whether the obligations are related to governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. The long-term debt consists of general obligation notes and bonds, revenue bonds, and unamortized debt premiums and discounts.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. Premiums and discounts on issuance and gains and losses on debt refundings are deferred and amortized over the life of the debt. Debt issuance costs are expended when incurred.

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

The Village of Menomonee Falls has permitted the issuance of Industrial Revenue Bonds for various organizations. The principal and interest of Industrial Revenue Bonds are payable solely from revenues and other amounts derived from the projects. The Village has no obligation for the debt, and accordingly, no liability for the bonds is included in the financial statements. These bonds do not enter into the debt limitations of the Village. The aggregate amount of these conduit obligations outstanding as of December 31, 2022 was \$19,364,853.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

***Long-term Obligations and Conduit Debt (continued)***

***Equity Classifications***

***Government-Wide Statements***

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

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



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

***Equity Classifications (continued)***

***Fund Statements***

Governmental fund equity is classified as fund balance. GASB establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The initial distinction that is made are identifying amounts that are considered nonspendable. Fund balance is further classified as restricted, committed, assigned and unassigned. The Village's fund balance classification policies and procedures are as follows:

- a. Nonspendable – Includes amounts that cannot be spent because they are either not in spendable form (i.e. convertible into cash) or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale and long-term receivables.
- b. Restricted – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).
- c. Committed – Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the Village's highest level of decision-making authority. Fund balance amounts are committed through a formal action of the Village. An ordinance and resolution are equally binding. The formal action must occur prior to the end of the reporting period, but the amount of commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.
- d. Assigned – Amounts that are constrained by the Village's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body or by an official to whom that authority has been given. The Village Manager and the Finance Director are the only individuals that have been granted authority, through policy of the governing body, to authorize the assignment of fund balance. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.
- e. Unassigned – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

Amounts noted as committed relate to constraints approved by the Board of Trustees. Amounts noted as assigned relate to constraints approved by the Village Board or the Finance Director.

The Board of Trustees does not have a formal policy addressing the order in which fund balances will be spent, therefore they use the default of descending order from restricted to unassigned.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

**Deferred Outflows of Resources**

Under U.S. GAAP, in addition to assets, the statement of net position, and the proprietary funds statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Village had a number of items that qualify for reporting in this category. Unamortized losses on refunding are reported in the statement of net position. The Village also reports deferred outflows of resources related to the Village's pension plan. Deferred outflows related to pensions are reported in the statement of net position and the proprietary funds statements of net position. The Village also reports deferred outflows of resources related to the Village's OPEB – life insurance and OPEB - health plans. Deferred outflows related to OPEB are reported in the statement of net position and the proprietary funds statements of net position.

**Deferred Inflows of Resources**

Under U.S. GAAP, in addition to liabilities, the statement of net position, balance sheet governmental funds, and the statement of net position proprietary funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an increase in net position or fund balance that applies to a future period(s) and thus, will not be recognized as an inflow of resources (revenue) until then. The Village had a number of items that qualify for reporting in this category. Taxes levied in one year are not available until the next year and, as a result, are reflected in the financial statements as a deferred inflow of resources. These taxes are deferred in the year levied and recognized as revenue in the following year. An unamortized gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Village reports deferred inflows of resources related to Village's pension plan. The Village reports deferred inflows of resources related to Village's OPEB – health plan. The Village reports deferred inflows of resources related to Village's OPEB – life insurance plan. The Village also reports unavailable resources for special assessments and miscellaneous unavailable revenue as deferred inflows of resources. The Village also reports deferred inflows related to leases.

**Other Post-Employment Benefits (OPEB) – Life Insurance**

The fiduciary net position of the Local Retiree Life Insurance Fund ("LRLIF") has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

**Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System ("WRS") and additions to/from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

**2. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

The Village adopts annual budgets for the General and Debt Service Funds. These annual appropriations lapse at year end. A comparison of budget to actual is presented in the basic financial statements for the General Fund.

Annual budgets are adopted in accordance with state statutes, and are adopted on a GAAP basis with the exception of including planned additions to or deductions from fund balances as other financing sources and uses. Budgets are prepared by department heads and forwarded to the Village Manager, who develops a preliminary budget for submission to the Village Board. Adoption of annual budgets usually takes place in October.

Once the annual budget is adopted, appropriations may only be modified with the approval of a two-thirds majority of the Village Board, including transfers between appropriations. Appropriations (or functions, such as general government, public safety, etc.) represent the level of expenditures which cannot be exceeded without approval of the Village Board. Transfers within appropriations can be made with the approval of the Village Manager. The budgetary data presented in the statement of revenues, expenditures and changes in fund balances – budget to actual – General Fund reflects the original approved budget and subsequent revisions/transfers as authorized by the Village Board or Village Manager under Village policy.

The Village does not record encumbrances.

**B. Debt Restrictions**

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of total equalized value of taxable property within the Village's jurisdiction. As of December 31, 2022, the Village was obligated for a total of \$83,775,000 in general obligation debt, or 24.15% of the total debt limit.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts**

**A. Cash and Equivalents**

Cash and equivalents as shown on the Village's statement of net position are subject to the following risks:

Petty Cash	\$ 3,044
<b>Custodial Risk:</b>	
Demand deposits	3,979,832
Local Government Investment Pool (LGIP)	51,740,884
Money market	976,314
<b>Total</b>	<b>\$ 56,700,074</b>

The Village's cash and equivalents are reported in the financial statements as follows:

Statement of net position:	
Cash and equivalents	\$ 39,255,875
Restricted cash and equivalents	11,538,277
Statement of net position - fiduciary fund:	
Cash and equivalents	5,905,922
<b>Total</b>	<b>\$ 56,700,074</b>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for all time and savings deposits; and \$250,000 for all demand deposits. Deposits in each local and area bank and in the Wisconsin Local Government Investment Pool ("LGIP") are also insured by the State Deposit Guarantee Fund ("SDGF") in the amount of \$400,000 per financial institution. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual governmental entities. Investments in the local government investment pool are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool. The bond provides unlimited coverage on principal losses, reduced by any FDIC, SDGF insurance, and income on the investment during the calendar quarter a loss occurs.

The LGIP does not have a credit quality rating and is also not subject to credit risk disclosure because investments are not issued in securities form. It is part of the SIF and is managed by the State of Wisconsin Investment Board. The LGIP is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually and carries investments at amortized cost for purposes of calculating income to participants. At December 31, 2022, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

In accordance with certain contractual provisions, investment income associated with LGIP is assigned to the corresponding fund in which the assets are held. Participants in LGIP have the right to withdraw their funds in total on one day's notice. The LGIP does not include any involuntary participants.

Petty cash is not subject to custodial, interest rate or credit risk.

A separate financial report for SIF is prepared in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Copies of the report can be obtained from <http://www.doa.state.wi.us/Divisions/Budget-and-Finance/LGIP>.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**A. Cash and Equivalents and Investments (continued)**

**Custodial Risk:** Is the risk that, in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village's carrying value for demand deposits and other investments subject to custodial risk were \$56,697,030 at December 31, 2022 and the bank's carrying value was \$57,395,875, of which \$1,287,172 was fully insured, and \$56,108,703 was uninsured and uncollateralized. The Village does not have a policy on custodial risk.

Fluctuating cash flows during the year due to the timing of receipt of tax collections, other revenues, and financing sources may have resulted in temporary uninsured balances significantly exceeding the amounts reported under custodial risk.

The Village invests its funds in accordance with the provisions of the Wisconsin Statutes 66.04(2) and 67.11(2), which are as follows:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
2. Bonds or securities of any county, city, drainage district, technical college districts, village, town, or school district of the state.
3. Bonds or securities issued or guaranteed by the federal government.
4. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
5. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
6. Repurchase agreements secured by federal bonds or securities with public depositories.
7. Bonds issued by local exposition districts.
8. Bonds issued by local professional baseball park districts and professional football stadium districts.
9. Bonds issued by the University of Wisconsin Hospitals and Clinic Authority.
10. The Local Government Investment Pool Fund.

Additional restrictions may arise from local charters, ordinances, resolutions and grant regulations. There were no significant violations during the year or legal or contractual provisions of investments or deposits.

LGIP is exempt from fair value disclosure due to investments being valued at amortized cost. Certificates of deposit are exempt from fair value disclosures due to investments being valued at cost plus accrued interest accrued.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**B. Receivables**

The following schedules provide detail on receivables, related allowances, and amounts not expected to be collected within one year:

***Governmental Activities***

	<u>Gross Receivable</u>	<u>Allowance Doubtful Accounts</u>	<u>Net Receivable</u>	<u>Expected After December 31, 2023</u>
Taxes	\$ 26,451,105	\$ (6,048)	\$ 26,445,057	\$ ---
Special charges on tax roll	25,568	---	25,568	---
Intergovernmental aid	1,333,773	---	1,333,773	---
Accounts	2,916,280	(450,195)	2,466,085	478,000
Special assessments	721,911	---	721,911	600,000
Leases	1,086,386	---	1,086,386	973,152
Interest - leases	3,940	---	3,940	---

The allowance for taxes is for delinquent personal property taxes receivable. Allowances related to accounts are for police fines of \$417,173 and for ambulance billings of \$33,022.

***Business-type Activities***

	<u>Gross Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>	<u>Expected After December 31, 2023</u>
Taxes	\$ 931,000	\$ ---	\$ 931,000	\$ ---
Special charges on tax roll	2,638,530	---	2,638,530	---
Utility customers & other	2,977,004	(12,245)	2,964,759	---
Special assessments	186,064	---	186,064	178,917
Leases	4,367,238	---	4,367,238	4,192,021
Interest - leases	26,384	---	26,384	---

The allowance for accounts is related to utility customers who have filed for bankruptcy.

***Fiduciary Funds***

	<u>Gross Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>	<u>Expected After December 31, 2023</u>
Taxes	\$ 56,481,976	\$ ---	\$ 56,481,976	\$ ---

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**C. Interfund Balances and Transfers**

***Advances***

Advances between funds represent interfund long-term loans.

The General Fund has advanced funds to TID #6 and TID #7 for project expenditures, with interest charged at the average LGIP rate plus .5% on outstanding balances.

The Municipal Facilities and Equipment Fund has advanced funds to the debt service fund for future debt payments. Interest is being charged at the average LGIP rate plus .5% on outstanding balances.

The Municipal Facilities and Equipment Fund has advanced funds to TID #6, TID #9, TID #10, TID #13, TID #14 and TID #15 for project expenditures. Interest is being charged at the average LGIP rate plus .5% on outstanding balances.

The Water Utility has advanced funds to the Storm Water Utility that was provided to fund operations. Interest is being charged at the average LGIP rate plus .5% on outstanding balances.

Aggregated balances outstanding for these advances are as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General Fund	Other governmental funds	\$ 1,515,735
Other governmental funds	Other governmental funds	3,010,172
Other governmental funds	Debt Service Fund	255,000
Water Utility	Storm Water Utility	2,778,905

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**C. Interfund Balances and Transfers (continued)**

***Transfers***

Transfers between governmental funds are summarized as follows:

Transfers in	Transfers out	Amount
Debt Service Fund	General Fund	\$ 282,951
Debt Service Fund	Capital Projects Fund	44,026
Debt Service Fund	Other governmental funds	6,405,284
Other governmental funds	General Fund	627,478
Capital Projects Fund	Other governmental funds	4,915,040
		<u>\$ 12,274,779</u>

These transfers were made for the following purposes:

- Transfers to the Debt Service Fund from the General Fund were made to fund the General Fund's debt service requirements and to offset future debt obligations.
- Transfers to the Debt Service Fund from the Capital Projects Fund were made to fund the Capital Projects Fund's debt service requirements and to offset future debt obligations.
- Transfers to the Debt Service Fund from Other governmental funds were made to fund the Other governmental funds' debt service requirements.
- Transfers to the Other governmental funds from the General Fund were made to fund capital expenditures.
- Transfers to the Capital Projects Fund from the Other government funds were made to fund capital expenditures.

Transfers between governmental funds and business-type activities for PILOT are summarized as follows:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
General Fund	Water Utility	\$ 1,129,120

Transfers between governmental funds and business-type activities for capital expenditures are summarized as follows:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
Water Utility	Other governmental funds	\$ 1,377,893

Certain payments between funds have been recorded as revenues and expenses of the related funds, as opposed to transfers, as they represent payment for services provided. Principal examples include:

- Public fire protection charges from the General fund to the Water Utility
- Interest paid on advances between various funds.
- Reimbursements for depreciation of meters and a return on investment in meters from the Sewer Utility to the Water Utility.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**D. Restricted Assets**

Cash and equivalents of the water and sewer utilities as described below are restricted for specific purposes. These restrictions are the result of covenants of debt issuances and ordinances enacted related to the interceptor sewer tax and impact fees charged to developers, and are summarized as follows:

<b>Restricted cash and equivalents:</b>	<b>Sewer Utility</b>	<b>Water Utility</b>	<b>Total</b>
Interceptor sewer reserve	\$ 1,605,268	\$ ---	\$ 1,605,268
Impact fee reserve	4,144,049	3,693,028	7,837,077
Special redemption reserve	76,505	---	76,505
Operation and maintenance reserve	877,167	---	877,167
Depreciation reserve	174,900	---	174,900
<b>Total</b>	<b>\$ 6,877,889</b>	<b>\$ 3,693,028</b>	<b>\$ 10,570,917</b>

Cash and equivalents of the non-major special revenue funds are restricted as a result of state statutes related to fire and park impact fees. As of December 31, 2022, the restricted cash and equivalents related to fire impact fees was \$678,299. As of December 31, 2022, the restricted cash and equivalents related to park impact fees was \$289,061.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**E. Capital Assets**

Capital asset activity for the year ended December 31, 2022 is summarized as follows:

**Governmental Activities**

	Balance January 1, 2022	Additions	Transfers	Disposals	Balance December 31, 2022
<b>Nondepreciable capital assets:</b>					
Land	\$ 106,596,514	\$ 255,087	\$ ---	\$ ---	\$ 106,851,601
Construction in progress	2,468,727	5,533,672	(1,015,622)	(110,008)	6,876,769
<b>Total nondepreciable capital assets</b>	109,065,241	5,788,759	(1,015,622)	(110,008)	113,728,370
<b>Depreciable capital assets:</b>					
Land improvements	6,281,044	114,684	---	---	6,395,728
Buildings and improvements	60,737,829	59,676	---	---	60,797,505
Equipment and furnishings	23,804,464	894,707	272,165	(123,557)	24,847,779
Infrastructure	62,819,463	967,756	646,745	(95,544)	64,338,420
<b>Total depreciable capital assets</b>	153,642,800	2,036,823	918,910	(219,101)	156,379,432
<b>Less accumulated depreciation:</b>					
Land improvements	3,832,351	275,468	---	---	4,107,819
Buildings and improvements	19,917,628	1,471,421	---	---	21,389,049
Equipment and furnishings	17,293,148	1,375,949	---	(117,861)	18,551,236
Infrastructure	29,398,795	2,316,649	---	(95,544)	31,619,900
<b>Total accumulated depreciation</b>	70,441,922	5,439,487	---	(213,405)	75,668,004
<b>Net depreciable capital assets</b>	83,200,878	(3,402,664)	918,910	(5,696)	80,711,428
<b>Net total capital assets</b>	\$ 192,266,119	\$ 2,386,095	\$ *(96,712)	\$ (115,704)	\$ 194,439,798

\* - Transferred to water utility

**Depreciation was charged to governmental functions as follows:**

General government	\$ 590,459
Public safety	995,822
Public works	3,256,708
Culture and recreation	564,591
Conservation and development	31,907
<b>Total depreciation</b>	<b>\$ 5,439,487</b>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**E. Capital Assets (continued)**

***Business-type Activities***

	Balance January 1, 2022	Additions	Transfers	Disposals	Balance December 31, 2022
<b>Nondepreciable capital assets:</b>					
Land	\$ 608,553	\$ ---	\$ ---	\$ ---	\$ 608,553
Construction in progress	3,017,064	5,387,322	(1,759,811)	(258,719)	6,385,856
<b>Total nondepreciable capital assets</b>	3,625,617	5,387,322	(1,759,811)	(258,719)	6,994,409
<b>Depreciable capital assets:</b>					
Land improvements	1,913,209	---	---	---	1,913,209
Buildings and improvements	9,258,335	---	---	---	9,258,335
Equipment and furnishings	10,120,574	252,075	276,123	(134,029)	10,514,743
Infrastructure	215,705,077	3,014,068	1,580,400	(75,484)	220,224,061
<b>Total depreciable capital assets</b>	236,997,195	3,266,143	1,856,523	(209,513)	241,910,348
<b>Less accumulated depreciation:</b>					
Land improvements	716,644	37,358	---	---	754,002
Buildings and improvements	6,801,727	322,553	---	---	7,124,280
Equipment and furnishings	7,035,991	574,002	---	(134,029)	7,475,964
Infrastructure	72,249,209	3,560,723	---	(75,484)	75,734,448
<b>Total accumulated depreciation</b>	86,803,571	4,494,636	---	(209,513)	91,088,694
<b>Net depreciable capital assets</b>	150,193,624	(1,228,483)	1,856,523	---	150,821,654
<b>Net total capital assets</b>	\$ 153,819,241	\$ 4,158,829	\$ * 96,712	\$ (258,719)	\$ 157,816,063

\* - Transferred from governmental activities

**Depreciation was charged to proprietary functions as follows:**

Water Utility	\$ 2,020,150
Water Utility - allocated	48,338
Sewer Utility	1,613,425
Storm Water Utility	812,723
<b>Total depreciation</b>	<b>\$ 4,494,636</b>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**F. Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
<b>Long-term debt:</b>					
General obligation debt	\$ 71,342,951	\$ 8,835,000	\$ (7,707,951)	\$ 72,470,000	\$ 7,255,000
<b>Other liabilities:</b>					
Accumulated unpaid sick pay	3,128,569	661,433	(628,617)	3,161,385	419,075
<b>Total governmental   long-term obligations</b>	<u>\$ 74,471,520</u>	<u>\$ 9,496,433</u>	<u>\$ (8,336,568)</u>	<u>\$ 75,631,385</u>	<u>\$ 7,674,075</u>
<b>Business-type Activities:</b>					
<b>Long-term debt:</b>					
Revenue bonds	\$ 692,355	\$ ---	\$ (108,261)	\$ 584,094	\$ 111,018
General obligation debt	11,095,000	1,350,000	(1,140,000)	11,305,000	915,000
<b>Total long-term debt</b>	11,787,355	1,350,000	(1,248,261)	11,889,094	1,026,018
<b>Other liabilities:</b>					
Accumulated unpaid sick pay	444,116	80,839	(100,845)	424,110	67,056
<b>Total business-type   long-term obligations</b>	<u>\$ 12,231,471</u>	<u>\$ 1,430,839</u>	<u>\$ (1,349,106)</u>	<u>\$ 12,313,204</u>	<u>\$ 1,093,074</u>

The above schedule doesn't include \$1,345,562 of unamortized premiums on issuance, which is included in the governmental activities as bonds and notes on the Statement of Net Position.

The above schedule doesn't include \$318,488 of unamortized premiums on issuance, which is included in the business-type activities as bonds and notes on the Statement of Net Position.

Accumulated vacation pay is considered earned and payable and thus, is recorded as a current liability.

Activity related to accumulated unpaid sick pay is summarized as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Totals</u>
Balance, beginning of year	\$ 3,128,569	\$ 444,116	\$ 3,572,685
Sick leave benefit earned – current year	661,433	80,839	742,272
Sick leave used – current year	(511,875)	(58,624)	(570,499)
Sick leave paid upon retirement	(116,742)	(42,221)	(158,963)
Balance, end of year	<u>\$ 3,161,385</u>	<u>\$ 424,110</u>	<u>\$ 3,585,495</u>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**F. Long-Term Obligations (continued)**

***General Obligation Debt***

All general obligation notes and bonds payable are backed by the full faith and credit of the Village, and will be retired by resources derived from various sources, including property tax levies, special assessments, tipping fees, park impact fees, and tax increments. Details of general obligation debt are presented below:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/22</u>
06/17/13	06/01/23	2.28%	\$ 1,930,000	\$ 200,000
06/16/14	06/01/24	2.91%	4,920,000	2,540,000
10/30/14	05/01/30	4.00%	8,450,000	6,900,000
03/30/15	03/01/25	2.95%	7,850,000	5,550,000
03/30/15	03/01/25	3.11%	4,300,000	3,100,000
05/04/15	05/01/25	2.86%	3,110,000	2,325,000
05/02/16	05/01/26	2.00%	3,190,000	1,695,000
11/21/16	06/01/26	2.00%	2,500,000	1,350,000
11/21/16	06/01/33	2.99%	7,425,000	6,350,000
06/20/17	06/01/27	2.64%	14,935,000	8,125,000
06/18/18	06/01/28	3.00%	3,340,000	2,370,000
07/10/19	02/01/29	3.50%	2,030,000	1,390,000
07/10/19	02/01/39	3.08%	4,350,000	3,870,000
07/10/19	09/01/38	2.74%	18,435,000	17,800,000
07/01/20	02/01/30	2.27%	3,270,000	2,510,000
07/01/20	02/01/40	2.00%	1,460,000	1,310,000
05/13/21	02/01/31	1.83%	3,150,000	3,005,000
05/13/21	02/01/41	2.00%	3,400,000	3,200,000
04/27/22	02/01/32	2.80%	6,190,000	6,190,000
04/27/22	02/01/35	2.56%	1,350,000	1,350,000
05/04/22	02/01/39	4.44%	2,645,000	2,645,000
<b>Total general obligation debt</b>				<b>\$ <u>83,775,000</u></b>
Governmental activity debt				\$ 72,470,000
Business-type activity debt				<u>11,305,000</u>
<b>Total general obligation debt</b>				<b>\$ <u>83,775,000</u></b>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**F. Long-Term Obligations (continued)**

***General Obligation Debt (continued)***

The following summarizes the debt limit calculation as of December 31, 2022:

Equalized Value January 1, 2022	\$ <u>6,939,272,100</u>
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Debt limit (5% of equalized value)	\$ <u>346,963,605</u>
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**General Obligation Debt by Funding Source:**

Tax levy	\$ 18,110,000
Tipping fees	7,230,000
TID increments	47,130,000
Utility user fees	11,305,000
<b>Total General Obligation debt</b>	<b>\$ <u>83,775,000</u></b>

Ratio of applicable general obligation debt to debt limit	<u>24.15 %</u>
---	----------------

***Revenue Bonds***

Sewer Utility revenue bonds are payable solely from revenues generated by the utility. A statutory mortgage lien upon the sewerage system and any additions, improvements, and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the resolutions authorizing the mortgage revenue bond issues. The earnings of the Sewer Utility remain subject to the lien until payment in full of the principal and interest on the bonds.

Details of revenue bonds outstanding are presented below:

	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Average Coupon Rate</u>		<u>Original Indebtedness</u>	<u>Balance 12/31/22</u>
<b>Business-type Activities:</b>						
Clean Water Fund Loans:						
Sewer Utility:	08/22/07	05/01/27	2.55%	\$	1,887,778	\$ <u>584,094</u>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**F. Long-Term Obligations (continued)**

***Debt Maturities***

Debt service requirements to maturity for long-term debt are as follows:

**Governmental Activities:**

Year	General Obligation Debt		Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2023	\$ 7,255,000	\$ 2,128,763	\$ ---	\$ ---	\$ 9,383,763
2024	7,095,000	1,829,331	---	---	8,924,331
2025	13,670,000	1,519,179	---	---	15,189,179
2026	6,610,000	1,229,263	---	---	7,839,263
2027	6,720,000	1,040,848	---	---	7,760,848
2028-2032	27,845,000	2,678,802	---	---	30,523,802
2033-2037	2,895,000	247,106	---	---	3,142,106
2038-2041	380,000	14,290	---	---	394,290
<b>Totals</b>	<b>\$ 72,470,000</b>	<b>\$ 10,687,582</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ 83,157,582</b>

**Business-type Activities:**

Year	General Obligation Debt		Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2023	\$ 915,000	\$ 272,908	\$ 111,018	\$ 13,463	\$ 1,312,389
2024	1,175,000	235,835	113,845	10,599	1,535,279
2025	1,240,000	203,610	116,745	7,663	1,568,018
2026	1,315,000	173,081	119,719	4,652	1,612,452
2027	1,220,000	143,918	122,767	1,563	1,488,248
2028-2032	3,070,000	416,148	---	---	3,486,148
2033-2037	1,630,000	161,950	---	---	1,791,950
2038-2041	740,000	26,250	---	---	766,250
<b>Totals</b>	<b>\$ 11,305,000</b>	<b>\$ 1,633,700</b>	<b>\$ 584,094</b>	<b>\$ 37,940</b>	<b>\$ 13,560,734</b>

**Total Primary Government:**

Year	General Obligation Debt		Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2023	\$ 8,170,000	\$ 2,401,671	\$ 111,018	\$ 13,463	\$ 10,696,152
2024	8,270,000	2,065,166	113,845	10,599	10,459,610
2025	14,910,000	1,722,789	116,745	7,663	16,757,197
2026	7,925,000	1,402,344	119,719	4,652	9,451,715
2027	7,940,000	1,184,766	122,767	1,563	9,249,096
2028-2032	30,915,000	3,094,950	---	---	34,009,950
2033-2037	4,525,000	409,056	---	---	4,934,056
2038-2041	1,120,000	40,540	---	---	1,160,540
<b>Totals</b>	<b>\$ 83,775,000</b>	<b>\$ 12,321,282</b>	<b>\$ 584,094</b>	<b>\$ 37,940</b>	<b>\$ 96,718,316</b>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**F. Long-Term Obligations (continued)**

***Premiums, Discounts, and Gains and Losses on Refundings***

***Governmental Activities:***

Premiums and discounts on issuance, and gains and losses on refundings are recognized in the year in which they occur in the fund financial statements, but are deferred and amortized using the straight-line method over the life of the debt issue in the government-wide statements.

***Business-type Activities:***

Premiums and discounts on issuance, and gains and losses on refundings are deferred and amortized using the straight-line method over the life of the debt issue in both the fund statements and the government-wide statements.

