

## PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 19, 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 Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes 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 Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Notes shall be designated as "qualified tax-exempt obligations".

**New Issue**

**Rating Application Made: Moody's Investors Service, Inc.**

### VILLAGE OF SAUKVILLE, WISCONSIN (Ozaukee County)

## \$2,575,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A

**BID OPENING:** January 7, 2025, 10:00 A.M., C.T.

**CONSIDERATION:** January 7, 2025, 6:00 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$2,575,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Saukville, Wisconsin (the "Village"), for public purposes, including paying the cost of municipal equipment, playground equipment, street improvements, water system improvements and facility improvements. The Notes 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 Notes 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 NOTES:** January 23, 2025

**MATURITY:** March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2026	\$135,000	2030	\$320,000	2034	\$210,000
2027	280,000	2031	485,000	2035	195,000
2028	100,000	2032	205,000		
2029	435,000	2033	210,000		

**\*MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. 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:** March 1, 2026 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Notes maturing on March 1, 2033 and thereafter are subject to call for prior optional redemption on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

**MINIMUM BID:** \$2,549,250.

**MAXIMUM BID:** \$2,832,500.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$51,500 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).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

## 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 Notes 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 Notes. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Notes.

## 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 Notes 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 Notes, 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 Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, 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 Notes; (3) a certificate evidencing the due execution of the Notes, 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 Notes, (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 Notes 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 Notes 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 SAUKVILLE VILLAGE BOARD**

		<u>Term Expires</u>
Andy Hebein	Village President	April 2025
Brandon Ashley	Village Trustee	April 2026
Jesse Duckart	Village Trustee	April 2025
Pamela Duckart	Village Trustee	April 2025
Jim Nowlen	Village Trustee	April 2026
William Rudolph	Village Trustee	April 2025
Wendy Smith	Village Trustee	April 2026

## **ADMINISTRATION**

Dawn Wagner, Village Administrator  
Jacob Verhelst, Village Finance Director/Treasurer  
Julie Friede, Village Clerk

## **PROFESSIONAL SERVICES**

Brad M. Hoeft, Antoine, Hoeft & Eberhardt S.C., Village Attorney, Port Washington, 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)*

# INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Saukville, Wisconsin (the "Village") and the issuance of its \$2,575,000\* General Obligation Promissory Notes, Series 2025A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Authorizing Resolution") to be adopted by the Village Board on January 7, 2025.

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 NOTES

### GENERAL

The Notes 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 January 23, 2025. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2026, to the registered owners of the Notes 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 Notes 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 Notes 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 Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes 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 Notes shall be payable as provided in the Authorizing 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 Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 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 Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village. If only part of the Notes 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 Note to be redeemed at the address shown on the registration books.

## **AUTHORITY; PURPOSE**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of municipal equipment, playground equipment, street improvements, water system improvements and facility improvements.

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

### **Sources**

Par Amount of Notes	\$2,575,000	
Estimated Interest Earnings	<u>37,583</u>	
<b>Total Sources</b>		<b>\$2,612,583</b>

### **Uses**

Estimated Underwriter's Discount	\$25,750	
Costs of Issuance	80,450	
Deposit to Project Construction Fund	2,505,500	
Rounding Amount	<u>883</u>	
<b>Total Uses</b>		<b>\$2,612,583</b>

\*Preliminary, subject to change.

## **SECURITY**

For the prompt payment of the Notes 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 Notes when it becomes due and also to pay and discharge the principal on the Notes 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**

General obligation debt of the Village is currently rated "Aa3" by Moody's Investors Service, Inc. ("Moody's"). The Village has requested a rating on the Notes from Moody's, and bidders will be 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 Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, 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 Notes 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 Notes, 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 Notes, 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 Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

In the previous five years, the Village believes it has not failed to comply in all material respects with its prior undertakings under the Rule. Ehlers is currently engaged as dissemination agent for the Village.

## **LEGAL MATTERS**

An opinion as to the validity of the Notes 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 Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes 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 Notes. 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 Notes 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 Notes 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 Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes 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 Notes 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 Notes in order for interest on the Notes 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 Notes to be included in gross income retroactively to the date of issuance of the Notes. 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 Notes."

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

Prospective purchasers of the Notes should be aware that ownership of the Notes 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 Notes 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 Notes. 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 Notes may be enacted. Prospective purchasers of the Notes 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 Notes is less than the principal amount payable at maturity, such Notes ("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 Notes is more than the principal amount payable at maturity, such Notes ("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.

## **QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. 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, 2023 have been audited by CliftonLarsonAllen LLP, Green Bay, 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.

## **RISK FACTORS**

The following is a description of possible risks to holders of the Notes 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 Notes 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 of Wisconsin (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 Notes. 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 Notes 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 Notes may fall for purposes of resale. Noncompliance by the Village with the covenants in the Authorizing Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes 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 Notes. 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 Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

**Book-Entry-Only System:** The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes 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 Notes.

**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 Notes in the secondary market.

**Secondary Market for the Notes:** No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes 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 Notes. 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 Notes 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

2024 Equalized Value	\$674,375,000
2024 Equalized Value Reduced by Tax Increment Valuation	\$629,951,000
2024 Assessed Value	\$604,663,300

## 2024 EQUALIZED VALUE BY CLASSIFICATION

	2024 Equalized Value <sup>1</sup>	Percent of Total Equalized Value
Residential	\$403,724,600	59.866%
Commercial	191,745,800	28.433%
Manufacturing	78,275,700	11.607%
Agricultural	18,700	0.003%
Undeveloped	320,400	0.048%
Ag Forest	163,800	0.024%
Forest	126,000	0.019%
Personal Property <sup>2</sup>	<u>0</u>	<u>0.000%</u>
Total	<u><u>\$674,375,000</u></u>	<u><u>100.000%</u></u>

## TREND OF VALUATIONS

Year	Assessed Value	Equalized Value <sup>1</sup>	Percent Increase/Decrease in Equalized Value
2020	\$425,243,300	\$500,511,900	8.23%
2021	496,916,300	523,835,100	4.66%
2022	501,561,400	570,431,500	8.90%
2023	595,615,500	635,914,900	11.48%
2024	604,663,300	674,375,000	6.05%

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

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

<sup>2</sup> Personal property has been exempted from taxation as of January 1, 2024 (see “TAX LEVIES AND COLLECTIONS” herein).

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2024 Equalized Value <sup>1</sup>	Percent of Village's Total Equalized Value
Charter Mfg Company Inc.	Steel/Iron Manufacturing	\$16,841,700	2.50%
American Orthodontics Corporation	Manufacturing	16,513,500	2.45%
JNG Co LLC	Custom Remodeling	15,118,900	2.24%
Syko Properties Inc.	Housing	9,661,300	1.43%
Daniel G. Kamin Saukville LLC <sup>2</sup>	Retail/Walmart	8,001,900	1.19%
Engineered Exhaust Systems/B-T Inc.	Manufacturing	7,224,000	1.07%
Rebel Realty LLC	Commercial/Real Estate	6,850,400	1.02%
Capital Equities LLC	Grocery Store	5,258,300	0.78%
520 Tech LLC	Property Management	5,084,800	0.75%
ERAL Saukville LLC	EVS	<u>5,029,900</u>	<u>0.75%</u>
Total		\$95,584,700	14.17%
Village's Total 2024 Equalized Value <sup>3</sup>		\$674,375,000	

Source: The Village.

## DEBT

### DIRECT DEBT<sup>4</sup>

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

Total General Obligation Debt (includes the Notes)*	<u><u>\$11,280,000</u></u>
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#### Revenue Debt (see schedules following)

Total revenue debt secured by sewerage revenues	<u><u>\$3,540,366</u></u>
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\*Preliminary, subject to change.

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<sup>1</sup> Calculated by dividing the 2024 Assessed Values by the 2024 Aggregate Ratio of assessment for the Village.

<sup>2</sup> Assessment under appeal by taxpayer.

<sup>3</sup> Includes tax increment valuation.

<sup>4</sup> Outstanding debt is as of the dated date of the Notes.

**DEBT PAYMENT HISTORY**

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

**FUTURE FINANCING**

The Village anticipates issuing approximately \$2,605,000 water system revenue bonds in the next 12 months. Aside from the proceeding, 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	\$674,375,000
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit <sup>1</sup>	\$33,718,750
Less: General Obligation Debt*	<u>(11,280,000)</u>
Unused Debt Limit*	<u><u>\$22,438,750</u></u>

\*Preliminary, subject to change.

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<sup>1</sup> The Village has adopted a Debt Management Policy (the “Policy”). Pursuant to the Policy, the Village will seek to limit its use of general obligation debt to not more than 75% of its statutory debt capacity.



Village of Saukville, Wisconsin  
Schedule of Bonded Indebtedness  
General Obligation Debt Secured by Taxes  
(As of 01/23/2025)

	Corporate Purpose Bonds Series 2015A		Corporate Purpose Bonds Series 2016A		Corporate Purpose Bonds Series 2017A		Promissory Notes Series 2019A		Promissory Notes Series 2021A	
<b>Dated</b>	04/07/2015		02/10/2016		02/23/2017		01/24/2019		01/21/2021	
<b>Amount</b>	\$3,540,000		\$4,540,000		\$2,670,000		\$1,960,000		\$2,140,000	
<b>Maturity</b>	03/01		02/01		03/01		03/01		02/01	
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
<b>2025</b>	180,000	40,050	465,000	38,069	230,000	35,035	275,000	30,250	225,000	18,200
<b>2026</b>	115,000	36,075	465,000	27,606	235,000	29,105	275,000	20,625	235,000	13,600
<b>2027</b>	115,000	32,625	445,000	16,813	260,000	22,475	275,000	12,375	225,000	9,000
<b>2028</b>	115,000	29,175	450,000	5,625	150,000	16,838	275,000	4,125	145,000	6,025
<b>2029</b>	115,000	25,725			150,000	12,713			265,000	3,975
<b>2030</b>	125,000	22,125			150,000	8,475			265,000	1,325
<b>2031</b>	125,000	18,375			150,000	4,050				
<b>2032</b>	130,000	14,550			60,000	900				
<b>2033</b>	135,000	10,575								
<b>2034</b>	140,000	6,450								
<b>2035</b>	145,000	2,175								
	1,440,000	237,900	1,825,000	88,113	1,385,000	129,590	1,100,000	67,375	1,360,000	52,125

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Village of Saukville, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 01/23/2025)

Promissory Notes Series 2023A			Promissory Notes Series 2025A							
Dated	02/01/2023		01/23/2025							
Amount	\$1,705,000		\$2,575,000*							
Maturity	02/01		03/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	60,000	62,600	0	0	1,435,000	224,204	1,659,204	9,845,000	12.72%	2025
2026	40,000	60,600	135,000	141,051	1,500,000	328,662	1,828,662	8,345,000	26.02%	2026
2027	55,000	58,700	280,000	79,289	1,655,000	231,277	1,886,277	6,690,000	40.69%	2027
2028	110,000	55,400	100,000	72,678	1,345,000	189,866	1,534,866	5,345,000	52.62%	2028
2029	265,000	47,900	435,000	63,780	1,230,000	154,093	1,384,093	4,115,000	63.52%	2029
2030	265,000	37,300	320,000	51,130	1,125,000	120,355	1,245,355	2,990,000	73.49%	2030
2031	265,000	26,700	485,000	37,452	1,025,000	86,577	1,111,577	1,965,000	82.58%	2031
2032	265,000	16,100	205,000	25,626	660,000	57,176	717,176	1,305,000	88.43%	2032
2033	270,000	5,400	210,000	18,363	615,000	34,338	649,338	690,000	93.88%	2033
2034			210,000	10,887	350,000	17,337	367,337	340,000	96.99%	2034
2035			195,000	3,559	340,000	5,734	345,734	0	100.00%	2035
	1,595,000	370,700	2,575,000	503,815	11,280,000	1,449,617	12,729,617			

\* Preliminary, subject to change.

Village of Saukville, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Sewerage Revenues  
(As of 01/23/2025)

Sewerage Revenue Bonds (CWFL) Series 2022								
Dated	06/08/2022							
Amount	\$3,793,920							
Maturity	05/01							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	164,831	70,369	164,831	70,369	235,200	3,375,535	4.66%	2025
2026	168,185	66,981	168,185	66,981	235,166	3,207,350	9.41%	2026
2027	171,608	63,523	171,608	63,523	235,131	3,035,742	14.25%	2027
2028	175,100	59,996	175,100	59,996	235,096	2,860,643	19.20%	2028
2029	178,663	56,396	178,663	56,396	235,059	2,681,979	24.25%	2029
2030	182,299	52,723	182,299	52,723	235,022	2,499,681	29.39%	2030
2031	186,009	48,976	186,009	48,976	234,985	2,313,672	34.65%	2031
2032	189,794	45,152	189,794	45,152	234,946	2,123,878	40.01%	2032
2033	193,656	41,250	193,656	41,250	234,907	1,930,222	45.48%	2033
2034	197,597	37,269	197,597	37,269	234,867	1,732,625	51.06%	2034
2035	201,618	33,207	201,618	33,207	234,826	1,531,006	56.76%	2035
2036	205,721	29,063	205,721	29,063	234,784	1,325,285	62.57%	2036
2037	209,908	24,834	209,908	24,834	234,741	1,115,378	68.50%	2037
2038	214,179	20,519	214,179	20,519	234,698	901,198	74.55%	2038
2039	218,538	16,116	218,538	16,116	234,654	682,661	80.72%	2039
2040	222,985	11,623	222,985	11,623	234,608	459,676	87.02%	2040
2041	227,523	7,039	227,523	7,039	234,562	232,153	93.44%	2041
2042	232,153	2,362	232,153	2,362	234,515	0	100.00%	2042
	3,540,366	687,400	3,540,366	687,400	4,227,766			

## 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
Ozaukee County	\$18,896,643,500	3.5688%	\$18,985,000	\$677,537
Grafton School District	2,949,883,563	1.3246%	45,985,000	609,117
Northern Ozaukee School District	957,762,253	1.4721%	6,440,062	94,804
Port Washington-Saukville School District	2,764,780,447	22.4684%	36,150,000	8,122,327
Milwaukee Area Technical College District	126,254,382,367	0.5341%	102,815,000	<u>549,135</u>
Village's Share of Total Overlapping Debt				<u><u>\$10,052,920</u></u>

## DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$674,375,000	Debt/ Per Capita 4,204 <sup>4</sup>
Total General Obligation Debt*	\$11,280,000	1.67%	\$2,683.16
Village's Share of Total Overlapping Debt	<u>10,052,920</u>	<u>1.49%</u>	<u>2,391.28</u>
Total*	\$21,332,920	3.16%	\$5,074.43

\*Preliminary, subject to change.

