

# PRELIMINARY OFFICIAL STATEMENT DATED MARCH 28, 2025

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 JACKSON, WISCONSIN (Washington County)

### \$3,860,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A

**BID OPENING:** April 8, 2025, 10:00 A.M., C.T.

**CONSIDERATION:** April 8, 2025, 7:30 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$3,860,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Jackson, Wisconsin (the "Village"), for public purposes, including paying the cost of projects included in the Village's Capital Improvement Plan such as street improvement projects, water and sewer projects, street projects in TID 7 and a dog park development. 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:** May 1, 2025

**MATURITY:** May 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2027	\$115,000	2034	\$175,000	2041	\$280,000
2028	115,000	2035	180,000	2042	280,000
2029	120,000	2036	185,000	2043	290,000
2030	120,000	2037	200,000	2044	315,000
2031	130,000	2038	215,000	2045	305,000
2032	160,000	2039	225,000		
2033	175,000	2040	275,000		

**\*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:** May 1, 2026 and semiannually thereafter.

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

**MINIMUM BID:** \$3,811,750.

**MAXIMUM BID:** \$4,168,800.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$77,200 shall be made by the winning bidder by wire transfer of funds.

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

**BOND COUNSEL &**

**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 JACKSON VILLAGE BOARD

		<u>Term Expires</u>
Brian Heckendorf	Village President	April 2025 <sup>1</sup>
Brian Emmrich	Village Trustee	April 2025 <sup>1</sup>
Tim Engelhardt	Village Trustee	April 2025 <sup>1</sup>
John Kruepke	Village Trustee	April 2026
Randy Matter	Village Trustee	April 2025 <sup>1</sup>
Donald Olson	Village Trustee	April 2026
Traci Wells	Village Trustee	April 2026

## ADMINISTRATION

Jennifer Heidtke, Village Administrator

Darlene Smith, Village Treasurer

Jacqueline Schuh, Village Clerk

## PROFESSIONAL SERVICES

Matthew Parmentier, Dempsey Law Firm LLP, Village Attorney, Fond du Lac, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin  
*(Other office located in Roseville, Minnesota)*

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<sup>1</sup> Seeking re-election in the April 2025 election.

# INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Jackson, Wisconsin (the "Village") and the issuance of its \$3,860,000\* 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 April 8, 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 May 1, 2025. The Notes will mature on May 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on May 1 and November 1 of each year, commencing May 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 May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

\*Preliminary, subject to change.

Redemption may be in whole or in part of the 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 projects included in the Village’s Capital Improvement Plan such as street improvement projects, water and sewer projects, street projects in TID 7 and a dog park development.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$3,860,000	
Estimated Interest Earnings	<u>28,088</u>	
<b>Total Sources</b>		<b>\$3,888,088</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$48,250	
Costs of Issuance	89,950	
Deposit to Project Construction Fund	3,745,000	
Rounding Amount	<u>4,888</u>	
<b>Total Uses</b>		<b>\$3,888,088</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 "A1" by Moody's Investors Service, Inc. ("Moody’s"). The Village has requested an underlying 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 Lucida LLC, Lake Geneva, 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	\$1,308,958,400
2024 Equalized Value Reduced by Tax Increment Valuation	\$1,215,652,500
2024 Assessed Value	\$1,280,767,200

## 2024 EQUALIZED VALUE BY CLASSIFICATION

	<b>2024 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$932,708,700	71.256%
Commercial	304,369,800	23.253%
Manufacturing	71,722,200	5.479%
Agricultural	28,200	0.002%
Undeveloped	129,500	0.010%
Personal Property <sup>2</sup>	<u>0</u>	<u>0.000%</u>
 Total	 <u><u>\$1,308,958,400</u></u>	 <u><u>100.000%</u></u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>1</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2020	\$665,436,745	\$785,455,400	7.26%
2021	903,288,566	916,555,900	16.69%
2022	923,155,555	1,069,281,100	16.66%
2023	940,914,346	1,182,093,600	10.55%
2024	1,280,767,200	1,308,958,400	10.73%

**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
Sysco Food Services	Food Manufacturing	\$64,464,172	4.92%
Premier Rosewood Jackson LLC	Property Management	9,910,749	0.76%
Pinehurst Properties	Property Management	9,753,257	0.75%
Delaney Group LLC	Commercial	9,612,117	0.73%
RM, CS, and TW Cranberry Jackson LLC	Property Management	8,979,288	0.69%
Life Investors Jackson LLC; Meadowlark Properties	Property Management	7,687,772	0.59%
SNH SE Properties Trust	Senior Living Community	7,565,131	0.58%
Jackson Industrial I LLC	Commercial	7,451,790	0.57%
Baldi Real Estate LLC	Commercial	7,136,806	0.55%
Kerry Foods Inc.	Food Manufacturing	<u>6,738,733</u>	<u>0.51%</u>
Total		\$139,299,815	10.64%
Village's Total 2024 Equalized Value <sup>2</sup>		\$1,308,958,400	

Source: The Village.

## DEBT

### DIRECT DEBT<sup>3</sup>

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

Total General Obligation Debt (includes the Notes)\* \$27,811,893

#### Revenue Debt (see schedules following)

Total revenue debt secured by water and sewer revenues \$10,419,010

\*Preliminary, subject to change.

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

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

<sup>3</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 expects to issue approximately \$6,000,000 general obligation debt for capital projects in 2026, but the final amount and timing of such borrowing have not yet been determined. Other than the preceding, the Village has no current plans for additional financing in the next 12 months.

**DEBT LIMIT**

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

Equalized Value	\$1,308,958,400
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit <sup>1</sup>	\$65,447,920
Less: General Obligation Debt*	<u>(27,811,893)</u>
Unused Debt Limit*	<u><u>\$37,636,027</u></u>

\*Preliminary, subject to change.

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<sup>1</sup> The Village Board has adopted a General Obligation Debt Limit Policy that imposes a direct debt burden limitation of 60 percent of the statutory debt limit, which is equivalent to utilization of no more than three percent of its equalized valuation.