Activity for the year ended December 31, 2022 is summarized as follows:

	<u>Balance January 1, 2022</u>	<u>Additions</u>	<u>Amortization Expense (Benefit)</u>	<u>Balance December 31, 2022</u>
<b>Governmental Activities:</b>				
Premium and discounts	\$ 1,304,839	\$ 269,820	\$ (229,097)	\$ 1,345,562
Gains and Losses on refunding	11,305	---	2,061	13,366
<b>Total governmental activities</b>	<u>\$ 1,316,144</u>	<u>\$ 269,820</u>	<u>\$ (227,036)</u>	<u>\$ 1,358,928</u>
<b>Business-type Activities:</b>				
Premiums and discounts:				
Water Utility	\$ 303,548	\$ 12,894	\$ (34,056)	\$ 282,386
Storm Water Utility	43,588	---	(7,486)	36,102
<b>Total business-type activities</b>	<u>\$ 347,136</u>	<u>\$ 12,894</u>	<u>\$ (41,542)</u>	<u>\$ 318,488</u>

***Subsequent Debt Issuances***

In March 2023, the Village Board approved the issuance and sale of \$2,655,000 general obligation promissory notes. The debt was issued on May 24, 2023. The proceeds from the issuance will be used to fund capital expenditures, including street, park, TID #8 and TID #14 projects. The loan matures on February 1, 2033, with an average interest rate of 4.00%.

In March 2023, the Village Board approved the issuance and sale of \$2,430,000 general obligation promissory notes. The debt was issued on May 24, 2023. The proceeds from the issuance will be used to fund water utility projects. The loan matures on February 1, 2043, with an average interest rate of 4.00%.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**G. Net Position and Fund Balances**

***Government-wide Financial Statement Net Position***

***Governmental Activities***

Governmental net position consists of the following:

**Net Investment in Capital Assets:**

Land and construction in progress	\$ 113,728,370	
Other capital assets net of accumulated depreciation	80,711,428	
Less: accrued interest	(650,520)	
Less: related long-term debt	<u>(39,692,564)</u>	
<b>Total net investment in capital assets</b>		\$ 154,096,714

**Restricted for:**

Capital Projects:

Park development and land acquisition	1,014,976	
Library facilities	<u>60,516</u>	
<b>Total restricted for capital projects</b>		1,075,492

Debt service		1,245
Library operations and maintenance		900,115

Other:

Community development	608,066	
Public safety programs	892,957	
Parks operations	<u>32,604</u>	
<b>Total restricted for other</b>		1,533,627

Unrestricted		<u>(13,914,270)</u>
<b>Total governmental net position</b>		<b>\$ <u>143,692,923</u></b>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**G. Net Position and Fund Balances (continued)**

***Government-wide Financial Statement Net Position (continued)***

***Business-type Activities***

Business-type net position consists of the following:

**Net Investment in Capital Assets:**

Land and construction in progress	\$ 6,994,409	
Other capital assets net of accumulated depreciation	150,821,654	
Less: related long-term debt	<u>(10,729,978)</u>	
<b>Total net investment in capital assets</b>		\$ 147,086,085

**Restricted for:**

Capital Projects:

Interceptor sewer improvements	1,605,268	
Other sewer infrastructure improvements	4,144,049	
Other water infrastructure improvements	<u>3,693,028</u>	
<b>Total restricted for capital projects</b>		9,442,345

Other:

Operation and maintenance – sewer	877,167	
Depreciation fund – sewer	<u>174,900</u>	
<b>Total restricted for other</b>		1,052,067

Unrestricted		<u>11,797,688</u>
<b>Total business-type net position</b>		\$ <u>169,378,185</u>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**3. Detail Notes on Transaction Classes and Accounts (continued)**

**G. Net Position and Fund Balances (continued)**

***Fund Financial Statements***

Governmental fund balances consist of the following:

**General Fund:**

Nonspendable:

Prepaid items	\$ 79,324	
Advances to other funds	1,515,735	
Delinquent personal property taxes receivable	9,062	
Inventory of supplies	<u>602,117</u>	
<b>Total nonspendable</b>		\$ 2,206,238
Unassigned		<u>8,308,002</u>
<b>Total General Fund</b>		<b>\$ 10,514,240</b>

**Debt Service:**

Restricted: for debt service	\$ 1,245
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**Capital Projects:**

Committed: for capital projects	<u>\$ 1,564,626</u>
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**Non-major Funds:**

Nonspendable:

Advances to other funds	\$ 3,265,172	
Long-term special assessments	<u>209,844</u>	
<b>Total nonspendable</b>		\$ 3,475,016

Restricted:

Revolving loans for community development	749	
Public safety programs	892,957	
Park development and land acquisition	1,011,070	
Parks operations	32,604	
Tourism commission	507,462	
Library facilities	60,516	
Library operations and maintenance	1,085,452	
American rescue plan	60,942	
TIF district improvements and related debt service	<u>3,921,051</u>	
<b>Total restricted</b>		7,572,803

Committed:

Community grants	14,330	
Cable TV	22,500	
Special assessments	<u>187,306</u>	
<b>Total committed</b>		224,136

Assigned:

Capital projects	3,653,280
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Unassigned	<u>(4,111,276)</u>
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<b>Total non-major funds</b>	<b>\$ 10,813,959</b>
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**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes**

**A. Employee Pension Plan**

**Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds ("ETF"). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

**Vesting**

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

**Benefits Provided**

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/16) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**A. Employee Pension Plan (continued)**

**Post-Retirement Adjustments**

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

The Core and Variable annuity adjustments granted during recent years are as follows:

<b>Year</b>	<b>Core Fund Adjustment %</b>	<b>Variable Fund Adjustment %</b>
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0

**Contributions**

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

During the reporting period (calendar year 2021), the WRS recognized \$1,482,193 in contributions from the employer.

Contribution rates as of December 31, 2022 are:

<b>Employee Category</b>	<b>Employee</b>	<b>Employer</b>
General (including teachers, executives and elected officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**A. Employee Pension Plan (continued)**

**Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2022, the Village reported an asset of \$10,083,484 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.1251%, which was an increase of 0.0023% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension revenue of \$977,994.

At December 31, 2022, the Village reported deferred outflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 16,289,359	\$ 1,174,638
Changes in assumptions	1,881,233	---
Net difference between projected and actual earnings on pension plan investments	---	22,557,593
Changes in proportion and differences between employer contributions and proportionate share of contributions	25,353	15,017
Employer contributions subsequent to the measurement date	1,598,834	---
<b>Total</b>	<b>\$ 19,794,779</b>	<b>\$ 23,747,248</b>

The amount of \$1,598,834 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

<b>Year Ended December 31,</b>	
2023	\$ (467,254)
2024	(2,727,863)
2025	(1,200,747)
2026	(1,155,438)

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**A. Employee Pension Plan (continued)**

**Actuarial Assumptions**

The total pension asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 – December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases: Inflation Seniority/Merit	3.0% 0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

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

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**A. Employee Pension Plan (continued)**

**Actuarial Assumptions (continued)**

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

**Asset Allocation Targets and Expected Returns<sup>1</sup>**  
**As of December 31, 2021**

<b>Core Fund Asset Class</b>	<b>Current Asset Allocation</b>	<b>Long-Term Expected Nominal Rate of Return</b>	<b>Long-Term Expected Real Rate of Return<sup>2</sup></b>
Global Equities	52.0%	6.8%	4.2%
Fixed Income	25.0	4.3	1.8
Inflation Sensitive	19.0	2.7	0.2
Real Estate	7.0	5.6	3.0
Private Equity/Debt	12.0	9.7	7.0
Total Core Fund <sup>3</sup>	115.0	6.6	4.0
<b>Variable Fund Asset Class</b>			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0	7.2	4.6
Total Variable Fund	100.0	6.8	4.2

<sup>1</sup>Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

<sup>2</sup>New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.5%

<sup>3</sup>The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**Single Discount rate.** A single discount rate of 6.80% was used to measure the total pension liability, as opposed to a discount rate of 7.00% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.70% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**A. Employee Pension Plan (continued)**

**Actuarial Assumptions (continued)**

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

	<b>1% Decrease to Discount Rate (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase to Discount Rate (7.80%)</b>
Village's proportionate share of the net pension liability (asset)	\$ 7,154,947	\$ (10,083,484)	\$ (22,491,947)

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

**Payables to the Pension Plan**

Payables to the pension plan at December 31, 2022 were \$139,297. This represents contributions earned as of December 31, 2022, but for which payment was not remitted to the pension plan until subsequent to year-end.

**B. Other Post-Employment Benefits (OPEB) – Life Insurance**

**Plan Description**

The Local Retiree Life Insurance Fund ("LRLIF") is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible members.

**OPEB Plan Fiduciary Net Position**

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

**Benefits Provided**

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**B. Other Post-Employment Benefits (OPEB) – Life Insurance (continued)**

**Contributions**

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2022 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2021 are as listed below:

<b>Life Insurance Employee Contribution Rates* For the year ended December 31, 2021</b>		
<b>Attained Age</b>	<b>Basic</b>	<b>Supplemental</b>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

\*Disabled members under age 70 receive a waiver-of-premium benefit.

During the reporting period, the LRLIF recognized \$5,588 in contributions from the employer.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**B. Other Post-Employment Benefits (OPEB) – Life Insurance (continued)**

**OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At December 31, 2022, the Village reported a liability of \$1,613,631 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was .2730%, which was an increase of .0337% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized OPEB expense of \$187,563.

At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ ---	\$ 82,085
Net difference between projected and actual earnings on OPEB plan investments	20,994	---
Changes in assumptions	487,534	78,213
Changes in proportion and differences between employer contributions and proportionate share of contributions	137,198	165,229
Employer contributions subsequent to the measurement date	5,815	---
<b>Total</b>	<b>\$ 651,541</b>	<b>\$ 325,527</b>

The amount of \$5,815 reported as deferred outflows related to OPEB resulting from the employers contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

<b>Year Ended December 31,</b>	
2023	\$ 71,967
2024	69,531
2025	61,185
2026	77,612
2027	23,287
2028	16,617

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**B. Other Post-Employment Benefits (OPEB) – Life Insurance (continued)**

**Actuarial assumptions**

The total OPEB liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 – December 31, 2020, Published November 18, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from the prior year, including the price inflation, mortality and separation rates. The total OPEB liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the January 1, 2021 actuarial valuation.

**Long-term expected Return on Plan Assets.** The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

**Local OPEB Life Insurance**  
**Asset Allocation Targets and Expected Returns**  
**As of December 31, 2021**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Intermediate Credit Bonds	Bloomberg US Interm Credit	45%	1.68%
US Credit Bonds	Bloomberg US Long Credit	5%	1.82%
US Mortgages	Bloomberg US MBS	50%	1.94%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**B. Other Post-Employment Benefits (OPEB) – Life Insurance (continued)**

**Actuarial assumptions (continued)**

The long term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 31, 2020 to 2.30% as of December 31, 2021.

**Single Discount rate** A single discount rate of 2.17% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

**Sensitivity of the Village's proportionate share of the net OPEB liability to changes in the discount rate.** The following presents the Village's proportionate share of the net OPEB liability calculated using the discount rate of 2.17 percent, as well as what the Village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current rate:

	<u>1% Decrease to Discount Rate (1.17%)</u>	<u>Current Discount Rate (2.17%)</u>	<u>1% Increase to Discount Rate (3.17%)</u>
Village's proportionate share of the net OPEB liability	\$ 2,189,116	\$ 1,613,631	\$ 1,180,603

The Village had no payables to the OPEB plan at December 31, 2022.

**C. Other Post-Employment Benefits (OPEB) - Health**

The Village group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other post-employment benefit ("OPEB") commonly referred to as an implicit rate subsidy. Employees participating in the OPEB benefit consisted of the following at December 31, 2020, the date of the latest valuation:

Retirees	5
Active	159
<b>Number of participating employees</b>	<u>164</u>

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**C. Other Post-Employment Benefits (OPEB) - Health**

**Actuarial Assumptions**

The major assumptions and methods used in the latest actuarial valuation follows:

Valuation date	12/31/2020
Measurement date	12/31/2021
Reporting date	12/31/2022
Actuarial cost method	Entry Age Normal (level percent of salary)
Actuarial assumptions:	
Health care trend	6.50% decreasing by .10% per year down to 5.00%, and level thereafter
Discount rate*	2.00% (based upon all years of projected payments discounted at a municipal bond rate of 2.25%)
Municipal bond rate source	Bond buyer 20-bond GO index
Actuarial assumptions	Based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-2017
Mortality assumptions	Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied by 60%)

*\*Implicit in this rate is an assumed rate of inflation of 2.00%*

The projection of cash flows used to determine the single discount rate assumed that the plan would continue to be funded on a pay-as-you-go basis. Based on these assumptions, the 20-year AA municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Single Discount rate.** A discount rate of 2.00% was used in calculating the Village's OPEB liability (based upon all projected payments discounted at a municipal bond rate of 2.00%). The discount rate is based on the 20-year AA municipal bond rate. This changed from 2.25% used in the prior year.

**Total OPEB Liability**

No assets are accumulated in a trust that meets all the criteria in GASB Statement No. 75, paragraph 4 because the Village's contributions are not irrevocable. Accordingly, the Village's total OPEB liability is not reduced by any assets accumulated in a trust that meets the criteria and the Village must report its total OPEB liability.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**C. Other Post-Employment Benefits (OPEB) - Health**

**Total OPEB Liability (continued)**

The Village's total OPEB liability is based upon the actuarial assumptions and projections described herein as determined by the census, benefit and premium data provided by the Village. The following table shows the components of the Village's change in the total OPEB liability:

	<b>Total OPEB Liability</b>
<b>Balance 12/31/21</b>	\$ 2,166,209
Benefit payments	(42,010)
Changes of assumptions or other input	48,741
Difference between expected and actual experience	---
Service cost	191,224
Interest	50,418
Net changes	248,373
<b>Balance 12/31/22</b>	<b>\$ 2,414,582</b>

**Sensitivity of the Village's OPEB liability to changes in the discount rate.** The following presents the Village's OPEB liability calculated using the discount rate of 2.00 percent, as well as what the Village's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00 percent) or 1-percentage-point higher (3.00 percent) than the current rate:

	<b>1% Decrease to Discount Rate (1.00%)</b>	<b>Current Discount Rate (2.00%)</b>	<b>1% Increase to Discount Rate (3.00%)</b>
Village's OPEB liability	\$ 2,618,525	\$ 2,414,582	\$ 2,225,042

**Sensitivity of the Village's OPEB liability to changes in Healthcare Cost Trend Rates.** The following presents the Village's OPEB liability calculated using the healthcare cost trend rates of 6.50 percent, as well as what the Village's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	<b>1% Decrease to Healthcare Cost Trend (5.50% decreasing to 4.00%)</b>	<b>Current Healthcare Cost Trend (6.50% decreasing to 5.00%)</b>	<b>1% Increase to Healthcare Cost Trend (7.50% decreasing to 6.00%)</b>
Village's OPEB liability	\$ 2,115,314	\$ 2,414,582	\$ 2,771,864

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**C. Other Post-Employment Benefits (OPEB) - Health**

**OPEB Expense, Deferred Outflows or Resources, and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2022, the Village recognized OPEB expense of \$289,306. At December 31, 2022, the Village reported deferred inflows and outflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 96,691	\$ 199,194
Changes in assumptions	192,634	106,062
Net difference between projected and actual earnings on OPEB plan investments	---	---
Changes in proportion and differences between employer contributions and proportionate share of contributions	---	---
Employer contributions subsequent to the measurement date	26,393	---
<b>Total</b>	<b>\$ 315,718</b>	<b>\$ 305,256</b>

The amount of \$26,393 reported as deferred outflows related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

<b>Year Ended December 31,</b>	
2023	\$ 8,342
2024	8,342
2025	8,342
2026	8,342
2027	8,334
Thereafter	(57,633)

**Payable to the OPEB Plan**

At December 31, 2022, there were no payables due to the OPEB Plan.

**D. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of; damage to, or destruction of assets; and errors and omissions, natural disasters and workers' compensation. The Village purchases general, automobile and workers' compensation insurance from the Cities and Villages Mutual Insurance Company. The Village purchases commercial insurance for all other risks. There have been no significant reductions in insurance for any risk of loss in the past year. No claims have significantly exceeded the commercial coverage in the past three years.



**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**D. Risk Management (continued)**

The CVMIC is made up of a membership of Wisconsin municipalities. The Village's share of assets, liabilities, and fund equity was approximately 2.635% as of December 31, 2022. The CVMIC insures the Village with \$5 million (per occurrence) coverage; a \$125,000 deductible; and \$500,000 stop loss.

The Village's Risk Management Fund was established to account for and finance the Village's uninsured risk of loss. At December 31, 2022, this fund had a net position totaling \$264,834 which is available to pay future claims. Annually, a liability for claims incurred but not yet reported is calculated by an actuary. The claims are listed at full (non-discounted) value. The following is a summary of the changes in this liability account:

<u>Fiscal Year</u>		<u>Balance January 1,</u>		<u>Claims and Changes In Estimates</u>		<u>Claim Payments</u>		<u>Balance December 31,</u>
2022	\$	210,794	\$	---	\$	(113,901)	\$	96,893
2021		93,999		116,795		---		210,794

Summary financial information for CVMIC and WMIC for the year ended December 31, 2022 is available from the CVMIC offices. As of December 31, 2022, the CVMIC had assets of \$52,945,180 and a policyholders' surplus of \$31,621,178.

**E. Tax Incremental Districts**

Tax increment financing district ("TID"), as authorized by Section 66.1105 of the Wisconsin Statutes, is a method by which the Village can recover its development and public improvement costs in TID designated areas. These costs are recovered from the increase in property tax revenue which results from the increased valuation in the designated area. The Village finances development and public improvement costs in its TID through the issuance of general obligation long-term debt. Project costs are reported primarily as capital projects fund expenditures. Tax increments are reported as capital projects fund revenues and are used to meet maturing debt obligations incurred to provide financing for development and public improvement costs within the tax incremental district. Certain details related to each of the Village's tax incremental districts are listed below. For complete details of financial activity related to any of the tax incremental districts, compilation reports are available for viewing in the Village's Financial Services Department.

**T.I.D. #6 – Main St Corridor**

On April 17, 2006, the Village created Tax Incremental District #6 ("TID #6"). TID #6 has a statutory life of 27 years which will expire April 17, 2033. The last date to incur project costs is April 17, 2028. On July 21, 2008, the original project plan was amended to change the original plan boundaries. On September 17, 2018, the original project plan was amended to increase certain planned project expenditures. On April 1, 2019, TID #6 received the Village's portion of the excess TIF increment disbursed upon closure from TID #4 and TIF #5 in the amounts of \$532,506 and \$501,555, respectively. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>		<u>Cumulative Revenues to 12/31/22</u>		<u>Project Plan Estimated Expenditures</u>		<u>Cumulative Expenditures to 12/31/22</u>		<u>Outstanding Debt as of 12/31/22</u>
\$ 45,328,981	\$	4,412,112	\$	45,328,981	\$	15,984,892	\$	11,563,701

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**E. Tax Incremental Districts (continued)**

**T.I.D. #7 – First Park**

On February 18, 2008, the Village created Tax Incremental District #7 ("TID #7"). TID #7 has a statutory life of 20 years which will expire February 18, 2028. The last date to incur project costs is February 18, 2023. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 11,096,724	\$ 4,824,498	\$ 11,096,724	\$ 4,941,255	\$ 161,458

**T.I.D. #8 – Falls Parkway**

On July 21, 2008, the Village created Tax Incremental District #8 ("TID #8"). TID #8 has a statutory life of 27 years which will expire July 21, 2035. On January 18, 2010, the project plan was amended by the addition of certain provisions and to provide transfers in from TID #4. The last date to incur project costs is July 21, 2030. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 64,945,750	\$ 29,170,256	\$ 64,945,750	\$ 44,774,324	\$ 18,490,000

**T.I.D. #9 – Village Centre / Appleton Ave**

On January 18, 2010, the Village created Tax Incremental District #9 ("TID #9"). TID #9 has a statutory life of 20 years which will expire January 18, 2030. The last date to incur project costs is January 18, 2025. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 23,481,963	\$ 1,922,759	\$ 23,481,963	\$ 2,552,768	\$ 718,244

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**E. Tax Incremental Districts (continued)**

**T.I.D. #10 – Woodland Prime**

On August 17, 2011, the Village created Tax Incremental District #10 ("TID #10"). TID #10 has a statutory life of 26 (as extended) years which will expire August 17, 2037. The last date to incur project costs is August 17, 2026. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 53,260,084	\$ 5,563,633	\$ 53,260,084	\$ 20,943,876	\$ 15,469,032

**T.I.D. #11 – Wacker Neuson**

On August 17, 2011, the Village created Tax Incremental District #11 ("TID #11"). TID #11 has a statutory life of 20 years which will expire August 17, 2031. The last date to incur project costs is August 17, 2026. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 4,501,500	\$ 1,079,138	\$ 4,501,500	\$ 1,186,735	\$ 440,000

**T.I.D. #12 – Lilly Rd Industrial**

On September 15, 2014, the Village created Tax Incremental District #12 ("TID #12"). TID #12 has a statutory life of 20 years which will expire September 15, 2034. The last date to incur project costs is September 15, 2029. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 4,157,250	\$ 1,966,317	\$ 4,157,250	\$ 3,882,362	\$ 2,515,000

**T.I.D. #13 – Flint Drive/DRS**

On March 5, 2019, the Village created Tax Incremental District #13 ("TID #13"). TID #13 has a statutory life of 21 years which will expire March 4, 2040. The last date to incur project costs is March 4, 2034. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 12,888,318	\$ 605,600	\$ 12,888,318	\$ 2,679,119	\$ 2,210,472

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**E. Tax Incremental Districts (continued)**

**T.I.D. #14 – Glenroy**

On March 4, 2019, the Village created Tax Incremental District #14 ("TID #14"). TID #14 has a statutory life of 21 years which will expire March 4, 2040. The last date to incur project costs is March 4, 2034. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 4,159,003	\$ 89,348	\$ 4,159,003	\$ 85,442	\$ 63,000

**T.I.D. #15 – Mill Road Landfill**

On May 2, 2022, the Village created Tax Incremental District #15 ("TID #15"). TID #15 has a statutory life of 27 years which will expire May 2, 2049. The last date to incur project costs is May 2, 2044. The following is a summary of accumulated project activity, project plan estimates and outstanding debt as of December 31, 2022:

<u>Project Plan Estimated Revenues</u>	<u>Cumulative Revenues to 12/31/22</u>	<u>Project Plan Estimated Expenditures</u>	<u>Cumulative Expenditures to 12/31/22</u>	<u>Outstanding Debt as of 12/31/22</u>
\$ 17,256,960	\$ ---	\$ 17,256,960	\$ 22,967	\$ 25,000

**F. Municipal Revenue Obligations**

The Village has entered into municipal revenue obligations (MRO) with developers in certain tax incremental districts. An MRO is similar to a revenue bond in that it is only payable out of the revenue generated from tax increment (less a provision for administrative and other costs) and is not a general obligation of the Village. Unlike a revenue bond; however, there is no obligation to pay any outstanding balance beyond the maturity date. All MROs accrue interest at 0%, except for the TID #7, which accrues interest at 8.5%. Payments are made in annual installments.

<u>TID</u>	<u>Principal</u>	<u>Paid in 2022</u>	<u>Total Paid</u>	<u>Potential Remaining Obligation</u>	<u>Maturity Year</u>
7	10,921,725	393,459	4,467,223	6,454,502	2026 *
8	4,000,000	---	81,879	3,918,121	2035
9	1,200,000	73,906	245,455	954,545	2030
9	3,952,860	98,127	230,540	3,722,320	2030
10	2,500,000	222,084	2,004,665	495,335	2024
10	250,000	---	---	250,000	2026
10	3,100,000	---	---	3,100,000	2035
13	4,396,086	295,125	424,644	3,971,442	2040
14	3,095,000	37,779	37,779	3,057,221	2040

\* Maturity date may be extended at the sole discretion of the Village

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**G. Contingent Liabilities**

The Village has identified the following items as potential liabilities not recorded in the financial statements:

- The Village participates in a number of federal and state assistance programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the Village's compliance with applicable grant requirements will be established at some future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The Village expects such amounts, if any, to be immaterial.
- The Village is periodically engaged in the courts defending and prosecuting cases over a wide range of possible situations. The ultimate outcome of these claims has not been determined. In the opinion of management, after considering the Village's insurance coverage, potential payment of claims by other parties, and the statutory limitation on claims against Wisconsin municipalities, the likelihood of material impact on the Village's financial statements upon resolution of these matters is remote.
- The Village has been advised by the Wisconsin Department of Natural Resources that the Village is considered to be a responsible party with respect to property owned by the Village and formerly operated by others as a landfill known as the Bruce Landfill. The Village continues to monitor site contamination in accordance with an agreement with the Wisconsin Department of Natural Resources. Currently, there are no requirements for remediation activities, and the Village is unable to say at this time what, if any, remediation activities might be required in future periods. In the event that the Village is determined to have any liability with respect to the Bruce Landfill, the Village may have rights against third parties.
- The Village has entered into employment contracts with two non-represented Village employees. The terms of these contracts include salary continuation benefits for the employees in the event that the employees are terminated without cause. The length of salary continuation benefits is six months for each employee.

**H. Other Commitments**

During 2008, the Village entered into an agreement with the City of Milwaukee wherein the Village agrees to purchase all of the water supplied to a portion of the Village from Milwaukee Water Works for a period of ten years from the effective date of the agreement. The agreement was renewed in 2018 for a period of an additional ten years. Charges under this agreement are approximately \$105,000 per month.

During 2020, the Village entered into a contract for garbage and recycling services. The contract commenced on January 1, 2020 and ends on December 31, 2026, and thereafter shall automatically renew for successive renewal terms of one-year each, unless either party give written notice of intention to terminate at least ninety days prior to the end of the current-term. The contract requires monthly payments based on a per residential unit basis. The rate per residential unit for 2022 is \$13.28, which an increase of 3% annually, thereafter. The total amount paid on the contract for the year ending December 31, 2022, amounted to \$2,088,944.

During 1965, the Village entered into a contract with Milwaukee Metropolitan Sewerage District for sewage services. The contract renews automatically for five-year periods unless the Village gives 6 months' notice. The current contract expires in July 2025. The contract requires an annual capital charge and monthly fee based on usage. The capital charge and user charges for the year ending December 31, 2022, amounted to \$4,996,202 and \$2,519,202, respectively.