<sup>1</sup> Overlapping debt is as of the dated date of the Notes. 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> Estimated 2024 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>
2020/21	\$3,092,082	100%	\$6.27
2021/22	3,282,527	100%	6.36
2022/23	3,350,210	100%	5.93
2023/24	3,536,447	100%	5.62
2024/25	3,847,186	In Progress	6.11

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.

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. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. 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 were formerly 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>
2020/21	\$10.19	\$1.60	\$6.27	\$18.06
2021/22	9.75	1.50	6.36	17.61
2022/23	8.93	1.40	5.93	16.26
2023/24	8.08	1.30	5.62	15.00
2024/25	7.85	1.25	6.11	15.21

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

## **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. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 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 \$578,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$493,000 received in

2023. The Village is currently estimated to receive approximately \$584,000 in shared revenue under Chapter 79. Wis. Stats., in 2025. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

## **THE ISSUER**

### **VILLAGE GOVERNMENT**

The Village was incorporated in 1915 and is governed by a Village President and six other Village Board members. The Village President is a voting member. All are elected to two-year terms. The appointed Village Administrator, Village Finance Director/Treasurer and Village Clerk are responsible for administrative details and financial records.

### **EMPLOYEES; PENSIONS**

The Village employs a staff of 34 full-time, 43 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, 2021, the fiscal year ended December 31, 2022 and the fiscal year ended December 31, 2023 ("Fiscal Year 2023"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$178,747, \$194,700 and \$224,773, 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, 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. As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion. Accordingly, the Village will continue to report a liability for its proportionate share of the net pension liability of the WRS in its audited financial statements for the fiscal year ended December 31, 2024.

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 2023, the



Village reported an liability of \$844,485 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 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 0.01594059% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension 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 net pension liability 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 3.G. "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.<sup>1</sup>

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. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, 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.

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<sup>1</sup> On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission*, Case No. 2023CV3152, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. No guarantee can be made regarding the outcome of the matter.

The following bargaining unit represents employees of the Village:

**Bargaining Unit**

Labor Association of Wisconsin Local 317

**Expiration Date of  
Current Contract**

December 31, 2025

**OTHER POST EMPLOYMENT BENEFITS**

The Village does not provide any other post employment benefits.

**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 Notes or otherwise questioning the validity of the Notes.

**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 Notes 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 Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes 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 Notes.

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 Notes would not occur.

**FUNDS ON HAND** (as of October 31, 2024)

<b>Fund</b>	<b>Total Cash and Investments</b>
Ambulance Billing	\$248,994
Clean Water Fund	100
General Fund	4,083,042
Library Fund	163,256
Payroll	12,095
HRA Account	33,193
WDF Fund	206,834
CDA	26,528
Pooled Savings	4,613,209
ACT 102-FAP	135,912
Cemetery Savings	1,946
Freeman Escrow Savings	118,199
Sewer Mortgage Revenue Bond Redemption Fund	447,715
Sewer Utility Reserve Fund	76,663
WW ERF-Equipment Replacement Fund	1,007,501
Ehlers Investments/Pershing	4,139,263
Impact Fee Fund	481,281
ARPA	516,058
LGIP	<u>320,289</u>
 Total Funds on Hand	 <u><u>\$16,632,079</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>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$1,399,907	\$1,466,367	\$1,508,031
Less: Operating Expenses	<u>(1,032,708)</u>	<u>(1,245,434)</u>	<u>(1,135,022)</u>
Operating Income	\$367,199	\$220,933	\$373,009
Plus: Depreciation	368,578	358,573	385,881
Interest Income	<u>3,836</u>	<u>13,963</u>	<u>46,366</u>
Revenues Available for Debt Service	<u><u>\$739,613</u></u>	<u><u>\$593,469</u></u>	<u><u>\$805,256</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$2,014,191	\$2,211,350	\$2,389,460
Less: Operating Expenses	<u>(1,399,853)</u>	<u>(1,492,883)</u>	<u>(1,733,795)</u>
Operating Income	\$614,338	\$718,467	\$655,665
Plus: Depreciation	688,168	690,041	829,250
Interest Income	<u>10,863</u>	<u>13,201</u>	<u>78,731</u>
Revenues Available for Debt Service	<u><u>\$1,313,369</u></u>	<u><u>\$1,421,709</u></u>	<u><u>\$1,563,646</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 2023 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT	2021 Audited	2022 Audited	2023 Audited	2024 Projected	2025 Adopted Budget 1)
Revenues					
Taxes	\$1,780,332	\$1,994,296	\$2,310,508	\$2,384,967	\$2,740,703
Intergovernmental	874,291	806,710	897,697	1,036,070	1,021,813
Licenses and permits	72,346	59,256	73,302	33,550	37,000
Fine and forfeits	37,662	42,102	42,641	45,800	46,000
Public charges for services	245,090	161,708	180,211	146,332	167,050
Miscellaneous	66,616	(86,294)	410,466	528,462	224,500
<b>Total Revenues</b>	<b>\$3,076,337</b>	<b>\$2,977,778</b>	<b>\$3,914,825</b>	<b>\$4,175,181</b>	<b>\$4,237,066</b>
Expenditures					
Current:					
General government	\$432,354	\$455,788	\$482,711	\$498,647	\$513,247
Public safety	1,902,191	2,142,602	2,258,521	2,622,264	2,829,741
Public works	496,608	489,102	525,317	538,968	606,905
Health and human services	2,197	1,741	5,395	7,529	7,727
Culture and recreation	407,085	420,631	448,271	489,000	499,836
Conservation and development	50,916	54,456	52,836	67,526	87,110
<b>Total Expenditures</b>	<b>\$3,291,351</b>	<b>\$3,564,320</b>	<b>\$3,773,051</b>	<b>\$4,223,934</b>	<b>\$4,544,566</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(\$215,014)</b>	<b>(\$586,542)</b>	<b>\$141,774</b>	<b>(\$48,753)</b>	<b>(\$307,500)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	\$381,595	\$586,681	\$463,369	\$452,450	\$307,500
Transfers (out)	(168,081)	(310,560)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>213,514</b>	<b>276,121</b>	<b>463,369</b>	<b>452,450</b>	<b>307,500</b>
<b>Net changes in Fund Balances</b>	<b>(\$1,500)</b>	<b>(\$310,421)</b>	<b>\$605,143</b>	<b>\$403,697</b>	<b>\$0</b>
General Fund Balance January 1	\$1,936,264	\$1,934,764	\$1,624,343	\$2,229,486	
General Fund Balance December 31	\$1,934,764	\$1,624,343	\$2,229,486	\$2,633,183	
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$56,000	\$42,000	\$73,000	\$59,000	
Committed	51,631	0	0	0	
Assigned	90,000	90,000	90,000	90,000	
Unassigned	1,737,133	1,492,343	2,066,486	2,484,183	
<b>Total</b>	<b>\$1,934,764</b>	<b>\$1,624,343</b>	<b>\$2,229,486</b>	<b>\$2,633,183</b>	

<sup>1)</sup> The 2025 budget was adopted on November 19, 2024.

## GENERAL INFORMATION

### LOCATION

The Village, with a 2020 U.S. Census population of 4,258 and a current estimated population of 4,204 comprises an area of 3.64 square miles and is located approximately 25 miles north of Milwaukee, Wisconsin.

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

Larger employers in and near the Village include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Charter Steel	Supplier of special bar quality rod, wire and bar	665
School District of Port Washington-Saukville	Elementary and secondary education	342
Wal-Mart	Retail	200
Kohler Power	Manufacturing	100
Johnson Brass & Machine	Manufacturer of centrifugal castings	88
Piggly Wiggly	Grocery store	80
The Village	Municipal government and services	79
Standard Machine & Raybar Company Inc.	Precision machining & thread rolling solutions	70
Jeneil Biotech Inc.	Spice and extract manufacturing	55
EVS Chevrolet Buick	Retail auto sales and service	13

**Source:** Data Axle Reference Solutions, written and telephone survey, Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.

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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 Single Family Homes</u>					
No. of building permits	1	2	1	19	19
Valuation	\$388,000	\$825,000	\$300,000	\$4,301,328	\$5,162,586
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	0	10	5
Valuation	\$0	\$0	\$0	\$15,093,700	\$21,487,850
<u>New Commercial/Industrial</u>					
No. of building permits	1	0	7	2	7
Valuation	\$850,000	\$0	\$3,960,000	\$25,450,000	\$7,997,661
<u>All Building Permits</u>					
<i>(including additions and remodelings)</i>					
No. of building permits	258	464	330	424	445
Valuation	\$7,044,271	\$6,139,999	\$13,234,078	\$57,804,451	\$46,817,788

**Source:** The Village.

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<sup>1</sup> As of October 31, 2024.

## U.S. CENSUS DATA

### Population Trend: The Village

2010 U.S. Census Population	4,451
2020 U.S. Census Population	4,258
Percent of Change 2010 - 2020	-4.34%
2024 Estimated Population	4,204

### Income and Age Statistics

	<b>The Village</b>	<b>Ozaukee County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2022 per capita income	\$40,413	\$55,948	\$40,130	\$41,261
2022 median household income	\$65,294	\$92,258	\$72,458	\$75,149
2022 median family income	\$76,071	\$117,113	\$92,974	\$92,646
2022 median gross rent	\$890	\$1,103	\$992	\$1,268
2022 median value owner occupied units	\$248,800	\$344,900	\$231,400	\$281,900
2022 median age	40.5 yrs.	43.8 yrs.	39.9 yrs.	38.5 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
Village % of 2022 per capita income	100.71%	97.94%
Village % of 2022 median family income	81.82%	82.11%

### Housing Statistics

	<b><u>The Village</u></b>		
	<b>2020</b>	<b>2022</b>	<b>Percent of Change</b>
All Housing Units	1,891	2,122	12.22%

**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

Rates are not compiled for individual communities with populations under 25,000.

	<b><u>Average Employment</u></b>	<b><u>Average Unemployment</u></b>	
<b>Year</b>	<b>Ozaukee County</b>	<b>Ozaukee County</b>	<b>State of Wisconsin</b>
2020	46,181	5.5%	6.4%
2021	47,504	3.1%	3.9%
2022	47,855	2.4%	2.9%
2023, <sup>1</sup>	48,253	2.6%	3.0%
2024, October <sup>1</sup>	48,831	2.2%	2.5%

**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 Notes, the Village represents that there have been no material adverse changes 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 SAUKVILLE, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://CLAconnect.com)

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## INDEPENDENT AUDITORS' REPORT

Village Board  
Village of Saukville, Wisconsin

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Saukville, Wisconsin (the Village) as of and for the year ended December 31, 2023, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 judgment, 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 schedule of proportionate share of the net pension liability (asset) and schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinions on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

Our audit for the year ended December 31, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2023 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2023.

We also previously audited, in accordance with GAAS, the basic financial statements of the Village as of and for the year ended December 31, 2022, (not presented herein), and have issued our report thereon dated March 22, 2023 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The detailed comparison of budgeted revenue and expenditures, the combining and individual nonmajor fund financial statements and the schedules of water and sewer operating revenues and expenses for the year ended December 31, 2022 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 related directly to the underlying accounting and other records used to prepare the 2022 basic financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 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 financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the [identify accompanying supplementary information] is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2022.