Village of Jackson, Wisconsin  
 Schedule of Bonded Indebtedness  
 General Obligation Debt Secured by Taxes  
 (As of 05/01/2025)

	Refunding Bonds Series 2014A		State Trust Fund Loan		State Trust Fund Loan		Promissory Note		Community Development Bonds Series 2019A	
Dated	12/09/2014		11/28/2016		03/21/2017		04/10/2018		06/27/2019	
Amount	\$3,025,000		\$450,000		\$550,000		\$600,000		\$1,235,000	
Maturity	06/01		03/15		03/15		05/01		06/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	202,000	25,483	0	0	0	0	0	0	20,000	35,550
2026	209,000	18,853	56,596	1,698	60,752	3,700	64,832	6,622	20,000	34,950
2027	216,000	11,678			62,575	1,877	66,968	4,486	20,000	34,350
2028	224,000	3,976					69,171	2,286	20,000	33,750
2029									100,000	31,950
2030									100,000	28,950
2031									100,000	25,950
2032									100,000	22,950
2033									100,000	19,950
2034									100,000	16,950
2035									100,000	13,950
2036									100,000	10,950
2037									100,000	7,950
2038									105,000	4,875
2039									110,000	1,650
2040										
2041										
2042										
2043										
2044										
2045										
	851,000	59,989	56,596	1,698	123,327	5,577	200,971	13,394	1,195,000	324,675

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Village of Jackson, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 05/01/2025)

	Taxable Promissory Notes Series 2019B		Promissory Notes Series 2019C		Public Safety Building Bonds Series 2019D		Public Safety Building Bonds Series 2021A		Taxable Community Development Bonds Series 2023A	
Dated	06/27/2019		12/30/2019		12/30/2019		02/25/2021		02/01/2023	
Amount	\$1,020,000		\$2,005,000		\$6,350,000		\$8,030,000		\$1,465,000	
Maturity	06/01		06/01		06/01		06/01		06/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	145,000	17,560	220,000	20,373	270,000	131,765	400,000	122,475	25,000	66,800
2026	165,000	12,910	225,000	16,673	285,000	123,440	400,000	110,475	25,000	65,750
2027	190,000	7,918	240,000	12,600	300,000	114,665	400,000	98,475	25,000	64,700
2028	200,000	2,700	260,000	7,970	315,000	105,440	400,000	86,475	25,000	63,650
2029			275,000	2,750	330,000	95,765	400,000	74,475	100,000	61,025
2030					380,000	87,015	400,000	62,475	100,000	56,725
2031					385,000	79,269	450,000	54,225	110,000	52,105
2032					390,000	71,228	450,000	49,725	120,000	47,045
2033					395,000	62,886	450,000	45,000	120,000	41,585
2034					400,000	54,240	450,000	39,825	120,000	35,945
2035					410,000	45,228	450,000	34,313	125,000	30,188
2036					420,000	35,785	450,000	28,575	125,000	24,125
2037					430,000	25,903	450,000	22,613	125,000	17,875
2038					440,000	15,570	450,000	16,425	145,000	11,125
2039					420,000	5,145	450,000	10,013	150,000	3,750
2040							450,000	3,375		
2041										
2042										
2043										
2044										
2045										
	700,000	41,088	1,220,000	60,365	5,570,000	1,053,343	6,900,000	858,938	1,440,000	642,393

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Village of Jackson, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 05/01/2025)

Dated Amount	Promissory Notes Series 2024A		Promissory Notes Series 2025A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	07/02/2024	06/01	05/01/2025	05/01						
\$5,695,000			\$3,860,000*							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest						
2025	0	350,362	0	0	1,282,000	770,367	2,052,367	26,529,893	4.61%	2025
2026	0	247,800	0	256,511	1,511,180	899,380	2,410,560	25,018,713	10.04%	2026
2027	55,000	246,425	115,000	168,822	1,690,543	765,996	2,456,539	23,328,171	16.12%	2027
2028	55,000	243,675	115,000	164,435	1,683,171	714,356	2,397,527	21,645,000	22.17%	2028
2029	225,000	236,675	120,000	159,917	1,550,000	662,557	2,212,557	20,095,000	27.75%	2029
2030	275,000	224,175	120,000	155,261	1,375,000	614,601	1,989,601	18,720,000	32.69%	2030
2031	270,000	210,550	130,000	150,360	1,445,000	572,458	2,017,458	17,275,000	37.89%	2031
2032	270,000	197,050	160,000	144,623	1,490,000	532,620	2,022,620	15,785,000	43.24%	2032
2033	280,000	183,300	175,000	137,903	1,520,000	490,624	2,010,624	14,265,000	48.71%	2033
2034	280,000	169,300	175,000	130,772	1,525,000	447,032	1,972,032	12,740,000	54.19%	2034
2035	290,000	155,050	180,000	123,440	1,555,000	402,168	1,957,168	11,185,000	59.78%	2035
2036	295,000	141,900	185,000	115,848	1,575,000	357,183	1,932,183	9,610,000	65.45%	2036
2037	300,000	130,000	200,000	107,600	1,605,000	311,940	1,916,940	8,005,000	71.22%	2037
2038	305,000	117,900	215,000	98,470	1,660,000	264,365	1,924,365	6,345,000	77.19%	2038
2039	310,000	105,600	225,000	88,565	1,665,000	214,723	1,879,723	4,680,000	83.17%	2039
2040	375,000	91,900	275,000	76,996	1,100,000	172,271	1,272,271	3,580,000	87.13%	2040
2041	535,000	73,700	280,000	64,023	815,000	137,723	952,723	2,765,000	90.06%	2041
2042	540,000	52,200	280,000	50,793	820,000	102,993	922,993	1,945,000	93.01%	2042
2043	545,000	30,500	290,000	37,183	835,000	67,683	902,683	1,110,000	96.01%	2043
2044	490,000	9,800	315,000	22,584	805,000	32,384	837,384	305,000	98.90%	2044
2045			305,000	7,473	305,000	7,473	312,473	0	100.00%	2045
	5,695,000	3,217,862	3,860,000	2,261,574	27,811,893	8,540,893	36,352,786			

\* Preliminary, subject to change.