**I. Letters of Credit**

The Village enters into a number of contracts for land development in conjunction with contractors and developers. The developers finance these construction projects under letters of credit, whereby the Village is reimbursed for any expenditure up to the limit of the letter of credit. Any over-expenditures on the projects would be paid by the Village.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**J. Lease Disclosures - Lessor**

**Governmental Activities:**

The governmental activities of the Village recognized \$120,890 in lease revenue and \$20,976 in lease interest revenue for the year ending December 31, 2022, respectively. The Village is a lessor for the following lease agreements:

<u>Lessee</u>	<u>Purpose</u>	<u>Year Started</u>	<u>Payment Amount</u>	<u>End Date</u>	<u>Discount rate (applicable federal rate)</u>
School district	District operations	2010	\$3,684/month	5/31/2029	1.82%
Communications company	Cellular communications	2013	Initial payment of \$500/month, 2.5% annual increase	12/31/2027	1.82%
Communications company	Cellular communications	2016	\$12,000/year payment, 4.0% annual increase	12/31/2039	1.82%

Future payments due to the Village are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 113,234	\$ 19,503	\$ 132,737
2024	68,820	17,423	86,243
2025	71,648	16,159	87,807
2026	74,587	14,842	89,429
2027	77,643	13,471	91,114
2028-2032	274,849	49,905	324,754
2033-2037	288,195	26,822	315,017
2038-2042	117,410	3,263	120,673
Totals	\$ 1,086,386	\$ 161,388	\$ 1,247,774

**Business-type Activities:**

The Water Utility entered into several lease agreements with communication companies, wherein the Village has agreed to allow the use of Water Utility property for the purpose of telecommunication relays. Lease end dates vary from 2031-2048. A discount rate of 1.82% was used. The business-type activities of the Village recognized \$418,789 in lease revenue and \$75,799 in lease interest revenue for the year ending December 31, 2022, respectively.

Future payments due to the Village are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 175,217	\$ 80,011	\$ 255,228
2024	200,040	76,792	276,832
2025	213,725	73,116	286,841
2026	228,087	69,189	297,276
2027	243,157	64,999	308,156
2028-2032	1,407,598	251,962	1,659,560
2033-2037	830,302	144,272	974,574
2038-2042	869,336	62,984	932,320
2043-2047	194,134	8,585	202,719
2048-2052	5,642	13	5,655
Totals	\$ 4,367,238	\$ 831,923	\$ 5,199,161

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Financial Statements**  
December 31, 2022

**4. Other Notes (continued)**

**K. Regulatory Agency - Water Utility**

The Utility operates under service rules established by the Public Service Commission of Wisconsin ("PSCW"). Rates charged are regulated by the PSCW and the accounting records of the Utility are maintained in accordance with the Uniform System of Accounts prescribed by the PSCW. Water rates were increased effective January 1, 2017.

**L. Subsequent Events**

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (July 31, 2023). See note 3.F for disclosure of subsequent debt issuances. There were no other disclosures necessary for subsequent events.

**M. Deficit Fund Balances**

As of December 31, 2022, the following non-major individual funds had deficit fund balances:

<u>Capital Projects Funds</u>		<u>Deficit</u>
T.I.D. #6	\$	3,032,780
T.I.D. #7		116,757
T.I.D. #9		125,009
T.I.D. #10		610,244
T.I.D. #13		203,519
T.I.D. #15		22,967

The deficits are anticipated to be funded with future program revenues, tax increments or long-term borrowing.

**N. Effect of New Accounting Standards on Financial Statements**

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

- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Arrangements* for periods beginning after June 15, 2022
- GASB Statement No. 96, *Subscription based information technology arrangements* for periods beginning after June 15, 2022
- GASB Statement No. 100, *Accounting changes and error corrections* for periods beginning after June 15, 2023
- GASB Statement No. 101, *Compensated absences* for periods beginning after December 15, 2023

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

**O. Excess of Expenditures over Appropriations**

Certain departments in the General Fund incurred expenditures in excess of appropriations in the following amounts for the year ended December 31, 2022:

<u>Department</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
<b>General Fund:</b>			
Public safety	\$ 18,223,869	\$ 18,937,262	\$ 713,393

**REQUIRED SUPPLEMENTARY  
INFORMATION**



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Required Supplementary Information**  
**Schedule of Proportionate Share of the Net Pension Asset (Liability)**  
Year Ended December 31, 2022

Wisconsin Retirement System  
Last 10 Fiscal Years\*

<b>Village year end</b>	<b>WRS year end</b>	<b>Village's Proportion of the Net Pension Asset (Liability)</b>	<b>Village's Proportionate Share of the Net Pension Asset (Liability)</b>	<b>Village's Covered Payroll</b>	<b>Net Pension Asset (Liability) as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of Total Pension Asset (Liability)</b>
2022	2021	0.1251%	\$ 10,083,484	\$ 15,618,036	64.56%	106.02%
2021	2020	0.1228%	7,663,593	15,153,314	50.57%	105.26%
2020	2019	0.1203%	3,879,858	14,753,401	26.30%	102.96%
2019	2018	0.1179%	(4,195,484)	14,186,136	29.57%	96.45%
2018	2017	0.1147%	3,405,166	13,809,611	24.66%	102.93%
2017	2016	0.1111%	(915,900)	13,622,704	6.72%	99.12%
2016	2015	0.1099%	(1,785,211)	13,201,573	13.52%	98.20%
2015	2014	0.1120%	2,745,315	12,593,512	21.80%	102.74%

\*The amounts presented for each year end are based on measurement dates of the prior year-end.

\*GASB requires the presentation of the last 10 prior years completed under this pronouncement. The years completed prior to the enactment of this pronouncement are not required to be presented in this schedule.

**Schedule of Employer Contributions**  
Year Ended December 31, 2022

Wisconsin Retirement System  
Last 10 Fiscal Years\*

<b>Village year end</b>	<b>WRS year end</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Village's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2022	2021	\$ 1,482,193	\$ 1,482,193	\$ ---	\$ 15,618,036	9.49%
2021	2020	1,423,931	1,423,931	---	15,153,314	9.40%
2020	2019	1,272,776	1,272,776	---	14,753,401	8.63%
2019	2018	1,238,425	1,238,425	---	14,186,136	8.73%
2018	2017	1,205,134	1,205,134	---	13,809,611	8.73%
2017	2016	1,087,135	1,087,135	---	13,622,704	7.98%
2016	2015	1,068,023	1,068,023	---	13,201,573	8.09%
2015	2014	1,067,234	1,067,234	---	12,593,512	8.47%

\*The amounts presented for each year end are based on measurement dates of the prior year-end.

\*GASB requires the presentation of the last 10 prior years completed under this pronouncement. The years completed prior to the enactment of this pronouncement are not required to be presented in this schedule.

See independent auditors' report

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Required Supplementary Information**  
**Schedule of Proportionate Share of the Net OPEB - Life Insurance Asset (Liability)**  
Year Ended December 31, 2022

Local Retiree Life Insurance  
Last 10 Fiscal Years\*

<b>Village year end</b>	<b>LRLIF year end</b>	<b>Village's Proportion of the Net OPEB Asset (Liability)</b>	<b>Village's Proportionate Share of the Net OPEB Asset (Liability)</b>	<b>Village's Covered- Employee Payroll</b>	<b>Net OPEB Asset (Liability) as a Percentage of Covered - Employee Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Asset (Liability)</b>
2022	2021	0.2730%	\$ (1,613,631)	\$ 14,342,000	11.25%	29.57%
2021	2020	0.2393%	(1,316,224)	13,805,000	9.53%	31.36%
2020	2019	0.3097%	(1,318,559)	13,453,000	9.80%	37.58%
2019	2018	0.2988%	(770,930)	12,951,000	5.95%	48.69%
2018	2017	0.2993%	(900,360)	12,584,907	7.15%	44.81%

\*The amounts presented for each year end are based on measurement dates of the prior year-end.

\*GASB requires the presentation of the last 10 prior years completed under this pronouncement. The years completed prior to the enactment of this pronouncement are not required to be presented in this schedule.

**Schedule of Employer Contributions**  
Year Ended December 31, 2022

Local Retiree Life Insurance  
Last 10 Fiscal Years\*

<b>Village year end</b>	<b>LRLIF year end</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Village's Covered- employee Payroll</b>	<b>Contributions as a Percentage of Covered- Employee Payroll</b>
2022	2021	\$ 5,588	\$ 5,588	\$ ---	\$ 14,342,000	0.039%
2021	2020	4,771	4,771	---	13,805,000	0.035%
2020	2019	5,597	5,597	---	13,453,000	0.042%
2019	2018	5,756	5,756	---	12,951,000	0.044%
2018	2017	5,683	5,683	---	12,584,907	0.045%

\*The amounts presented for each year end are based on measurement dates of the prior year-end.

\*GASB requires the presentation of the last 10 prior years completed under this pronouncement. The years completed prior to the enactment of this pronouncement are not required to be presented in this schedule.

See independent auditors' report

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Required Supplementary Information**  
**Schedule of Changes in Total OPEB - Health Liability and Related Ratios**  
**December 31, 2022**  
**Last 10 Fiscal Years\***

<b>Total OPEB Liability</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Service Cost	\$ 191,224	\$ 158,435	\$ 123,803	\$ 110,051	\$ 110,051
Interest	50,418	65,856	80,558	62,135	58,363
Differences between expected and actual experiences	---	(248,992)	223,152	174,047	---
Changes in assumptions or other input	48,741	(90,755)	---	(60,223)	---
Benefit payments	(42,010)	(67,767)	(60,262)	(48,184)	(73,097)
<b>Net change in total OPEB liability</b>	<b>248,373</b>	<b>(183,223)</b>	<b>367,251</b>	<b>237,826</b>	<b>95,317</b>
<b>Total OPEB liability - beginning</b>	<b>2,166,209</b>	<b>2,349,432</b>	<b>1,982,181</b>	<b>1,744,355</b>	<b>1,649,038</b>
<b>Total OPEB liability - ending</b>	<b>\$ 2,414,582</b>	<b>\$ 2,166,209</b>	<b>\$ 2,349,432</b>	<b>\$ 1,982,181</b>	<b>\$ 1,744,355</b>
<b>Covered-employee payroll</b>	<b>\$ 14,021,873</b>	<b>\$ 14,021,873</b>	<b>\$ 13,140,757</b>	<b>\$ 13,140,757</b>	<b>\$ 12,175,597</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>17.22%</b>	<b>15.45%</b>	<b>17.88%</b>	<b>15.08%</b>	<b>14.33%</b>

\*GASB requires the presentation of the last ten prior fiscal years completed under this pronouncement. The fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule.

**Notes to the Schedule of Changes in Total OPEB - Health Liability and Related Ratios**

No assets are accumulated in a trust that meets all of the following criteria of GASBS No. 75, paragraph 4:

- Contributions from the employer and any non-employer contributing entities, and earning thereon, must be irrevocable.
- Plan assets must be dedicated to providing pensions to plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors to the employer, non-employer contributing entities, the plan administrator, and plan members.

There were no changes of benefit terms to the OPEB - Health Plan.

The following changes in actuaia assumption have been made in the years presented:

- Discount rates changed as can be seen in the following table

<b>Year Ended December 31</b>	<b>Discount Rate</b>	<b>Assumed Rate of Inflation</b>
2018	3.50%	2.50%
2019	4.00%	2.50%
2020	2.75%	2.50%
2021	2.25%	2.00%
2022	2.00%	2.00%

- Mortality assumption for the years ended December 31, 2018 and December 31, 2019 was from the Wisconsin 2012 Mortality Table adjusted for future mortality improvements using the MP-2015 fully generated improvement scale (multiplied 50%); for the years ending December 31, 2020 to 2022 this changed to Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP2018 fully generated improvement scale (multiplied 60%).

- Actuarial assumptions used for the years ended December 31, 2018 and 2019 was based on an experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-14; for the years ended December 31, 2020 to 2022 this changed to being based on the results of an experience conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-2017.

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Required Supplementary Information**  
December 31, 2022

**1. Wisconsin Retirement System (WRS)**

*Changes of benefit terms:* There were no changes of benefit terms for any participating employee in the WRS.

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

- Lowering the long-term expected rate of return from 7.00% to 6.80%
- Lowering the discount rate from 7.00% to 6.80%
- Lowering the price inflation rate from 2.50% to 2.40%
- Lowering the post-retirement adjustments from 1.90% to 1.70%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

- Lowering the long-term expected rate of return from 7.20% to 7.00%
- Lowering the discount rate from 7.20% to 7.00%
- Lowering the wage inflation rate from 3.20% to 3.00%
- Lowering the price inflation rate from 2.70% to 2.50%
- Lowering the post-retirement adjustments from 2.10% to 1.90%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

**2. Other Postemployment Benefits (OPEB) – Life Insurance**

There were no changes of benefit terms for any participating employee in the LRLIF.

*Changes of assumptions:* In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three-year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB -ETF liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB-ETF liabilities, including the following:

- Lowering the price inflation rate from 2.50% to 2.40%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB-ETF liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.20% to 3.00%
- Lowering the price inflation rate from 2.70% to 2.50%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Notes to Required Supplementary Information**  
December 31, 2022

**3. Schedule of Employer Contributions – Wisconsin Retirement System**

<b>Actuarial Determined Contributions Methods and Assumptions:</b>				
<b>Valuation Date</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>	<b>December 31, 2017</b>	<b>December 31, 2016</b>
Actuarial Cost Method	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period
Amortization Period	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)
Actuarial Assumptions Net Investment Rate of Return	5.4%	5.4%	5.5%	5.5%
Weighted Based on Assumed Rate For:				
Pre-retirement	7.0%	7.0%	7.2%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%
Salary Increases:				
Wage Inflation	3.0%	3.0%	3.2%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement benefit Adjustments**	1.9%	1.9%	2.1%	2.1%
Retirement Age (Experience based table of rates that are specific to the type of eligibility condition)	Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017	Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017	Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014	Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014
Mortality:				
Table	Wisconsin 2018 Actual WRS experience adjustment for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%)	Wisconsin 2018 Actual WRS experience adjustment for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%)	Wisconsin 2012 Actual WRS experience adjustment for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%)	Wisconsin 2012 Actual WRS experience adjustment for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%)
Rate				
<b>Valuation Date</b>	<b>December 31, 2015</b>	<b>December 31, 2014</b>	<b>December 31, 2013</b>	<b>December 31, 2012</b>
Actuarial Cost Method	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period	Level % of Payroll-Closed Amortization Period
Amortization Period	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)	Five-Year Smoothed Market (Closed)
Actuarial Assumptions Net Investment Rate of Return	5.5%	5.5%	5.5%	6%
Weighted Based on Assumed Rate For:				
Pre-retirement	7.2%	7.2%	7.2%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%
Salary Increases:				
Wage Inflation	3.2%	3.2%	3.2%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement benefit Adjustments**	2.1%	2.1%	2.1%	2.1%
Retirement Age (Experience based table of rates that are specific to the type of eligibility condition)	Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014	Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011	Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011	Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011
Mortality:				
Table	Wisconsin 2012 Actual WRS experience adjustment for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%)	Wisconsin 2012 Actual WRS projected to 2017 with scale BB to all for future improvements (margin) in mortality)	Wisconsin 2012 Actual WRS projected to 2017 with scale BB to all for future improvements (margin) in mortality)	Wisconsin 2012 Actual WRS projected to 2017 with scale BB to all for future improvements (margin) in mortality)
Rate				

\*\*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actual experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

**OTHER SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

This Fund accounts for the financial resources of the Village which are not accounted for in any other fund. Principal sources of revenue are property taxes, licenses and permits, fines and penalties, intergovernmental revenues, public charges for services, investment earnings and a property tax equivalent charged to the Water Utility. Primary expenditures are for public safety, public works, culture, recreation and education, community development, and general administration.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Balance Sheets - General Fund**  
**December 31, 2022 and 2021**

	<u>2022</u>	<u>As Restated 2021</u>
<b>Assets:</b>		
Cash and equivalents	\$ 13,654,321	\$ 21,404,494
Accounts receivable:		
Taxes	16,492,225	10,690,689
Special charges on the tax roll	9,335	12,950
Intergovernmental aid	1,084,930	1,135,119
Accounts	1,772,467	980,058
Leases	1,086,386	1,198,908
Interest - leases	3,940	---
Prepaid items	79,324	72,533
Inventory	602,117	670,504
Advance to other governmental funds	<u>1,515,735</u>	<u>2,007,343</u>
<b>Total assets</b>	36,300,780	38,172,598
<b>Liabilities:</b>		
Accounts payable and other accrued liabilities	1,704,359	2,883,790
Compensated absences	1,191,988	1,061,913
Deposits	419,409	478,198
Prepaid rent	---	20,664
Due to other funds	<u>---</u>	<u>801,365</u>
<b>Total liabilities</b>	3,315,756	5,245,930
<b>Deferred Inflows of Resources:</b>		
Subsequent year's taxes	19,582,132	19,671,132
Leases related amounts	1,078,019	1,198,908
Miscellaneous unavailable revenue	<u>1,810,633</u>	<u>1,542,388</u>
<b>Total deferred inflows of resources</b>	22,470,784	22,412,428
<b>Fund Balances:</b>		
Nonspendable	2,206,238	2,759,237
Unassigned	<u>8,308,002</u>	<u>7,755,003</u>
<b>Total fund balances</b>	<u>\$ 10,514,240</u>	<u>\$ 10,514,240</u>

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - General Fund**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<b>Revenues:</b>			
Property taxes	\$ 19,779,658	\$ 19,508,882	\$ 270,776
Other taxes	207,699	175,731	31,968
Licenses and permits	1,814,566	1,555,925	258,641
Fines and forfeitures	591,021	660,315	(69,294)
Intergovernmental	4,411,884	3,965,072	446,812
Donations	1,100	4,025	(2,925)
Charges for services	2,181,403	1,914,787	266,616
Investment earnings	120,823	11,420	109,403
Interest on advances to governmental funds	41,853	11,162	30,691
Other	370,064	339,723	30,341
<b>Total revenues</b>	<u>29,520,071</u>	<u>28,147,042</u>	<u>1,373,029</u>
<b>Expenditures:</b>			
<b>General Government:</b>			
Village board	46,312	46,165	147
Village manager	284,405	87,514	196,891
Clerk services	632,671	637,326	(4,655)
Human resources	111,910	114,773	(2,863)
Assessment of property	246,600	166,007	80,593
Building maintenance	418,560	353,862	64,698
Insurance and benefits	109,701	107,268	2,433
Judicial	188,153	234,523	(46,370)
Legal services	445,755	338,682	107,073
Financial services	454,215	417,804	36,411
Communications and information services	1,397,582	1,321,197	76,385
Capital outlay	318,519	302,585	15,934
<b>Total general government</b>	<u>4,654,383</u>	<u>4,127,706</u>	<u>526,677</u>
<b>Public Safety:</b>			
Police	10,389,838	9,444,666	945,172
Emergency dispatch	---	-	---
Fire	6,700,397	6,461,885	238,512
Fire protection services	1,573,861	1,573,861	---
Weed control	34,909	39,760	(4,851)
Emergency government	8,056	1,918	6,138
EMS	---	1,592	(1,592)
Other protection services	11,442	11,533	(91)
Capital outlay	218,759	182,417	36,342
<b>Total public safety</b>	<u>18,937,262</u>	<u>17,717,632</u>	<u>1,219,630</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - General Fund**  
**Years Ended December 31, 2022 and 2021**  
**(Continued)**

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<b>Public Works:</b>			
Street and alley repair	\$ 3,373,947	\$ 2,682,806	\$ 691,141
Equipment maintenance	615,000	638,679	(23,679)
Municipal garages	181,848	177,198	4,650
Capital outlay	<u>21,015</u>	<u>8,352</u>	<u>12,663</u>
<b>Total public works</b>	4,191,810	3,507,035	684,775
<b>Culture and Recreation:</b>			
Historical society and museum	21,532	31,025	(9,493)
Parks operations	844,015	808,179	35,836
Parks projects	19,718	13,880	5,838
Community quality of life	<u>192,481</u>	<u>176,569</u>	<u>15,912</u>
<b>Total culture and recreation</b>	1,077,746	1,029,653	48,093
<b>Conservation and Development:</b>			
Community development	42,122	63,014	(20,892)
Building inspection	477,248	543,859	(66,611)
Engineering	(43,529)	(48,116)	4,587
Planning	<u>401,720</u>	<u>358,712</u>	<u>43,008</u>
<b>Total conservation and development</b>	877,561	917,469	(39,908)
<b>Bond expenses</b>	<u>---</u>	<u>1,040</u>	<u>(1,040)</u>
<b>Total general fund expenditures</b>	<u>29,738,762</u>	<u>27,300,535</u>	<u>2,438,227</u>
<b>Excess (deficit) of revenues over (under) expenditures</b>	(218,691)	846,507	(1,065,198)
<b>Other Financing Sources (Uses):</b>			
Proceeds from sales of capital assets	---	(2,256)	2,256
Premium on issuance of bonds	---	7,418	(7,418)
Transfers from water utility - PILOT	1,129,120	1,152,198	(23,078)
Transfers out	<u>(910,429)</u>	<u>(2,003,867)</u>	<u>1,093,438</u>
<b>Net other financing sources (uses)</b>	<u>218,691</u>	<u>(846,507)</u>	<u>1,065,198</u>
<b>Net change in fund balance</b>	---	---	---
<b>Fund Balance:</b>			
<b>Beginning of year</b>	<u>10,514,240</u>	<u>10,514,240</u>	<u>---</u>
<b>End of year</b>	<u>\$ 10,514,240</u>	<u>\$ 10,514,240</u>	<u>\$ ---</u>

See independent auditors' report.

## **DEBT SERVICE FUND**

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term obligations principal, interest and related costs (other than debt accounted for in the Proprietary Funds).

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - Debt Service Fund**  
**Year Ended December 31, 2022**

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>Revenues:</b>			
Property taxes	\$ 2,525,000	\$ 2,525,000	\$ 2,525,000
Investment earnings	500	500	40,444
<b>Total revenues</b>	<u>2,525,500</u>	<u>2,525,500</u>	<u>2,565,444</u>
<b>Expenditures:</b>			
Principal	7,708,000	7,708,000	7,707,951
Interest and fiscal charges	<u>1,987,000</u>	<u>1,987,000</u>	<u>1,986,725</u>
<b>Total expenditures</b>	<u>9,695,000</u>	<u>9,695,000</u>	<u>9,694,676</u>
<b>Deficit of revenues under expenditures</b>	(7,169,500)	(7,169,500)	(7,129,232)
<b>Other Financing Sources:</b>			
Transfers in	<u>7,189,200</u>	<u>7,189,200</u>	<u>6,732,261</u>
<b>Net other financing sources</b>	<u>7,189,200</u>	<u>7,189,200</u>	<u>6,732,261</u>
<b>Net change in fund balance</b>	19,700	19,700	(396,971)
<b>Fund Balance (Deficit):</b>			
Beginning of year	283,492	283,492	398,216
<b>End of year</b>	<u>\$ 303,192</u>	<u>\$ 303,192</u>	<u>\$ 1,245</u>

See independent auditors' report.

**COMBINING STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS**

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Combining Balance Sheet - Non-Major Governmental Funds**  
**December 31, 2022**

	<b>Non-Major Special Revenue Funds</b>	<b>Non-Major Capital Projects Funds</b>	<b>Total Non-Major Governmental Funds</b>
<b>Assets:</b>			
Cash and equivalents	\$ 4,651,440	\$ 7,944,500	\$ 12,595,940
Restricted assets:			
Cash and equivalents	967,360	---	967,360
Accounts receivable:			
Taxes	2,008,000	5,419,832	7,427,832
Special charges on tax roll	---	16,233	16,233
Intergovernmental aid	---	248,843	248,843
Special assessments	---	721,911	721,911
Accounts	63,462	173,137	236,599
Advance to other governmental funds	---	3,265,172	3,265,172
<b>Total assets</b>	<b>7,690,262</b>	<b>17,789,628</b>	<b>25,479,890</b>
<b>Liabilities:</b>			
Accounts payable and other accrued liabilities	115,185	34,997	150,182
Accrued compensated absences	67,662	---	67,662
Deposits	---	22,459	22,459
Unearned ARPA grant funds	1,710,978	---	1,710,978
Long-term advances from other governmental funds	---	4,525,907	4,525,907
<b>Total liabilities</b>	<b>1,893,825</b>	<b>4,583,363</b>	<b>6,477,188</b>
<b>Deferred Inflows of Resources:</b>			
Subsequent year's taxes	2,008,000	5,419,833	7,427,833
Special assessments	---	512,067	512,067
Miscellaneous unavailable revenue	---	248,843	248,843
<b>Total deferred inflows of resources</b>	<b>2,008,000</b>	<b>6,180,743</b>	<b>8,188,743</b>
<b>Fund Balances (Deficits):</b>			
Nonspendable	---	3,475,016	3,475,016
Restricted:			
Capital projects	1,071,586	3,821,196	4,892,782
Other	2,680,021	---	2,680,021
Committed	36,830	187,306	224,136
Assigned	---	3,653,280	3,653,280
Unassigned	---	(4,111,276)	(4,111,276)
<b>Total fund balances (deficits)</b>	<b>\$ 3,788,437</b>	<b>\$ 7,025,522</b>	<b>\$ 10,813,959</b>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances of Non-Major Governmental Funds**  
**Year Ended December 31, 2022**

	<b>Non-Major Special Revenue Funds</b>	<b>Non-Major Capital Projects Funds</b>	<b>Total Non-Major Governmental Funds</b>
<b>Revenues:</b>			
Property taxes	\$ 1,919,000	\$ 4,658,359	\$ 6,577,359
Other taxes	270,709	---	270,709
Fines and forfeitures	16,829	---	16,829
Program revenues	395	---	395
Tipping fees	---	2,364,281	2,364,281
Operating grants and contributions:			
Intergovernmental	1,784,587	269,942	2,054,529
Donations	46,973	---	46,973
Special assessments and interest	---	4,305	4,305
Platting fees	51,000	---	51,000
Impact fees	944,151	---	944,151
Investment earnings	221,399	127,114	348,513
Interest earned on advances to governmental funds	---	58,793	58,793
Other revenues	14,058	---	14,058
<b>Total governmental revenues</b>	<u>5,269,101</u>	<u>7,482,794</u>	<u>12,751,895</u>
<b>Expenditures:</b>			
Current:			
General government	---	145,051	145,051
Public safety	71,179	20,935	92,114
Public works	---	355,824	355,824
Culture and recreation	2,228,748	---	2,228,748
Conservation and development	3,866	1,262,520	1,266,386
Uncollectible accounts	3,148	---	3,148
Capital outlay	131,594	275,120	406,714
Debt Service:			
Interest on advances to governmental funds	---	100,646	100,646
Bond expenses	60,764	109,939	170,703
<b>Total expenditures</b>	<u>2,499,299</u>	<u>2,270,035</u>	<u>4,769,334</u>
<b>Excess of revenues over expenditures</b>	2,769,802	5,212,759	7,982,561
<b>Other Financing Sources (Uses):</b>			
Proceeds from sales of capital assets	---	63,303	63,303
Transfers in	---	627,478	627,478
Transfers out	(4,577,942)	(6,742,382)	(11,320,324)
Transfers out to water utility	(1,377,893)	---	(1,377,893)
Bonds and notes issued	2,655,000	3,955,000	6,610,000
Bond premiums	64,571	138,758	203,329
<b>Total other financing sources (uses)</b>	<u>(3,236,264)</u>	<u>(1,957,843)</u>	<u>(5,194,107)</u>
<b>Net change in fund balances</b>	(466,462)	3,254,916	2,788,454
Fund balance, beginning of year	4,254,899	3,770,606	8,025,505
<b>Fund balance, end of year</b>	<u>\$ 3,788,437</u>	<u>\$ 7,025,522</u>	<u>\$ 10,813,959</u>

See independent auditors' report.

## NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds from specific revenue sources (other than major capital projects) that are restricted or reserved to expenditures for specific purposes.

**Revolving Loan Fund** - To account for the loans issued and receivable under a program initially subsidized by the State of Wisconsin. Loans are approved by the Village Board and administered by the Southeastern Wisconsin Regional Planning Commission.

**Police Department** - To account for the financing and expenditures of programs such as state grant programs, Federal Asset Forfeiture program, D.A.R.E., a fund set up to fight vandalism in the community and contributions from citizens for crime prevention and block watch programs.

such as state grant programs, tank inspection and hazardous materials programs, and contributions from citizens for fire safety education and other programs.

**Park Department** - To account for expenditures for trees and park equipment financed primarily by donations.

**Community Development** - To account for the financing and expenditures of platting fees and park impact fees.

**Library** - To account for the financing and expenditures related to library memorials and building funds with funding provided by donations and investment earnings.

**Community Grant** - To account for grants to community not-for-profit organizations.

**Teen Court** - To account for the financing and expenditures for teen court operations funded by donations.

**Cable TV** - To account for the financing and expenditures of funds designated for local government cable TV channels.

**American Rescue Plan** - To account for grant received as part of the American Rescue Plan Act.

**Debt Issuance** - To account for debt proceeds taken out by special revenue funds to help pay for capital projects.

**Library Operations and Maintenance** - To account for the operations and maintenance costs related to the library, and the revenues needed to support them.

**Tourism Commission** - To account for the financing and expenditures for tourism funded by hotel room tax.

**EDMF TID #9** - To account for the loans issued and receivable under a program initially subsidized TID #9. Loans are approved by the Village's Community Development Authority.



VILLAGE OF MENOMOMNEE FALLS  
Waukesha County, Wisconsin

Combining Balance Sheet - Non-Major Special Revenue Funds  
December 31, 2022

Non-Major Special Revenue Funds

	Revolving Loan Fund	Police Department	Fire Department	Park Department	Community Development	Library	Community Grant	Teen Court	Cable TV	American Rescue Plan	Debt Issuance	Library Operations and Maintenance	Tourism Commission	TID #9 EDMF	Total Non-Major Special Revenue Funds
<b>Assets:</b>															
Cash and equivalents	\$ 749	\$ 141,157	\$ 72,708	\$ 32,604	\$ 722,009	\$ 91,585	\$ 14,330	\$ 5,306	\$ 22,500	\$ 1,771,920	\$ 400	\$ 1,228,894	\$ 447,423	\$ 99,855	\$ 4,651,440
Restricted assets:															
Cash and equivalents	---	---	678,299	---	289,061	---	---	---	---	---	---	---	---	---	967,360
Receivables:															
Taxes	---	---	---	---	---	---	---	---	---	---	---	2,008,000	---	---	2,008,000
Accounts	---	---	---	---	---	---	---	---	---	---	---	---	63,462	---	63,462
<b>Total assets</b>	<b>749</b>	<b>141,157</b>	<b>751,007</b>	<b>32,604</b>	<b>1,011,070</b>	<b>91,585</b>	<b>14,330</b>	<b>5,306</b>	<b>22,500</b>	<b>1,771,920</b>	<b>400</b>	<b>3,236,894</b>	<b>510,885</b>	<b>99,855</b>	<b>7,690,262</b>
<b>Liabilities:</b>															
Accounts payable and other															
accrued liabilities	---	4,513	---	---	---	31,069	---	---	---	---	400	75,780	3,423	---	115,185
Accrued compensated absences	---	---	---	---	---	---	---	---	---	---	---	67,662	---	---	67,662
Unearned ARPA grant funds	---	---	---	---	---	---	---	---	---	1,710,978	---	---	---	---	1,710,978
<b>Total liabilities</b>	<b>---</b>	<b>4,513</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>31,069</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>1,710,978</b>	<b>400</b>	<b>143,442</b>	<b>3,423</b>	<b>---</b>	<b>1,893,825</b>
<b>Deferred Inflows of Resources:</b>															
Subsequent year's tax roll	---	---	---	---	---	---	---	---	---	---	---	2,008,000	---	---	2,008,000
<b>Total deferred inflows of resources</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>2,008,000</b>	<b>---</b>	<b>---</b>	<b>2,008,000</b>
<b>Fund Balances:</b>															
Restricted:															
Capital projects	---	---	---	---	1,011,070	60,516	---	---	---	---	---	---	---	---	1,071,586
Other	749	136,644	751,007	32,604	---	---	---	5,306	---	60,942	---	1,085,452	507,462	99,855	2,680,021
Committed	---	---	---	---	---	---	14,330	---	22,500	---	---	---	---	---	36,830
<b>Total fund balances</b>	<b>\$ 749</b>	<b>\$ 136,644</b>	<b>\$ 751,007</b>	<b>\$ 32,604</b>	<b>\$ 1,011,070</b>	<b>\$ 60,516</b>	<b>\$ 14,330</b>	<b>\$ 5,306</b>	<b>\$ 22,500</b>	<b>\$ 60,942</b>	<b>\$ ---</b>	<b>\$ 1,085,452</b>	<b>\$ 507,462</b>	<b>\$ 99,855</b>	<b>\$ 3,788,437</b>

See independent auditors' report.

VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances-  
Non-Major Special Revenue Funds  
Year Ended December 31, 2022

Non-Major Special Revenue Funds

	Revolving Loan Fund	Police Department	Fire Department	Park Department	Community Development	Library	Community Grant	Teen Court	Cable TV	American Rescue Plan	Debt Issuance	Library Operations and Maintenance	Tourism Commission	TID #9 EDMF	Total Non-Major Special Revenue Funds
<b>Revenues:</b>															
Property taxes	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 1,919,000	\$ ---	\$ ---	\$ 1,919,000
Other taxes	---	---	---	---	---	---	---	---	---	---	---	---	270,709	---	270,709
Public charges for services:															
Fines and forfeitures	---	---	---	---	---	---	---	---	---	---	---	16,829	---	---	16,829
Program revenue	50	---	---	---	---	---	---	275	---	---	---	---	---	70	395
Operating grants and contributions:															
Intergovernmental	---	3,194	55,590	---	---	---	---	---	---	1,642,893	---	82,910	---	---	1,784,587
Donations	---	22,250	3,380	10,133	---	---	---	---	---	---	---	11,210	---	---	46,973
Capital grants and contributions:															
Platting fees	---	---	---	---	51,000	---	---	---	---	---	---	---	---	---	51,000
Impact fees	---	---	---	---	944,151	---	---	---	---	---	---	---	---	---	944,151
Investment earnings	---	29,467	25,941	6,990	36,930	8,712	3,636	1,495	---	60,500	---	35,248	12,480	---	221,399
Other revenues	---	---	---	---	---	---	---	---	---	---	---	14,058	---	---	14,058
<b>Total revenues</b>	<b>50</b>	<b>54,911</b>	<b>84,911</b>	<b>17,123</b>	<b>1,032,081</b>	<b>8,712</b>	<b>3,636</b>	<b>1,770</b>	<b>---</b>	<b>1,703,393</b>	<b>---</b>	<b>2,079,255</b>	<b>283,189</b>	<b>70</b>	<b>5,269,101</b>
<b>Expenditures:</b>															
Current:															
Public safety	---	38,523	31,235	---	---	---	---	1,421	---	---	---	---	---	---	71,179
Culture, recreation and education	---	---	---	---	---	37,635	---	---	---	---	---	2,014,953	176,160	---	2,228,748
Conservation and development	---	---	---	---	---	---	---	---	---	---	---	---	---	3,866	3,866
Revolving loan closure	3,148	---	---	---	---	---	---	---	---	---	---	---	---	---	3,148
Bond expenses	---	---	---	---	---	---	---	---	---	---	44,640	---	16,124	---	60,764
Capital outlay	---	---	9,781	---	---	62,137	---	---	---	---	---	---	59,676	---	131,594
<b>Total expenditures</b>	<b>3,148</b>	<b>38,523</b>	<b>41,016</b>	<b>---</b>	<b>---</b>	<b>99,772</b>	<b>---</b>	<b>1,421</b>	<b>---</b>	<b>---</b>	<b>44,640</b>	<b>2,014,953</b>	<b>251,960</b>	<b>3,866</b>	<b>2,499,299</b>
<b>Excess (deficit) of revenues over (under) expenditures</b>	<b>(3,098)</b>	<b>16,388</b>	<b>43,895</b>	<b>17,123</b>	<b>1,032,081</b>	<b>(91,060)</b>	<b>3,636</b>	<b>349</b>	<b>---</b>	<b>1,703,393</b>	<b>(44,640)</b>	<b>64,302</b>	<b>31,229</b>	<b>(3,796)</b>	<b>2,769,802</b>
<b>Other Financing Sources (Uses):</b>															
Transfers out	---	---	---	---	(1,655,180)	---	---	---	---	(265,000)	(1,947,701)	---	(710,061)	---	(4,577,942)
Transfers out to water utility	---	---	---	---	---	---	---	---	---	(1,377,893)	---	---	---	---	(1,377,893)
Bonds and notes issued	---	---	---	---	---	---	---	---	---	---	1,945,000	---	710,000	---	2,655,000
Bond premiums	---	---	---	---	---	---	---	---	---	---	47,341	---	17,230	---	64,571
<b>Total other financing sources (uses)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>(1,655,180)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>(1,642,893)</b>	<b>44,640</b>	<b>---</b>	<b>17,169</b>	<b>---</b>	<b>(3,236,264)</b>
<b>Net change in fund balances</b>	<b>(3,098)</b>	<b>16,388</b>	<b>43,895</b>	<b>17,123</b>	<b>(623,099)</b>	<b>(91,060)</b>	<b>3,636</b>	<b>349</b>	<b>---</b>	<b>60,500</b>	<b>---</b>	<b>64,302</b>	<b>48,398</b>	<b>(3,796)</b>	<b>(466,462)</b>
Fund Balance - beginning of year	3,847	120,256	707,112	15,481	1,634,169	151,576	10,694	4,957	22,500	442	---	1,021,150	459,064	103,651	4,254,899
<b>Fund Balance - end of year</b>	<b>\$ 749</b>	<b>\$ 136,644</b>	<b>\$ 751,007</b>	<b>\$ 32,604</b>	<b>\$ 1,011,070</b>	<b>\$ 60,516</b>	<b>\$ 14,330</b>	<b>\$ 5,306</b>	<b>\$ 22,500</b>	<b>\$ 60,942</b>	<b>\$ ---</b>	<b>\$ 1,085,452</b>	<b>\$ 507,462</b>	<b>\$ 99,855</b>	<b>\$ 3,788,437</b>

See independent auditors' report.

## **NON-MAJOR CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for the financing and construction of the Village's economic development and capital improvement projects. Also included is the special assessment fund. The main sources of revenue for these funds are tax increments, special assessments and interest thereon, intergovernmental aid, and investment earnings.

**Municipal Facilities and Equipment Fund** - A no-interest internal loan fund to finance equipment purchases.

**Tax Incremental Financing District #6** - To account for the financing and construction of the Main Street Corridor.

**Tax Incremental Financing District #7** - To account for the financing and construction of the planned Quad/Graphics, Inc. distribution center.

**Tax Incremental Financing District #8** - To account for the financing and construction of the planned Falls Parkway.

**Tax Incremental Financing District #9** - To account for the financing and construction of the planned Appleton Avenue Corridor.

**Tax Incremental Financing District #10** - To account for the financing and construction of the planned projects within the District.

**Tax Incremental Financing District #11** - To account for the financing and construction of the planned projects within the District.

**Tax Incremental Financing District #12** - To account for the financing and construction of the planned projects within the District.

**Tax Incremental Financing District #13** - To account for the financing and construction of the planned projects within the District.

**Tax Incremental Financing District #14** - To account for the financing and construction of the planned projects within the District.

**Tax Incremental Financing District #15** - To account for the financing and construction of the planned projects within the District.

**Special Assessments** - To account for the special assessments levied in conjunction with sewer, water, sidewalk and curb projects, and to record related debt service.

VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin

Combining Balance Sheet - Non-Major Capital Projects Funds  
December 31, 2022

Non-Major Capital Projects Funds

	Municipal Facilities and Equipment Fund	T.I.D. #6 Main St Corridor	T.I.D. #7 First Park	T.I.D. #8 Falls Parkway	T.I.D. #9 Village Centre/ Appleton Ave	T.I.D. #10 Woodland Prime	T.I.D. #11 Wacker Neuson	T.I.D. #12 Lilly Rd Industrial	T.I.D. #13 Flint Drive/ DRS	T.I.D. #14 Glenroy	T.I.D. #15 Mill Road Landfill	Special Assessments	Total Non-Major Capital Projects Funds
<b>Assets:</b>													
Cash and equivalents	\$ 3,481,446	\$ 5,554	\$ 44,701	\$ 2,892,412	\$ 88,410	\$ 101,061	\$ 332,403	\$ 599,088	\$ 136,954	\$ 66,906	\$ 2,033	\$ 193,532	\$ 7,944,500
Receivables:													
Taxes	---	641,298	429,389	1,669,984	722,303	831,878	43,644	474,474	510,158	96,704	---	---	5,419,832
Special charges on the tax roll	---	---	---	---	---	---	---	---	---	---	---	16,233	16,233
Intergovernmental aid	---	12,244	2,948	90,372	8,856	88,223	45,522	678	---	---	---	---	248,843
Special assessments	---	---	---	---	---	---	---	---	---	---	---	721,911	721,911
Accounts	173,137	---	---	---	---	---	---	---	---	---	---	---	173,137
Advances to other capital project funds	3,010,172	---	---	---	---	---	---	---	---	---	---	---	3,010,172
Advances to other governmental funds	255,000	---	---	---	---	---	---	---	---	---	---	---	255,000
<b>Total assets</b>	<b>6,919,755</b>	<b>659,096</b>	<b>477,038</b>	<b>4,652,768</b>	<b>819,569</b>	<b>1,021,162</b>	<b>421,569</b>	<b>1,074,240</b>	<b>647,112</b>	<b>163,610</b>	<b>2,033</b>	<b>931,676</b>	<b>17,789,628</b>
<b>Liabilities:</b>													
Accounts payable and other accrued liabilities	1,303	14,633	---	6,480	175	12,273	---	133	---	---	---	---	34,997
Deposits	---	---	---	---	---	---	---	---	---	---	---	22,459	22,459
Advances from other capital projects funds	---	1,669,424	---	---	213,244	699,032	---	---	340,472	63,000	25,000	---	3,010,172
Advances from municipality	---	1,354,277	161,458	---	---	---	---	---	---	---	---	---	1,515,735
<b>Total liabilities</b>	<b>1,303</b>	<b>3,038,334</b>	<b>161,458</b>	<b>6,480</b>	<b>213,419</b>	<b>711,305</b>	<b>---</b>	<b>133</b>	<b>340,472</b>	<b>63,000</b>	<b>25,000</b>	<b>22,459</b>	<b>4,583,363</b>
<b>Deferred Inflows of Resources:</b>													
Special assessments	---	---	---	---	---	---	---	---	---	---	---	512,067	512,067
Unavailable revenue - miscellaneous	---	12,244	2,948	90,372	8,856	88,223	45,522	678	---	---	---	---	248,843
Subsequent year's taxes	---	641,298	429,389	1,669,984	722,303	831,878	43,644	474,474	510,159	96,704	---	---	5,419,833
<b>Total deferred inflows of resources</b>	<b>---</b>	<b>653,542</b>	<b>432,337</b>	<b>1,760,356</b>	<b>731,159</b>	<b>920,101</b>	<b>89,166</b>	<b>475,152</b>	<b>510,159</b>	<b>96,704</b>	<b>---</b>	<b>512,067</b>	<b>6,180,743</b>
<b>Fund Balances:</b>													
Nonspendable	3,265,172	---	---	---	---	---	---	---	---	---	---	209,844	3,475,016
Restricted	---	---	---	2,885,932	---	---	332,403	598,955	---	3,906	---	---	3,821,196
Committed	---	---	---	---	---	---	---	---	---	---	---	187,306	187,306
Assigned	3,653,280	---	---	---	---	---	---	---	---	---	---	---	3,653,280
Unassigned	---	(3,032,780)	(116,757)	---	(125,009)	(610,244)	---	---	(203,519)	---	(22,967)	---	(4,111,276)
<b>Total fund balances (deficits)</b>	<b>\$ 6,918,452</b>	<b>\$ (3,032,780)</b>	<b>\$ (116,757)</b>	<b>\$ 2,885,932</b>	<b>\$ (125,009)</b>	<b>\$ (610,244)</b>	<b>\$ 332,403</b>	<b>\$ 598,955</b>	<b>\$ (203,519)</b>	<b>\$ 3,906</b>	<b>\$ (22,967)</b>	<b>\$ 397,150</b>	<b>\$ 7,025,522</b>

See independent auditors' report.

VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin

Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Non-Major Capital Projects Funds  
Year Ended December 31, 2022

	Non-Major Capital Projects Funds												Total Non-Major Capital Projects Funds
	Municipal Facilities and Equipment Fund	T.I.D. #6 Main St Corridor	T.I.D. #7 First Park	T.I.D. #8 Falls Parkway	T.I.D. #9 Village Centre/ Appleton Ave	T.I.D. #10 Woodland Prime	T.I.D. #11 Wacker Neuson	T.I.D. #12 Lilly Rd Industrial	T.I.D. #13 Flint Drive/ DRS	T.I.D. #14 Glenroy	T.I.D. #15 Mill Road Landfill	Special Assessments	
<b>Revenues:</b>													
Tax increment	\$ ---	\$ 410,039	\$ 401,892	\$ 1,613,268	\$ 541,215	\$ 659,851	\$ 47,898	\$ 446,478	\$ 451,800	\$ 85,918	\$ ---	\$ ---	\$ 4,658,359
Public charges for services:													
Tipping fees	2,364,281	---	---	---	---	---	---	---	---	---	---	---	2,364,281
Operating grants and contributions:													
Intergovernmental	21,099	12,244	2,948	90,372	8,856	88,223	45,522	678	---	---	---	---	269,942
Capital grants and contributions:													
Special assessments and interest	---	---	---	---	---	---	---	---	---	---	---	4,305	4,305
Investment earnings	27,270	---	3,752	45,521	18,983	8,960	4,518	8,607	5,376	1,402	---	2,725	127,114
Interest on advances to governmental funds	58,793	---	---	---	---	---	---	---	---	---	---	---	58,793
<b>Total revenues</b>	<u>2,471,443</u>	<u>422,283</u>	<u>408,592</u>	<u>1,749,161</u>	<u>569,054</u>	<u>757,034</u>	<u>97,938</u>	<u>455,763</u>	<u>457,176</u>	<u>87,320</u>	<u>---</u>	<u>7,030</u>	<u>7,482,794</u>
<b>Expenditures:</b>													
Current:													
General government	783	47,829	6,800	22,396	11,440	21,527	6,450	6,800	6,309	6,250	8,467	---	145,051
Public safety	20,935	---	---	---	---	---	---	---	---	---	---	---	20,935
Public works	7,931	10,579	---	26,038	175	310,685	---	247	169	---	---	---	355,824
Conservation and development	---	3,500	393,459	107,338	177,033	233,786	---	---	295,125	37,779	14,500	---	1,262,520
Capital Outlay	275,120	---	---	---	---	---	---	---	---	---	---	---	275,120
Debt Service:													
Interest on advances from governmental funds	---	50,625	4,012	---	16,272	18,362	---	3,134	6,954	1,287	---	---	100,646
Interest and fiscal charges	16,590	905	---	61,481	11,761	17,660	372	506	372	---	---	292	109,939
<b>Total expenditures</b>	<u>321,359</u>	<u>113,438</u>	<u>404,271</u>	<u>217,253</u>	<u>216,681</u>	<u>602,020</u>	<u>6,822</u>	<u>10,687</u>	<u>308,929</u>	<u>45,316</u>	<u>22,967</u>	<u>292</u>	<u>2,270,035</u>
<b>Excess (deficit) of revenues over (under) expenditures</b>	<u>2,150,084</u>	<u>308,845</u>	<u>4,321</u>	<u>1,531,908</u>	<u>352,373</u>	<u>155,014</u>	<u>91,116</u>	<u>445,076</u>	<u>148,247</u>	<u>42,004</u>	<u>(22,967)</u>	<u>6,738</u>	<u>5,212,759</u>
<b>Other Financing Sources (Uses):</b>													
Proceeds from sales of capital assets	63,303	---	---	---	---	---	---	---	---	---	---	---	63,303
Transfers in	627,478	---	---	---	---	---	---	---	---	---	---	---	627,478
Transfers out	(2,595,505)	(937,323)	---	(1,748,450)	(556,548)	(406,377)	(46,978)	(284,370)	(156,675)	---	---	(10,156)	(6,742,382)
Face value of bonds issued	700,000	---	---	2,140,000	505,000	610,000	---	---	---	---	---	---	3,955,000
Bond premiums	16,933	---	---	84,906	12,235	24,684	---	---	---	---	---	---	138,758
<b>Total other financing sources (uses)</b>	<u>(1,187,791)</u>	<u>(937,323)</u>	<u>---</u>	<u>476,456</u>	<u>(39,313)</u>	<u>228,307</u>	<u>(46,978)</u>	<u>(284,370)</u>	<u>(156,675)</u>	<u>---</u>	<u>---</u>	<u>(10,156)</u>	<u>(1,957,843)</u>
<b>Net change in fund balances</b>	<u>962,293</u>	<u>(628,478)</u>	<u>4,321</u>	<u>2,008,364</u>	<u>313,060</u>	<u>383,321</u>	<u>44,138</u>	<u>160,706</u>	<u>(8,428)</u>	<u>42,004</u>	<u>(22,967)</u>	<u>(3,418)</u>	<u>3,254,916</u>
<b>Fund balance (deficit), beginning of year</b>	<u>5,956,159</u>	<u>(2,404,302)</u>	<u>(121,078)</u>	<u>877,568</u>	<u>(438,069)</u>	<u>(993,565)</u>	<u>288,265</u>	<u>438,249</u>	<u>(195,091)</u>	<u>(38,098)</u>	<u>---</u>	<u>400,568</u>	<u>3,770,606</u>
<b>Fund balance (deficit), end of year</b>	<u>\$ 6,918,452</u>	<u>\$ (3,032,780)</u>	<u>\$ (116,757)</u>	<u>\$ 2,885,932</u>	<u>\$ (125,009)</u>	<u>\$ (610,244)</u>	<u>\$ 332,403</u>	<u>\$ 598,955</u>	<u>\$ (203,519)</u>	<u>\$ 3,906</u>	<u>\$ (22,967)</u>	<u>\$ 397,150</u>	<u>\$ 7,025,522</u>

See independent auditors' report.

## **PROPRIETARY FUNDS**

### **Enterprise Funds:**

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Water Utility Fund** - The Water Utility accounts for all activities necessary to provide cost effective water services to residents of the Village in accordance with current "safe drinking water" standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, financing and related debt service.

**Sewer Utility Fund** - The Sewer Utility accounts for all activities necessary to provide cost effective sanitary sewer services to residents of the Village in accordance with current "treated effluent discharge" standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, system expansion and financing and related debt service.

**Storm Water Utility Fund** - The Storm Water Utility accounts for all activities necessary for a system of storm and surface water management. Fund activities include administration, operations and maintenance, system expansion, financing, and related debt services. The Storm Water Utility is funded primarily by real estate taxes.

**Solid Waste Collection Fund** - The Garbage & Recycling Fund accounts for garbage collection and recycling activities for residential properties. A special charge is placed on the tax bill annually to cover the cost of the garbage and recycling services. Fund activities include administration, billing and collection and special collections (spring brush, household hazardous materials).