Village Board  
Village of Saukville, Wisconsin

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2024 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
March 15, 2024



## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total	Component Unit
<b>ASSETS</b>				
Cash and Investments	\$ 8,050,774	\$ 7,763,631	\$ 15,814,405	\$ 56,527
Receivables:				
Taxes and Special Charges	2,579,170	-	2,579,170	-
Delinquent Taxes	1,034	-	1,034	-
Accounts, Net	79,379	895,588	974,967	1,308
Special Assessments	25,885	98,183	124,068	-
Loans	55,387	-	55,387	-
Internal Balances	(41,011)	41,011	-	-
Due from Other Governments	2,380	-	2,380	-
Inventories and Prepaid Items	28,734	-	28,734	-
Assets Held for Resale	-	-	-	135,557
Lease Receivable	-	1,676,334	1,676,334	-
Restricted Assets:				
Cash and Investments	-	894,281	894,281	-
Capital Assets, Nondepreciable	4,383,637	464,069	4,847,706	-
Capital Assets, Depreciable	13,171,494	25,179,324	38,350,818	-
Total Assets	28,336,863	37,012,421	65,349,284	193,392
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Advance Refunding	96,267	-	96,267	-
Pension Related Amounts	2,633,237	538,903	3,172,140	-
Total Deferred Outflows of Resources	2,729,504	538,903	3,268,407	-
<b>LIABILITIES</b>				
Accounts Payable	398,965	25,944	424,909	-
Accrued and Other Current Liabilities	95,772	9,952	105,724	-
Due to Other Governments	-	-	-	2,380
Accrued Interest Payable	117,200	34,558	151,758	-
Special Deposits	34,000	-	34,000	-
Unearned Revenues	171,776	-	171,776	-
Long-Term Obligations:				
Due Within One Year	1,120,000	549,207	1,669,207	-
Due in More Than One Year	7,053,980	5,669,400	12,723,380	-
Net Pension Liability	700,566	143,919	844,485	-
Total Liabilities	9,692,259	6,432,980	16,125,239	2,380
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes and Special Charges				
Levied for Subsequent Year	3,924,117	-	3,924,117	-
Lease Related	-	1,676,334	1,676,334	-
Pension Related Amounts	1,472,259	302,450	1,774,709	-
Total Deferred Inflows of Resources	5,396,376	1,978,784	7,375,160	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	11,303,860	19,690,838	30,994,698	-
Restricted:				
Impact Fees	280,344	-	280,344	-
Capital Projects	1,549,340	894,281	2,443,621	-
Economic Development	240,413	-	240,413	-
Unrestricted	2,603,775	8,554,441	11,158,216	191,012
Total Net Position	\$ 15,977,732	\$ 29,139,560	\$ 45,117,292	\$ 191,012

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities		Totals
<b>GOVERNMENTAL ACTIVITIES</b>								
General Government	\$ 634,294	\$ 56,337	\$ -	\$ -	\$ (577,957)	\$ -	\$ (577,957)	\$ -
Public Safety	3,014,836	947,150	111,772	-	(1,955,914)	-	(1,955,914)	-
Public Works	1,536,904	274,701	304,961	4,042,751	3,085,509	-	3,085,509	-
Health and Human Services	33,464	-	-	-	(33,464)	-	(33,464)	-
Culture and Recreation	615,448	93,531	133,662	-	(388,255)	-	(388,255)	-
Conservation and Development	582,526	59,104	355,864	-	(167,558)	-	(167,558)	-
Interest and Fiscal Charges	271,227	-	-	-	(271,227)	-	(271,227)	-
Total Governmental Activities	6,688,699	1,430,823	906,259	4,042,751	(308,866)	-	(308,866)	-
<b>BUSINESS-TYPE ACTIVITIES</b>								
Water Utility	1,188,505	1,508,031	-	2,465,988	-	2,785,514	2,785,514	-
Wastewater Utility	1,798,353	2,389,460	-	3,328,351	-	3,919,458	3,919,458	-
Total Business-Type Activities	2,986,858	3,897,491	-	5,794,339	-	6,704,972	6,704,972	-
Total Primary Government	\$ 9,675,557	\$ 5,328,314	\$ 906,259	\$ 9,837,090	(308,866)	6,704,972	6,396,106	-
<b>COMPONENT UNIT</b>								(44,927)
Community Development Authority	\$ 44,927	\$ -	\$ -	\$ -	-	-	-	
<b>GENERAL REVENUES AND TRANSFERS</b>								
Taxes:								
Property Taxes					3,566,914	-	3,566,914	-
Tax Increments					94,895	-	94,895	-
Other Taxes					35,974	-	35,974	-
Federal and State Grants and Other Contributions					867,587	-	867,587	-
not Restricted to Specific Functions					497,047	125,097	622,144	3,211
Interest and Investment Earnings					37,016	-	37,016	23,070
Miscellaneous					81,842	-	81,842	-
Gain on Sale of Asset					137,155	(137,155)	-	-
Transfers					5,318,430	(12,058)	5,306,372	26,281
Total General Revenues and Transfers					5,009,564	6,692,914	11,702,478	(18,646)
<b>CHANGE IN NET POSITION</b>								
Net Position - January 1					10,968,168	22,446,646	33,414,814	209,658
<b>NET POSITION - DECEMBER 31</b>					\$ 15,977,732	\$ 29,139,560	\$ 45,117,292	\$ 191,012

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	General	Debt Service	Capital Improvements	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 3,704,037	\$ -	\$ 2,742,341	\$ 1,604,396	\$ 8,050,774
Receivables:					
Taxes and Special Charges	2,579,170	-	-	-	2,579,170
Delinquent Taxes	6,007	-	-	-	6,007
Accounts, Net	-	-	-	79,379	79,379
Special Assessments	-	-	-	20,912	20,912
Loans	-	-	-	55,387	55,387
Due from Other Funds	98,848	1,245,999	-	551,282	1,896,129
Advance to Other Funds	73,000	-	-	-	73,000
Due from Other Governments	2,380	-	-	-	2,380
Inventories and Prepaid Items	-	-	5,468	23,266	28,734
Total Assets	<u>\$ 6,463,442</u>	<u>\$ 1,245,999</u>	<u>\$ 2,747,809</u>	<u>\$ 2,334,622</u>	<u>\$ 12,791,872</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 148,794	\$ -	\$ 288,055	\$ 51,343	\$ 488,192
Accrued and Other Current Liabilities	6,545	-	-	-	6,545
Due to Other Funds	1,856,292	1,962	-	106,886	1,965,140
Advance from Other Funds	-	-	-	45,000	45,000
Special Deposits	34,000	-	-	-	34,000
Unearned Revenues	40,942	-	-	130,834	171,776
Total Liabilities	<u>2,086,573</u>	<u>1,962</u>	<u>288,055</u>	<u>334,063</u>	<u>2,710,653</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes and Special Charges Levied for Subsequent Year	2,147,383	1,235,999	-	540,735	3,924,117
Loans Receivable	-	-	-	55,387	55,387
Special Assessments	-	-	-	20,912	20,912
Total Deferred Inflows of Resources	<u>2,147,383</u>	<u>1,235,999</u>	<u>-</u>	<u>617,034</u>	<u>4,000,416</u>
<b>FUND BALANCES</b>					
Nonspendable	73,000	-	5,468	23,266	101,734
Restricted	-	8,038	2,454,286	455,370	2,917,694
Committed	-	-	-	208,173	208,173
Assigned	90,000	-	-	735,918	825,918
Unassigned	2,066,486	-	-	(39,202)	2,027,284
Total Fund Balances	<u>2,229,486</u>	<u>8,038</u>	<u>2,459,754</u>	<u>1,383,525</u>	<u>6,080,803</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,463,442</u>	<u>\$ 1,245,999</u>	<u>\$ 2,747,809</u>	<u>\$ 2,334,622</u>	<u>\$ 12,791,872</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS TO THE  
GOVERNMENT-WIDE STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances as Shown on Previous Page	\$ 6,080,803
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	17,555,131
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Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.

Special Assessments	20,912
Loans Receivable	55,387

Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.

Loss on Advance Refunding	96,267
Deferred Outflows Related to Pensions	2,633,237
Deferred Inflows Related to Pensions	(1,472,259)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and Notes Payable	(7,700,000)
Premium on Debt	(282,181)
Compensated Absences	(191,799)
Net Pension Liability	(700,566)
Accrued Interest on Long-Term Obligations	(117,200)

Net Position of Governmental Activities as Reported on the Statement of Net Position	\$ 15,977,732
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**VILLAGE OF SAUKVILLE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Improvements	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 2,310,508	\$ 1,217,311	\$ -	\$ 172,678	\$ 3,700,497
Special Assessments	-	-	-	10,549	10,549
Intergovernmental	897,697	-	113,826	368,952	1,380,475
Licenses and Permits	73,302	-	-	238,879	312,181
Fines and Forfeits	42,641	-	-	-	42,641
Public Charges for Services	180,211	-	-	833,133	1,013,344
Miscellaneous	410,466	6,844	65,665	504,354	987,329
Total Revenues	3,914,825	1,224,155	179,491	2,128,545	7,447,016
<b>EXPENDITURES</b>					
Current:					
General Government	482,711	-	-	64,296	547,007
Public Safety	2,258,521	-	-	248,224	2,506,745
Public Works	525,317	-	-	288,479	813,796
Health and Human Services	5,395	-	-	337,793	343,188
Culture and Recreation	448,271	-	-	112,747	561,018
Conservation and Development	52,836	-	-	197,982	250,818
Debt Service:					
Principal	-	1,065,000	-	-	1,065,000
Interest and Fiscal Charges	-	168,561	79,532	-	248,093
Capital Outlay	-	-	662,761	321,830	984,591
Total Expenditures	3,773,051	1,233,561	742,293	1,571,351	7,320,256
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	141,774	(9,406)	(562,802)	557,194	126,760
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	1,705,000	-	1,705,000
Premium on Debt Issued	-	-	131,616	-	131,616
Proceeds from Sale of Capital Assets	-	-	-	81,890	81,890
Transfers In	463,369	10,000	-	-	473,369
Transfers Out	-	-	-	(336,214)	(336,214)
Total Other Financing Sources (Uses)	463,369	10,000	1,836,616	(254,324)	2,055,661
<b>NET CHANGE IN FUND BALANCES</b>	605,143	594	1,273,814	302,870	2,182,421
Fund Balances - January 1	1,624,343	7,444	1,185,940	1,080,655	3,898,382
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 2,229,486</u>	<u>\$ 8,038</u>	<u>\$ 2,459,754</u>	<u>\$ 1,383,525</u>	<u>\$ 6,080,803</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances as Shown on Previous Page \$ 2,182,421

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Capital Outlay in Governmental Fund Statements	519,053
Contributed Capital Assets	4,034,536
Depreciation Expense Reported in the Statement of Activities	(722,547)
Net Book Value of Disposals	(24,000)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(21,439)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Long-Term Debt Issued	(1,705,000)
Premium on Debt Issued	(131,616)
Principal Repaid	1,065,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	(52,254)
Amortization of Premiums, Discounts, and Loss on Advance Refunding	29,120
Compensated Absences	(1,937)
Net Pension Liability	(700,566)
Net Pension Asset	(1,029,015)
Deferred Outflows of Resources Related to Pensions	616,428
Deferred Inflows of Resources Related to Pensions	951,380

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 5,009,564
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**VILLAGE OF SAUKVILLE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 2,118,941	\$ 2,118,941	\$ 2,310,508	\$ 191,567
Intergovernmental	913,709	913,694	897,697	(15,997)
Licenses and Permits	71,000	71,000	73,302	2,302
Fines and Forfeits	56,500	56,500	42,641	(13,859)
Public Charges for Services	253,300	134,300	180,211	45,911
Miscellaneous	93,500	93,500	410,466	316,966
Total Revenues	3,506,950	3,387,935	3,914,825	526,890
<b>EXPENDITURES</b>				
Current:				
General Government	449,855	449,840	482,711	(32,871)
Public Safety	2,542,808	2,542,808	2,258,521	284,287
Public Works	533,189	533,189	525,317	7,872
Health and Human Services	6,576	6,576	5,395	1,181
Culture and Recreation	446,274	446,274	448,271	(1,997)
Conservation and Development	73,248	73,248	52,836	20,412
Total Expenditures	4,051,950	4,051,935	3,773,051	278,884
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(545,000)	(664,000)	141,774	805,774
<b>OTHER FINANCING SOURCES</b>				
Transfers In	455,000	574,000	463,369	(110,631)
<b>NET CHANGE IN FUND BALANCE</b>	(90,000)	(90,000)	605,143	695,143
Fund Balance - January 1	1,624,343	1,624,343	1,624,343	-
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 1,534,343</u>	<u>\$ 1,534,343</u>	<u>\$ 2,229,486</u>	<u>\$ 695,143</u>

See accompanying Notes to Basic Financial Statements.