Village of Jackson, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Sewer and Water Revenues  
(As of 05/01/2025)

Dated Amount	Water and Sewer System Revenue Bonds Series 2023B		Water and Sewer System Revenue Bonds (CWFL) 1) Series 2024		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	07/06/2023 \$5,250,000	07/10/2024 \$5,709,010	05/01	05/01						
Calendar Year Ending	Principal	Interest	Principal	Interest						
2025	0	103,450	0	65,939	0	169,389	169,389	10,419,010	.00%	2025
2026	270,000	200,150	242,746	129,074	512,746	329,224	841,971	9,906,264	4.92%	2026
2027	270,000	186,650	248,354	123,402	518,354	310,052	828,406	9,387,910	9.90%	2027
2028	270,000	173,150	254,090	117,599	524,090	290,749	814,839	8,863,820	14.93%	2028
2029	260,000	159,900	259,960	111,662	519,960	271,562	791,522	8,343,860	19.92%	2029
2030	260,000	146,900	265,965	105,587	525,965	252,487	778,452	7,817,895	24.97%	2030
2031	260,000	133,900	272,109	99,373	532,109	233,273	765,381	7,285,786	30.07%	2031
2032	260,000	120,900	278,395	93,014	538,395	213,914	752,309	6,747,391	35.24%	2032
2033	260,000	109,200	284,825	86,509	544,825	195,709	740,534	6,202,566	40.47%	2033
2034	260,000	98,800	291,405	79,854	551,405	178,654	730,059	5,651,161	45.76%	2034
2035	260,000	88,400	298,136	73,044	558,136	161,444	719,581	5,093,025	51.12%	2035
2036	260,000	78,000	305,023	66,078	565,023	144,078	709,101	4,528,001	56.54%	2036
2037	260,000	67,600	312,069	58,950	572,069	126,550	698,620	3,955,932	62.03%	2037
2038	260,000	57,200	319,278	51,658	579,278	108,858	688,137	3,376,654	67.59%	2038
2039	260,000	46,800	326,654	44,198	586,654	90,998	677,651	2,790,000	73.22%	2039
2040	260,000	36,400	334,199	36,565	594,199	72,965	667,164	2,195,801	78.93%	2040
2041	260,000	26,000	341,919	28,756	601,919	54,756	656,675	1,593,882	84.70%	2041
2042	260,000	15,600	349,818	20,766	609,818	36,366	646,184	984,064	90.56%	2042
2043	260,000	5,200	357,898	12,592	617,898	17,792	635,690	366,166	96.49%	2043
2044			366,166	4,229	366,166	4,229	370,395	0	100.00%	2044
	4,710,000	1,854,200	5,709,010	1,408,850	10,419,010	3,263,050	13,682,060			

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 4266-04, the amount of disbursements to date is \$2,738,643. The schedule shown assumes full draws of amounts available under the loan.

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

Taxing District	2024 Equalized Value <sup>2</sup>	% In Village	Total G.O. Debt <sup>3</sup>	Village's Proportionate Share
Washington County	\$24,913,232,000	5.2541%	\$32,175,000	\$1,690,507
Germantown School District	5,666,310,883	1.9793%	60,680,806	1,201,055
Slinger School District	3,556,188,399	2.8407%	19,340,000	549,391
West Bend School District	8,589,922,899	12.7566%	72,090,000	9,196,233
Milwaukee Area Technical College District	126,254,382,367	0.0888%	107,315,000	95,296
Moraine Park Technical College District	44,738,181,521	2.6751%	61,055,000	1,633,282
Village's Share of Total Overlapping Debt				<u>\$14,365,764</u>

## DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,308,958,400	Debt/ Per Capita 7,926 <sup>4</sup>
Total General Obligation Debt*	\$27,811,893	2.12%	\$3,508.94
Village's Share of Total Overlapping Debt	<u>14,365,764</u>	<u>1.10%</u>	<u>1,812.49</u>
Total*	\$42,177,657	3.22%	\$5,321.43

\*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

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2020/21	\$5,024,512	100%	\$6.92
2021/22	5,754,955	100%	6.75
2022/23	5,540,616	100%	5.60
2023/24	5,788,198	100%	5.31
2024/25	6,063,961	In Progress	4.99

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 had ceased operations or filed a petition for bankruptcy, or were due on personal property that had 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	\$8.53	\$2.43	\$6.92	\$17.88
2021/22	8.59	2.24	6.75	17.58
2022/23	7.05	1.95	5.60	14.60
2023/24	6.10	1.74	5.31	13.15
2024/25	6.85	1.67	4.99	13.51

**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 received approximately \$468,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$331,000 received in 2023. The



Village currently estimates that it will receive approximately \$477,000 in shared revenue under Chapter 79 of the Wisconsin Statutes 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 1912 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 Treasurer and Village Clerk are responsible for administrative details and financial records.

### EMPLOYEES; PENSIONS

The Village employs a staff of 44 full-time and 16 part-time 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 \$262,567, \$275,167, and \$330,987, 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 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 a liability of \$1,204,227 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 0.02273110% 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 K in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

### **Recognized and Certified Bargaining Units**

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

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.<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. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

The following bargaining unit represents employees of the Village:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Jackson Professional Police Association	December 31, 2028

## **OTHER POST EMPLOYMENT BENEFITS**

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

For Fiscal Year 2023, the Village's portion of contributions to the LRLIF totaled \$977. For Fiscal Year 2022, the Village reported a liability of \$185,558 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2022 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.04870500% of the aggregate LRLIF net OPEB liability as of December 31, 2022.

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

## **LITIGATION**

There is no litigation threatened or pending questioning the organization or boundaries of the Village or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the 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 January 31, 2025)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$4,150,606
Water Utility	1,227,017
Sewer Utility	5,179,239
Police and Fire Impact Fees	224,037
Park Fund/Park Impact Fees	309,506
Fire/Rescue Reserve Fund	<u>579,804</u>
 Total Funds on Hand	 <u><u>\$11,670,209</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>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Unaudited</b>
<b>Water</b>			
Total Operating Revenues	\$1,393,257	\$1,486,529	\$1,541,731
Less: Operating Expenses	<u>(1,464,410)</u>	<u>(1,573,760)</u>	<u>(1,692,150)</u>
Operating Income	(\$71,153)	(\$87,231)	(\$150,419)
Plus: Depreciation	498,939	513,225	530,066
Interest Income	<u>2,831</u>	<u>31,550</u>	<u>24,914</u>
Revenues Available for Debt Service	<u><u>\$430,617</u></u>	<u><u>\$457,544</u></u>	<u><u>\$404,561</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$1,884,779	\$1,911,313	\$1,991,274
Less: Operating Expenses	<u>(2,253,406)</u>	<u>(2,339,105)</u>	<u>(2,318,238)</u>
Operating Income	(\$368,627)	(\$427,792)	(\$326,964)
Plus: Depreciation	837,182	863,039	882,947
Interest Income	<u>58,598</u>	<u>221,169</u>	<u>154,384</u>
Revenues Available for Debt Service	<u><u>\$527,153</u></u>	<u><u>\$656,416</u></u>	<u><u>\$710,367</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.