### **Internal Service Funds - Risk Management Fund:**

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the Village or to other governments, on a cost reimbursement basis. The Internal Service Fund consists of the Risk Managements Fund which accounts for and finances the Village's uninsured risk of loss.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Net Position - Water Utility**  
**December 31, 2022 and 2021**

	<b>2022</b>	<b>As Restated 2021</b>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and equivalents	\$ 7,806,116	\$ 5,366,097
Receivables:		
Special charges on the tax roll	146,283	133,967
Utility customers	1,073,971	985,938
Special assessments - current	7,147	19,321
Other	47,067	4,521
Leases	175,217	165,223
Interest - leases	26,384	---
Prepaid items	2,427	2,357
Inventory	97,163	79,366
<b>Total current assets</b>	<u>9,381,775</u>	<u>6,756,790</u>
<b>Noncurrent assets:</b>		
Restricted assets:		
Cash and equivalents - restricted (noncurrent)	3,693,028	4,340,512
Net pension asset	373,089	298,880
Advances to other funds	2,778,905	2,624,190
Special assessments - noncurrent	178,917	173,890
Leases - noncurrent	4,192,021	3,789,369
Land and construction in progress	6,214,581	3,497,565
Other capital assets, net of depreciation	<u>66,530,706</u>	<u>66,057,477</u>
<b>Total noncurrent assets</b>	<u>83,961,247</u>	<u>80,781,883</u>
<b>Total assets</b>	93,343,022	87,538,673
<b>Deferred outflows of resources:</b>		
Deferred outflows related to pensions	732,408	499,125
Deferred outflows related to OPEB - life insurance	72,973	64,673
Deferred outflows related to OPEB - health	<u>18,627</u>	<u>19,896</u>
<b>Total deferred outflows of resources</b>	<u>824,008</u>	<u>583,694</u>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	1,534,656	202,995
Compensated absences - vacation due within one year	97,715	97,647
Compensated absences - sick due within one year	42,866	44,158
Unearned revenue	1,000	148,507
Due to other funds	---	51,343
Current portion of general obligation notes	865,000	945,000
Accrued interest	<u>81,765</u>	<u>72,842</u>
<b>Total current liabilities</b>	<u>2,623,002</u>	<u>1,562,492</u>
<b>Long-Term Liabilities:</b>		
Compensated absences - sick pay	199,974	217,192
Net OPEB - life insurance liability	180,727	150,050
Total OPEB - health liability	142,461	129,973
General obligation notes	<u>10,087,386</u>	<u>9,623,548</u>
<b>Total long-term liabilities</b>	<u>10,610,548</u>	<u>10,120,763</u>
<b>Total liabilities</b>	13,233,550	11,683,255
<b>Deferred inflows of resources:</b>		
Deferred inflows related to pensions	878,649	654,843
Deferred inflows related to OPEB - health	18,564	20,963
Deferred inflows related to OPEB - life insurance	36,459	40,029
Deferred inflows - leases	<u>4,304,586</u>	<u>3,954,592</u>
<b>Total deferred inflows of resources</b>	<u>5,238,258</u>	<u>4,670,427</u>
<b>Net Position:</b>		
Net investment in capital assets	62,686,411	59,581,116
Restricted	3,693,028	4,340,512
Unrestricted	<u>9,315,783</u>	<u>7,847,057</u>
<b>Total net position</b>	<u>\$ 75,695,222</u>	<u>\$ 71,768,685</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenses and Changes in Net Position - Water Utility**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>As Restated 2021</u>
<b>Operating Revenues:</b>		
Charges for services	\$ 6,812,228	\$ 6,704,953
<b>Operating Expenses:</b>		
Operation and maintenance	2,887,524	2,547,152
Administrative expense	1,391,483	1,359,540
Depreciation expense	2,020,150	1,899,055
Regulatory commission remainder assessments	6,759	8,244
<b>Total operating expenses</b>	<u>6,305,916</u>	<u>5,813,991</u>
<b>Operating income</b>	506,312	890,962
<b>Nonoperating Revenues (Expenses):</b>		
Investment earnings	153,016	7,393
Interest on advances	54,714	13,500
Sale of materials	47,761	46,493
Lease revenue	418,789	257,185
Interest on leases	75,799	71,580
Grant revenue	1,102,128	---
Gain on retirement of property and plant	---	12,760
Impact fees	648,787	719,894
Fiscal charges on debt	(2,626)	(2,685)
Amortization of debt issuance premiums, discounts and losses on refundings	34,056	33,917
Debt issuance costs	(53,358)	(69,285)
Interest on long-term debt	<u>(260,230)</u>	<u>(249,455)</u>
<b>Net nonoperating revenues</b>	<u>2,218,836</u>	<u>841,297</u>
<b>Net income before transfers and capital contributions</b>	2,725,148	1,732,259
Transfers to governmental funds - PILOT	(1,129,120)	(1,152,198)
Transfers from governmental funds	1,377,893	---
Capital contributions	<u>952,616</u>	<u>968,164</u>
<b>Net increase in net position</b>	3,926,537	1,548,225
<b>Net position:</b>		
<b>Balance, beginning of year</b>	<u>71,768,685</u>	<u>70,220,460</u>
<b>Balance, end of year</b>	\$ <u><u>75,695,222</u></u>	\$ <u><u>71,768,685</u></u>

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Water Utility**  
**Years Ended December 31, 2022 and 2021**

	<b>2022</b>	<b>As Restated 2021</b>
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers	\$ 4,876,106	\$ 5,105,906
Payments to suppliers	(1,488,924)	(2,696,821)
Payments to and on behalf of employees	(1,360,892)	(1,251,607)
Internal activity - receipts from other funds	1,743,420	1,795,984
Internal activity - payments to other funds	(51,343)	---
Other receipts	1,506,026	303,678
Other payments	(4,074)	(3,182)
<b>Net cash provided by operating activities</b>	<b>5,220,319</b>	<b>3,253,958</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Transfers to governmental funds - PILOT	(1,129,120)	(1,152,198)
Transfers from governmental funds	1,377,893	---
<b>Net cash provided (used) by noncapital financing activities</b>	<b>248,773</b>	<b>(1,152,198)</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Proceeds from sale of property and plant	12,760	12,760
Additions to property and plant	(4,558,284)	(4,495,686)
Face value of debt issued	1,350,000	2,715,000
Debt issuance premiums	12,894	129,667
Debt issuance costs	(53,358)	(69,285)
Principal payments on debt	(945,000)	(1,545,000)
Interest paid on debt	(251,307)	(223,645)
Fiscal charges on debt	(2,626)	(2,685)
Interest received on leases	49,415	71,580
Impact fees	648,787	719,894
Special assessments collected	7,147	---
<b>Net cash used by capital and related financing activities</b>	<b>(3,729,572)</b>	<b>(2,687,400)</b>
<b>Cash Flows From Investing Activities:</b>		
Investment earnings	153,016	7,393
Interest on advances	54,714	13,500
Advances to other funds	(154,715)	(213,500)
<b>Net cash provided (used) by investing activities</b>	<b>53,015</b>	<b>(192,607)</b>
<b>Net increase (decrease) in cash and equivalents</b>	<b>1,792,535</b>	<b>(778,247)</b>
Cash and equivalents, beginning of year	9,706,609	10,484,856
<b>Cash and equivalents, end of year</b>	<b>\$ 11,499,144</b>	<b>\$ 9,706,609</b>
<b>Reconciliation to cash and cash equivalents on the statement of net assets:</b>		
Cash and cash equivalents - unrestricted	\$ 7,806,116	\$ 5,366,097
Cash and cash equivalents - restricted	3,693,028	4,340,512
<b>Total cash and equivalents</b>	<b>\$ 11,499,144</b>	<b>\$ 9,706,609</b>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Water Utility**  
**Years Ended December 31, 2022 and 2021**  
**(Continued)**

	<u>2022</u>	<u>As Restated 2021</u>
<b>Reconciliation of Operating Income to Net Cash Provided by</b>		
<b>Operating Activities:</b>		
Operating income	\$ 506,312	\$ 890,962
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,020,150	1,899,055
Depreciation charged to other accounts	145,736	133,864
Proceeds from sales of materials	47,761	46,493
Abandonment of CIP	245,959	37,513
Grant revenue	1,102,128	---
Lease revenue	418,789	257,185
Miscellaneous revenues	---	---
Changes in assets and liabilities related to operations:		
Receivables	(205,547)	56,685
Prepaid items	(70)	(68)
Inventory	(17,797)	(2,482)
Due from other funds	(51,343)	51,343
Accounts payable and accrued liabilities	1,227,711	(83,383)
WRS pension accrual	(83,686)	(90,361)
Compensated absences	(18,442)	31,936
OPEB obligation	30,165	30,824
Unearned revenue	(147,507)	(5,608)
<b>Net cash provided by operating activities</b>	<b>\$ <u>5,220,319</u></b>	<b>\$ <u>3,253,958</u></b>
 <b>Noncash Capital Activities:</b>		
Utility plant contributions	\$ 952,616	\$ 968,164
Amortization of debt issuance premiums, discounts and losses on refundings	(34,056)	(33,917)
Gain on sale of utility plant	---	12,760

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Net Position - Sewer Utility**  
**December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and equivalents	\$ 2,220,041	\$ 719,963
Cash and equivalents - restricted (current)	76,505	77,233
Receivables:		
Special charges on the tax roll	335,377	306,129
Utility customers	1,838,657	1,815,628
Other	---	22,311
Due from other funds	---	220,520
Inventory	16,254	13,223
<b>Total current assets</b>	<u>4,486,834</u>	<u>3,175,007</u>
<b>Noncurrent Assets:</b>		
Restricted assets:		
Cash and equivalents (noncurrent)	6,801,384	7,951,893
Net pension asset	231,920	176,263
Prepaid capacity charge	1,856,374	2,108,526
Land and construction in progress	708,012	113,952
Other capital assets net of depreciation	50,503,747	50,563,513
<b>Total noncurrent assets</b>	<u>60,101,437</u>	<u>60,914,147</u>
<b>Total assets</b>	<u>64,588,271</u>	<u>64,089,154</u>
<b>Deferred Outflows of Resources:</b>		
Deferred outflows related to pensions	455,280	294,355
Deferred outflows related to OPEB - life insurance	37,789	31,202
Deferred outflows related to OPEB - health	7,577	7,958
<b>Total deferred outflows of resources</b>	<u>500,646</u>	<u>333,515</u>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	341,898	563,158
Compensated absences - vacation due within one year	58,496	53,208
Compensated absences - sick due within one year	19,715	20,174
Current portion of revenue bonds	37,006	33,982
Liabilities payable from restricted assets:		
Current portion of revenue bonds	74,012	74,278
Accrued interest	2,493	2,955
<b>Total current liabilities</b>	<u>533,620</u>	<u>747,755</u>
<b>Long-Term Liabilities:</b>		
Compensated absences - sick pay	111,066	110,349
Net OPEB - life insurance liability	93,591	72,392
Total OPEB - health liability	57,950	51,989
Revenue bonds	473,076	584,095
<b>Total long-term liabilities</b>	<u>735,683</u>	<u>818,825</u>
<b>Total liabilities</b>	<u>1,269,303</u>	<u>1,566,580</u>
<b>Deferred inflows of resources:</b>		
Deferred inflows related to pensions	546,187	386,188
Deferred inflows related to OPEB - health	7,326	8,302
Deferred inflows related to OPEB - life insurance	18,881	19,312
<b>Total deferred inflows of resources</b>	<u>572,394</u>	<u>413,802</u>
<b>Net Position:</b>		
Net investment in capital assets	51,211,759	50,679,569
Restricted	6,801,384	7,951,893
Unrestricted	5,234,077	3,810,825
<b>Total net position</b>	<u>\$ 63,247,220</u>	<u>\$ 62,442,287</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenses and Changes in Net Position - Sewer Utility**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues:</b>		
Charges for services	\$ 9,648,773	\$ 9,514,149
<b>Operating Expenses:</b>		
Operation and maintenance	7,921,929	7,957,078
Administrative expense	1,077,965	997,014
Depreciation expense	1,613,425	1,571,921
<b>Total operating expenses</b>	<u>10,613,319</u>	<u>10,526,013</u>
<b>Operating loss</b>	(964,546)	(1,011,864)
<b>Nonoperating Revenues (Expenses):</b>		
Investment earnings	106,100	4,883
Fiscal charges on debt	(292)	(271)
Impact fees	501,877	522,091
Interest on long-term debt	(15,793)	(18,731)
Interest on advances	---	(489)
<b>Net nonoperating revenues</b>	<u>591,892</u>	<u>507,483</u>
<b>Net loss before capital contributions</b>	(372,654)	(504,381)
<b>Capital Contributions:</b>		
Capital contributions from developers	<u>1,177,587</u>	<u>799,370</u>
<b>Total capital contributions</b>	<u>1,177,587</u>	<u>799,370</u>
<b>Increase in net position</b>	804,933	294,989
<b>Net Position:</b>		
<b>Balance, beginning of year</b>	<u>62,442,287</u>	<u>62,147,298</u>
<b>Balance, end of year</b>	<u><u>\$ 63,247,220</u></u>	<u><u>\$ 62,442,287</u></u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Sewer Utility**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers	\$ 9,618,674	\$ 9,507,152
Payments to suppliers	(7,892,689)	(7,521,111)
Payments to and on behalf of employees	(1,052,317)	(931,962)
Internal activity - receipts from other funds	220,520	---
Internal activity - payments to other funds	(155,782)	(379,415)
<b>Net cash provided by operating activities</b>	<u>738,406</u>	<u>674,664</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Additions to property and plant	(872,734)	(1,692,930)
Principal payments on debt	(108,261)	(120,571)
Interest on debt	(16,255)	(19,223)
Fiscal charges on debt	(292)	(271)
Interest on advances	---	(489)
Impact fees	501,877	522,091
<b>Net cash used by capital and related financing activities</b>	<u>(495,665)</u>	<u>(1,311,393)</u>
<b>Cash Flows From Investing Activities:</b>		
Investment earnings	106,100	4,883
<b>Net cash provided by investing activities</b>	<u>106,100</u>	<u>4,883</u>
<b>Net increase (decrease) in cash and equivalents</b>	348,841	(631,846)
<b>Cash and equivalents, beginning of year</b>	<u>8,749,089</u>	<u>9,380,935</u>
<b>Cash and equivalents, end of year</b>	<u><u>\$ 9,097,930</u></u>	<u><u>\$ 8,749,089</u></u>
<b>Reconciliation to cash and cash equivalents on the statement of net assets:</b>		
Cash and cash equivalents - unrestricted	\$ 2,220,041	\$ 719,963
Cash and cash equivalents - restricted	6,877,889	8,029,126
<b>Total cash and equivalents</b>	<u><u>\$ 9,097,930</u></u>	<u><u>\$ 8,749,089</u></u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Sewer Utility**  
**Years Ended December 31, 2022 and 2021**  
**(Continued)**

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>		
Operating loss	\$ (964,546)	\$ (1,011,864)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	1,516,027	1,476,892
Amortization of prepaid capacity	252,152	252,151
Changes in assets and liabilities related to operations:		
Receivables	(29,966)	(5,418)
Inventory	(3,031)	1,784
Due from other funds	220,520	(220,520)
Accounts payable and accrued liabilities	(221,260)	210,003
WRS pension accrual	(56,583)	(53,290)
Compensated absences	5,546	12,340
OPEB obligation	19,547	12,586
<b>Net cash provided by operating activities</b>	<b>\$ <u>738,406</u></b>	<b>\$ <u>674,664</u></b>
 <b>Noncash Capital Activities:</b>		
Utility plant contributions	\$ 1,177,587	\$ 799,370

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Net Position - Storm Water Utility**  
**December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and equivalents	\$ 15,721	\$ 68,259
Receivables:		
Taxes	931,000	931,000
Other	4,500	571
Inventory	<u>18,507</u>	<u>27,981</u>
<b>Total current assets</b>	969,728	1,027,811
<b>Noncurrent Assets:</b>		
Net pension asset	60,501	38,318
Land and construction in progress	71,816	14,100
Other capital assets, net of depreciation	<u>33,787,201</u>	<u>33,572,632</u>
<b>Total noncurrent assets</b>	33,919,518	33,625,050
<b>Total assets</b>	34,889,246	34,652,861
<b>Deferred Outflows of Resources:</b>		
Deferred outflows related to pensions	118,769	63,990
Deferred outflows related to OPEB - life insurance	9,773	6,808
Deferred outflows related to OPEB - health	<u>3,157</u>	<u>3,648</u>
<b>Total deferred outflows of resources</b>	131,699	74,446
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	42,097	14,299
Compensated absences - vacation due within one year	19,653	19,233
Compensated absences - sick due within one year	4,475	4,941
Due to other funds	---	4,040
Current portion of general obligation notes	50,000	195,000
Accrued interest	<u>5,252</u>	<u>9,060</u>
<b>Total current liabilities</b>	121,477	246,573
<b>Long-Term Liabilities:</b>		
Compensated absences - sick pay	46,014	47,302
Net OPEB - life insurance liability	24,204	15,795
Total OPEB - health liability	24,146	23,828
Deposits	50,000	50,000
Advances from other funds	2,778,905	2,624,190
General obligation notes	<u>621,102</u>	<u>678,588</u>
<b>Total long-term liabilities</b>	3,544,371	3,439,703
<b>Total liabilities</b>	3,665,848	3,686,276
<b>Deferred inflows of resources:</b>		
Subsequent year's taxes	931,000	931,000
Deferred inflows related to pensions	142,483	83,954
Deferred inflows related to OPEB - health	3,358	3,765
Deferred inflows related to OPEB - life insurance	<u>4,883</u>	<u>4,214</u>
<b>Total deferred inflows of resources</b>	1,081,724	1,022,933
<b>Net Position:</b>		
Net investment in capital assets	33,187,915	32,713,144
Unrestricted	<u>(2,914,542)</u>	<u>(2,695,046)</u>
<b>Total net position</b>	<u>\$ 30,273,373</u>	<u>\$ 30,018,098</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenses and Changes in Net Position - Storm Water Utility**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues:</b>		
General property taxes	\$ 931,000	\$ 931,000
Charges for services	56,426	48,695
<b>Total operating revenues</b>	<u>987,426</u>	<u>979,695</u>
<b>Operating Expenses:</b>		
Operation and maintenance	456,335	429,763
Administrative expense	384,526	373,083
Depreciation expense	812,723	786,357
<b>Total operating expenses</b>	<u>1,653,584</u>	<u>1,589,203</u>
<b>Operating loss</b>	(666,158)	(609,508)
<b>Nonoperating Revenues (Expenses):</b>		
Investment earnings	10,501	248
Miscellaneous revenues	500	500
Fiscal charges on debt	(492)	(18,032)
Amortization of debt issuance premiums, discounts and losses on refundings	7,486	8,076
Interest on long-term debt	(14,882)	(26,554)
Interest on advances	(54,714)	(13,500)
<b>Net nonoperating expenses</b>	<u>(51,601)</u>	<u>(49,262)</u>
<b>Net loss before transfers and capital contributions</b>	(717,759)	(658,770)
Capital contributions from municipality	96,712	---
Capital contributions from developers	876,322	1,097,424
<b>Increase in net position</b>	<u>255,275</u>	<u>438,654</u>
<b>Net Position:</b>		
<b>Balance, beginning of year</b>	<u>30,018,098</u>	<u>29,579,444</u>
<b>Balance, end of year</b>	<u>\$ 30,273,373</u>	<u>\$ 30,018,098</u>

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Storm Water Utility**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers	\$ 52,497	\$ 50,111
Payments to suppliers	(122,924)	(145,266)
Payments to and on behalf of employees	(689,925)	(627,727)
Internal activity - receipts from other funds	---	4,040
Internal activity - payments to other funds	(4,040)	---
Other receipts	931,500	931,500
<b>Net cash provided by operating activities</b>	<u>167,108</u>	<u>212,658</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Advances from Municipality	154,715	213,500
Interest on advances	(54,714)	(13,500)
<b>Net cash provided by noncapital financing activities</b>	<u>100,001</u>	<u>200,000</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Additions to property and plant	(115,966)	(31,750)
Face value of debt issued	---	685,000
Debt issuance discounts	---	40,597
Principal payments on debt	(195,000)	(1,000,000)
Interest on debt	(18,690)	(20,547)
Fiscal charges on debt	(492)	(18,032)
<b>Net cash used by capital and related financing activities</b>	<u>(330,148)</u>	<u>(344,732)</u>
<b>Cash Flows From Investing Activities:</b>		
Investment earnings	10,501	248
<b>Net cash provided by investing activities</b>	<u>10,501</u>	<u>248</u>
<b>Net increase (decrease) in cash and equivalents</b>	(52,538)	68,174
<b>Cash and equivalents, beginning of year</b>	<u>68,259</u>	<u>85</u>
<b>Cash and equivalents, end of year</b>	<u>\$ 15,721</u>	<u>\$ 68,259</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Storm Water Utility**  
**Years Ended December 31, 2022 and 2021**  
**(Continued)**

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Operating Loss to Net Cash Provided by</b>		
<b>Operating Activities:</b>		
Operating loss	\$ (666,158)	\$ (609,508)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	812,723	786,357
Miscellaneous revenues	500	500
Changes in assets and liabilities related to operations:		
Receivables	(3,929)	1,416
Inventory	9,474	---
Due to or from other funds	(4,040)	4,040
Accounts payable and accrued liabilities	31,790	3,833
WRS pension accrual	(18,433)	(11,585)
Compensated absences	(1,334)	28,166
OPEB obligation	6,515	9,439
<b>Net cash provided by operating activities</b>	<u>\$ 167,108</u>	<u>\$ 212,658</u>
 <b>Noncash Capital Activities:</b>		
Utility plant contributions	\$ 973,034	\$ 1,097,424
Amortization of debt issuance premiums, discounts and losses on refundings	(7,486)	(8,076)

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Net Position - Solid Waste Collection**  
**December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and equivalents	\$ 342,246	\$ 100,458
Receivables:		
Special charges on the tax roll	2,156,870	2,077,098
Other	<u>564</u>	<u>1,224</u>
<b>Total current assets</b>	<u>2,499,680</u>	<u>2,178,780</u>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	180,440	1,383
Unearned revenue	<u>2,156,870</u>	<u>2,077,098</u>
<b>Total current liabilities</b>	<u>2,337,310</u>	<u>2,078,481</u>
<b>Net Position:</b>		
Unrestricted	<u>\$ 162,370</u>	<u>100,299</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Revenues, Expenses and Changes in Net Position - Solid Waste Collection**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues:</b>		
Charges for services	\$ 2,098,185	\$ 2,019,588
<b>Operating Expenses:</b>		
Operation and maintenance	<u>2,129,385</u>	<u>2,063,060</u>
<b>Operating loss</b>	<u>(31,200)</u>	<u>(43,472)</u>
<b>Nonoperating Revenues:</b>		
Investment earnings	12,783	585
Intergovernmental revenue	<u>80,488</u>	<u>80,728</u>
<b>Net nonoperating revenues</b>	<u>93,271</u>	<u>81,313</u>
<b>Increase in net position</b>	<u>62,071</u>	<u>37,841</u>
<b>Net Position:</b>		
Balance, beginning of year	<u>100,299</u>	<u>62,458</u>
<b>Balance, end of year</b>	<u><u>\$ 162,370</u></u>	<u><u>\$ 100,299</u></u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Cash Flows - Solid Waste Collection**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers	\$ 2,098,844	\$ 2,019,582
Payments to suppliers	(1,942,368)	(2,055,556)
Payments to and on behalf of employees	(7,959)	(7,120)
<b>Net cash provided (used) by operating activities</b>	<u>148,517</u>	<u>(43,094)</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Intergovernmental grant funds received	<u>80,488</u>	<u>80,728</u>
<b>Net cash provided by noncapital financing activities</b>	<u>80,488</u>	<u>80,728</u>
<b>Cash Flows From Investing Activities:</b>		
Investment earnings	<u>12,783</u>	<u>585</u>
<b>Net cash provided by investing activities</b>	<u>12,783</u>	<u>585</u>
<b>Net increase in cash and equivalents</b>	241,788	38,219
<b>Cash and equivalents, beginning of year</b>	<u>100,458</u>	<u>62,239</u>
<b>Cash and equivalents, end of year</b>	<u>\$ 342,246</u>	<u>\$ 100,458</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Statement of Cash Flows - Solid Waste Collection**  
**Years Ended December 31, 2022 and 2021**  
**(Continued)**

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Operating Loss to Net Cash Provided by</b>		
<b>Operating Activities:</b>		
Operating loss	\$ (31,200)	\$ (43,472)
Adjustments to reconcile operating loss to net cash		
Changes in assets and liabilities related to operations:		
Receivables	660	(5)
Accounts payable and accrued liabilities	179,057	383
<b>Net cash provided (used) by operating activities</b>	<u>\$ 148,517</u>	<u>\$ (43,094)</u>

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**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Net Position - Risk Management Fund**  
**December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets:</b>		
Cash and equivalents	\$ 337,051	\$ 429,572
Receivables	38,735	38,702
Due from other funds	<u>---</u>	<u>21,926</u>
<b>Total assets</b>	375,786	490,200
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	14,059	---
Incurred but not reported claims	<u>96,893</u>	<u>210,794</u>
<b>Total liabilities</b>	110,952	210,794
<b>Net Position:</b>		
Unrestricted	264,834	279,406
<b>Total net position</b>	<u>\$ 264,834</u>	<u>\$ 279,406</u>

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**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Revenues, Expenses and Changes in Net Position - Risk Management Fund**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues:</b>		
Charges for services	\$ ---	\$ ---
<b>Operating Expenses:</b>		
Operation and maintenance	<u>154,688</u>	<u>84,014</u>
<b>Operating loss</b>	<u>(154,688)</u>	<u>(84,014)</u>
<b>Nonoperating Revenues (Expenses):</b>		
Investment earnings	4,445	266
Dividend on investment in CVMIC	21,770	21,751
Miscellaneous	<u>113,901</u>	<u>(116,795)</u>
<b>Net nonoperating revenues (expenses)</b>	<u>140,116</u>	<u>(94,778)</u>
<b>Decrease in net assets</b>	<u>(14,572)</u>	<u>(178,792)</u>
<b>Net Position:</b>		
<b>Balance, beginning of year</b>	<u>279,406</u>	<u>458,198</u>
<b>Balance, end of year</b>	<u><u>\$ 264,834</u></u>	<u><u>\$ 279,406</u></u>

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**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Comparative Statements of Cash Flows - Risk Management Fund**  
**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities:</b>		
Payments to suppliers	\$ (140,629)	\$ (84,014)
Internal activity - receipts from other funds	21,926	(21,926)
Other payments	<u>(33)</u>	<u>(5,938)</u>
<b>Net cash used by operating activities</b>	<u>(118,736)</u>	<u>(111,878)</u>
<b>Cash Flows From Investing Activities:</b>		
Investment earnings	<u>26,215</u>	<u>22,017</u>
<b>Net cash provided by investing activities</b>	<u>26,215</u>	<u>22,017</u>
<b>Net decrease in cash and equivalents</b>	(92,521)	(89,861)
<b>Cash and equivalents, beginning of year</b>	<u>429,572</u>	<u>519,433</u>
<b>Cash and equivalents, end of year</b>	<u>\$ 337,051</u>	<u>\$ 429,572</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:</b>		
Operating loss	\$ (154,688)	\$ (84,014)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Changes in assets and liabilities related to operations:		
Receivables	(33)	(5,938)
Due to/from other funds	21,926	(21,926)
Accounts payable and accrued liabilities	<u>14,059</u>	<u>---</u>
<b>Net cash used by operating activities</b>	<u>\$ (118,736)</u>	<u>\$ (111,878)</u>

See independent auditors' report.

VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin

Schedule of Long-Term Obligations  
Year Ended December 31, 2022  
(Continued)

Fund/Issue	Date of Issue	Average Coupon Rate	Principal Due	Interest Due	Original Amount	Balance Outstanding January 1, 2022	New Issues	Payments	Balance Outstanding December 31, 2022	Interest Paid 2022	Principal Due 2023	Interest Due 2023
<b>General Fund :</b>												
2012 G.O. Notes	07/02/12	2.90%	06/01	06/01 & 12/01	\$ 1,335,000	\$ 350,000	\$ ---	\$ (350,000)	\$ ---	\$ 5,469	\$ ---	\$ ---
2014 G.O. Notes	06/05/14	2.91%	06/01	06/01 & 12/01	2,000,000	2,000,000	---	(400,000)	1,600,000	54,000	800,000	36,000
2014 G.O. Notes	11/17/14	0.00%	02/15	N/A	223,622	27,951	---	(27,951)	---	---	---	---
2015 G.O. Notes	04/20/15	2.87%	05/01	05/01 & 11/01	2,000,000	2,000,000	---	(400,000)	1,600,000	52,500	700,000	37,500
2016 G.O. Notes	05/02/16	2.00%	05/01	05/01 & 11/01	2,000,000	1,940,000	---	(1,140,000)	800,000	27,400	200,000	14,000
2019 G.O. Notes	07/10/19	3.50%	02/01	02/01 & 08/01	2,030,000	1,480,000	---	(90,000)	1,390,000	47,350	190,000	41,750
2020 G.O. Notes	07/07/20	2.27%	02/01	02/01 & 08/01	1,240,000	1,115,000	---	(125,000)	990,000	25,525	130,000	22,325
<b>Total General Fund</b>						<u>\$ 8,912,951</u>	<u>\$ ---</u>	<u>\$ (2,532,951)</u>	<u>\$ 6,380,000</u>	<u>\$ 212,244</u>	<u>\$ 2,020,000</u>	<u>\$ 151,575</u>
<b>Special Revenue Fund - Debt Issuance</b>												
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	1,945,000	<u>\$ ---</u>	<u>\$ 1,945,000</u>	<u>\$ ---</u>	<u>\$ 1,945,000</u>	<u>\$ ---</u>	<u>\$ 190,000</u>	<u>\$ 66,894</u>
<b>Special Revenue Fund - Tourism Commission</b>												
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	710,000	<u>\$ ---</u>	<u>\$ 710,000</u>	<u>\$ ---</u>	<u>\$ 710,000</u>	<u>\$ ---</u>	<u>\$ 70,000</u>	<u>\$ 24,396</u>
<b>Municipal Facilities and Equipment Fund:</b>												
2012 GO Refunding #82	07/02/12	3.34%	03/01	03/01 & 09/01	\$ 7,950,000	\$ 1,000,000	\$ ---	\$ (1,000,000)	\$ ---	\$ 20,000	\$ ---	\$ ---
2014 G.O. Notes	06/05/14	2.91%	06/01	06/01 & 12/01	2,000,000	600,000	---	(200,000)	400,000	15,000	200,000	9,000
2017 G.O. Notes	06/20/17	2.65%	06/01	06/01 & 12/01	11,650,000	7,290,000	---	(1,160,000)	6,130,000	190,640	1,195,000	155,140
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	2,225,000	---	<u>700,000</u>	<u>---</u>	<u>700,000</u>	<u>---</u>	<u>70,000</u>	<u>24,018</u>
<b>Total Municipal Facilities Fund</b>						<u>\$ 8,890,000</u>	<u>\$ 700,000</u>	<u>\$ (2,360,000)</u>	<u>\$ 7,230,000</u>	<u>\$ 225,640</u>	<u>\$ 1,465,000</u>	<u>\$ 188,158</u>
<b>Capital Projects Fund:</b>												
2017 G.O. Notes	06/20/17	2.65%	06/01	06/01 & 12/01	\$ 2,000,000	\$ 1,035,000	\$ ---	\$ ---	\$ 1,035,000	\$ 29,690	\$ 165,000	\$ 26,390
2018 G.O. Notes	06/18/18	3.00%	06/01	06/01 & 12/01	2,000,000	1,385,000	---	(95,000)	1,290,000	40,125	345,000	33,525
2020 G.O. Notes	07/07/20	2.27%	02/01	02/01 & 08/01	2,030,000	1,755,000	---	(235,000)	1,520,000	37,350	205,000	31,925
2021 G.O. Notes	05/13/21	1.83%	02/01	02/01 & 08/01	3,150,000	3,150,000	---	(145,000)	3,005,000	66,933	155,000	51,755
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	2,225,000	---	<u>2,225,000</u>	<u>---</u>	<u>2,225,000</u>	<u>---</u>	<u>15,000</u>	<u>83,840</u>
<b>Total Capital Projects Fund</b>						<u>\$ 7,325,000</u>	<u>\$ 2,225,000</u>	<u>\$ (475,000)</u>	<u>\$ 9,075,000</u>	<u>\$ 174,098</u>	<u>\$ 885,000</u>	<u>\$ 227,435</u>
<b>Special Assessment Fund:</b>												
2012 G.O. Notes	07/02/12	2.76%	06/01	06/01 & 12/01	\$ 70,000	<u>\$ 10,000</u>	<u>\$ ---</u>	<u>\$ (10,000)</u>	<u>\$ ---</u>	<u>\$ 156</u>	<u>\$ ---</u>	<u>\$ ---</u>
<b>TID District #5:</b>												
2012 GO Notes	07/02/12	2.79%	06/01	06/01 & 12/01	\$ 900,000	<u>\$ 150,000</u>	<u>\$ ---</u>	<u>\$ (150,000)</u>	<u>\$ ---</u>	<u>\$ 2,344</u>	<u>\$ ---</u>	<u>\$ ---</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Schedule of Long-Term Obligations**  
**Year Ended December 31, 2022**  
(Continued)

Fund/Issue	Date of Issue	Average Coupon Rate	Principal Due	Interest Due	Original Amount	Balance Outstanding January 1, 2022	New Issues	Payments	Balance Outstanding December 31, 2022	Interest Paid 2022	Principal Due 2023	Interest Due 2023
<b>TID District #6:</b>												
2014 GO Hotel Debt Refinance	10/20/14	3.42%	05/01	05/01 & 11/01	\$ 8,450,000	\$ 7,500,000	\$ ---	\$ (600,000)	\$ 6,900,000	\$ 291,063	\$ 650,000	\$ 267,563
2019 G.O. Notes	07/10/19	3.08%	02/01	02/01 & 08/01	1,255,000	1,255,000	---	---	1,255,000	35,925	---	35,925
2019 G.O. Notes	07/10/19	2.74%	03/01	03/01 & 09/01	385,000	385,000	---	---	385,000	10,335	---	10,335
<b>Total TID District #6</b>						<u>\$ 9,140,000</u>	<u>\$ ---</u>	<u>\$ (600,000)</u>	<u>\$ 8,540,000</u>	<u>\$ 337,323</u>	<u>\$ 650,000</u>	<u>\$ 313,823</u>
<b>TID District #8:</b>												
2012 G.O. Notes	07/02/12	2.81%	06/01	06/01 & 12/01	\$ 160,000	\$ 35,000	\$ ---	\$ (35,000)	\$ ---	\$ 547	\$ ---	\$ ---
2015 G.O. Notes	03/16/15	3.11%	03/01	03/01 & 09/01	4,300,000	3,300,000	---	(200,000)	3,100,000	102,250	200,000	96,625
2015 G.O. Notes	03/16/15	2.95%	03/01	03/01 & 09/01	7,850,000	5,925,000	---	(375,000)	5,550,000	175,813	400,000	165,875
2016 G.O. Notes	11/21/16	2.00%	06/01	06/01 & 12/01	2,500,000	1,650,000	---	(300,000)	1,350,000	30,000	350,000	23,500
2016 G.O. Notes	11/21/16	2.99%	06/01	06/01 & 12/01	7,425,000	6,625,000	---	(275,000)	6,350,000	193,937	300,000	185,313
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	105,000	---	105,000	---	105,000	1,498	10,000	3,620
2022 G.O. Notes	05/04/22	4.44%	02/01	02/01 & 08/01	2,035,000	---	2,035,000	---	2,035,000	59,404	155,000	108,384
<b>Total TID District #8</b>						<u>\$ 17,535,000</u>	<u>\$ 2,140,000</u>	<u>\$ (1,185,000)</u>	<u>\$ 18,490,000</u>	<u>\$ 563,449</u>	<u>\$ 1,415,000</u>	<u>\$ 583,317</u>
<b>TID District #9:</b>												
2012 G.O. Notes	07/02/12	2.79%	06/01	06/01 & 12/01	\$ 250,000	\$ 50,000	\$ ---	\$ (50,000)	\$ ---	\$ 781	\$ ---	\$ ---
2022 G.O. Notes	04/27/22	2.80%	02/01	02/01 & 08/01	505,000	---	505,000	---	505,000	7,136	50,000	17,345
<b>Total TID District #9</b>						<u>\$ 50,000</u>	<u>\$ 505,000</u>	<u>\$ (50,000)</u>	<u>\$ 505,000</u>	<u>\$ 7,917</u>	<u>\$ 50,000</u>	<u>\$ 17,345</u>
<b>TID District #10:</b>												
2019 G.O. Notes	07/10/19	2.74%	03/01	03/01 & 09/01	\$ 14,160,000	\$ 14,160,000	\$ ---	\$ ---	\$ 14,160,000	\$ 388,570	\$ 100,000	\$ 388,570
2022 G.O. Notes	05/04/22	4.44%	02/01	02/01 & 08/01	610,000	---	610,000	---	610,000	17,807	55,000	32,892
<b>Total TID District #10</b>						<u>\$ 14,160,000</u>	<u>\$ 610,000</u>	<u>\$ ---</u>	<u>\$ 14,770,000</u>	<u>\$ 406,377</u>	<u>\$ 155,000</u>	<u>\$ 421,462</u>
<b>TID District #11:</b>												
2019 G.O. Notes	07/10/19	2.74%	03/01	03/01 & 09/01	\$ 530,000	\$ 475,000	\$ ---	\$ (35,000)	\$ 440,000	\$ 11,977	\$ 40,000	\$ 11,243
<b>TID District #12:</b>												
2019 G.O. Notes	07/10/19	3.08%	02/01	02/01 & 08/01	\$ 1,850,000	\$ 1,665,000	\$ ---	\$ (95,000)	\$ 1,570,000	\$ 48,287	\$ 100,000	\$ 44,875
2019 G.O. Notes	07/10/19	2.74%	03/01	03/01 & 09/01	1,290,000	1,060,000	---	(115,000)	945,000	26,083	115,000	23,668
<b>Total TID District #12</b>						<u>\$ 2,725,000</u>	<u>\$ ---</u>	<u>\$ (210,000)</u>	<u>\$ 2,515,000</u>	<u>\$ 74,370</u>	<u>\$ 215,000</u>	<u>\$ 68,543</u>
<b>TID District #13:</b>												
2019 G.O. Notes	07/10/19	2.74%	03/01	03/01 & 09/01	\$ 2,070,000	\$ 1,970,000	\$ ---	\$ (100,000)	\$ 1,870,000	\$ 56,675	\$ 100,000	\$ 54,575

See independent auditors' report.

VILLAGE OF MENOMONEE FALLS  
Waukesha County, Wisconsin

Schedule of Long-Term Obligations  
Year Ended December 31, 2022  
(Continued)

Fund/Issue	Date of Issue	Average Coupon Rate	Principal Due	Interest Due	Original Amount	Balance Outstanding January 1, 2022	New Issues	Payments	Balance Outstanding December 31, 2022	Interest Paid 2022	Principal Due 2023	Interest Due 2023
<b>Water Utility :</b>												
2012 G.O. Notes	07/02/12	2.70%	06/01	06/01 & 12/01	\$ 1,155,000	\$ 125,000	\$ ---	\$ (125,000)	\$ ---	\$ 1,953	\$ ---	\$ ---
2013 G.O. Notes	06/17/13	2.99%	06/01	06/01 & 12/01	1,120,000	55,000	---	(55,000)	---	1,128	---	---
2013 G.O. Refunding Bonds	06/17/13	2.28%	06/01	06/01 & 12/01	1,930,000	400,000	---	(200,000)	200,000	9,100	200,000	3,100
2014 G.O. Notes	06/05/14	2.91%	06/01	06/01 & 12/01	920,000	585,000	---	(45,000)	540,000	16,875	45,000	15,525
2015 G.O. Notes	05/04/15	2.83%	05/01	05/01 & 11/01	1,110,000	780,000	---	(55,000)	725,000	22,369	55,000	20,925
2016 G.O. Refunding Bonds	09/01/16	2.13%	09/01	03/01 & 09/01	525,000	950,000	---	(55,000)	895,000	18,450	55,000	17,350
2017 G.O. Notes	06/20/17	2.65%	06/01	06/01 & 12/01	1,285,000	1,025,000	---	(65,000)	960,000	26,145	65,000	24,195
2018 G.O. Notes	06/18/18	3.00%	06/01	06/01 & 12/01	1,340,000	1,145,000	---	(65,000)	1,080,000	33,375	65,000	31,425
2019 G.O. Notes	07/10/19	3.08%	02/01	02/01 & 08/01	1,245,000	1,100,000	---	(55,000)	1,045,000	32,163	55,000	30,237
2020 G.O. Notes	07/07/20	2.00%	02/01	02/01 & 08/01	1,460,000	1,385,000	---	(75,000)	1,310,000	26,950	75,000	24,450
2021 G.O. Notes	05/13/21	2.00%	02/01	02/01 & 08/01	2,715,000	2,715,000	---	(150,000)	2,565,000	62,799	150,000	49,800
2022 G.O. Notes	04/27/22	2.56%	02/01	02/01 & 08/01	1,350,000	---	1,350,000	---	1,350,000	---	100,000	42,701
<b>Total Water Utility</b>						<u>\$ 10,265,000</u>	<u>\$ 1,350,000</u>	<u>\$ (945,000)</u>	<u>\$ 10,670,000</u>	<u>\$ 251,307</u>	<u>\$ 865,000</u>	<u>\$ 259,708</u>
<b>Sewer Utility:</b>												
2007 Clean Water Fund Loans	08/22/07	2.55%	05/01	05/01 & 11/01	\$ 1,887,778	\$ 692,355	\$ ---	\$ (108,261)	\$ 584,094	\$ 16,255	\$ 111,018	\$ 13,463
<b>Total Sewer Utility</b>						<u>\$ 692,355</u>	<u>\$ ---</u>	<u>\$ (108,261)</u>	<u>\$ 584,094</u>	<u>\$ 16,255</u>	<u>\$ 111,018</u>	<u>\$ 13,463</u>
<b>Storm Water Utility:</b>												
2012 G.O. Notes	07/02/12	2.70%	06/01	06/01 & 12/01	\$ 740,000	\$ 80,000	\$ ---	\$ (80,000)	\$ ---	\$ 1,250	\$ ---	\$ ---
2013 G.O. Notes	06/17/13	2.99%	06/01	06/01 & 12/01	1,250,000	65,000	---	(65,000)	---	1,272	---	---
2021 G.O. Notes	05/13/21	2.00%	02/01	02/01 & 08/01	685,000	685,000	---	(50,000)	635,000	16,168	50,000	12,200
<b>Total Storm Water Utility</b>						<u>\$ 830,000</u>	<u>\$ ---</u>	<u>\$ (195,000)</u>	<u>\$ 635,000</u>	<u>\$ 18,690</u>	<u>\$ 50,000</u>	<u>\$ 12,200</u>
<b>Total long-term obligations</b>						<u>\$ 83,130,306</u>	<u>\$ 9,475,000</u>	<u>\$ (8,956,212)</u>	<u>\$ 84,359,094</u>	<u>\$ 2,358,822</u>	<u>\$ 8,211,018</u>	<u>\$ 2,389,741</u>

See independent auditors' report.

# **STATISTICAL SECTION**

## Statistical Section

This section of the Village of Menomonee Falls' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to the financial statements, and required supplementary information says about the Village's financial condition.

### Contents:

### Page(s)

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Village's financial performance and condition have changed over time.

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#### **Revenue Capacity**

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

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#### **Debt Capacity**

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

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#### **Demographic and Economic Information**

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

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#### **Operating Information**

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

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### Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Net Position By Component**  
**Last Ten Years**  
**(Accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 154,096,714	\$ 148,407,733	\$ 141,606,396	\$ 135,057,621	\$ 111,199,441	\$ 104,160,129	\$ 102,173,468	\$ 96,772,895	\$ 103,412,007	\$ 95,031,864
Restricted	3,510,479	4,389,658	4,931,938	5,581,007	7,973,934	7,609,860	14,118,882	14,201,491	4,263,413	8,154,210
Unrestricted	(13,914,270)	(15,398,609)	(18,286,812)	(16,280,125)	3,855,209	8,179,100	1,691,916	(1,058,717)	(2,568,467)	3,202,645
<b>Total governmental activities net position</b>	<u>\$ 143,692,923</u>	<u>\$ 137,398,782</u>	<u>\$ 128,251,522</u>	<u>\$ 124,358,503</u>	<u>\$ 123,028,584</u>	<u>\$ 119,949,089</u>	<u>\$ 117,984,266</u>	<u>\$ 109,915,669</u>	<u>\$ 105,106,953</u>	<u>\$ 106,388,719</u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 147,086,085	\$ 142,973,829	\$ 139,671,402	\$ 135,720,027	\$ 133,366,678	\$ 128,757,520	\$ 129,672,477	\$ 123,987,544	\$ 124,026,180	\$ 120,631,586
Restricted	10,494,412	12,292,405	12,181,681	10,760,033	10,192,416	8,930,411	8,225,993	7,522,670	5,676,161	4,797,439
Unrestricted	11,797,688	9,063,135	10,156,577	12,006,200	11,662,077	11,895,252	11,477,555	12,246,507	12,454,702	13,322,201
<b>Total business-type activities net position</b>	<u>\$ 169,378,185</u>	<u>\$ 164,329,369</u>	<u>\$ 162,009,660</u>	<u>\$ 158,486,260</u>	<u>\$ 155,221,171</u>	<u>\$ 149,583,183</u>	<u>\$ 149,376,025</u>	<u>\$ 143,756,721</u>	<u>\$ 142,157,043</u>	<u>\$ 138,751,226</u>
<b>Primary government:</b>										
Net investment in capital assets	\$ 301,182,799	\$ 291,381,562	\$ 281,277,798	\$ 270,777,648	\$ 244,566,119	\$ 232,917,649	\$ 231,845,945	\$ 220,760,439	\$ 227,438,187	\$ 215,663,450
Restricted	14,004,891	16,682,063	17,113,619	16,341,040	18,166,350	16,540,271	22,344,875	21,724,161	9,939,574	12,951,649
Unrestricted	(2,116,582)	(6,335,474)	(8,130,235)	(4,273,925)	15,517,286	20,074,352	13,169,471	11,187,790	9,886,235	16,524,846
<b>Total primary government net position</b>	<u>\$ 313,071,108</u>	<u>\$ 301,728,151</u>	<u>\$ 290,261,182</u>	<u>\$ 282,844,763</u>	<u>\$ 278,249,755</u>	<u>\$ 269,532,272</u>	<u>\$ 267,360,291</u>	<u>\$ 253,672,390</u>	<u>\$ 247,263,996</u>	<u>\$ 245,139,945</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**Summary**  
**Last Ten Years**  
**(Accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
Total expenses	\$ 40,474,630	\$ 38,986,565	\$ 38,536,786	\$ 48,528,906	\$ 42,488,662	\$ 40,943,590	\$ 38,813,296	\$ 44,719,283	\$ 47,812,954	\$ 35,651,741
Total program revenues	14,967,342	15,748,872	13,175,600	18,963,573	14,081,192	11,833,289	16,754,738	14,661,773	17,259,857	10,064,114
<b>Net program expense</b>	<u>(25,507,288)</u>	<u>(23,237,693)</u>	<u>(25,361,186)</u>	<u>(29,565,333)</u>	<u>(28,407,470)</u>	<u>(29,110,301)</u>	<u>(22,058,558)</u>	<u>(30,057,510)</u>	<u>(30,553,097)</u>	<u>(25,587,627)</u>
Total general revenues and other changes in net position	31,801,429	32,384,953	29,254,284	30,895,252	32,128,946	31,075,124	30,127,155	29,366,482	29,150,007	29,435,874
Prior period adjustment	---	---	---	---	(641,981)	---	---	5,499,742	121,324	(923,763)
<b>Change in net position</b>	<u>6,294,141</u>	<u>9,147,260</u>	<u>3,893,098</u>	<u>1,329,919</u>	<u>3,079,495</u>	<u>1,964,823</u>	<u>8,068,597</u>	<u>4,808,714</u>	<u>(1,281,766)</u>	<u>2,924,484</u>
<b>Business-type activities:</b>										
Total expenses	21,008,335	20,323,016	20,072,235	18,428,956	18,579,539	18,120,673	16,889,816	18,411,294	18,174,445	18,183,566
Total program revenues	22,772,801	22,723,093	22,881,881	21,349,966	23,598,516	18,507,469	22,496,093	18,253,238	20,301,675	16,654,785
<b>Net program revenue</b>	<u>1,764,466</u>	<u>2,400,077</u>	<u>2,809,646</u>	<u>2,921,010</u>	<u>5,018,977</u>	<u>386,796</u>	<u>5,606,277</u>	<u>(158,056)</u>	<u>2,127,230</u>	<u>(1,528,781)</u>
Total general revenues and other changes in net position	3,284,350	(80,368)	713,675	344,079	554,533	(179,638)	13,027	1,286,635	1,278,587	1,284,442
Prior period adjustment	---	---	---	---	64,478	---	---	471,099	---	(4,692,718)
<b>Change in net position</b>	<u>5,048,816</u>	<u>2,319,709</u>	<u>3,523,321</u>	<u>3,265,089</u>	<u>5,637,988</u>	<u>207,158</u>	<u>5,619,304</u>	<u>1,599,678</u>	<u>3,405,817</u>	<u>(4,937,057)</u>
<b>Total primary government</b>										
<b>Change in net position</b>	<u>\$ 11,342,957</u>	<u>\$ 11,466,969</u>	<u>\$ 7,416,419</u>	<u>\$ 4,595,008</u>	<u>\$ 8,717,483</u>	<u>\$ 2,171,981</u>	<u>\$ 13,687,901</u>	<u>\$ 6,408,392</u>	<u>\$ 2,124,051</u>	<u>\$ (2,012,573)</u>

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**Expenses by Function**  
**Last Ten Years**  
**(Accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
General government	\$ 5,187,183	\$ 4,560,540	\$ 4,785,228	\$ 4,620,851	\$ 4,684,122	\$ 4,153,483	\$ 4,222,904	\$ 4,228,723	\$ 4,720,166	\$ 4,625,565
Public safety	18,271,861	17,281,848	17,851,939	17,483,697	16,365,784	15,905,633	16,128,775	14,350,057	14,436,356	14,060,147
Public works	8,644,351	8,636,694	8,474,606	11,446,523	13,568,975	12,515,134	9,181,890	11,973,544	9,346,862	9,161,630
Culture and recreation	4,050,148	3,623,944	3,472,195	3,600,726	3,352,517	3,356,222	3,618,566	3,394,861	3,405,817	3,202,857
Conservation and development	2,197,480	2,931,619	1,887,015	9,066,560	2,310,685	2,603,249	3,322,732	8,573,095	13,245,448	2,075,907
Interest and fiscal charges	2,123,607	1,951,920	2,065,803	2,310,549	2,206,579	2,409,869	2,338,429	2,199,003	2,658,305	2,525,635
<b>Total governmental activities expenses</b>	<u>40,474,630</u>	<u>38,986,565</u>	<u>38,536,786</u>	<u>48,528,906</u>	<u>42,488,662</u>	<u>40,943,590</u>	<u>38,813,296</u>	<u>44,719,283</u>	<u>47,812,954</u>	<u>35,651,741</u>
<b>Business-type activities:</b>										
Water Utility	6,533,360	6,075,239	6,059,507	5,974,678	5,661,202	5,627,767	5,620,359	6,720,087	6,641,515	6,784,586
Sewer Utility	10,629,404	10,545,504	10,420,742	10,944,121	11,491,314	10,805,636	9,855,946	10,303,191	10,166,494	10,109,008
Storm Water Utility	1,716,186	1,639,213	1,555,344	1,510,157	1,427,023	1,687,270	1,413,511	1,388,016	1,366,436	1,289,972
Solid Waste Collection	2,129,385	2,063,060	2,036,642	---	---	---	---	---	---	---
<b>Total business-type activities expenses</b>	<u>21,008,335</u>	<u>20,323,016</u>	<u>20,072,235</u>	<u>18,428,956</u>	<u>18,579,539</u>	<u>18,120,673</u>	<u>16,889,816</u>	<u>18,411,294</u>	<u>18,174,445</u>	<u>18,183,566</u>
<b>Total primary government expenses</b>	<u>\$ 61,482,965</u>	<u>\$ 59,309,581</u>	<u>\$ 58,609,021</u>	<u>\$ 66,957,862</u>	<u>\$ 61,068,201</u>	<u>\$ 59,064,263</u>	<u>\$ 55,703,112</u>	<u>\$ 63,130,577</u>	<u>\$ 65,987,399</u>	<u>\$ 53,835,307</u>