**VILLAGE OF SAUKVILLE, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2023**

	Water Utility	Wastewater Utility	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 1,793,382	\$ 5,970,249	\$ 7,763,631
Receivables:			
Accounts	365,570	530,018	895,588
Special Assessments	37,560	60,623	98,183
Due from Other Funds	30,091	38,920	69,011
Lease Receivable	26,303	-	26,303
Restricted Assets:			
Cash and Investments	-	894,281	894,281
Total Current Assets	<u>2,252,906</u>	<u>7,494,091</u>	<u>9,746,997</u>
Other Assets:			
Lease Receivable	1,650,031	-	1,650,031
Capital Assets:			
Nondepreciable	78,068	386,001	464,069
Depreciable	<u>9,532,053</u>	<u>15,647,271</u>	<u>25,179,324</u>
Total Capital Assets	<u>9,610,121</u>	<u>16,033,272</u>	<u>25,643,393</u>
Total Assets	13,513,058	23,527,363	37,040,421
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	266,459	272,444	538,903
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	13,781	12,163	25,944
Accrued and Other Current Liabilities	4,883	5,069	9,952
Advance from Other Funds	28,000	-	28,000
Current Portion of Long-Term Debt	350,000	199,207	549,207
Accrued Interest	<u>21,067</u>	<u>13,491</u>	<u>34,558</u>
Total Current Liabilities	417,731	229,930	647,661
Long-Term Obligations, Less Current Portion:			
General Obligation Debt	1,980,000	145,000	2,125,000
Revenue Bonds	-	3,379,585	3,379,585
Debt Premium	58,074	3,376	61,450
Compensated Absences	58,946	44,419	103,365
Net Pension Liability	<u>71,272</u>	<u>72,647</u>	<u>143,919</u>
Total Long-Term Liabilities	<u>2,168,292</u>	<u>3,645,027</u>	<u>5,813,319</u>
Total Liabilities	2,586,023	3,874,957	6,460,980
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Related Amounts	149,780	152,670	302,450
Lease Related	<u>1,676,334</u>	<u>-</u>	<u>1,676,334</u>
Total Deferred Inflows of Resources	<u>1,826,114</u>	<u>152,670</u>	<u>1,978,784</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,384,734	12,306,104	19,690,838
Restricted:			
Capital Projects	-	894,281	894,281
Unrestricted	<u>1,982,646</u>	<u>6,571,795</u>	<u>8,554,441</u>
Total Net Position	<u>\$ 9,367,380</u>	<u>\$ 19,772,180</u>	<u>\$ 29,139,560</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Wastewater Utility	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,464,731	\$ 2,097,598	\$ 3,562,329
Other Revenues	43,300	291,862	335,162
Total Operating Revenues	<u>1,508,031</u>	<u>2,389,460</u>	<u>3,897,491</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	734,095	901,251	1,635,346
Depreciation	385,881	829,250	1,215,131
Taxes	15,046	3,294	18,340
Total Operating Expenses	<u>1,135,022</u>	<u>1,733,795</u>	<u>2,868,817</u>
<b>OPERATING INCOME</b>	373,009	655,665	1,028,674
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	46,366	78,731	125,097
Interest and Fiscal Charges	(53,483)	(65,458)	(118,941)
Total Nonoperating Revenues (Expenses)	<u>(7,117)</u>	<u>13,273</u>	<u>6,156</u>
<b>INCOME BEFORE TRANSFERS AND CONTRIBUTIONS</b>	365,892	668,938	1,034,830
Capital Contributions	2,465,988	3,328,351	5,794,339
Transfers In	53,214	-	53,214
Transfers Out	<u>(186,369)</u>	<u>(4,000)</u>	<u>(190,369)</u>
<b>CHANGE IN NET POSITION</b>	2,698,725	3,993,289	6,692,014
Net Position - January 1	<u>6,668,655</u>	<u>15,778,891</u>	<u>22,447,546</u>
<b>NET POSITION - DECEMBER 31</b>	<u><u>\$ 9,367,380</u></u>	<u><u>\$ 19,772,180</u></u>	<u><u>\$ 29,139,560</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Wastewater Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 1,493,809	\$ 2,363,208	\$ 3,857,017
Cash Paid for Employee Wages and Benefits	(364,026)	(403,717)	(767,743)
Cash Paid to Suppliers	(345,106)	(502,636)	(847,742)
Net Cash Provided by Operating Activities	784,677	1,456,855	2,241,532
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Due to/from Other Funds	(13,211)	3,107	(10,104)
Transfer In	53,214	-	53,214
Transfer Out	(186,369)	(4,000)	(190,369)
Net Cash Used by Noncapital Financing Activities	(146,366)	(893)	(147,259)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(211,427)	(5,227,263)	(5,438,690)
Capital Grants	-	2,398,851	2,398,851
Sale of Capital Assets	7,028	-	7,028
Proceeds of Long-Term Debt	-	2,433,791	2,433,791
Principal Paid on Long-Term Debt	(455,000)	(143,696)	(598,696)
Interest Paid on Long-Term Debt	(66,299)	(59,426)	(125,725)
Special Assessment Collections	-	2,293	2,293
Net Cash Used by Capital and Related Financing Activities	(725,698)	(595,450)	(1,321,148)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	46,366	78,731	125,097
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(41,021)	939,243	898,222
Cash and Cash Equivalents - January 1	1,834,403	5,925,287	7,759,690
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	<u>\$ 1,793,382</u>	<u>\$ 6,864,530</u>	<u>\$ 8,657,912</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Wastewater Utility	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 373,009	\$ 655,665	\$ 1,028,674
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	385,881	829,250	1,215,131
Depreciation Charged to Sewer Utility	14,675	(14,675)	-
Change in Net Pension Asset	184,268	180,390	364,658
Change in Deferred Outflow - Pension Related Amounts	(45,976)	(60,161)	(106,137)
Change in Deferred Inflow - Pension Related Amounts	(116,360)	(101,098)	(217,458)
Change in Deferred Inflow - Leases	1,422,743	-	1,422,743
Change In Operating Assets And Liabilities:			
Accounts Receivable	(14,222)	(26,252)	(40,474)
Leases Receivable	(1,422,743)	-	(1,422,743)
Inventories and Prepaid Items	5,000	-	5,000
Accounts Payable	(5,445)	(10,294)	(15,739)
Accrued and Other Current Liabilities	308	(54)	254
Compensated Absences	3,539	4,084	7,623
Net Cash Provided by Operating Activities	<u>\$ 784,677</u>	<u>\$ 1,456,855</u>	<u>\$ 2,241,532</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and Cash Equivalents in Current Assets	\$ 1,793,382	\$ 5,970,249	\$ 7,763,631
Cash and Cash Equivalents in Restricted Assets	-	894,281	894,281
Total Cash And Cash Equivalents	<u>\$ 1,793,382</u>	<u>\$ 6,864,530</u>	<u>\$ 8,657,912</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Noncash Capital Contributions	\$ 2,465,988	\$ 929,500	\$ 3,395,488

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash and Investments	\$ 1,981,780
Taxes Receivable	<u>3,920,450</u>
Total Assets	<u>5,902,230</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes and Special Charges Levied for Subsequent Year	<u>5,902,230</u>
<b>NET POSITION</b>	
Restricted for Other Governments	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF SAUKVILLE, WISCONSIN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ADDITIONS</b>	
Taxes and Special Charges Collected	\$ 5,832,041
<b>DEDUCTIONS</b>	
Payments to Other Districts	<u>5,832,041</u>
<b>CHANGE IN NET POSITION</b>	-
Net Position - January 1	<u>-</u>
<b>NET POSITION - DECEMBER 31</b>	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Village of Saukville, Wisconsin (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below:

**A. Reporting Entity**

The Village is a municipal corporation governed by an elected seven member board. In accordance with GAAP, the basic financial statements are required to include the Village and any separate component units that have a significant operational or financial relationship with the Village. The Village has identified the following component unit that is required to be included in the basic financial statements in accordance with standards.

Saukville Community Development Authority

The component unit column in the government-wide financial statements represents the financial data of the Saukville Community Development Authority (the CDA). It is reported in a separate column to emphasize that the CDA is legally separate from the Village. The board of the CDA is appointed by the Village President, subject to confirmation by the Village Board. Wisconsin Statutes provide for circumstances whereby the Village can impose their will on the CDA, and also create a potential financial benefit to or burden on the Village. As a component unit, the CDA's financial statements have been presented as a discrete column in the basic financial statements. The information presented is for the fiscal year ended December 31, 2023. Separate financial statements are not prepared for the CDA.

**B. Joint Venture**

The Mid-Moraine Municipal Court (Municipal Court) provides municipal court services for the following members:

Washington County

City of Hartford  
City of West Bend  
Village of Germantown  
Village of Jackson  
Village of Kewaskum  
Village of Newburg  
Village of Slinger  
Town of Hartford  
Town of Trenton

Ozaukee County

City of Cedarburg  
City of Mequon  
City of Port Washington  
Village of Fredonia  
Village of Grafton  
Village of Saukville  
Village of Thiensville

The members share in the annual costs of the Municipal Court proportionate to the individual municipality's annual case load. The Village's share of the cost to operate the Municipal Court is 5.5% of the total.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Joint Venture (Continued)**

The governing committee of the Municipal Court is made up of employees from each community. Local representatives are appointed by the chief executive officer of each community. The committee recommends its own budget which is ratified by each community member. The committee also controls the financial affairs of the Municipal Court. The Village believes that the Municipal Court will continue to provide similar services in the future.

Financial information of the Mid-Moraine Municipal Court as of December 31, 2023, is available directly from the Mid-Moraine Municipal Court in West Bend, Wisconsin.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the *primary* government is reported separately from certain legally separate *component* unit for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service, capital projects and permanent funds. Proprietary funds include enterprise funds. The Village has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund

This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.



**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements (Continued)**

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Improvements Fund

This fund accounts for the acquisition or construction of major capital facilities and equipment other than those financed by proprietary fund types.

The Village reports the following major enterprise funds:

Water Utility Fund

This fund accounts for the operations of the Village's water utility.

Wastewater Utility Fund

This fund accounts for the operations of the Village's wastewater utility.

The Village also reports the following fiduciary fund:

Custodial Fund

The custodial fund accounts for property taxes and special charges collected on behalf of other governments.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**2. Property Taxes and Special Charges Receivable**

Property taxes and special charges consist of taxes on real estate and personal property and user charges for refuse and garbage assessed against Village properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village. Special charges not paid by January 31 are held in trust by the County and remitted to the Village, including interest, when collected by the County.

The Village bills and collects its own property taxes and also levies and collects taxes for the Port Washington-Saukville School District, Northern Ozaukee School District, Ozaukee County, and Milwaukee Area Technical College. Collections and remittances of taxes for other entities are accounted for in the custodial fund.

**3. Accounts Receivable**

Accounts receivable have been shown net of allowance for uncollectible accounts of \$45,749.

**4. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls, with installments placed on the 2022 tax roll recognized as revenue in 2023. Special assessments are subject to collection procedures.

**5. Loans Receivable**

The Village has received federal and state grant funds for economic development loan programs and has passed the funds to various businesses in the form of loans. The Village records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the Village records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**6. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” and “due to other funds” in the fund financial statements.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds”

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

**7. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$2,500 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
	Years	
Land Improvements	30	30
Buildings and Improvements	30 to 50	25 to 50
Machinery and Equipment	3 to 10	3 to 10
Infrastructure	25 to 100	25 to 100

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Compensated Absences**

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**9. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net assets by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable. The Village record deferred outflows related to the pension liability (asset) recorded in the government-wide financial statements.

Governmental funds may report deferred inflows of resources for unavailable revenues. The Village reports deferred inflows for the subsequent year tax levy, special assessments, loans receivable and amounts related to pension amounts. Deferred inflows related to special assessments and loans receivable are unavailable revenues and are recognized as revenues in the government-wide financial statements. The deferred inflows related to pension are only in the government-wide financial statements and in the proprietary fund for water and wastewater utilities.

**10. Long-Term Obligations**

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**10. Long-Term Obligations (Continued)**

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**11. Leases**

The Village is a lessor of right to use space on their water tower.

The Village determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position and fund financial statements.

Lease receivables represent the Village's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Village recognizes payments received for short-term leases with a lease term of 12 months or less, including options to extend, as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**11. Leases (Continued)**

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Village has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Village accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the Village treats the components as a single lease unit.

**12. Pensions**

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

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

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

**13. Fund Equity**

Governmental Fund Financial Statements

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

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

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

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**13. Fund Equity (Continued)**

Governmental Fund Financial Statements (Continued)

*Committed Fund Balance* – Amounts that are constrained for specific purposes by action of the Village Board. These constraints can only be removed or changed by the Village Board using the same action that was used to create them.

*Assigned Fund Balance* – Amounts that are constrained for specific purposes by action of Village management. The Village Board has authorized the Village Administrator to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

*Unassigned Fund Balance* – Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Village has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

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

*Net Investment in Capital Assets* – Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

*Restricted Net Position* – Amount of net position that is subject to restrictions that are imposed 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.

*Unrestricted Net Position* – Net position that is neither classified as restricted nor as net investment in capital assets.



**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Use of Estimates**

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

The Village follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, room tax special revenue, and debt service funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget. Management control over other special revenue funds is achieved by maintenance of separate cash and investment accounts. Management control over TID No. 2, TID No. 4, and capital improvements capital project funds is achieved through the district's project plans and capital improvement plans approved by the Village Board.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
5. Encumbrance accounting is used by the Village to record commitments related to unperformed contracts for goods or services. All outstanding encumbrances lapse at year-end.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**A. Budgets and Budgetary Accounting (Continued)**

The Village did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2023.

**B. Excess of Expenditures Over Budget Appropriations**

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

Fund	Excess Expenditures
General Fund:	
General Government:	
Administration	\$ 2,417
Municipal Building	311
Outside Services	18,367
Miscellaneous	16,902
Public Works:	
Street	10,353
Culture and Recreation:	
Library	8,352

**C. Deficit Fund Equity**

The following funds had deficit fund balance as of December 31, 2023:

Fund	Deficit Fund Balance
Debt Service Fund	\$ 1,962
Building Inspection	1,069
Tax Incremental District No. 4	17,260
Tax Incremental District No. 5	1,150
Tax Incremental District No. 6	1,000
Cemetery	18,723

The Village anticipates funding the above deficits from 2024 revenue of the fund.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**D. Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 and 2024 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2023 budget was 0.704%. The actual limit for the Village for the 2024 budget was 1.60%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and Investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Village's cash and investments totaled \$18,746,993 on December 31, 2023 as summarized below:

Petty Cash and Cash on Hand	\$ 320
Deposits with Financial Institutions	14,548,418
Investments:	
U.S. Treasuries	1,358,556
Federal Home Loan Bank	673,247
Money Market Funds	20,096
State and Municipal Bonds	654,954
Negotiable Certificate of Deposits	1,491,402
Total	<u>\$ 18,746,993</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 15,814,405
Restricted Cash and Investments	894,281
Fiduciary Funds	1,981,780
Component Unit:	
Cash and Investments	56,527
Total	<u><u>\$ 18,746,993</u></u>

**Fair Value Measurements**

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village has the following fair value measurements as of December 31, 2023:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
U.S. Treasuries	\$ -	\$ 1,358,556	\$ -
Federal Agency Securities	-	673,247	-
State and Municipal Bonds	-	654,954	-
Negotiable Certificates of Deposit	-	1,491,402	-
Totals	<u><u>\$ -</u></u>	<u><u>\$ 4,178,159</u></u>	<u><u>\$ -</u></u>

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the Village's deposits and investments and the related risks.