<b>FISCAL YEAR ENDING DECEMBER 31</b>					
<b>COMBINED STATEMENT</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Budget 1)</b>
<b>Revenues</b>					
Taxes & Special assessments	\$3,127,704	\$3,486,312	\$3,811,487	\$4,386,320	\$4,556,404
Intergovernmental revenue	1,081,241	1,096,591	732,206	871,758	966,939
Licenses and permits	399,797	399,432	408,560	540,454	398,892
Fine and forfeitures	35,875	52,777	39,998	39,500	59,500
Charges for services	190,407	70,052	65,783	49,591	43,550
Interest income	7,164	9,529	204,935	300,000	38,317
Other	108,219	646,786	210,914	92,127	216,237
<b>Total Revenues</b>	<u>\$4,950,407</u>	<u>\$5,761,479</u>	<u>\$5,473,883</u>	<u>\$6,279,750</u>	<u>\$6,279,839</u>
<b>Expenditures</b>					
Current:					
General government	\$711,692	\$848,284	\$770,611	\$842,682	\$1,075,161
Public safety	1,807,152	2,023,958	2,350,334	3,089,795	2,692,593
Public works	990,784	1,045,223	1,083,468	1,292,441	1,353,938
Culture and recreation	215,446	197,058	202,525	253,694	240,298
Capital outlay	59,928	46,947	4,177,951	0	0
<b>Total Expenditures</b>	<u>\$3,785,002</u>	<u>\$4,161,470</u>	<u>\$8,584,889</u>	<u>\$5,478,612</u>	<u>\$5,361,990</u>
<b>Excess of revenues over (under) expenditures</b>	\$1,165,405	\$1,600,009	(\$3,111,006)	\$801,138	\$917,849
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets	\$6,804	\$0	\$0	\$0	\$0
Proceeds on leased vehicles	0	0	164,363	0	0
Developer contributions	0	0	3,963,983	0	0
Transfers in (out)	(379,083)	(475,958)	(513,572)	(879,384)	(917,849)
<b>Total Other Financing Sources (Uses)</b>	<u>(372,279)</u>	<u>(475,958)</u>	<u>3,614,774</u>	<u>(879,384)</u>	<u>(917,849)</u>
<b>Net changes in Fund Balances</b>	\$793,126	\$1,124,051	\$503,768	(\$78,246)	0
General Fund Balance January 1	<u>\$1,807,907</u>	<u>\$2,601,033</u>	<u>\$3,725,084</u>	<u>\$4,228,852</u>	
General Fund Balance December 31	\$2,601,033	\$3,725,084	\$4,228,852	\$4,150,606	
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$42,829	\$322,725	\$567,668	\$608,358	
Restricted	88,866	0	46,543	93,087	
Unassigned	2,469,338	3,402,359	3,614,641	3,449,161	
<b>Total</b>	<u>\$2,601,033</u>	<u>\$3,725,084</u>	<u>\$4,228,852</u>	<u>\$4,150,606</u>	

<sup>1</sup> The 2025 budget was adopted on November 12, 2024 and amended on March 11, 2025.

## GENERAL INFORMATION

### LOCATION

The Village, with a 2020 U.S. Census population of 7,185 and a current estimated population of 7,926 comprises an area of 1,901 acres and is located in Washington County, northwest of Milwaukee.

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

Larger employers in the Village include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Kerry Ingredients and Flavours	Food products and manufacturer	300
Sysco Food Services	Food service distribution	200
Rytec Corp.	High performance doors	165
Universal Strap Inc.	Custom woven materials developer	120
Wisconsin Pharmacal Company	Outdoor Health and Safety Solutions manufacturer	105
Supplyone Inc.	Packaging Materials Manufacturer	100
Cost of Wisconsin Inc. (Jackson location only)	Natural habitat developer	90 <sup>2</sup>
Kruepke Trucking Inc.	Transportation	80
Refractory Service Inc.	Manufacturer and resale of refractory products	75
Piggly Wiggly	Grocery	75

**Source:** The Village, 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.

<sup>2</sup> 130 additional employees at other locations.

**BUILDING PERMITS<sup>1</sup>**

	2021	2022	2023	2024	2025
<u>New Single Family Homes</u>					
No. of building permits	50	23	55	94	10
Valuation	\$16,877,505	\$5,353,330	\$15,740,281	\$24,461,536	\$2,743,665
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	0	0	1
Valuation	\$0	\$0	\$0	\$0	\$2,640,000
<u>New Commercial/Industrial</u>					
No. of building permits	3	1	2	2	0
Valuation	\$5,552,565	\$2,174,362	\$6,916,000	\$7,330,563	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	1,117	1,020	1,764	1,574	142
Valuation	\$26,161,441	\$84,720,751	\$37,353,366	\$54,149,738	\$16,540,587

**Source:** The Village.

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<sup>1</sup> As of February 25, 2025.



## U.S. CENSUS DATA

### Population Trend: The Village

2010 U.S. Census Population	6,753
2020 U.S. Census Population	7,185
Percent of Change 2010 - 2020	6.40%
2024 Estimated Population	7,926

### Income and Age Statistics

	<b>The Village</b>	<b>Washington County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2023 per capita income	\$52,288	\$48,255	\$42,019	\$43,289
2023 median household income	\$95,960	\$95,851	\$75,670	\$78,538
2023 median family income	\$100,893	\$112,723	\$97,261	\$96,922
2023 median gross rent	\$1,123	\$1,126	\$1,045	\$1,348
2023 median value owner occupied units	\$295,600	\$316,200	\$247,400	\$303,400
2023 median age	41.5 yrs.	43.5 yrs.	40.1 yrs.	38.7 yrs.
		<b>State of Wisconsin</b>	<b>United States</b>	
Village % of 2023 per capita income		124.44%	120.79%	
Village % of 2023 median family income		103.73%	104.10%	

### Housing Statistics

	<b><u>The Village</u></b>		
	<b>2020</b>	<b>2023</b>	<b>Percent of Change</b>
All Housing Units	3,300	3,518	6.61%

**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 2023 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>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>	
	<b>Washington County</b>	<b>Washington County</b>	<b>Washington County</b>	<b>State of Wisconsin</b>
2021	74,193		3.1%	3.8%
2022	74,906		2.4%	2.8%
2023, <sup>1</sup>	75,531 <sup>1</sup>		2.6% <sup>1</sup>	2.8%
2024, December	76,186		2.4%	2.9%
2025, January <sup>1</sup>	74,868		2.9%	3.6%

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

<sup>1</sup> Preliminary.