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Changes in Net Position**  
**Summary of Program Revenues by Type**  
**Last Ten Years**  
**(Accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
Charges for services	\$ 7,562,810	\$ 7,141,096	\$ 6,557,268	\$ 7,557,811	\$ 9,272,576	\$ 8,161,483	\$ 7,953,646	\$ 7,998,176	\$ 7,126,005	\$ 6,696,510
Operating grants and contributions	5,693,031	4,083,692	4,222,469	4,033,061	3,183,182	3,261,846	3,211,421	3,760,572	2,935,157	2,318,766
Capital grants and contributions	1,711,501	4,524,084	2,395,863	7,372,701	1,625,434	409,960	5,589,671	2,903,025	7,198,695	1,048,838
<b>Total governmental activities program revenues</b>	<u>14,967,342</u>	<u>15,748,872</u>	<u>13,175,600</u>	<u>18,963,573</u>	<u>14,081,192</u>	<u>11,833,289</u>	<u>16,754,738</u>	<u>14,661,773</u>	<u>17,259,857</u>	<u>10,064,114</u>
<b>Business-type activities:</b>										
Charges for services	18,615,612	18,616,150	18,615,669	16,604,145	15,815,478	15,503,049	15,286,679	15,187,279	14,678,327	14,899,451
Operating grants and contributions	---	---	---	---	---	---	---	---	---	---
Capital grants and contributions	4,157,189	4,106,943	4,266,212	4,745,821	7,783,038	3,004,420	7,209,414	3,065,959	5,623,348	1,755,334
<b>Total business-type activities program revenues</b>	<u>\$ 22,772,801</u>	<u>\$ 22,723,093</u>	<u>\$ 22,881,881</u>	<u>\$ 21,349,966</u>	<u>\$ 23,598,516</u>	<u>\$ 18,507,469</u>	<u>\$ 22,496,093</u>	<u>\$ 18,253,238</u>	<u>\$ 20,301,675</u>	<u>\$ 16,654,785</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**Charges for Services by Function**  
**Last Ten Years**  
**(Accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
General government	\$ 648,278	\$ 649,349	\$ 536,352	\$ 555,202	\$ 559,056	\$ 548,446	\$ 633,606	\$ 555,285	\$ 539,299	\$ 580,904
Public safety	2,990,015	2,546,678	2,213,684	2,127,676	2,187,991	2,023,814	1,795,184	1,875,189	1,585,437	1,641,121
Public works	2,390,797	2,733,515	2,432,797	3,472,446	4,707,137	4,249,073	4,247,237	4,204,374	3,978,709	3,644,103
Culture and recreation	322,788	305,015	266,258	403,487	432,937	366,769	62,504	123,286	122,347	122,973
Conservation and development	1,210,932	906,539	1,108,177	999,000	1,385,455	973,381	1,215,115	1,240,042	900,213	707,409
<b>Total governmental activities charges for services</b>	<u>7,562,810</u>	<u>7,141,096</u>	<u>6,557,268</u>	<u>7,557,811</u>	<u>9,272,576</u>	<u>8,161,483</u>	<u>7,953,646</u>	<u>7,998,176</u>	<u>7,126,005</u>	<u>6,696,510</u>
<b>Business-type activities:</b>										
Sewer Utility	9,648,773	9,514,149	9,510,525	9,612,636	8,951,157	8,543,988	8,418,856	8,309,028	8,114,553	8,229,711
Water Utility	6,812,228	7,033,718	7,041,072	6,937,672	6,818,479	6,913,513	6,821,982	6,838,038	6,535,141	6,641,814
Storm Water Utility	56,426	48,695	50,668	53,837	45,842	45,548	45,841	40,213	28,633	27,926
Solid Waste Collection	2,098,185	2,019,588	2,013,404	---	---	---	---	---	---	---
<b>Total business-type activities charges for services</b>	<u>18,615,612</u>	<u>18,616,150</u>	<u>18,615,669</u>	<u>16,604,145</u>	<u>15,815,478</u>	<u>15,503,049</u>	<u>15,286,679</u>	<u>15,187,279</u>	<u>14,678,327</u>	<u>14,899,451</u>
<b>Total primary government charges for services</b>	<u>\$ 26,178,422</u>	<u>\$ 25,757,246</u>	<u>\$ 25,172,937</u>	<u>\$ 24,161,956</u>	<u>\$ 25,088,054</u>	<u>\$ 23,664,532</u>	<u>\$ 23,240,325</u>	<u>\$ 23,185,455</u>	<u>\$ 21,804,332</u>	<u>\$ 21,595,961</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**Operating Grants and Contributions by Function**  
**Last Ten Years**  
**(accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
General government	\$ 1,642,893	\$ 625,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 2,000	\$ ---	\$ ---	\$ ---
Public safety	324,051	249,316	370,553	747,956	482,631	629,364	637,730	900,570	586,717	440,209
Public works	2,619,679	2,298,129	2,535,447	2,635,133	2,235,560	2,069,462	2,031,294	2,133,358	1,826,242	1,774,408
Culture and recreation	104,253	97,459	107,543	109,750	69,033	65,729	63,225	61,116	42,057	28,177
Conservation and development	1,002,155	813,788	1,208,926	540,222	395,958	497,291	477,172	665,528	480,141	75,972
<b>Total governmental activities operating grants and contributions</b>	<u>\$ 5,693,031</u>	<u>\$ 4,083,692</u>	<u>\$ 4,222,469</u>	<u>\$ 4,033,061</u>	<u>\$ 3,183,182</u>	<u>\$ 3,261,846</u>	<u>\$ 3,211,421</u>	<u>\$ 3,760,572</u>	<u>\$ 2,935,157</u>	<u>\$ 2,318,766</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**Capital Grants and Contributions by Function**  
**Last Ten Years**  
**(accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
General government	\$ ---	\$ 244,181	\$ 11,460	\$ ---	\$ ---	\$ ---	\$ 178,616	\$ 103,000	\$ 4,269,900	\$ ---
Public safety	---	---	---	---	---	---	---	---	---	---
Public works	1,683,487	4,279,903	2,384,403	7,372,701	1,625,434	409,960	5,236,347	2,800,025	2,928,795	1,048,838
Culture and recreation	28,014	---	---	---	---	---	---	---	---	---
Conservation and development	---	---	---	---	---	---	174,708	---	---	---
<b>Total governmental activities capital grants and contributions</b>	<u>1,711,501</u>	<u>4,524,084</u>	<u>2,395,863</u>	<u>7,372,701</u>	<u>1,625,434</u>	<u>409,960</u>	<u>5,589,671</u>	<u>2,903,025</u>	<u>7,198,695</u>	<u>1,048,838</u>
<b>Business-type activities:</b>										
Water Utility	1,601,403	1,688,058	1,819,186	1,677,297	3,073,712	1,194,004	1,579,499	1,333,453	2,583,029	367,561
Sewer Utility	1,679,464	1,321,461	1,406,280	1,708,351	2,148,542	1,228,512	3,394,397	1,160,330	1,606,521	308,582
Storm Water Utility	876,322	1,097,424	1,040,746	1,360,173	2,560,784	581,904	2,235,518	572,176	1,433,798	1,079,191
<b>Total business-type activities capital grants and contributions</b>	<u>4,157,189</u>	<u>4,106,943</u>	<u>4,266,212</u>	<u>4,745,821</u>	<u>7,783,038</u>	<u>3,004,420</u>	<u>7,209,414</u>	<u>3,065,959</u>	<u>5,623,348</u>	<u>1,755,334</u>
<b>Total primary government capital grants and contributions</b>	<u>\$ 5,868,690</u>	<u>\$ 8,631,027</u>	<u>\$ 6,662,075</u>	<u>\$ 12,118,522</u>	<u>\$ 9,408,472</u>	<u>\$ 3,414,380</u>	<u>\$ 12,799,085</u>	<u>\$ 5,968,984</u>	<u>\$ 12,822,043</u>	<u>\$ 2,804,172</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Net Position**  
**General Revenues and Other Changes in Net Position**  
**Last Ten Years**  
**(accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>										
Taxes	\$ 30,218,836	\$ 29,292,379	\$ 27,833,481	\$ 27,972,652	\$ 30,462,169	\$ 28,896,754	\$ 27,932,557	\$ 27,213,075	\$ 27,345,166	\$ 26,374,477
Grants and contributions not restricted to specific programs	1,815,506	2,182,880	1,799,231	1,676,603	1,241,904	1,251,900	1,360,274	1,762,237	1,542,891	1,050,489
Lease revenue	143,186	---	---	---	---	---	---	---	---	---
Interest on leases	20,976	---	---	---	---	---	---	---	---	---
Impact fees	---	---	---	---	---	---	305,993	---	---	---
Investments earnings	471,477	40,486	241,476	902,713	746,136	436,866	223,544	100,583	71,074	65,991
Interest on advances to utilities	---	489	---	32,513	51,197	29,176	19,606	7,087	12,849	19,171
Gain (loss) on retirement of capital assets	(9,399)	639,305	306	93,286	(573,256)	175,999	---	149,057	---	(192,379)
Developer incentives returned	---	---	---	---	---	---	---	---	---	2,000,000
Transfer of capital assets to business-type activities	(96,712)	---	(809,727)	---	---	---	---	---	---	---
Transfers to water utility	(1,377,893)	---	---	---	---	---	---	---	---	---
Insurance recoveries	---	---	---	180,399	---	---	---	---	---	---
Other revenues	615,452	229,414	189,517	37,086	200,796	284,429	285,181	134,443	178,027	118,125
<b>Total governmental activities general revenues and other changes in net position</b>	<u>31,801,429</u>	<u>32,384,953</u>	<u>29,254,284</u>	<u>30,895,252</u>	<u>32,128,946</u>	<u>31,075,124</u>	<u>30,127,155</u>	<u>29,366,482</u>	<u>29,150,007</u>	<u>29,435,874</u>
<b>Business-type activities:</b>										
Taxes	931,000	931,000	931,000	931,000	931,000	931,250	931,250	1,231,250	1,231,250	1,231,250
Lease revenue	418,789	---	---	---	---	---	---	---	---	---
Interest on leases	75,799	---	---	---	---	---	---	---	---	---
Transfers - PILOT	(1,129,120)	(1,152,198)	(1,233,360)	(1,190,006)	(1,266,520)	(1,294,564)	(1,316,613)	---	---	---
Investments earnings	282,400	13,109	109,307	466,844	372,174	149,839	69,424	18,838	13,602	14,561
Transfer of capital assets to business-type activities	96,712	---	809,727	---	---	---	---	---	---	---
Transfers to governmental funds	1,377,893	---	---	---	---	---	---	---	---	---
Gain (loss) on retirement of capital assets	---	---	---	---	---	---	---	---	---	5,178
Other revenues	1,230,877	127,721	97,001	136,241	517,879	33,837	328,966	36,547	33,735	33,453
<b>Total business-type activities general revenues and other changes in net position</b>	<u>3,284,350</u>	<u>(80,368)</u>	<u>713,675</u>	<u>344,079</u>	<u>554,533</u>	<u>(179,638)</u>	<u>13,027</u>	<u>1,286,635</u>	<u>1,278,587</u>	<u>1,284,442</u>
<b>Total primary government general revenues and other changes in net position</b>	<u>\$ 35,085,779</u>	<u>\$ 32,304,585</u>	<u>\$ 29,967,959</u>	<u>\$ 31,239,331</u>	<u>\$ 32,683,479</u>	<u>\$ 30,895,486</u>	<u>\$ 30,140,182</u>	<u>\$ 30,653,117</u>	<u>\$ 30,428,594</u>	<u>\$ 30,720,316</u>

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Fund Balances - Governmental Funds**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>General Fund:</b>										
Nondisposable	\$ 2,206,238	\$ 2,759,237	\$ 2,430,795	\$ 2,567,417	\$ 2,955,091	\$ 2,683,102	\$ 2,264,263	\$ 2,252,876	\$ 2,375,001	\$ 2,189,844
Restricted	---	---	---	---	---	---	---	---	---	---
Unassigned	8,308,002	7,755,003	8,083,445	7,546,819	7,002,559	7,002,556	7,421,395	7,387,708	7,265,583	7,340,740
<b>Total general fund</b>	<u>10,514,240</u>	<u>10,514,240</u>	<u>10,514,240</u>	<u>10,114,236</u>	<u>9,957,650</u>	<u>9,685,658</u>	<u>9,685,658</u>	<u>9,640,584</u>	<u>9,640,584</u>	<u>9,530,584</u>
<b>All Other Governmental Funds:</b>										
Nondisposable	3,475,016	3,061,683	3,062,526	1,286,536	3,249,418	2,872,078	2,090,552	1,881,590	1,232,169	15,369,451
Restricted	7,574,048	6,200,249	5,828,850	6,727,904	8,731,970	9,631,125	11,169,562	10,819,886	8,961,001	10,579,623
Committed	1,788,762	859,828	776,301	4,033,873	5,783,510	6,970,364	9,592,988	8,918,811	2,995,623	4,114,678
Assigned	3,653,280	3,133,790	3,406,437	4,458,403	2,817,893	7,157,630	5,263,510	4,174,551	4,487,089	3,215,701
Unassigned	(4,111,276)	(4,190,203)	(3,407,855)	(2,634,179)	(2,626,654)	(2,261,744)	(1,798,726)	(1,381,051)	(1,174,729)	(386,481)
<b>Total all other governmental funds</b>	<u>12,379,830</u>	<u>9,065,347</u>	<u>9,666,259</u>	<u>13,872,537</u>	<u>17,956,137</u>	<u>24,369,453</u>	<u>26,317,886</u>	<u>24,413,787</u>	<u>16,501,153</u>	<u>32,892,972</u>
<b>Total all governmental funds</b>	<u>\$ 22,894,070</u>	<u>\$ 19,579,587</u>	<u>\$ 20,180,499</u>	<u>\$ 23,986,773</u>	<u>\$ 27,913,787</u>	<u>\$ 34,055,111</u>	<u>\$ 36,003,544</u>	<u>\$ 34,054,371</u>	<u>\$ 26,141,737</u>	<u>\$ 42,423,556</u>

Source: Annual Comprehensive Financial Reports

Fluctuations in all other governmental fund balance, reserved and unreserved amounts, primarily reflect financing, construction in progress and completion of capital projects.

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Fund Balances - Governmental Funds - Summary**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues	\$ 45,613,997	\$ 42,334,103	\$ 39,949,958	\$ 44,142,644	\$ 43,800,718	\$ 41,183,675	\$ 40,383,973	\$ 40,435,293	\$ 38,641,760	\$ 38,062,033
Expenditures	<u>51,261,866</u>	<u>47,505,225</u>	<u>48,568,689</u>	<u>70,660,332</u>	<u>55,600,623</u>	<u>59,259,005</u>	<u>45,543,439</u>	<u>56,789,395</u>	<u>60,851,335</u>	<u>43,561,974</u>
<b>Deficiency of revenues under expenditures</b>	(5,647,869)	(5,171,122)	(8,618,731)	(26,517,688)	(11,799,905)	(18,075,330)	(5,159,466)	(16,354,102)	(22,209,575)	(5,499,941)
Other financing sources (uses) and other Changes in fund balances	8,962,352	4,570,210	4,812,536	22,590,674	5,658,581	15,671,372	7,108,639	24,266,735	5,806,432	341,875
Prior period adjustment	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>455,525</u>	<u>---</u>	<u>---</u>	<u>121,324</u>	<u>---</u>
<b>Total change in fund balance</b>	<u>\$ 3,314,483</u>	<u>\$ (600,912)</u>	<u>\$ (3,806,195)</u>	<u>\$ (3,927,014)</u>	<u>\$ (6,141,324)</u>	<u>\$ (1,948,433)</u>	<u>\$ 1,949,173</u>	<u>\$ 7,912,633</u>	<u>\$ (16,281,819)</u>	<u>\$ (5,158,066)</u>

Source: Annual Comprehensive Financial Reports

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Fund Balances - Governmental Funds - Revenues**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Taxes	\$ 29,360,425	\$ 28,419,381	\$ 26,747,632	\$ 29,758,073	\$ 29,469,322	\$ 27,841,438	\$ 26,597,863	\$ 25,904,061	\$ 26,266,221	\$ 24,980,536
Special assessment & interest	4,305	46,475	17,570	46,974	41,338	43,250	39,096	208,782	192,256	95,737
Licenses and permits	1,814,566	1,555,925	1,583,317	1,619,720	1,534,990	1,436,318	1,791,721	1,728,039	1,347,111	1,187,601
Fines and penalties	607,850	674,294	616,991	517,406	501,072	572,666	607,211	609,413	563,671	744,985
Intergovernmental aid	6,568,489	5,424,743	5,408,410	4,549,959	3,573,712	3,599,603	3,675,400	4,681,534	3,607,341	3,219,203
Program revenues	395	27,958	93,615	1,415,723	1,602,308	1,408,988	1,371,170	1,384,278	1,440,025	1,474,779
Fire dues	---	---	---	---	181,694	---	---	---	---	---
Other charges for service	4,545,834	4,624,897	4,088,179	3,906,653	4,634,751	4,425,975	4,367,503	4,212,352	3,726,595	3,322,434
Interest income	532,851	20,706	231,595	916,070	761,562	424,017	197,861	72,211	42,985	48,315
Interest on advances	100,646	25,357	31,975	107,080	121,247	76,131	47,201	27,703	32,280	237,966
Developer incentives returned	---	---	---	---	---	---	---	---	---	2,000,000
Other revenue	2,078,636	1,514,367	1,130,674	1,304,986	1,378,722	1,355,289	1,688,947	1,606,920	1,423,275	750,477
<b>Total revenues</b>	<u>\$ 45,613,997</u>	<u>\$ 42,334,103</u>	<u>\$ 39,949,958</u>	<u>\$ 44,142,644</u>	<u>\$ 43,800,718</u>	<u>\$ 41,183,675</u>	<u>\$ 40,383,973</u>	<u>\$ 40,435,293</u>	<u>\$ 38,641,760</u>	<u>\$ 38,062,033</u>

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Fund Balances - Governmental Funds - Expenditures**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current:										
General government	\$ 4,544,648	\$ 4,078,736	\$ 4,196,183	\$ 3,967,573	\$ 4,069,770	\$ 3,551,177	\$ 3,630,500	\$ 3,656,043	\$ 3,909,661	\$ 3,954,733
Public safety	18,810,617	17,677,439	16,515,418	15,427,430	15,186,791	14,199,667	14,378,386	13,860,652	13,823,637	13,403,094
Public works	5,504,852	5,525,240	5,347,202	8,735,981	10,977,378	9,646,965	6,809,817	9,951,007	7,101,179	7,331,797
Culture and recreation	3,601,377	3,205,342	2,929,713	3,049,144	2,843,942	2,840,922	3,079,854	2,891,428	2,921,152	2,666,107
Conservation and development	2,205,947	1,945,393	1,806,142	4,607,860	2,257,555	2,520,884	3,028,937	7,006,218	1,486,607	2,039,586
Uncollectible accounts	3,148	1,023,736	---	62,178	---	---	---	---	5,261,620	---
Capital outlay	6,574,724	4,251,176	8,350,108	3,073,120	8,530,210	16,533,564	4,769,966	10,381,143	7,579,866	4,120,998
Debt service:										
Principal	7,707,951	7,547,953	6,947,953	29,006,953	8,895,863	7,220,863	6,984,369	6,434,369	15,756,416	6,670,417
Interest and fiscal charges	1,986,725	2,138,429	2,359,897	2,421,686	2,686,306	2,411,470	2,485,688	2,178,219	2,667,067	2,956,176
Interest on advances	100,646	24,868	31,975	74,567	70,050	46,955	27,594	20,616	19,431	218,795
Debt issuance costs	221,231	86,913	84,098	233,840	82,758	286,538	348,328	409,700	324,699	200,271
<b>Total expenditures</b>	<u>\$ 51,261,866</u>	<u>\$ 47,505,225</u>	<u>\$ 48,568,689</u>	<u>\$ 70,660,332</u>	<u>\$ 55,600,623</u>	<u>\$ 59,259,005</u>	<u>\$ 45,543,439</u>	<u>\$ 56,789,395</u>	<u>\$ 60,851,335</u>	<u>\$ 43,561,974</u>
<b>Debt service as a percentage of</b>										
<b>Noncapital expenditures</b>	<u>21.69%</u>	<u>22.39%</u>	<u>23.14%</u>	<u>46.50%</u>	<u>24.61%</u>	<u>22.54%</u>	<u>23.23%</u>	<u>18.56%</u>	<u>34.58%</u>	<u>24.41%</u>

Source: Annual Comprehensive Financial Reports

Note: Noncapital expenditures percentage is calculated as follows: debt service / (total expenditures - capital outlay)

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Changes in Fund Balances - Governmental Funds - Revenues -**  
**Other Financing Sources (Uses) and Other Changes in Fund Balance**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Operating transfers in	\$ 12,274,779	\$ 9,580,947	\$ 10,332,046	\$ 15,724,936	\$ 14,133,448	\$ 12,564,073	\$ 12,630,432	\$ 18,816,352	\$ 21,284,579	\$ 15,347,795
Operating transfers out	(12,274,779)	(9,580,947)	(10,332,046)	(15,724,936)	(14,133,448)	(12,564,073)	(12,630,432)	(18,816,352)	(21,284,578)	(15,347,795)
Transfers - PILOT	1,129,120	1,152,198	1,233,360	1,190,006	1,266,520	1,294,564	1,316,613	1,290,385	1,259,422	1,393,941
Transfers to water utility	(1,377,893)	---	---	---	---	---	---	---	---	---
Proceeds from sale of capital assets	106,305	117,762	133,719	100,522	415,699	175,999	646,594	6,997,349	(55,294)	41,906
Fair market of bond/notes issued	8,835,000	3,150,000	3,270,000	23,570,000	3,900,000	13,650,000	4,750,000	15,430,000	4,223,622	7,175,000
Fair market of refunding bonds issued	---	---	---	---	---	1,280,000	13,955,000	9,975,000	12,275,000	6,780,000
Payment to refunding escrow agent	---	---	---	---	---	(1,280,000)	(13,955,000)	(10,025,000)	(12,325,000)	(15,154,270)
Debt issuance premiums	269,820	150,250	175,457	266,831	76,362	550,809	395,432	599,001	609,158	105,298
Insurance recoveries	---	---	---	180,399	---	---	---	---	---	---
Distribution upon closure of TID	---	---	---	(2,717,084)	---	---	---	---	(180,477)	---
<b>Total other financing sources (uses)</b>										
<b>and other changes in fund balance</b>	<b>\$ 8,962,352</b>	<b>\$ 4,570,210</b>	<b>\$ 4,812,536</b>	<b>\$ 22,590,674</b>	<b>\$ 5,658,581</b>	<b>\$ 15,671,372</b>	<b>\$ 7,108,639</b>	<b>\$ 24,266,735</b>	<b>\$ 5,806,432</b>	<b>\$ 341,875</b>

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Years**

<b>As of January 1</b>	<b>Real Property</b>		<b>Personal Property</b>		<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Total Taxable Equalized Value</b>	<b>Assessment Ratio</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>				
2022	\$ 5,022,803,760	\$ 6,826,659,400	\$ 84,429,450	\$ 112,612,700	\$ 5,107,233,210	\$ 5.20	\$ 6,939,272,100	0.7360
2021	4,980,477,060	6,031,584,900	97,389,630	118,661,700	5,077,866,690	5.21	6,150,246,600	0.8256
2020	4,887,714,680	5,512,418,200	97,111,330	108,603,200	4,984,826,010	5.20	5,621,021,400	0.8868
2019	4,783,320,160	5,169,742,400	109,109,980	120,187,200	4,892,430,140	5.20	5,289,929,600	0.9249
2018	4,741,865,260	4,986,326,700	104,982,500	111,131,300	4,846,847,760	5.23	5,097,458,000	0.9508
2017	4,646,965,460	4,782,064,200	179,374,930	180,583,200	4,826,340,390	5.23	4,962,647,400	0.9725
2016	4,548,546,260	4,550,377,900	174,516,280	177,999,900	4,723,062,540	5.17	4,728,377,800	0.9989
2015	4,427,051,360	4,424,078,642	159,081,780	158,974,958	4,586,133,140	5.20	4,583,053,600	1.0007
2014	4,378,109,960	4,331,625,189	163,982,250	162,249,611	4,542,092,210	5.20	4,493,874,800	1.0107
2013	4,356,357,660	4,092,149,876	162,733,300	152,863,724	4,519,090,960	5.20	4,245,013,600	1.0646

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Menomonee Falls School District	\$ 3,897,911,510
Hamilton Sussex School District	<u>1,209,321,700</u>
<b>Total assessed value</b>	<b><u>\$ 5,107,233,210</u></b>

Note: Assessed values are determined by the Village and the Wisconsin Department of Revenue. Estimated actual values were obtained from the Wisconsin Department of Revenue and include Wisconsin Section 70.57 adjustments.