**Custodial Credit Risk**

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village's investment policy requires third-party custodial agreements.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Custodial Credit Risk (Continued)

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2023, \$13,628,560 of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits and were collateralized with securities held by the pledging financial institution or its trust department or agent but not in the Village's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by national recognized statistical rating organizations. Presented below is the actual rating as of year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
U.S. Treasuries	\$ 1,358,556	\$ 1,358,556	\$ -	\$ -	\$ -
Federal Agency Securities	673,247	-	673,247	-	-
State and Municipal Bonds	654,954	-	196,874	458,080	-
Negotiable Certificates of Deposit	1,491,402	-	-	483,967	1,007,435
Money Market Funds	20,096	-	-	-	20,096
Totals	<u>\$ 4,198,255</u>	<u>\$ 1,358,556</u>	<u>\$ 870,121</u>	<u>\$ 942,047</u>	<u>\$ 1,027,531</u>

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Concentration of Credit Risk

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Village investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal Home Loan Banks	Federal Agency Securities	\$ 229,039	5%
Federal Home Loan Banks	Federal Agency Securities	444,208	11%
Germantown WI School District	State and Municipal Bonds	235,160	6%
Hawaii State	State and Municipal Bonds	222,921	5%
CME FCU	Negotiable Certificates of Deposit	245,181	6%
BMW Bank of North America	Negotiable Certificates of Deposit	241,562	6%
UBS Bank	Negotiable Certificates of Deposit	242,405	6%
Alliant Credit Union	Negotiable Certificates of Deposit	246,055	6%
Numerica Credit Union	Negotiable Certificates of Deposit	248,093	6%
United States Treas Bills	Treasury Bills	399,884	10%

The Villages investment policy states the Village will attempt to limit its investments to no more than 5% in any one financial institution. With the exception of U.S. Treasury Securities and authorized pools, the Village shall attempt to limit its investment in any single securities type to 60% of portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. One of the ways that the Village manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so a portion of the portfolio is maturing or coming close to maturity evenly overtime as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Village's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Village's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasuries	\$ 1,358,556	\$ 1,358,556	\$ -	\$ -	\$ -
Federal Agency Securities	673,247	-	-	673,247	-
State and Municipal Bonds	654,954	-	654,954	-	-
Negotiable Certificates of Deposit	1,491,402	745,118	252,136	494,148	-
Totals	<u>\$ 4,178,159</u>	<u>\$ 2,103,674</u>	<u>\$ 907,090</u>	<u>\$ 1,167,395</u>	<u>\$ -</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Restricted Assets**

Restricted assets on December 31, 2023 totaled \$894,281 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Enterprise Funds:		
Wastewater Utility:		
Depreciation	\$ 73,512	Resources held for plant renewals or deficiencies in the redemption account
Replacement	<u>820,769</u>	Resources held for equipment replacement per Wisconsin Department of Natural Resources requirements
Total	<u><u>\$ 894,281</u></u>	

**C. Leases Receivable**

A summary of the Village's lease terms and interest rates is as follows:

Tower rental lease. Annual installments ranging from \$31,337 to \$53,834 including interest at 2.0% to 3.0% due dates in 2035 and 2059.

For the year ended December 31, 2023, the Village received \$51,369 in lease revenue and \$5,901 in interest on the lease receivable.

Total future minimum lease payments to be received under lease agreements are as follows:

Year Ended December 31,	Business Type Activities		
	Principal	Interest	Total
2024	\$ 26,303	\$ 5,734	\$ 32,037
2025	28,687	5,554	34,241
2026	31,160	5,318	36,478
2027	30,037	5,111	35,148
2028	31,344	4,910	36,254
2029 - 2033	177,953	21,218	199,171
2034 - 2038	183,286	15,906	199,192
2039 - 2043	204,290	13,334	217,624
2044 - 2048	247,958	10,511	258,469
2049 - 2053	299,889	7,091	306,980
2054 - 2058	361,634	2,962	364,596
2059	53,795	39	53,834
Total	<u><u>\$ 1,676,336</u></u>	<u><u>\$ 97,688</u></u>	<u><u>\$ 1,774,024</u></u>

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b><u>Governmental Activities</u></b>				
Capital Assets, Nondepreciable:				
Land	\$ 349,101	\$ -	\$ -	\$ 349,101
Construction in Progress	23,341	4,034,536	23,341	4,034,536
Total Capital Assets, Nondepreciable	372,442	4,034,536	23,341	4,383,637
Capital Assets, Depreciable:				
Land Improvements	372,947	-	-	372,947
Buildings and Improvements	8,416,219	4,967	-	8,421,186
Machinery and Equipment	6,700,644	537,427	389,059	6,849,012
Infrastructure	17,135,343	-	-	17,135,343
Subtotals	32,625,153	542,394	389,059	32,778,488
Less Accumulated Depreciation for:				
Land Improvements	56,156	12,753	-	68,909
Buildings and Improvements	4,731,740	149,165	-	4,880,905
Machinery and Equipment	4,755,925	227,668	365,059	4,618,534
Infrastructure	9,705,685	332,961	-	10,038,646
Subtotals	19,249,506	722,547	365,059	19,606,994
Total Capital Assets, Depreciable, Net	13,375,647	(180,153)	24,000	13,171,494
Governmental Activities Capital Assets, Net	<u>\$ 13,748,089</u>	<u>\$ 3,854,383</u>	<u>\$ 47,341</u>	17,555,131
Less: Capital Related Debt				6,007,054
Less: Debt Premium				282,181
Less: Capital related Accounts Payable				58,303
Add: Deferred Charge on Refunding				<u>(96,267)</u>
Net Investment In Capital Assets				<u>\$ 11,303,860</u>



**VILLAGE OF SAUKVILLE, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b><u>Business-Type Activities</u></b>				
Capital Assets, Nondepreciable:				
Land	\$ 464,069	\$ -	\$ -	\$ 464,069
Construction in Progress	2,563,485	-	2,563,485	-
Total Capital Assets, Nondepreciable	3,027,554	-	2,563,485	464,069
Capital Assets, Depreciable:				
Land Improvement	460,263	-	-	460,263
Buildings and Improvements	8,031,256	373,110	-	8,404,366
Machinery and Equipment	8,379,145	5,887,399	34,766	14,231,778
Infrastructure	17,091,606	4,818,229	10,810	21,899,025
Subtotals	33,962,270	11,078,738	45,576	44,995,432
Less: Accumulated Depreciation	18,639,525	1,215,131	38,548	19,816,108
Total Capital Assets, Depreciable, Net	15,322,745	9,863,607	7,028	25,179,324
Business-Type Activities Capital Assets, Net	<u>\$ 18,350,299</u>	<u>\$ 9,863,607</u>	<u>\$ 2,570,513</u>	25,643,393
Less: Capital Related Debt				5,891,105
Less: Debt Premium				61,450
Net Investment In Capital Assets				<u>\$ 19,690,838</u>

Depreciation expense was charged to functions of the Village as follows:

<b>Governmental Activities:</b>	
General Government	\$ 10,281
Public Safety	224,828
Public Works	442,579
Culture and Recreation	44,859
Total Depreciation Expense - Governmental Activities	<u>\$ 722,547</u>
<b>Business-Type Activities:</b>	
Water Utility	\$ 400,556
Sewer Utility	814,575
Total Depreciation Expense - Business-Type Activities	<u>\$ 1,215,131</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivable, Payables, and Transfers**

Interfund receivables and payables between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance Operating		
Cash Deficits:		
Governmental Funds:		
General	\$ 43,780	\$ -
Debt Service	-	1,962
Capital Project Fund:		
Tax Incremental District No. 4	-	22,696
Tax Incremental District No. 5	-	4,389
Tax Incremental District No. 6	-	14,733
Subtotal	<u>43,780</u>	<u>43,780</u>
2023 Property Taxes and Special Charges:		
Governmental Funds:		
General	-	1,851,616
Debt Service	1,235,999	-
Special Revenue Fund:		
Garbage and Recycling	285,138	-
Capital Project Funds:		
Tax Incremental District No. 4	95,762	-
Tax Incremental District No. 5	6,734	-
Capital Improvements - Tax Levy	158,972	-
Enterprise Funds:		
Water Utility	30,091	-
Wastewater Utility	38,920	-
Subtotal	<u>1,851,616</u>	<u>1,851,616</u>
Operating Accounts:		
Governmental Funds:		
General	55,068	4,676
Debt Service	10,000	
Special Revenue Funds:		
Wisconsin Development	-	2,440
Ambulance Training	-	37,334
Impact Fees	1,776	10,200
Library	-	15,000
Ambulance	-	94
Permanent Fund:		
Cemetery	2,900	-
Subtotal	<u>69,744</u>	<u>69,744</u>
Totals	<u><u>\$ 1,965,140</u></u>	<u><u>\$ 1,965,140</u></u>

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivable, Payables, and Transfers (Continued)**

The General Fund provided a long-term advance to the Water Utility in 2020, the remaining payment schedule is as follows:

Year Ended December 31,	Principal	Interest	Total
2024	\$ 14,000	\$ 280	\$ 14,280
2025	14,000	140	14,140
Total	<u>\$ 28,000</u>	<u>\$ 420</u>	<u>\$ 28,420</u>

The General Fund provided a long-term advance to the Cemetery Fund in 2023, the remaining payment schedule is as follows:

Year Ended December 31,	Principal	Interest	Total
2024	\$ -	\$ -	\$ -
2025	9,000	900	9,900
2026	9,000	720	9,720
2027	9,000	540	9,540
2028	9,000	360	9,360
2029	9,000	180	9,180
Total	<u>\$ 45,000</u>	<u>\$ 2,700</u>	<u>\$ 47,700</u>

Interfund transfers for the year ended December 31, 2023 were as follows:

Funds	Transfer In	Transfer Out
General	\$ 463,369	\$ -
Debt Service	10,000	-
Special Revenue Funds:		
Library	-	15,000
Room Tax	-	9,000
Ambulance	-	120,000
Impact Fee	-	10,000
ARPA Funding	-	53,214
Fire Protection Fees	-	119,000
Capital Projects Funds:		
Tax Incremental District No. 4	-	10,000
Enterprise Funds:		
Water Utility	53,214	186,369
Wastewater Utility	-	4,000
Totals	<u>\$ 526,583</u>	<u>\$ 526,583</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivable, Payables, and Transfers (Continued)**

Interfund transfers were made for the following purposes:

Tax Equivalent Payment Made by Utilities to General Fund	\$ 190,369
Transfer to Reimburse General Fund for Operating Costs	
Incurred by Ambulance	120,000
Transfer from Room Tax to General Fund for Administration	9,000
Transfer from Impact fees to Debt Service fund for Debt Payments	10,000
Tax Incremental District No. 4 Annual Transfers for Administration	10,000
Transfer to Reimburse General Fund for Fire Protection Fees	119,000
Transfer to Library Fund from General Fund	15,000
Transfer from ARPA Funds to Water Utility for Projects	53,214
Total	<u>\$ 526,583</u>

**F. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b><u>Governmental Activities</u></b>					
General Obligation Debt:					
Bonds	\$ 4,395,000	\$ -	\$ 725,000	\$ 3,670,000	\$ 720,000
Notes	2,665,000	1,705,000	340,000	4,030,000	400,000
Total General					
Obligation Debt	7,060,000	1,705,000	1,065,000	7,700,000	1,120,000
Debt Premium	199,958	131,616	49,393	282,181	-
Compensated Absences	189,862	7,765	5,828	191,799	-
Governmental Activities					
Long-Term Obligations	<u>\$ 7,449,820</u>	<u>\$ 1,844,381</u>	<u>\$ 1,120,221</u>	<u>\$ 8,173,980</u>	<u>\$ 1,120,000</u>
<b><u>Business-Type Activities</u></b>					
General Obligation Debt:					
Bonds	\$ 2,285,000	\$ -	\$ 285,000	\$ 2,000,000	\$ 300,000
Notes	735,000	-	215,000	520,000	95,000
Total General					
Obligation Debt	3,020,000	-	500,000	2,520,000	395,000
Revenue Bonds - Direct Borrowing	1,198,697	2,433,791	98,696	3,533,792	154,207
Debt Premium	71,481	-	10,031	61,450	-
Compensated Absences	95,742	7,623	-	103,365	-
Business-Type Activities					
Long-Term Obligations	<u>\$ 4,385,920</u>	<u>\$ 2,441,414</u>	<u>\$ 608,727</u>	<u>\$ 6,218,607</u>	<u>\$ 549,207</u>

Total interest paid during the year on long-term debt totaled \$287,616.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

General Obligation Debt (Continued)