## **APPENDIX A**

### **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 JACKSON**

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**INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS**

---

**YEAR ENDED DECEMBER 31, 2023**

**VILLAGE OF JACKSON**

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## **INDEPENDENT AUDITORS' REPORT**

To the Village Board  
Village of Jackson, Wisconsin

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Jackson, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village of Jackson's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Jackson, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Emphasis of a Matter**

As described in Note J to the financial statements, the December 31, 2023 financial statement have been restated to correct the following misstatement: A prior period adjustment was made to record annexed capital assets and their related depreciation and contributed capital assets and their related depreciation to the government-wide financial statements.

Our opinion is not modified with respect to this matter.

To the Village Board  
Village of Jackson, Wisconsin

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

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

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

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

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

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

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

To the Village Board  
Village of Jackson, Wisconsin

**Required Supplementary Information**

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

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



Lucida LLC  
Lake Geneva, Wisconsin  
July 11, 2024



**VILLAGE OF JACKSON**  
**STATEMENT OF NET POSITION**  
DECEMBER 31, 2023

	<b>Primary Government</b>		<b>Totals</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	
<b><u>ASSETS</u></b>			
<b>Current assets:</b>			
Cash and investments	\$ 10,516,180	\$ 2,554,858	\$ 13,071,038
Taxes receivable	4,589,246	-	4,589,246
Delinquent taxes and special charges	3,741	-	3,741
Accounts receivable (net of allowance of \$294,097)	154,176	809,993	964,169
Inventory	-	54,442	54,442
Prepaid expenditures	89,489	14,104	103,593
<b>Non-current assets:</b>			
Restricted - cash and investments	389,226	3,566,201	3,955,427
Special assessments receivable	365,171	-	365,171
<b>Capital assets:</b>			
Land	2,087,681	384,719	2,472,400
Construction in progress	3,017,897	5,714,490	8,732,387
Capital leases, net of amortization	149,422	-	149,422
Capital assets, net of accumulated depreciation	48,912,306	29,701,067	78,613,373
<b>TOTAL ASSETS</b>	<b>70,274,535</b>	<b>42,799,874</b>	<b>113,074,409</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred outflows related to pension	3,948,088	589,944	4,538,032
Deferred outflows related to OPEB	84,642	12,647	97,289
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>4,032,730</b>	<b>602,591</b>	<b>4,635,321</b>
<b><u>LIABILITIES</u></b>			
<b>Current liabilities:</b>			
Accounts payable, tax equivalent, and other accruals	445,421	434,627	880,048
Accrued salaries and benefits	191,823	26,363	218,186
Accrued interest	51,675	63,890	115,565
Deposits held	1,316,436	-	1,316,436
Developer agreement payments	594,342	-	594,342
Capital leases, due within one year	27,794	-	27,794
Long-term debt, due within one year	1,427,313	270,000	1,697,313
<b>Non-current liabilities:</b>			
Developer agreement payments	1,518,951	-	1,518,951
Capital leases, due in more than one year	116,946	-	116,946
Long-term debt, due in more than one year	18,433,586	4,980,000	23,413,586
Unamortized premium on debt	699,107	228,592	927,699
Net OPEB liability	161,436	24,122	185,558
Net pension liability	1,047,677	156,550	1,204,227
Accrued compensated absences	382,083	101,167	483,250
<b>TOTAL LIABILITIES</b>	<b>26,414,590</b>	<b>6,285,311</b>	<b>32,699,901</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Property taxes	6,983,961	-	6,983,961
Deferred inflows related to pension	2,213,853	330,806	2,544,659
Deferred inflows related to OPEB	137,337	20,521	157,858
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>9,335,151</b>	<b>351,327</b>	<b>9,686,478</b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	33,718,566	30,321,684	64,040,250
Restricted	1,430,731	3,680,831	5,111,562
Unrestricted	3,408,227	2,763,312	6,171,539
<b>TOTAL NET POSITION</b>	<b>\$ 38,557,524</b>	<b>\$ 36,765,827</b>	<b>\$ 75,323,351</b>

See accompanying notes to basic financial statements.

**VILLAGE OF JACKSON**  
**STATEMENT OF ACTIVITIES**  
YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Totals
<b>PRIMARY GOVERNMENT</b>						
<b>GOVERNMENTAL ACTIVITIES</b>						
General government	\$ 1,053,020	\$ -	\$ 53,123	\$ (890,987)	\$ -	\$ (890,987)
Public safety	4,309,854	638,696	-	(2,944,599)	-	(2,944,599)
Public works	2,084,397	328,565	-	(1,336,506)	-	(1,336,506)
Culture and recreation	926,560	-	47,600	(509,506)	-	(509,506)
Conservation and development	2,112,920	-	5,624,331	3,511,411	-	3,511,411
Interest and fiscal charges	521,043	-	-	(521,043)	-	(521,043)
<b>TOTAL GOVERNMENTAL BUSINESS-TYPE ACTIVITIES</b>	<b>11,007,794</b>	<b>1,624,249</b>	<b>5,725,054</b>	<b>(2,691,230)</b>	<b>-</b>	<b>(2,691,230)</b>
Water	1,657,415	1,486,529	982,787	-	811,901	811,901
Sewer	2,494,058	1,911,313	1,214,259	-	631,514	631,514
<b>TOTAL BUSINESS-TYPE</b>	<b>4,151,473</b>	<b>3,397,842</b>	<b>2,197,046</b>	<b>-</b>	<b>1,443,415</b>	<b>1,443,415</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 15,159,267</b>	<b>\$ 967,261</b>	<b>\$ 7,922,100</b>	<b>(2,691,230)</b>	<b>1,443,415</b>	<b>(1,247,815)</b>
	<b>GENERAL REVENUES</b>					
	Property taxes			6,695,259	-	6,695,259
	Mobile home fees			85,105	-	85,105
	Other taxes			74,849	-	74,849
	Payments in lieu of taxes			217,410	-	217,410
	State aids - Unrestricted			382,425	-	382,425
	Interest income			268,217	252,719	520,936
	Miscellaneous			74,151	-	74,151
	Rent			63,030	-	63,030
	Gain (loss) on sale of Village property			399,410	133,500	532,910
	<b>TOTAL GENERAL REVENUES</b>			<b>8,259,856</b>	<b>386,219</b>	<b>8,646,075</b>
	<b>CHANGE IN NET POSITION</b>			<b>5,568,626</b>	<b>1,829,634</b>	<b>7,398,260</b>
	<b>NET POSITION - BEGINNING OF YEAR</b>			<b>20,859,838</b>	<b>34,936,193</b>	<b>55,796,031</b>
	Prior Period Adjustment			12,129,060	-	12,129,060
	<b>NET POSITION - BEGINNING OF YEAR, AS RESTATED</b>			<b>32,988,898</b>	<b>34,936,193</b>	<b>67,925,091</b>
	<b>NET POSITION - END OF YEAR</b>			<b>\$ 38,557,524</b>	<b>\$ 36,765,827</b>	<b>\$ 75,323,351</b>