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Property Value and Construction Data**  
**Last Ten Years**

Year	(1) Assessed Property Value				(2) Residential Construction		(2) Nonresidential Construction	
	Residential	Commercial & Manufacturing	Agricultural, Swamp & Other	Total	Number of Permits	Value	Number of Permits	Value
2022	\$ 3,424,789,760	\$ 1,580,574,700	\$ 17,439,300	\$ 5,022,803,760	643	\$ 55,040,000	93	\$ 109,590,000
2021	3,369,487,760	1,593,635,400	17,353,900	4,980,477,060	775	64,380,000	104	49,870,000
2020	3,303,015,960	1,567,157,300	17,541,420	4,887,714,680	825	52,380,000	109	71,090,000
2019	3,238,668,260	1,526,585,900	18,066,000	4,783,320,160	738	56,810,000	117	64,110,000
2018	3,197,798,160	1,526,263,700	17,803,400	4,741,865,260	802	49,950,000	149	83,110,000
2017	3,137,555,560	1,492,015,900	17,394,000	4,646,965,460	761	53,590,000	143	48,020,000
2016	3,084,284,360	1,447,556,700	16,705,200	4,548,546,260	740	47,560,000	146	70,020,000
2015	3,045,248,960	1,365,294,700	16,507,700	4,427,051,360	696	37,791,221	169	115,540,528
2014	3,011,914,460	1,349,447,800	16,747,700	4,378,109,960	695	24,504,020	166	89,112,115
2013	2,986,655,260	1,352,997,000	16,705,400	4,356,357,660	688	27,219,724	177	32,992,395

(1) Values from Statement of Assessment

(2) From Village Zoning and Inspection Department records

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Direct and Overlapping Property Tax Rates**  
**Last Ten Years**

(Per \$1,000 of Assessed Valuation)

Fiscal Year	Village Direct Rates						Overlapping Rates					School Tax Credit	Net Tax Rate	
	Basic Rate	General Obligation Debt Service Rate	Library Operations & Maint	Sewer Capital Costs	Storm Water Costs	Total Direct	State of Wisconsin	Waukesha County	Menomonee Falls School District	Sussex Hamilton School District	Waukesha County Technical College		Menomonee Falls School District	Sussex Hamilton School District
2022 for 2023	\$ 4.14	\$ 0.49	\$ 0.39	\$ ---	\$ 0.18	\$ 5.20	\$ ---	\$ 1.92	\$ 9.24	\$ 9.49	\$ 0.34	\$ (1.66)	\$ 15.04	\$ 15.29
2021 for 2022	4.15	0.50	0.38	---	0.18	5.21	---	2.04	9.95	9.60	0.37	(1.73)	15.84	15.49
2020 for 2021	4.15	0.50	0.37	---	0.18	5.20	---	1.99	10.68	9.53	0.40	(1.80)	16.47	15.32
2019 for 2020	4.16	0.48	0.37	---	0.19	5.20	---	1.97	10.17	9.87	0.39	(1.89)	15.84	15.54
2018 for 2019	4.19	0.49	0.36	---	0.19	5.23	---	1.99	11.18	9.38	0.38	(1.93)	16.85	15.05
2017 for 2018	4.19	0.49	0.36	---	0.19	5.23	---	2.01	11.56	8.79	0.38	(1.94)	17.24	14.47
2016 for 2017	4.12	0.49	0.36	---	0.20	5.17	0.17	2.00	11.69	8.92	0.37	(1.80)	17.60	14.83
2015 for 2016	4.12	0.51	0.37	---	0.20	5.20	0.17	2.04	11.60	9.60	0.38	(1.87)	17.52	15.52
2014 for 2015	4.02	0.52	0.38	0.07	0.21	5.20	0.17	2.06	11.41	9.66	0.38	(1.66)	17.56	15.81
2013 for 2014	4.02	0.52	0.38	0.07	0.21	5.20	0.16	2.01	11.61	9.58	1.24	(1.68)	18.54	16.51

Source: Village Financial Services Department taxation records

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Ten Largest Assessed Valuations**  
**Years 2022 and 2013**

Name	Nature of Business	2022			2013		
		Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Assessed Valuation	Percentage of Total Assessed Valuation	Rank
Kohl's Department Stores	Retail, corporate headquarters	\$ 49,139,300	0.96%	1	\$ 90,718,120	2.01%	1
CT Menomonee Falls LLC	Industrial	42,461,600	0.83%	2	---	---	
Fred the Junction LLC	Real Estate Ownership	40,700,900	0.80%	3	---	---	
Froedert & Medical College of Wisconsin	Health care provider	38,188,710	0.75%	4	---	---	
Harley-Davidson Motor Company	Motorcycle manufactor	31,521,600	0.62%	5	31,540,400	0.70%	3
Grace Commons Property LLC	Senior housing	28,635,480	0.56%	6	---	---	
Fred-Woodlands LLC	Real Estate Ownership	21,674,200	0.42%	7	---	---	
Starboard Jade DST	Real Estate Ownership	19,408,800	0.38%	8	---	---	
Burke Business Park LLC	Property development	17,864,400	0.35%	9	21,041,800	0.47%	6
Woodmans Food Market	Supermarket	16,384,560	0.32%	10	22,462,620	0.50%	5
NHMC Land LLC	Real estate	---	---		23,221,600	0.51%	4
Centerpoint Properties Trust	Property development	---	---		20,766,900	0.46%	7
Waste Management	Solid waste management	---	---		19,551,990	0.43%	9
Wells Fargo Financial	Investment advisory/management	---	---		18,086,710	0.40%	10
Super Excavators	Excavating	---	---		20,068,730	0.44%	8
HRH Acquisitions	Property management	---	---		39,517,700	0.87%	2
<b>Total, ten largest taxpayers</b>		305,979,550	5.99%		306,976,570	6.79%	
<b>Total, other taxpayers</b>		4,801,253,660	94.01%		4,212,114,390	93.21%	
<b>Total assessed valuations</b>		<u>\$ 5,107,233,210</u>	<u>100.00%</u>		<u>\$ 4,519,090,960</u>	<u>100.00%</u>	

Source: Village Department of Assessing

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Property Tax Levies and Collections**  
**Last Ten Years**

<b>Levy Year</b>	<b>Taxes Levied</b>	<b>Collected Within the Year Levied for</b>		<b>Subsequent Collections</b>	<b>Totals Collected to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2022	\$ 23,359,800	\$ 2,748,837	11.77%	\$ ---	\$ 2,748,837	11.77%
2021	29,704,360	7,760,939	26.13%	21,943,421	29,704,360	100.00%
2020	28,884,568	7,190,369	24.89%	21,692,769	28,883,138	100.00%
2019	27,445,415	8,664,796	31.57%	18,777,556	27,442,352	99.99%
2018	30,256,414	6,418,732	21.21%	23,835,214	30,253,946	99.99%
2017	29,925,929	8,264,831	27.62%	21,659,359	29,924,190	99.99%
2016	28,355,892	11,315,400	39.90%	17,038,280	28,353,680	99.99%
2015	27,266,228	10,119,445	37.11%	17,144,475	27,263,920	99.99%
2014	26,885,382	7,153,462	26.61%	19,728,557	26,882,019	99.99%
2013	27,276,674	7,077,544	25.95%	20,195,884	27,273,428	99.99%

The Village contracts with Waukesha County to handle tax collections. The County makes the Village whole for all real estate taxes and handles collection on delinquencies. The Village is responsible for collecting delinquent personal property taxes.

Source: Statements of taxes, Village Clerk Services Department

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Ratio of Outstanding Debt By Type to Personal Income and Property Value**  
**Last Ten Years**

Year	Governmental Activities			Business Type Activities				Total Primary Government	Percentage of		Per Capita
	General Obligation Bonds & Notes	Bond/Note Anticipation Notes	Clean Water Fund Loans	Utility Mortgage Revenue Bonds	Clean Water Fund Loans	General Obligation Notes	Utility Mortgage Revenue BANS		Personal Income	Property Value	
2022	\$ 72,470,000	\$ ---	\$ ---	\$ ---	\$ 584,094	\$ 11,305,000	\$ ---	\$ 84,359,094	3.95%	1.22%	\$ 2,151
2021	71,342,951	---	---	---	692,355	11,095,000	---	83,130,306	4.10%	1.35%	2,111
2020	75,740,904	---	---	---	797,926	10,255,000	---	86,793,830	4.63%	1.54%	2,228
2019	79,418,857	---	---	---	915,604	10,085,000	---	90,419,461	5.04%	1.71%	2,319
2018	84,855,810	---	---	---	1,030,299	10,251,000	---	96,137,109	5.87%	1.89%	2,559
2017	89,851,673	---	---	---	1,142,089	10,243,090	---	101,236,852	6.72%	2.04%	2,706
2016	83,422,536	---	---	---	1,251,046	10,175,180	---	94,848,762	6.72%	2.01%	2,570
2015	85,656,905	---	---	---	1,422,408	10,143,764	---	97,223,077	7.29%	2.12%	2,706
2014	76,711,274	---	---	---	1,589,055	10,192,348	---	88,492,677	6.79%	1.97%	2,472
2013	88,294,068	---	---	---	1,751,118	10,345,932	---	100,391,118	7.89%	2.36%	2,811

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Ratio of General Bonded Debt to Equalized Valuation and Debt Per Capita**  
**Last Ten Years**

Year	Gross Bonded Debt	Bonded Debt Supported by Revenues	Tax Obligation Bonded Debt			Ratio of Net Bonded Debt to Equalized Value	Net Bonded Debt Per Capita
			Gross	Designated Funds for Debt Service	Net		
2022	\$ 83,775,000	\$ 65,665,000	\$ 18,110,000	\$ 1,245	\$ 18,108,755	0.26%	\$ 462
2021	82,437,951	66,200,000	16,237,951	398,216	15,839,735	0.26%	402
2020	85,995,904	70,610,000	15,385,904	571,490	14,814,414	0.26%	380
2019	89,503,857	75,279,000	14,224,857	674,140	13,550,717	0.26%	347
2018	95,106,810	80,881,700	14,225,110	24,819	14,200,291	0.28%	378
2017	100,094,763	85,834,400	14,260,363	282,810	13,977,553	0.28%	374
2016	93,597,716	76,315,100	17,282,616	66,336	17,216,280	0.36%	466
2015	95,800,669	82,985,708	12,814,961	116,906	12,698,055	0.28%	353
2014	86,903,622	64,301,555	22,602,067	65,095	22,536,972	0.50%	630
2013	98,640,000	84,745,700	13,894,300	-	13,894,300	0.33%	389

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Sewer Utility Revenue Bond Coverage**  
**Last Ten Years**

Year	Operating Revenue		Operating Expenses (A)		Operating Income		Debt Service Requirements			Coverage (C)			
							Principal (B)	Interest	Total				
2022	\$	10,256,750	\$	8,999,894	\$	1,256,856	\$	108,261	\$	16,255	\$	124,516	10.0939
2021		10,041,123		8,954,092		1,087,031		105,571		18,979		124,550	8.7277
2020		10,258,643		8,901,991		1,356,652		117,678		21,854		139,532	9.7229
2019		10,293,557		9,437,047		856,510		114,695		24,874		139,569	6.1368
2018		9,649,492		9,485,092		164,400		111,790		27,817		139,607	1.1776
2017		9,188,751		9,307,387		(118,636)		108,957		30,687		139,644	(0.8496)
2016		9,083,014		8,053,443		1,029,571		171,362		37,871		209,233	4.9207
2015		9,673,484		8,900,342		773,142		166,647		43,153		209,800	3.6851
2014		9,285,340		8,754,564		530,776		162,063		43,958		206,021	2.5763
2013		8,720,703		8,745,565		(24,862)		249,495		49,943		299,438	(0.0830)

(A) Operating expenses before depreciation

(B) Debt service requirements are for the bond principal and interest due and paid during the year in question, including clean water fund loans, except as noted below.  
Principal and interest do not include GO requirements

(C) Ratio of total funds available for debt service to total requirements

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Water Utility Revenue Bond Coverage**  
**Last Ten Years**

Year	Operating		Operating	Debt Service Requirements			Coverage				
	Revenue (A)	Expenses (B)		Income	Principal (D)	Interest (D)		Total			
2022	\$	9,237,423	\$	4,285,766	\$	4,951,657	\$	---	\$	---	---
2021		7,833,758		3,914,936		3,918,822		---		---	---
2020		7,954,248		3,974,698		3,979,550		---		---	---
2019		7,811,445		3,978,721		3,832,724		---		---	---
2018		7,647,073		3,739,819		3,907,254		---		---	---
2017		7,653,931		3,753,901		3,900,030		---		---	---
2016		7,530,118		3,696,551		3,833,567		---		---	---
2015		7,630,437		3,584,133		4,046,304		---		---	---
2014		6,936,849		3,594,305		3,342,544		---		---	---
2013		6,829,451		3,594,987		3,234,464	2,735,000	67,660	2,802,660		1.1541

Source: Annual Comprehensive Financial Reports

(A) Non-cash contributions are excluded

(B) Operating expenses before depreciation and tax equivalent paid to the Village

(C) Ratio of total funds available for debt service to total requirements

(D) Principal and interest do not include GO requirements

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Computation of Legal Debt Margin**  
**December 31, 2022**

<b>Equalized value of real and personal property</b>	<b>\$ 6,939,272,100</b>
Debt limit, five percent of equalized valuation	\$ 346,963,605
Total obligation bonds and notes applicable to debt limit at December 31, 2022	<u>(83,775,000) *</u>
<b>Remaining legal debt margin</b>	<b>\$ <u>263,188,605</u></b>
* <b>Includes:</b>	
Water Utility portion of G.O. notes	\$ 10,670,000
Sewer Utility portion of G.O. notes	-
Storm Water Utility portion of G.O. notes	635,000

<b>Historical Data</b>					
<b>Year</b>		<b>Limit</b>	<b>Debt to Limit</b>	<b>Legal Margin</b>	<b>Percentage of Legal Limit</b>
2022	\$	346,963,605	\$ 83,775,000	\$ 263,188,605	24.15%
2021		307,512,330	82,437,951	225,074,379	26.81%
2020		281,051,070	85,995,904	195,055,166	30.60%
2019		264,496,480	89,503,857	174,992,623	33.84%
2018		254,872,900	95,106,810	159,766,090	37.32%
2017		248,132,370	100,094,763	148,037,607	40.34%
2016		236,418,890	93,597,716	142,821,174	39.59%
2015		229,152,680	95,800,669	133,352,011	41.81%
2014		224,693,740	86,903,622	137,790,118	38.68%
2013		212,250,680	98,640,000	113,610,680	46.47%

Source: Annual Comprehensive Financial Reports

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Computation of Direct and Overlapping Debt**  
**December 31, 2022**

	<u>Total Direct Debt</u>	<u>Applicable to Village Residents</u>	
		<u>Percent</u>	<u>Amount</u>
<b>Direct debt</b>	\$ <u>83,775,000</u>	100.00%	\$ <u>83,775,000</u>
Overlapping Debt:			
Menomonee Falls School District	\$ 35,805,000	98.10%	\$ 35,124,705
Hamilton School District	49,150,000	33.70%	16,563,550
Waukesha County	81,944,000	8.90%	7,293,016
Waukesha County Technical College	<u>21,350,000</u>	8.70%	<u>1,857,450</u>
<b>Total overlapping debt</b>	<u>188,249,000</u>		<u>60,838,721</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of these overlapping governments that is borne by the Village residents through the taxes levied by these government agencies.

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Demographic and Economic Statistics**  
**Last Ten Years**

<b>Year</b>	<b>Population (1)</b>	<b>Unemployment Rates (2)</b>			<b>Per-Capita Income (3)</b>			<b>Total Income Village of Menomonee Falls (4)</b>
		<b>Village of Menomonee Falls</b>	<b>Waukesha County</b>	<b>State of Wisconsin</b>	<b>Village of Menomonee Falls</b>	<b>Waukesha County</b>	<b>State of Wisconsin</b>	
2022	39,213	2.4 %	2.5 %	2.9 %	\$ 54,400	\$ 53,200	\$ 35,100	\$ 2,133,187,200
2021	39,379	3.1	3.1	3.8	51,536	50,837	36,754	2,029,436,144
2020	38,948	5.7	5.6	6.3	48,101	47,806	34,450	1,873,437,748
2019	38,999	2.8	2.9	3.3	45,976	46,073	45,976	1,793,018,024
2018	37,574	2.5	2.7	3.0	43,604	44,301	32,018	1,638,376,696
2017	37,413	2.8	2.9	3.3	40,289	42,094	30,557	1,507,332,357
2016	36,907	3.4	3.4	3.9	38,219	40,174	29,253	1,410,548,633
2015	35,928	3.6	3.7	4.4	37,136	38,684	28,340	1,334,222,208
2014	35,798	4.3	4.4	5.3	36,386	38,151	27,907	1,302,546,028
2013	35,710	5.1	5.5	6.7	35,642	37,577	27,523	1,272,775,820

(1) Source: Department of Administration

(2) Source: Department of Workforce Development

(3) Source: U.S. Census Bureau (5-year analysis). 2022 figures are estimates.

(4) Estimated based on population and Village of Menomonee Falls per-capita income

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Principal Employers**  
**Years 2022 and 2013**

<u><b>Employer</b></u>	<u><b>Number of Employees</b></u>	
	<u><b>2022</b></u>	<u><b>2013</b></u>
Kohls Corporation	4,000	4,151
Froedtert Health (formerly Community Memorial Hospital)	3,000	1,327
Briggs & Stratton	1,300	---
Harley Davidson	950	1,000
Wells Fargo Financial	---	459
Menomonee Falls School District	625	640
Leonardo DRS	600	---
Arandell Schmidt	625	610
Wacker Neuson Corporation	550	450
Bradley Corporation	505	325
Alto-Schaam	500	340
FIS Management Services LLC (formerly Metavante)	---	900

Sources:

Employer list and related employee data from debt issuance Official Statement

Employment in 2013 obtained from HSE report as of February 2013 inquiries of employers

See independent auditors' report.



**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Full-Time Equivalent Employees By Function**  
**Last Ten Years**

Function	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government and administration	25	25	23	26	26	24	25	25	35	33
Public Safety	139	137	127	128	127	132	137	133	95	96
Public Works	20	21	21	21	22	20	20	20	20	21
Culture and recreation	24	23	22	24	22	23	24	23	25	25
Conservation and Development	12	13	13	14	14	16	16	16	14	13
Sanitary Sewer	3	4	4	3	3	3	3	3	4	4
Water Utility	12	11	14	14	14	14	15	14	14	14
Storm Water Utility	---	---	---	---	---	---	---	---	1	1
<b>Totals</b>	<b>235</b>	<b>234</b>	<b>224</b>	<b>230</b>	<b>228</b>	<b>232</b>	<b>240</b>	<b>234</b>	<b>208</b>	<b>207</b>

Source: Financial Services Budget Documents

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
Waukesha County, Wisconsin

**Operating Indicators and Information about Capital Assets by Function/Department**  
**Last Ten Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government:</b>										
Number of employees	25	25	23	26	26	24	25	25	35	33
Registered voters	27,350	26,468	27,565	24,470	25,327	24,038	26,373	23,888	24,735	24,083
<b>Public Safety:</b>										
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of employees	78	79	79	78	74	75	71	71	64	64
Crimes	1,147	1,018	771	829	885	986	1,022	1,027	991	905
Number of violations/enforcement	16,753	18,445	18,418	15,492	12,312	14,028	16,249	17,208	15,059	17,630
Accidents	700	580	580	807	788	764	789	763	765	717
Fire:										
Number of stations	3	4	5	5	5	5	5	5	4	4
Number of employees	61	58	49	50	54	56	55	50	18	20
Number of fires	79	90	78	55	57	64	55	69	54	64
Rescue and EMS	4,024	3,692	3,198	3,155	3,068	3,061	2,708	2,479	2,306	2,128
Hazardous conditions	138	139	117	107	108	149	99	100	106	83
Service call	523	536	659	701	579	408	390	371	296	239
Good intent call	420	379	316	348	317	298	122	102	71	80
False alarm and false call	345	301	288	338	328	304	269	245	206	198
*Dispatch:										
Number of employees	---	---	---	---	---	1	10	11	13	12
Number of event calls	33,511	37,406	39,823	38,861	36,211	30,349	42,425	44,058	40,881	40,059
<b>Public Works:</b>										
Number of employees	20	21	21	21	22	20	20	20	20	21
Miles of streets and roads-Village owned	223	221	220	219	215	215	215	211	209	208
Miles - All roads, State, County, Village	249	248	247	246	241	241	241	236	234	233

Source: Village departments

\*- Dispatch was operated at the Village through January 2017. Therefore, the total employee count only represents full-time equivalent employees for one month's time. Waukesha County now provides the Village dispatch services. The number of event calls is not comparable to prior years due to the County's way of tracking calls differs from prior years tracking at the Village.

See independent auditors' report.

**VILLAGE OF MENOMONEE FALLS**  
**Waukesha County, Wisconsin**

**Operating Indicators and Information about Capital Assets by Function/Department**  
**Last Ten Years**  
**(Continued)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Culture and recreation:</b>										
Library:										
Number of employees	19	19	18	19	19	19	19	19	19	19
Volumes	133,784	129,898	124,430	134,220	135,950	134,457	136,261	134,864	137,946	139,932
E-Volumes *	250,662	243,728	219,464	215,761	207,446	250,476	189,525	174,660	152,975	103,097
Circulation	356,515	317,117	230,812	365,556	352,900	343,176	337,449	337,449	348,902	362,733
E-Circulation	63,794	60,862	58,659	46,953	38,510	30,077	21,702	21,702	16,996	12,184
Parks:										
Number of employees	5	4	4	5	3	4	5	6	6	6
Number of parks	23	22	22	22	22	22	22	16	16	16
Acres of parkland - Village owned	897	814	814	814	814	814	814	1,165	1,165	1,165
Acres of parkland - County owned	458	458	458	458	458	458	458	321	321	321
<b>Conservation and Development:</b>										
Number of employees	12	13	13	14	14	16	16	16	14	13
Number of permits issued	736	736	879	934	855	951	904	886	865	861
Permit value	164,630,000	114,250,000	123,470,000	120,920,000	133,060,000	101,610,000	117,580,000	153,331,749	113,616,135	60,212,119
<b>Water Utility:</b>										
Number of employees	12	11	14	14	14	14	15	14	14	14
Number of customers	12,880	12,843	12,727	12,587	12,429	12,348	12,223	12,122	12,046	11,985
Gallons pumped annually (in thousands)	1,266,744	1,244,605	1,232,529	1,289,082	1,197,849	1,219,158	1,266,342	1,274,354	1,251,716	1,220,082
Number of water towers/reservoirs	9	9	9	9	9	9	9	9	9	9
Number of wells	5	7	7	7	7	7	7	7	7	7
Number of hydrants	3,100	3,075	3,009	3,009	2,984	2,923	2,896	2,868	2,818	2,804
Miles of mains	242	240	237	236	234	233	230	226	225	221
<b>Sewer Utility:</b>										
Number of employees	3	4	4	3	3	3	3	3	4	4
Number of customers	13,256	13,122	12,986	12,849	12,704	12,592	12,467	12,366	12,292	12,243
Gallons pumped annually (in thousands)	830,971	837,997	837,523	847,954	843,470	856,184	847,902	836,712	825,492	839,355
Number of lift stations	9	9	9	9	9	10	10	11	11	11
Miles of main	226	225	223	220	220	219	217	217	217	215
<b>Storm Water Utility:</b>										
Number of employees	---	---	---	---	---	---	---	---	1	1
Number of retention basins	36	35	31	22	21	14	13	13	13	10
Miles of storm main	140	139	135	133	131	131	130	125	124	122

Source: Village departments

In 2019 switched to GIS system data (2018 and prior figures restated with GIS data)

\* - E-volumes consist of electronic material such as Kindle books. E-materials are leased by the Library. Information available from 2012 to current.

See independent auditors' report.

**FORM OF LEGAL OPINION**

(See following pages)

Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, WI 53202

April 10, 2024

Re: Village of Menomonee Falls, Wisconsin ("Issuer")  
\$13,130,000 General Obligation Corporate Purpose Bonds, Series 2024A,  
dated April 10, 2024 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on February 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$1,315,000	___%
2026	610,000	___
2027	635,000	___
2028	660,000	___
2029	685,000	___
2030	705,000	___
2031	730,000	___
2032	750,000	___
2033	780,000	___
2034	800,000	___
2035	460,000	___
2036	475,000	___
2037	490,000	___
2038	510,000	___
2039	530,000	___
2040	550,000	___
2041	570,000	___
2042	600,000	___
2043	625,000	___
2044	650,000	___

Interest is payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2025.

The Bonds maturing on February 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on February 1, 2034 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Bonds maturing in the years \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the Bonds, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.

3. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

**BOOK-ENTRY-ONLY SYSTEM**

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.



5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, 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 Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

(See following pages)

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Menomonee Falls, Waukesha County, Wisconsin (the "Issuer") in connection with the issuance of \$13,130,000 General Obligation Corporate Purpose Bonds, Series 2024A, dated April 10, 2024 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on February 5, 2024, as supplemented by an Approving Certificate, dated [March 21, 2024] (collectively, the "Resolution") and delivered to \_\_\_\_\_ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](http://www.emma.msrb.org) in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated [March 21, 2024] delivered in connection with the Securities, which is available from the MSRB.

"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 shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Menomonee Falls, Waukesha County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Manager of the Issuer who can be contacted at Village Hall, W156 N8480 Pilgrim Road, Menomonee Falls, Wisconsin 53051, phone (262) 532-4200, fax (262) 532-4219.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

### Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2023, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

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, 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 Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities 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 Issuer, 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 Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan 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.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(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 the type of business conducted; or

(ii) This Disclosure Certificate, as amended or 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

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to

the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 10th day of April, 2024.

(SEAL)

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Jeremy Walz  
President

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Amy Dishinger  
Village Clerk



## NOTICE OF SALE

**\$13,130,000\* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2024A  
VILLAGE OF MENOMONEE FALLS, WISCONSIN**

Bids for the purchase of \$13,130,000\* General Obligation Corporate Purpose Bonds, Series 2024A (the "Bonds") of the Village of Menomonee Falls, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 9:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com) or **PARITY**, in the manner described below, until 9:30 A.M. Central Time, on March 21, 2024, at which time they will be opened, read and tabulated. **The Village Board adopted a resolution on February 5, 2024 (the "Parameters Resolution"), which authorized the Director of Finance & Treasurer or Village Manager to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are met. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on March 21, 2024, then neither the Director of Finance & Treasurer or Village Manager have the authority to award the sale of the Bonds, and all bids will be rejected.**

## AUTHORITY; PURPOSE; SECURITY

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, by the Village, for the public purposes of paying the cost of street improvement projects, bridge projects, parks and public ground projects, constructing engine houses, sewerage projects consisting of storm sewer projects, and water system projects. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

## DATES AND MATURITIES

The Bonds will be dated April 10, 2024, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on February 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$1,315,000	2032	\$750,000	2039	\$530,000
2026	610,000	2033	780,000	2040	550,000
2027	635,000	2034	800,000	2041	570,000
2028	660,000	2035	460,000	2042	600,000
2029	685,000	2036	475,000	2043	625,000
2030	705,000	2037	490,000	2044	650,000
2031	730,000	2038	510,000		

## ADJUSTMENT OPTION

The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each up to \$400,000 per maturity for maturities 2025 through 2034 and \$200,000 per maturity for maturities 2035 through 2044. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

## **TERM BOND OPTION**

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

## **INTEREST PAYMENT DATES AND RATES**

Interest will be payable on February 1 and August 1 of each year, commencing February 1, 2025, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

## **BOOK-ENTRY-ONLY FORMAT**

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

## **PAYING AGENT**

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

## **OPTIONAL REDEMPTION**

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

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

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

## DELIVERY

On or about April 10, 2024, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

## LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Bonds. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

## SUBMISSION OF BIDS

Bids must not be for less than \$12,965,875 nor more than \$14,049,100 plus accrued interest on the principal sum of \$13,130,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com); or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 9:30 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

**A good faith deposit ("Deposit") in the amount of \$262,600 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

## **AWARD**

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid. **The Bonds will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 5.50% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

## **BOND INSURANCE**

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

## **CUSIP NUMBERS**

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

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

The Bonds shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

## **CONTINUING DISCLOSURE**

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

## **NEW ISSUE PRICING**

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Village under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Village shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the Village agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5<sup>th</sup>) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Village, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the Village to the winning bidder.

### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Village Board

Amy Dishinger, Village Clerk  
Village of Menomonee Falls, Wisconsin

# BID FORM

March 21, 2024

Village of Menomonee Falls, Wisconsin (the "Village")

RE: \$13,130,000\* General Obligation Corporate Purpose Bonds, Series 2024A (the "Bonds")

DATED: April 10, 2024

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$\_\_\_\_\_ (not less than \$12,965,875 nor more than \$14,049,100) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due	2025	_____ % due	2032	_____ % due	2039
_____ % due	2026	_____ % due	2033	_____ % due	2040
_____ % due	2027	_____ % due	2034	_____ % due	2041
_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038		

The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each up to \$400,000 per maturity for maturities 2025 through 2034 and \$200,000 per maturity for maturities 2035 through 2044. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

**A good faith deposit ("Deposit") in the amount of \$262,600 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about April 10, 2024.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: \_\_\_\_ NO: \_\_\_\_.

If the competitive sale requirements are not met, we elect to use either the: \_\_\_\_ 10% test, or the \_\_\_\_ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: \_\_\_\_\_ By: \_\_\_\_\_  
Account Members: \_\_\_\_\_

**Award will be on a true interest cost basis.** According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from April 10, 2024 of the above bid is \$\_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_%.

The foregoing offer is hereby accepted by and on behalf of the Village of Menomonee Falls, Wisconsin, on March 21, 2024.

By: \_\_\_\_\_  
Title: \_\_\_\_\_