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General Obligation Bonds	05/22/12	02/01/24	0.45-2.30%	\$ 2,205,000	\$ 85,000
General Obligation Bonds	07/23/13	03/01/24	2.00-3.00%	1,030,000	75,000
General Obligation Bonds	04/07/15	03/01/35	3.00%	3,540,000	1,625,000
General Obligation Bonds	02/10/16	02/01/28	1.00-2.50%	4,540,000	2,275,000
General Obligation Bonds	02/23/17	03/01/32	2.00-3.00%	2,670,000	1,610,000
General Obligation Notes	01/08/19	09/01/28	3.00-5.00%	1,960,000	1,325,000
General Obligation Notes	01/21/21	02/01/30	1.00-2.00%	2,140,000	1,520,000
General Obligation Notes	02/01/23	02/01/33	4.00%	1,705,000	1,705,000
Total Outstanding General Obligation Debt					<u>\$ 10,220,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of governmental activities of \$10,220,000 on December 31, 2023 are detailed below:

Year Ending December 31,	Governmental Activities		
	Bonded Debt		Totals
	Principal	Interest	Principal
2024	\$ 1,120,000	\$ 236,099	\$ 1,356,099
2025	1,130,000	171,193	1,301,193
2026	1,045,000	142,434	1,187,434
2027	1,060,000	115,150	1,175,150
2028	1,070,000	86,663	1,156,663
2029 - 2033	2,275,000	163,913	2,438,913
Total	<u>\$ 7,700,000</u>	<u>\$ 915,452</u>	<u>\$ 8,615,452</u>

Year Ending December 31,	Business-Type Activities		
	Principal	Interest	Totals
	Principal	Interest	Principal
2024	\$ 395,000	\$ 61,308	\$ 456,308
2025	305,000	53,011	358,011
2026	320,000	45,178	365,178
2027	315,000	36,837	351,837
2028	175,000	30,525	205,525
2029 - 2033	725,000	92,275	817,275
2034 - 2038	285,000	8,625	293,625
Total	<u>\$ 2,520,000</u>	<u>\$ 327,759</u>	<u>\$ 2,847,759</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

General Obligation Debt (Continued)

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2023 was \$21,575,745 as follows:

Equalized Valuation of the Village	\$ 635,914,900
Statutory Limitation Percentage	<u>(x) 5%</u>
General Obligation Debt Limitation, per Section	
67.03 of the Wisconsin Statutes	31,795,745
Total Outstanding General Obligation Debt	
Applicable to Debt Limitation	<u>10,220,000</u>
Legal Margin for New Debt	<u><u>\$ 21,575,745</u></u>

Revenue Bonds

Revenue bonds outstanding on December 31, 2023 totaled \$3,533,792 and were comprised of the following issue:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
Revenue Bonds	06/08/22	05/01/42	2.04%	\$ 4,732,489	<u><u>\$ 3,533,792</u></u>

Annual principal and interest maturities of the outstanding revenue bonds of \$3,533,792 on December 31, 2023 are detailed below:

Year Ended December 31,	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 154,207	\$ 70,344	\$ 224,551
2025	157,345	67,174	224,519
2026	160,547	63,939	224,486
2027	163,814	60,639	224,453
2028	167,148	57,271	224,419
2029 - 2033	888,167	233,393	1,121,560
2034 - 2038	982,293	138,312	1,120,605
2039 - 2042	860,271	35,454	895,725
Total	<u><u>\$ 3,533,792</u></u>	<u><u>\$ 726,526</u></u>	<u><u>\$ 4,260,318</u></u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

Utility Revenues Pledged

The Village has pledged future sewer customer revenues, net of specified operating expenses, to repay the wastewater system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from wastewater customer net revenues and are payable through 2042. The total principal and interest remaining to be paid on the bonds is \$4,260,318. Principal and interest paid for the current year and total customer net revenues were \$152,691 and \$1,485,633, respectively.

**G. Pension Plan**

**1. Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 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 <http://etf.wi.gov/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.

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.

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

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**1. Plan Description (Continued)**

Final average earnings is the average of the participant's three highest earnings periods. Creditable service includes current service and prior service for which a participant received earnings and make 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.

**2. Postretirement Adjustments**

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

<u>Year</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
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
2022	7.4	15.0



**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**3. Contributions**

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remained 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 year ending December 31, 2023, the WRS recognized \$224,773 in contributions from the Village.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives, and Elected Officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.50%	18.10%

**4. Pension Assets, Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

At December 31, 2023, the Village reported a liability of \$844,485 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. 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, 2022, the Village's proportion was 0.01594059%, which was an increase of 0.00043529% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense of \$427,846.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

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

At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,345,003	\$ 1,767,032
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,434,586	-
Changes in Assumptions	166,060	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,718	7,677
Employer Contributions Subsequent to the Measurement Date	224,773	-
Total	<u>\$ 3,172,140</u>	<u>\$ 1,774,709</u>

\$224,773 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2024	\$ 47,580
2025	242,346
2026	248,147
2027	634,585
Total	<u>\$ 1,172,658</u>

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions**

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Actuarial Cost Method:	Entry Age Normal
Experience Study	January 1, 2018 - December 31, 2020 Published November 19, 2021
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

\* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the 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. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

Long-Term Expected Return on Plan Assets

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equity	48	7.6	5.0
Public Fixed Income	25	5.3	2.7
Inflation Sensitive Assets	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Cash	-15	N/A	N/A
Total Core Fund	<u>100</u>	<u>7.4</u>	<u>4.8</u>
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	<u>100</u>	<u>7.7</u>	<u>5.1</u>

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.5%

Asset allocations are managed within established ranges, target percentages may differ from actual monthly allocations

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%.

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

Single Discount Rate

A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (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, 2022. 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 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the 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%, 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%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,802,818	\$ 844,485	\$ (502,680)

Pension Plan Fiduciary Net Position

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

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**6. Payables to the Pension Plan**

At December 31, 2023, the Village reported a payable of \$38,510 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2023.

**H. Fund Equity**

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2023, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Advance to Water Utility	\$ 28,000
Advance to Cemetery	<u>45,000</u>
Total General Fund Nonspendable Fund Balance	<u><u>73,000</u></u>

Capital Improvements Fund:

Nonspendable:

Prepaid Items	5,468
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Capital Improvements - Tax Levy Fund:

Nonspendable:

Prepaid Items	<u>23,266</u>
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Total Nonspendable Fund Balance	<u><u>\$ 101,734</u></u>
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**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Fund Equity (Continued)**

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

Debt Service Fund:

Restricted for:

Debt Service	\$ 8,038
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Special Revenue Funds:

Restricted for:

Economic Development	185,026
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Impact Fee	<u>270,344</u>
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Total Special Revenue Fund Balance	455,370
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Capital Projects Funds:

Restricted for:

Capital Improvements	<u>2,454,286</u>
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Total Restricted Fund Balance	<u><u>\$ 2,917,694</u></u>
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Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by Village Board action. At December 31, 2023, fund balance was committed as follows:

Committed for:

Capital Improvements - Tax Levy Fund:

Carryover Funds Approved	\$ 208,173
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**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Fund Equity (Continued)**

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2023, fund balance was assigned as follows:

General Fund:

Assigned for Subsequent Year's Budget	\$	90,000
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Special Revenue Funds:

Special Projects:

Library		120,724
Subdivision Park		10,679
Ambulance and Ambulance Training		155,485
Community Tourism and Events		93,798
Garbage and Recycling		170,294
COVID Funding		7,341
ARPA Funding		27,334
Fire Protection Fees		20,474
Subtotal		606,129

Capital Projects Funds:

Assigned for Subsequent Year's Expenditures:

Capital Improvements		129,789
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Total	\$	825,918
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Minimum General Fund Balance Policy

The Village has also adopted a minimum fund balance policy equal to between 60 days, or 16.6%, and 120 days, or 30%, of subsequent year budgeted appropriations for the general fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2024 General Fund Appropriations	\$	4,279,166
Minimum Fund Balance %		(x) 16.6% - 30%
Minimum Fund Balance Amount		\$ 710,342 - 1,283,750

The Village's unassigned general fund balance of \$2,066,486 is above the minimum fund balance amount.



**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION**

**A. Tax Incremental Financing Districts**

The Village has established a separate capital projects fund for Tax Incremental District (TID) No. 4, No. 5, and No. 6 which was created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was “frozen” and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Village’s District is still eligible to incur project costs.

Since creation of the above Districts, the Village has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID capital project fund but can be recovered by the Village from any future excess tax increment revenues. As of December 31, 2023, the Village has can recover \$19,410 from future excess tax increment revenues of the following:

	Recoverable Costs
TID No. 4	\$ 17,260
TID No. 5	1,150
TID No. 6	1,000

The intent of the Village is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the Village prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 4	2026
TID No. 5	2042
TID No. 6	2043

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Component Unit**

This report contains the Village of Saukville Community Development Authority (the CDA) which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and the statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following are additional disclosures related to the CDA.

**1. Cash and Investments**

At year-end, the carrying amount of the CDA's deposits and investments was \$31,202 and the bank balance was \$31,202. These amounts are included in the totals presented in Note 3.A.

**2. Land Held for Resale**

Land held for resale consists of land and improvements and is valued at lower of cost of acquisition or market value.

**C. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. There has not been any settlements that have exceeded insurance coverage in each of the past three years.

**D. Contingencies**

From time to time, the Village is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the Village Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

**E. Enterprise Funds – Significant Customers**

The water utility has three significant customers who were responsible for 52% of operating revenues in 2023. The wastewater utility has two significant customers who were responsible for 43% of operating revenues in 2023.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF SAUKVILLE, WISCONSIN  
REQUIRED SUPPLEMENTARY INFORMATION  
WISCONSIN RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.01474009%	\$ (362,057)	\$ 1,695,155	21.36%	102.74%
12/31/15	0.01455275%	236,479	1,751,399	13.50%	98.20%
12/31/16	0.01456238%	120,029	1,800,611	6.67%	99.12%
12/31/17	0.01486935%	(441,488)	1,817,800	24.29%	102.93%
12/31/18	0.01510039%	537,224	1,851,432	29.02%	96.45%
12/31/19	0.01522226%	(490,835)	1,919,039	25.58%	102.96%
12/31/20	0.01545561%	(964,915)	2,014,017	47.91%	105.26%
12/31/21	0.01550530%	(1,249,754)	1,986,446	62.91%	106.02%
12/31/22	0.01594059%	844,485	2,134,190	39.57%	95.72%

**SCHEDULE OF CONTRIBUTIONS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 140,061	\$ 140,061	\$ -	\$ 1,751,399	8.00%
12/31/16	141,498	141,498	-	1,800,611	7.86%
12/31/17	154,111	154,111	-	1,817,800	8.48%
12/31/18	156,462	156,462	-	1,851,432	8.45%
12/31/19	148,282	148,282	-	1,919,039	7.73%
12/31/20	178,277	178,277	-	2,014,017	8.85%
12/31/21	178,747	178,747	-	1,986,446	9.00%
12/31/22	194,700	194,700	-	2,134,190	9.12%
12/31/23	224,773	224,773	-	2,269,482	9.90%

**VILLAGE OF SAUKVILLE, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
WISCONSIN RETIREMENT SYSTEM  
DECEMBER 31, 2023**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The Village is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

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

*Changes of assumptions:*

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

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

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

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

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF SAUKVILLE, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES  
YEAR ENDED DECEMBER 31, 2023  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022)**

	Budget		2023 Actual	Variance Final Budget - Positive (Negative)	2022 Actual
	Original	Final			
Taxes:					
General Property	\$ 2,091,090	\$ 2,091,090	\$ 2,090,336	\$ (754)	\$ 1,966,560
Omitted Taxes	27,771	27,771	217,458	189,687	27,702
Managed Forest Crop Land	-	-	40	40	34
Interest and Taxes	80	80	2,674	2,594	-
Total Taxes	2,118,941	2,118,941	2,310,508	191,567	1,994,296
Intergovernmental:					
State:					
State Shared Taxes	458,152	458,137	462,477	4,340	457,323
Fire Insurance Dues	20,000	20,000	21,492	1,492	20,100
Transportation	304,921	304,921	304,961	40	298,304
Exempt Computer Aid	26,536	26,536	26,536	-	26,536
Law Enforcement	1,600	1,600	6,559	4,959	1,920
Recycling	2,500	2,500	2,528	28	2,527
Other Grants	100,000	100,000	73,144	(26,856)	-
Total Intergovernmental	913,709	913,694	897,697	(15,997)	806,710
Licenses and Permits:					
Licenses:					
Liquor and Malt Beverage	13,000	13,000	11,330	(1,670)	12,465
Cable Television Fees	38,000	38,000	34,986	(3,014)	29,828
Other Business and Occupational Licenses	6,000	6,000	6,790	790	5,791
Bicycle Licenses	-	-	6	6	3
Dog and Cat	1,500	1,500	1,114	(386)	1,246
Permits:					
Zoning	6,500	6,500	5,546	(954)	3,119
Other	6,000	6,000	13,530	7,530	6,804
Total Licenses and Permits	71,000	71,000	73,302	2,302	59,256
Fines and Forfeits:					
Court Fines and Penalties	51,000	51,000	39,751	(11,249)	38,516
Parking Violations	5,500	5,500	2,890	(2,610)	3,586
Total Fine and Forfeits	56,500	56,500	42,641	(13,859)	42,102