**VILLAGE OF JACKSON**  
**BALANCE SHEETS**  
**GOVERNMENTAL FUNDS**  
 DECEMBER 31, 2023

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>General</b>	<b>Capital Projects</b>		<b>TID 7</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
				<b>TID 4</b>				
<b>ASSETS</b>								
Cash and investments	\$ 5,232,660	\$ 909,556	\$ 1,740,166	\$ 994,995	\$ -	-	\$ 1,638,803	\$ 10,516,180
Receivables:								
Taxes	2,642,918	1,002,989	167,537	494,674	8,538	-	272,590	4,589,246
Delinquent taxes and special charges	3,741	-	-	-	-	-	-	3,741
Accounts (net of allowance for doubtful accounts of \$294,097)	79,798	-	-	-	-	-	74,378	154,176
Special assessments	-	-	358,000	-	-	-	7,171	365,171
Advances to other funds	491,429	-	1,165,886	-	-	-	-	1,657,315
Prepaid expenditures	76,239	-	-	-	-	-	13,250	89,489
Restricted Assets:								
Cash and investments	30,603	-	358,623	-	-	-	-	389,226
<b>TOTAL ASSETS</b>	<b>8,557,388</b>	<b>1,912,545</b>	<b>3,790,212</b>	<b>1,489,669</b>	<b>8,538</b>	<b>2,006,192</b>	<b>17,764,544</b>	<b>17,764,544</b>
<b>LIABILITIES</b>								
Accounts payable and other accruals	133,241	-	229,598	-	62,596	-	19,986	445,421
Accrued salaries and benefits	130,521	-	-	-	-	-	61,302	191,823
Deposits held	2,368	-	1,283,262	-	30,806	-	-	1,316,436
Advance from other funds	-	-	-	1,165,886	491,429	-	-	1,657,315
<b>TOTAL LIABILITIES</b>	<b>266,130</b>	<b>-</b>	<b>1,512,860</b>	<b>1,165,886</b>	<b>584,831</b>	<b>81,288</b>	<b>3,610,995</b>	<b>3,610,995</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Property taxes	4,062,406	1,545,217	184,000	762,115	13,183	-	417,040	6,983,961
Special assessments	-	-	422,310	-	-	-	8,605	430,915
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>4,062,406</b>	<b>1,545,217</b>	<b>606,310</b>	<b>762,115</b>	<b>13,183</b>	<b>425,645</b>	<b>7,414,876</b>	<b>7,414,876</b>
<b>FUND BALANCES</b>								
Nonspendable	567,668	-	1,165,886	-	-	-	13,250	1,746,804
Restricted	46,543	367,328	-	-	-	-	330,302	744,173
Assigned	-	-	-	-	-	-	1,155,707	1,155,707
Unassigned	3,614,641	-	505,156	(438,332)	(589,476)	-	-	3,091,989
<b>TOTAL FUND BALANCES</b>	<b>4,228,852</b>	<b>367,328</b>	<b>1,671,042</b>	<b>(438,332)</b>	<b>(589,476)</b>	<b>1,499,259</b>	<b>6,738,673</b>	<b>6,738,673</b>

See accompanying notes to basic financial statements.

**VILLAGE OF JACKSON**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
DECEMBER 31, 2023

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** \$ 6,738,673

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds as assets.		
Capital assets	\$ 67,193,296	
Accumulated depreciation	<u>(13,025,990)</u>	54,167,306
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.		
Special assessments		430,915
The Village's proportionate share of the Wisconsin Retirement System net pension liability is reported on the statement of net position, but is not reported in the governmental funds.		(1,047,677)
The Village's proportionate share of the net OPEB liability for the Local Retiree Life Insurance Fund ("LRLIF") administered by the Wisconsin Department of Employee Trust Funds ("ETF") is reported on the statement of net position, but is not reported in the governmental funds.		(161,436)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods, and therefore, are not reported in the governmental funds.		
Deferred outflows related to pensions	3,948,088	
Deferred inflows related to pensions	(2,213,853)	
Deferred outflows related to OPEB	84,642	
Deferred inflows related to OPEB	<u>(137,337)</u>	1,681,540
Long-term debt and related items are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Long-term debt and related items at year end consist of:		
Long-term debt	(19,860,899)	
Capital leases	(144,740)	
Unamortized premium on debt issuance	(699,107)	
Developer agreements	(2,113,293)	
Compensated absences	<u>(382,083)</u>	(23,200,122)
Accrued interest payable on debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.		<u>(51,675)</u>
<b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>		<u><u>\$ 38,557,524</u></u>

**VILLAGE OF JACKSON**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
YEAR ENDED DECEMBER 31, 2023

	General Fund	Debt Service Fund	Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
			General	TID 4	TID 7		
<b>REVENUES</b>							
Taxes	\$ 3,811,487	\$ 1,632,859	\$ 181,390	\$ 831,556	\$ 4,780	\$ 610,077	7,072,149
Special assessments	-	-	189,890	-	-	1,434	191,324
Intergovernmental revenue	732,206	-	-	24,910	1,660,348	144,127	2,561,591
Licenses and permits	408,560	-	-	-	-	-	408,560
Fines and forfeitures	39,998	-	-	-	-	-	39,998
Charges for services	65,783	-	106,852	-	-	783,894	956,529
Intergovernmental charges for services	-	-	-	-	-	359,308	359,308
Interest income	204,935	4,234	19,615	-	-	39,433	268,217
Other	210,914	-	33,300	-	313	14,102	258,629
<b>TOTAL REVENUES</b>	<b>5,473,883</b>	<b>1,637,093</b>	<b>531,047</b>	<b>856,466</b>	<b>1,665,441</b>	<b>1,952,375</b>	<b>12,116,305</b>
<b>EXPENDITURES</b>							
Current:							
General government	770,611	-	-	1,788	51,734	3,575	827,708
Public safety	2,350,334	-	-	-	-	1,128,600	3,478,934
Public works	1,083,468	-	-	-	-	-	1,083,468
Culture and recreation	202,525	-	-	-	-	587,161	789,686
Conservation and development	-	-	136,058	-	139,573	1,474,130	1,749,761
Capital outlay	4,177,951	-	1,662,482	-	2,168,450	275,119	8,284,002
Debt Service:							
Principal	-	1,436,215	-	-	-	93,434	1,529,649
Interest and fiscal charges	-	507,862	-	-	-	57,542	565,404
<b>TOTAL EXPENDITURES</b>	<b>8,584,889</b>	<b>1,944,077</b>	<b>1,798,540</b>	<b>1,788</b>	<b>2,359,757</b>	<b>3,619,561</b>	<b>18,308,612</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,111,006)</b>	<b>(306,984)</b>	<b>(1,267,493)</b>	<b>854,678</b>	<b>(694,316)</b>	<b>(1,667,186)</b>	<b>(6,192,307)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from sale of capital assets	-	-	-	-	499,890	-	499,890
Proceeds on bonds	-	-	-	-	-	1,465,000	1,465,000
Proceeds on leased vehicles	164,363	-	-	-	-	-	164,363
Developer contributions	3,963,983	-	-	-	-	-	3,963,983
Transfers in (out)	(513,572)	190,443	-	-	(118,989)	442,118	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,614,774</b>	<b>190,443</b>	<b>-</b>	<b>-</b>	<b>380,901</b>	<b>1,907,118</b>	<b>6,093,236</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>503,768</b>	<b>(116,541)</b>	<b>(1,267,493)</b>	<b>854,678</b>	<b>(313,415)</b>	<b>239,932</b>	<b>(99,071)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>3,725,084</b>	<b>483,869</b>	<b>2,938,535</b>	<b>(1,293,010)</b>	<b>(276,061)</b>	<b>1,259,327</b>	<b>6,837,744</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 4,228,852</b>	<b>\$ 367,328</b>	<b>\$ 1,671,042</b>	<b>\$ (438,332)</b>	<b>\$ (589,476)</b>	<b>\$ 1,499,259</b>	<b>\$ 6,738,673</b>

See accompanying notes to basic financial statements.

**VILLAGE OF JACKSON**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF ACTIVITIES**  
YEAR ENDED DECEMBER 31, 2023

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ (99,071)

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 outlay	\$ 8,284,002	
Depreciation expense	<u>(1,802,989)</u>	6,481,013

In the statement of activities, losses on disposal of assets are shown, whereas, in the governmental funds only the proceeds on the disposal, if any, are shown

Loss on disposal of capital assets		100,480
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Payment on special assessments	193,399	
Additions to special assessments	<u>(297,642)</u>	(104,243)

In the statement of activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as an expense. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.

Pension (expense) revenue	(481,760)	
Village pension contributions	239,396	
OPEB expense	(15,638)	
Village OPEB contributions	<u>848</u>	(257,154)

Governmental funds report proceeds from the issuance of long-term debt as other financing sources, but issuing debt increases long-term liabilities in the statement of net position. Repayments of long-term debt principal are expenditures in the governmental funds but the repayments reduce long-term liabilities in the statement of net position.

Proceeds on issuance of debt	(1,465,000)	
Proceeds on leases	(164,363)	
Proceeds from developers deposits	(511,357)	
Amortization of premium on debt	44,411	
Principal payments on developer agreement	93,434	
Principal payments on capital leases	19,623	
Principal payments on bonds and notes	<u>1,436,215</u>	(547,037)

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 governmental funds.

Changes in interest accrued on long-term debt	(51)	
Changes in compensated absences	<u>(5,311)</u>	(5,362)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 5,568,626

**VILLAGE OF JACKSON**  
**STATEMENTS OF NET POSITION**  
**PROPRIETARY FUNDS**  
DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Totals</b>
<b><u>ASSETS</u></b>			
<b>Current Assets:</b>			
Cash and investments	\$ 935,642	\$ 1,619,216	\$ 2,554,858
Customer and other accounts receivable	366,913	443,080	809,993
Inventories	54,442	-	54,442
Prepaid expenses	6,438	7,666	14,104
<b>Total Current Assets</b>	<b>1,363,435</b>	<b>2,069,962</b>	<b>3,433,397</b>
<b>Non-current Assets:</b>			
Cash and investments - restricted	201,837	3,364,364	3,566,201
<b>Capital Assets:</b>			
Land	352,219	32,500	384,719
Construction in process	1,695,633	4,018,857	5,714,490
Capital assets, net of accumulated depreciation	17,082,560	12,618,507	29,701,067
<b>Total Non-current Assets</b>	<b>19,332,249</b>	<b>20,034,228</b>	<b>39,366,477</b>
<b>TOTAL ASSETS</b>	<b>20,695,684</b>	<b>22,104,190</b>	<b>42,799,874</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred outflows related to pension	272,282	317,662	589,944
Deferred outflows related to OPEB	5,837	6,810	12,647
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>278,119</b>	<b>324,472</b>	<b>602,591</b>
<b><u>LIABILITIES</u></b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 26,802	\$ 218,391	\$ 245,193
Accrued salaries and benefits	12,007	14,356	26,363
Accrued property tax equivalent	189,434	-	189,434
Accrued interest on long-term obligations	22,420	41,470	63,890
Revenue bonds due within 1 year	95,000	175,000	270,000
<b>Total Current Liabilities</b>	<b>345,663</b>	<b>449,217</b>	<b>794,880</b>
<b>Non-current liabilities:</b>			
Net OPEB liability	11,133	12,989	24,122
Net pension liability	72,254	84,296	156,550
Revenue bonds due in greater than 1 year	1,745,000	3,235,000	4,980,000
Unamortized premium on issuance	81,071	147,521	228,592
Accrued compensated absences	40,951	60,216	101,167
<b>Total Non-current Liabilities</b>	<b>1,950,409</b>	<b>3,540,022</b>	<b>5,490,431</b>
<b>TOTAL LIABILITIES</b>	<b>2,296,072</b>	<b>3,989,239</b>	<b>6,285,311</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred inflows related to pension	152,680	178,126	330,806
Deferred inflows related to OPEB	9,471	11,050	20,521
<b>TOTAL DEFERRED INFLOWS</b>	<b>162,151</b>	<b>189,176</b>	<b>351,327</b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	17,209,341	13,112,343	30,321,684
Restricted for:			
Capital Projects	201,837	2,110,133	2,311,970
Equipment Replacement	-	1,254,231	1,254,231
WRS Pension	47,348	67,282	114,630
Unrestricted	1,057,054	1,706,258	2,763,312
<b>TOTAL NET POSITION</b>	<b>\$ 18,515,580</b>	<b>\$ 18,250,247</b>	<b>\$ 36,765,827</b>