**VILLAGE OF SAUKVILLE, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022)**

	Budget		2023 Actual	Variance Final Budget - Positive (Negative)	2022 Actual
	Original	Final			
Public Charges for Services:					
General Government	\$ 3,000	\$ 3,000	\$ 2,111	\$ (889)	\$ 2,603
Law Enforcement Fees	120,000	120,000	164,093	44,093	146,307
Fire Contracts	119,000	-	-	-	-
Weed Control	800	800	716	(84)	893
Cemetery Fees	500	500	-	(500)	2,300
Library Fees	4,500	4,500	4,146	(354)	4,080
Park and Recreation Fees	5,500	5,500	9,145	3,645	5,525
Total Public Charges for Services	253,300	134,300	180,211	45,911	161,708
Miscellaneous:					
Interest on Investments	37,000	37,000	366,120	329,120	(136,979)
Rental Income	600	600	-	(600)	-
Insurance Recoveries and Dividends	8,900	8,900	5,359	(3,541)	11,226
Donations	1,000	1,000	-	(1,000)	100
Other	46,000	46,000	38,987	(7,013)	39,359
Total Miscellaneous	93,500	93,500	410,466	316,966	(86,294)
Total Revenues	\$ 3,506,950	\$ 3,387,935	\$ 3,914,825	\$ 526,890	\$ 2,977,778



**VILLAGE OF SAUKVILLE, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES  
YEAR ENDED DECEMBER 31, 2023  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022)**

	Budget			Variance	
	Original	Final	2023 Actual	Final Budget - Positive (Negative)	2022 Actual
General Government:					
Village Board	\$ 38,496	\$ 38,496	\$ 35,577	\$ 2,919	\$ 35,020
Administration	160,826	160,811	163,228	(2,417)	185,964
Treasurer	55,986	55,986	54,157	1,829	48,556
Municipal Building	32,158	32,158	32,469	(311)	32,433
Outside Services	75,989	75,989	94,356	(18,367)	69,734
Elections	4,732	4,732	4,354	378	5,554
Miscellaneous	81,668	81,668	98,570	(16,902)	78,527
Total General Government	449,855	449,840	482,711	(32,871)	455,788
Public Safety:					
Law Enforcement	1,835,220	1,835,220	1,702,842	132,378	1,686,432
County Jail	500	500	-	500	-
Fire Protection	223,222	223,222	182,424	40,798	213,684
Ambulance	473,157	473,157	365,313	107,844	234,750
Emergency Government	10,409	10,409	7,662	2,747	7,536
Dog Pound	300	300	280	20	200
Total Public Safety	2,542,808	2,542,808	2,258,521	284,287	2,142,602
Public Works:					
Garage	64,955	64,955	58,348	6,607	61,749
Streets	324,434	324,434	334,787	(10,353)	310,113
Sewer Cleaning	24,715	24,715	19,182	5,533	20,999
Snow Removal	115,842	115,842	110,264	5,578	93,590
Recycling	3,243	3,243	2,736	507	2,651
Total Public Works	533,189	533,189	525,317	7,872	489,102
Health and Human Services:					
Cemetery	6,576	6,576	5,395	1,181	1,741
Culture and Recreation:					
Library	309,999	309,999	318,351	(8,352)	299,935
Parks and Playgrounds	135,275	135,275	129,412	5,863	120,696
Recreation	1,000	1,000	508	492	-
Total Culture and Recreation	446,274	446,274	448,271	(1,997)	420,631
Conservation and Development:					
Forestry	73,248	73,248	52,836	20,412	54,456
Total Expenditures	\$ 4,051,950	\$ 4,051,935	\$ 3,773,051	\$ 278,884	\$ 3,564,320

**VILLAGE OF SAUKVILLE, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

ASSETS									
Wisconsin Development Fund	Library	Subdivision Park	Room Tax	Ambulance Training	Ambulance	Impact Fee	Special Events	Garbage and Recycling	
Cash and Investments	\$ 187,466	\$ 136,686	\$ 10,679	\$ 28,850	\$ 122,765	\$ 41,462	\$ 278,768	\$ 65,163	\$ 170,294
Receivables:									
Accounts, Net	-	-	-	-	28,686	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Loans	55,387	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	1,776	-	-	285,138
Inventories and Prepaid Items	-	-	-	-	-	-	-	-	-
Total Assets	\$ 242,853	\$ 136,686	\$ 10,679	\$ 28,850	\$ 122,765	\$ 70,148	\$ 280,544	\$ 65,163	\$ 455,432
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$ -	\$ 962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215	\$ -
Due to Other Funds	2,440	15,000	-	-	37,334	94	10,200	-	-
Advance from Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-	-	-
Total Liabilities	2,440	15,962	-	-	37,334	94	10,200	215	-
DEFERRED INFLOWS OF RESOURCES									
Property Taxes and Special Charges	-	-	-	-	-	-	-	-	285,138
Levied for Subsequent Year	-	-	-	-	-	-	-	-	-
Loans Receivable	55,387	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	55,387	-	-	-	-	-	-	-	285,138
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	185,026	-	-	-	-	-	270,344	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	120,724	10,679	28,850	85,431	70,054	-	64,948	170,294
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	185,026	120,724	10,679	28,850	85,431	70,054	270,344	64,948	170,294
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 242,853	\$ 136,686	\$ 10,679	\$ 28,850	\$ 122,765	\$ 70,148	\$ 280,544	\$ 65,163	\$ 455,432

**VILLAGE OF SAUKVILLE, WISCONSIN  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

**ASSETS**

	Special Revenue (Continued)			Capital Projects				Permanent	
	Building Inspection	COVID Funding	ARPA Funding	Fire Protection Fees	Tax Incremental District No. 4	Tax Incremental District No. 5	Tax Incremental District No. 6	Capital Improvements-Tax Levy	Cemetery Perpetual Care
Cash and Investments	\$ 1,053	\$ 7,341	\$ 158,983	\$ 20,474	\$ 3,519	\$ -	\$ -	\$ 347,266	\$ 23,627
Receivables:									
Accounts, Net	12,843	-	-	-	1,917	5,242	30,691	-	-
Special Assessments	-	-	-	-	-	-	-	20,912	-
Loans	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	95,762	6,734	-	158,972	2,900
Inventories and Prepaid Items	-	-	-	-	-	-	-	23,266	-
Total Assets	\$ 13,896	\$ 7,341	\$ 158,983	\$ 20,474	\$ 101,198	\$ 11,976	\$ 30,691	\$ 550,416	\$ 26,527
									\$ 1,604,396

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

**LIABILITIES**

Accounts Payable	\$ 14,965	\$ -	\$ 815	\$ -	\$ -	\$ 2,003	\$ 16,958	\$ 15,175	\$ 250	\$ 51,343
Due to Other Funds	-	-	-	-	22,696	4,389	14,733	-	-	106,886
Advance from Other Funds	-	-	-	-	-	-	-	-	45,000	45,000
Unearned Revenues	-	-	130,834	-	-	-	-	-	-	130,834
Total Liabilities	14,965	-	131,649	-	22,696	6,392	31,691	15,175	45,250	334,063

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes and Special Charges Levied for Subsequent Year	-	-	-	-	95,762	6,734	-	153,101	-	540,735
Loans Receivable	-	-	-	-	-	-	-	-	-	55,387
Special Assessments	-	-	-	-	-	-	-	20,912	-	20,912
Total Deferred Inflows of Resources	-	-	-	-	95,762	6,734	-	174,013	-	617,034

**FUND BALANCES**

Nonspendable	-	-	-	-	-	-	-	23,266	-	23,266
Restricted	-	-	-	-	-	-	-	-	-	455,370
Committed	-	-	-	-	-	-	-	208,173	-	208,173
Assigned	-	7,341	27,334	20,474	-	-	-	129,789	-	735,918
Unassigned	(1,069)	-	-	-	(17,260)	(1,150)	(1,000)	-	(18,723)	(39,202)
Total Fund Balances	(1,069)	7,341	27,334	20,474	(17,260)	(1,150)	(1,000)	361,228	(18,723)	1,383,525

**Total Liabilities, Deferred Inflows of Resources, and Fund Balances**

	\$ 13,896	\$ 7,341	\$ 158,983	\$ 20,474	\$ 101,198	\$ 11,976	\$ 30,691	\$ 550,416	\$ 26,527	\$ 2,334,622
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**VILLAGE OF SAUKVILLE, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

Special Revenue									
Wisconsin Development Fund	Library	Subdivision Park	Room Tax	Ambulance Training	Ambulance	Impact Fee	Special Events	Garbage and Recycling	
REVENUES									
Taxes	\$ -	\$ -	\$ 35,974	\$ -	\$ -	\$ -	\$ -	\$ -	
Special Assessments	-	-	-	-	-	-	-	-	
Intergovernmental	-	93,627	-	46,688	8,728	-	-	-	
Licenses and Permits	-	-	-	-	-	-	-	-	
Public Charges for Services	-	-	-	-	196,752	184,563	-	261,344	
Miscellaneous	29,368	6,182	1,931	5,098	-	10,533	38,825	-	
Total Revenues	29,368	99,809	37,905	51,786	205,480	195,096	38,825	261,344	
EXPENDITURES									
Current:									
General Government	-	-	-	-	-	200	-	-	
Public Safety	-	-	-	13,310	15,426	-	-	-	
Public Works	-	-	-	-	-	-	-	240,659	
Health and Human Services	-	-	-	-	-	-	-	-	
Culture and Recreation	-	72,049	-	-	-	-	33,250	-	
Conservation and Development	1,560	-	30,205	-	-	-	-	-	
Capital Outlay	-	6,604	-	-	-	-	-	-	
Total Expenditures	1,560	78,653	30,205	13,310	15,426	200	33,250	240,659	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	27,808	21,156	7,700	38,476	190,054	194,896	5,575	20,685	
OTHER FINANCING SOURCES (USES)									
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	
Transfers Out	-	(15,000)	(9,000)	-	(120,000)	(10,000)	-	-	
Total Other Financing Sources (Uses)	-	(15,000)	(9,000)	-	(120,000)	(10,000)	-	-	
NET CHANGE IN FUND BALANCES	27,808	6,156	(1,300)	38,476	70,054	184,896	5,575	20,685	
Fund Balances (Deficits) - January 1	157,218	114,568	30,150	46,955	-	85,448	59,373	149,609	
FUND BALANCES (DEFICITS) - DECEMBER 31	\$ 185,026	\$ 120,724	\$ 28,850	\$ 85,431	\$ 70,054	\$ 270,344	\$ 64,948	\$ 170,294	

**VILLAGE OF SAUKVILLE, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Special Revenue (Continued)				Capital Projects				Permanent	
	Building Inspection	COVID Funding	ARPA Funding	Fire Protection Fees	Incremental District No. 4	Incremental District No. 5	Incremental District No. 6	Capital Improvements-Tax Levy	Cemetery Perpetual Care	Totals
<b>REVENUES</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 94,895	\$ -	\$ -	\$ 41,809	\$ -	\$ 172,678
Special Assessments	-	-	-	-	-	-	-	10,549	-	10,549
Intergovernmental	-	-	165,827	-	3,519	-	-	50,563	-	368,952
Licenses and Permits	238,879	-	-	-	-	-	-	-	-	238,879
Public Charges for Services	-	-	-	190,474	-	-	-	-	-	833,133
Miscellaneous	-	-	23,833	-	-	-	-	25,359	7,401	504,354
Total Revenues	238,879	-	189,660	190,474	98,414	47,100	308,724	128,280	7,401	2,128,545
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	64,096	-	-	-	-	-	-	64,296
Public Safety	168,488	-	-	51,000	-	-	-	-	-	248,224
Public Works	-	-	47,820	-	-	-	-	-	-	288,479
Health and Human Services	-	-	-	-	-	-	309,724	-	28,069	337,793
Culture and Recreation	-	-	7,448	-	-	-	-	-	-	112,747
Conservation and Development	-	-	-	-	118,967	47,250	-	-	-	197,982
Capital Outlay	-	-	-	-	-	-	-	315,226	-	321,830
Total Expenditures	168,488	-	119,364	51,000	118,967	47,250	309,724	315,226	28,069	1,571,351
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	70,391	-	70,296	139,474	(20,553)	(150)	(1,000)	(186,946)	(20,668)	557,194
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	81,890	-	81,890
Transfers Out	-	-	(53,214)	(119,000)	(10,000)	-	-	-	-	(336,214)
Total Other Financing Sources (Uses)	-	-	(53,214)	(119,000)	(10,000)	-	-	81,890	-	(254,324)
<b>NET CHANGE IN FUND BALANCES</b>	70,391	-	17,082	20,474	(30,553)	(150)	(1,000)	(105,056)	(20,668)	302,870
Fund Balances (Deficits) - January 1	(71,460)	7,341	10,252	-	13,293	(1,000)	-	466,284	1,945	1,080,655
<b>FUND BALANCES (DEFICITS) - DECEMBER 31</b>	\$ (1,069)	\$ 7,341	\$ 27,334	\$ 20,474	\$ (17,260)	\$ (1,150)	\$ (1,000)	\$ 361,228	\$ (18,723)	\$ 1,383,525

**VILLAGE OF SAUKVILLE, WISCONSIN**  
**SCHEDULE OF WATER UTILITY**  
**OPERATING REVENUES AND EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022)**

	2023	2022
<b>OPERATING REVENUES</b>		
Charges for Services:		
Residential	\$ 364,121	\$ 343,198
Commercial	110,711	106,516
Multi-Family	27,763	26,072
Industrial	606,305	611,902
Public Authority	5,560	4,640
Public Fire Protection	350,271	333,447
Total Charges for Services	1,464,731	1,425,775
Other Revenues:		
Forfeited Discounts	5,587	5,766
Other Water Revenues	37,713	34,800
Total Other Revenues	43,300	40,592
Total Operating Revenues	1,508,031	1,466,367
<b>OPERATING EXPENSES</b>		
Operation and Maintenance:		
Source of Supply:		
Operation Labor	92,983	80,585
Operation Supplies	1,487	1,461
Maintenance of Water Source Plant	7,600	3,612
Total Source of Supply	102,070	85,658
Pumping:		
Operation Labor	23,476	25,657
Power Purchased for Pumping	104,803	103,979
Operation Supplies	6,245	6,382
Maintenance of Pumping Equipment	26,033	13,839
Total Pumping	160,557	149,857
Water Treatment:		
Chemicals	50,009	42,856
Transmission and Distribution:		
Operation Labor	19,881	22,833
Operation Supplies	2,111	1,600
Maintenance of Distribution Reservoirs and Standpipes	14,906	191,421
Maintenance of Mains	26,025	11,652
Maintenance of Services	22,111	22,802
Maintenance of Meters	5,263	1,930
Maintenance of Hydrants	5,646	12,312
Maintenance of Other Plant	604	8,353
Total Transmission and Distribution	96,547	264,550
Customer Accounts:		
Meter Reading Labor	899	575
Accounting and Collecting Labor	47,041	45,552
Supplies and Expenses	7,458	11,685
Total Customer Accounts	55,398	57,812
Administrative and General:		
Administrative and General Salaries	35,078	33,725
Outside Services Employed	19,601	65,204
Property Insurance	44,169	36,453
Employee Pensions and Benefits	124,296	64,161
Miscellaneous General	36,980	27,826
Transportation	9,390	11,970
Total Administrative and General	269,514	260,895
Total Operation and Maintenance	734,095	861,628
Depreciation	385,881	358,573
Taxes	15,046	16,880
Total Operating Expenses	1,135,022	1,237,081
<b>OPERATING INCOME</b>	<b>\$ 373,009</b>	<b>\$ 229,286</b>

**VILLAGE OF SAUKVILLE, WISCONSIN  
SCHEDULE OF WASTEWATER UTILITY  
OPERATING REVENUES AND EXPENSES  
YEAR ENDED DECEMBER 31, 2023  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022)**

	2023	2022
<b>OPERATING REVENUES</b>		
Charges for Services:		
Residential	\$ 402,052	\$ 390,896
Commercial	165,105	179,188
Multi-Family	44,591	43,708
Industrial	1,186,665	1,172,661
Public Authorities	3,881	3,416
Equivalency Charge	295,304	297,282
Total Charges for Services	2,097,598	2,087,151
Other Revenues:		
Forfeited Discounts	19,073	19,946
Septic Cleaning and Other Sewerage Charges	272,789	124,503
Total Other Revenues	291,862	144,449
 Total Operating Revenues	 2,389,460	 2,231,600
<b>OPERATING EXPENSES</b>		
Operation and Maintenance:		
Operation:		
Supervision and Labor	93,910	94,776
Power and Fuel for Pumping	92,926	95,058
Chemicals	52,327	26,570
Operating Supplies and Expenses	15,053	15,921
Transportation Expenses	6,963	7,853
Total Operation	261,179	240,178
Maintenance:		
Collection System	24,058	24,508
Pumping Equipment	41,140	18,619
Treatment Plant Equipment	56,303	63,253
General Plant	71,146	43,844
Total Maintenance	192,647	150,224
Customer Accounts:		
Billing, Collecting, and Accounting	56,781	53,524
Administrative and General:		
Administrative and General Salaries	37,783	37,222
General Office Supplies	6,108	6,885
Outside Services Employed	143,481	153,230
Property Insurance	44,169	36,453
Employee Pensions and Benefits	141,409	97,116
Miscellaneous General	17,694	24,645
Total Administrative and General	390,644	355,551
 Total Operation and Maintenance	 901,251	 799,477
Depreciation	829,250	690,041
Taxes	3,294	3,365
Total Operating Expenses	1,733,795	1,492,883
 <b>OPERATING INCOME</b>	 <b>\$ 655,665</b>	 <b>\$ 738,717</b>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**





**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Village Board  
Village of Saukville, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Saukville, Wisconsin, (the Village) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 15, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2023-001, 2023-002 and 2023-003, that we consider to be material weaknesses.

### **Report on Compliance and Other Matters**

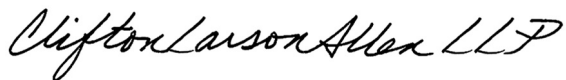
As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Village of Saukville, Wisconsin's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
March 15, 2024

**VILLAGE OF SAUKVILLE, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023**

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***Section I – Internal Control Over Financial Reporting***

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<b><u>Finding No.</u></b>	<b><u>Control Deficiencies</u></b>
<b>2023-001</b>	<b>Preparation of Annual Financial Report</b> Repeat of Finding 2022-001
<b>Type of Finding:</b>	Material Weakness in Internal Control Over Financial Reporting
<b>Condition:</b>	<p>Management and the Board of the Village share the ultimate responsibility for the Village's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.</p> <p>The Village engages CLA to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the Village's internal control system. As part of its internal control over the preparation of its financial statements, including disclosures, the Village has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Village's activities and operations.</p> <p>The Village's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the Village's financial statements and related disclosures, to provide a high level of assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.</p>
<b>Criteria:</b>	The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports.
<b>Cause:</b>	Village management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
<b>Effect:</b>	Without our involvement, the Village may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

**VILLAGE OF SAUKVILLE, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

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***Section I – Internal Control Over Financial Reporting (Continued)***

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**Finding No.**                      **Control Deficiencies**

**2023-001**                      **Preparation of Annual Financial Report (Continued)**

**Recommendation:** We recommend the Village continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Village's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Village is necessary to obtain a complete and adequate understanding of the Village's annual financial report.

**Management Response:** Management believes that the cost of hiring additional staff to prepare year-end adjusting and closing entries and to prepare financial reports outweigh the benefits to be received. Management will continue to review and approve financial statements prior to issuance.

**Finding No.**                      **Control Deficiencies**

**2023-002**                      **Adjustments to the Village's Financial Records**  
Repeat of Finding 2022-002

**Type of Finding:** Material Weakness in Internal Control Over Financial Reporting

**Condition:** As part of our audit, we proposed adjusting journal entries that were material to the Village's financial statements.

**Criteria:** Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.

**Cause:** Village staff did not reconcile balance sheet accounts during 2023, therefore many entries had to be made at year end by the auditors.

**Effect:** Year-end financial records prepared by the Village may contain material misstatements without these closing and conversion entries.

**Recommendation:** We recommend the Village reconcile balance sheet accounts monthly. In addition, we recommend journal entries prepared by Village personnel be reviewed more timely during the year.

**Management Response:** Village management reviews the adjusting journal entries and approves these entries along with the annual financial report.

**VILLAGE OF SAUKVILLE, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

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***Section I – Internal Control Over Financial Reporting (Continued)***

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<b><u>Finding No.</u></b>	<b><u>Control Deficiencies</u></b>
<b>2023-003</b>	<b>Cash Reconciliations</b> Repeat of Finding 2022-003
<b>Type of Finding:</b>	Material Weakness in Internal Control Over Financial Reporting
<b>Condition:</b>	Village personnel did not reconcile the Village's bank accounts to the general ledger on a monthly basis throughout the year.
<b>Criteria:</b>	Timely cash reconciliation is an internal control designed to ensure all transactions are properly recorded and the cash position of the Village is reported accurately.
<b>Cause:</b>	The Village experienced turnover in key financial positions in the previous year. Due to the turnover the position responsible for reconciling the bank balance to the general ledger did not complete the bank reconciliations and there was not a procedure in place to ensure it was completed.
<b>Effect:</b>	The Village may not detect errors or cases of intentional fraud in a timely manner without a completed cash reconciliation. In addition, various transactions may be excluded from the financial records of the Village.
<b>Recommendation:</b>	We recommend the Village develop a financial policies and procedures manual to identify the key financial processes of the Village, the position(s) responsible for completing each process, a basic outline of how and why the process is completed, and a secondary position who is responsible for ensuring the process is completed and to act as a backup in case the primary position is not able to complete the task.
<b>Management Response:</b>	The Village will create a procedure to ensure that all bank reconciliations are performed in the timely and complete manner. A review process will also be established to ensure the reconciliation is completed.



**FORM OF LEGAL OPINION**

(See following pages)

Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, WI 53202

January 23, 2025

Re: Village of Saukville, Wisconsin ("Issuer")  
\$2,575,000 General Obligation Promissory Notes, Series 2025A,  
dated January 23, 2025 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. 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 Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$135,000	____%
2027	280,000	____
2028	100,000	____
2029	435,000	____
2030	320,000	____
2031	485,000	____
2032	205,000	____
2033	210,000	____
2034	210,000	____
2035	195,000	____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2026.

The Notes maturing on March 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2032 or on any date thereafter. Said Notes 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 Notes maturing in the years \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the Notes, 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 Notes 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 Notes 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 Notes, 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 Notes 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 Notes.

3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes 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 Notes 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 Notes in order for interest on the Notes 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 Notes to be included in gross income retroactively to the date of issuance of the Notes. 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 Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes 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 Saukville, Ozaukee County, Wisconsin (the "Issuer") in connection with the issuance of \$2,575,000 General Obligation Promissory Notes, Series 2025A, dated January 23, 2025 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on January 7, 2025 (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 January 7, 2025 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 Saukville, Ozaukee County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Administrator of the Issuer who can be contacted at 639 E. Green Bay Avenue, Saukville, Wisconsin 53080, phone (262) 284-9423, fax (262) 284-9527.

"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, 2024, 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 23rd day of January, 2025.

(SEAL)

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Andy Hebein  
President

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Julie Friede  
Village Clerk

**NOTICE OF SALE**

**\$2,575,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A  
VILLAGE OF SAUKVILLE, WISCONSIN**

Bids for the purchase of \$2,575,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") of the Village of Saukville, 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 10:00 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 10:00 A.M., Central Time, on January 7, 2025, at which time they will be opened, read and tabulated. The bids will be presented to the Village Board for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

**AUTHORITY; PURPOSE; SECURITY**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of municipal equipment, playground equipment, street improvements, water system improvements and facility improvements. The Notes 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 Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

**DATES AND MATURITIES**

The Notes will be dated January 23, 2025, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2026	\$135,000	2030	\$320,000	2034	\$210,000
2027	280,000	2031	485,000	2035	195,000
2028	100,000	2032	205,000		
2029	435,000	2033	210,000		

**ADJUSTMENT OPTION**

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. 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 Notes 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 March 1 and September 1 of each year, commencing March 1, 2026, to the registered owners of the Notes 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 Notes 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 Notes 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 Notes, 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 Notes. So long as Cede & Co. is the registered owner of the Notes, 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 Notes.

## **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 Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 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 Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village. If only part of the Notes 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 Note to be redeemed at the address shown on the registration books.

## **DELIVERY**

On or about January 23, 2025, the Notes 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 Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes 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 Notes 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 Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes 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 Notes. 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 Notes 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 Notes for any investor.

## SUBMISSION OF BIDS

Bids must not be for less than \$2,549,250, nor more than \$2,832,500, plus accrued interest on the principal sum of \$2,575,000 from date of original issue of the Notes 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 10:00 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 submission.

**A good faith deposit ("Deposit") in the amount of \$51,500 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 Notes 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 Notes 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 Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

### **AWARD**

The Notes 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 Notes will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

### **BOND INSURANCE**

If the Notes 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 Notes 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 Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

### **CUSIP NUMBERS**

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Notes 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.

### **QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

### **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 Notes. 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 Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate, the form of which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Notes 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 Notes, 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 Notes 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 Notes) will apply to the initial sale of the Notes (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 Notes to the bidder who submits a firm offer to purchase the Notes 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 Notes, 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 Notes 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 Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (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 Notes (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 Notes 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 Notes, that the underwriters will neither offer nor sell unsold Notes 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 Notes 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 Notes 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 Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, 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 Notes 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 Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, 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 Notes 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 Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, 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 Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, 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 Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(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 Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date of the Notes (the "Closing Date") has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, 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 Notes 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 Notes 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 Notes 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 Notes 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 Notes 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 Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes 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 Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes 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 Notes 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 Notes 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 Notes to the public),
- (iii) a purchaser of any of the Notes 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 Notes are awarded by the Village to the winning bidder.

### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Official Statement relating to the Notes 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

Julie Friede, Village Clerk  
Village of Saukville, Wisconsin

# BID FORM

The Village Board  
Village of Saukville, Wisconsin (the "Village")

January 7, 2025

RE: \$2,575,000\* General Obligation Promissory Notes, Series 2025A (the "Notes")  
DATED: January 23, 2025

For all or none of the above Notes, 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 \$2,549,250, nor more than \$2,832,500) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due 2026	_____ % due 2030	_____ % due 2034
_____ % due 2027	_____ % due 2031	_____ % due 2035
_____ % due 2028	_____ % due 2032	
_____ % due 2029	_____ % due 2033	

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. 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 Notes 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 \$51,500 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 Notes 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 Notes 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 Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about January 23, 2025.

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 Notes.

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 Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes 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 Notes.

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 January 23, 2025 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 Board of the Village of Saukville, Wisconsin, on January 7, 2025.

By: \_\_\_\_\_ By: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_