See accompanying notes to basic financial statements.

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

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Totals</b>
<b><u>OPERATING REVENUES</u></b>			
Charges for service	\$ 1,413,393	\$ 1,903,787	\$ 3,317,180
Other operating revenues	73,136	7,526	80,662
<b>TOTAL OPERATING REVENUES</b>	<b>1,486,529</b>	<b>1,911,313</b>	<b>3,397,842</b>
<b><u>OPERATING EXPENSES</u></b>			
Operation and maintenance	859,754	1,476,066	2,335,820
Taxes	200,781	-	200,781
Depreciation	513,225	863,039	1,376,264
<b>TOTAL OPERATING EXPENSES</b>	<b>1,573,760</b>	<b>2,339,105</b>	<b>3,912,865</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(87,231)</b>	<b>(427,792)</b>	<b>(515,023)</b>
<b><u>NONOPERATING REVENUES (EXPENSES)</u></b>			
Interest income	31,550	221,169	252,719
Interest expense	(22,420)	(41,470)	(63,890)
Bond issuance expense	(61,235)	(113,483)	(174,718)
Sale of property	7,200	126,300	133,500
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(44,905)</b>	<b>192,516</b>	<b>147,611</b>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(132,136)</b>	<b>(235,276)</b>	<b>(367,412)</b>
Capital contributions/Impact fees	982,787	1,214,259	2,197,046
<b>CHANGE IN NET POSITION</b>	<b>850,651</b>	<b>978,983</b>	<b>1,829,634</b>
<b>NET POSITION - BEGINNING OF YEAR</b>	<b>17,664,929</b>	<b>17,271,264</b>	<b>34,936,193</b>
<b>NET POSITION - END OF YEAR</b>	<b>\$ 18,515,580</b>	<b>\$ 18,250,247</b>	<b>\$ 36,765,827</b>

See accompanying notes to basic financial statements.



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

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Totals</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Receipts from customers and users	\$ 1,453,386	\$ 1,879,121	\$ 3,332,507
Payments to suppliers	(1,105,710)	(1,322,466)	(2,428,176)
Payments to employees	(1,028)	(1,049)	(2,077)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>346,648</u>	<u>555,606</u>	<u>902,254</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>			
Capital contributions/impact fees	982,787	1,214,259	2,197,046
Proceeds from issuance of revenue bonds	1,925,338	3,565,286	5,490,624
Interest paid on bonds	(22,420)	(41,470)	(63,890)
Bond issuance costs	(61,235)	(113,483)	(174,718)
Acquisition and construction of capital assets	(2,854,517)	(5,621,639)	(8,476,156)
Sale of fixed assets	7,200	126,300	133,500
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(22,847)</u>	<u>(870,747)</u>	<u>(893,594)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Interest income	<u>31,550</u>	<u>221,169</u>	<u>252,719</u>
<b>NET CHANGE IN CASH AND INVESTMENTS</b>	355,351	(93,972)	261,379
<b>CASH AND INVESTMENTS - BEGINNING OF YEAR</b>	<u>782,128</u>	<u>5,077,552</u>	<u>5,859,680</u>
<b>CASH AND INVESTMENTS - END OF YEAR</b>	<u>\$ 1,137,479</u>	<u>\$ 4,983,580</u>	<u>\$ 6,121,059</u>

See accompanying notes to basic financial statements.

**VILLAGE OF JACKSON**  
**STATEMENT OF CASH FLOWS - CONTINUED**  
**PROPRIETARY FUNDS**  
YEAR ENDED DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Totals</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</u></b>			
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Operating income (loss)	\$ (87,231)	\$ (427,792)	\$ (515,023)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	542,213	863,039	1,405,252
Amortization of premium	(4,267)	(7,765)	(12,032)
Changes in assets and liabilities:			
(Increase) decrease in customer and other receivables	(33,143)	(32,192)	(65,335)
(Increase) decrease in inventories	(14,634)	-	(14,634)
(Increase) decrease in due from general fund	-	-	-
(Increase) decrease in prepaid expenses	(6,438)	(7,666)	(14,104)
(Increase) decrease related to pensions and OPEB	17,735	20,690	38,425
Increase (decrease) in accounts payable	(55,558)	103,153	47,595
Increase (decrease) in accrued liabilities	(4,895)	41,501	36,606
Increase (decrease) in compensated absences payable	(7,134)	2,638	(4,496)
<b>NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 346,648</b>	<b>\$ 555,606</b>	<b>\$ 902,254</b>
<b><u>RECONCILIATION OF CASH AND INVESTMENTS TO STATEMENT OF NET POSITION - PROPRIETARY FUNDS</u></b>			
Cash and investments reported as current assets	\$ 935,642	\$ 1,619,216	\$ 2,554,858
Cash and investments reported as restricted assets	201,837	3,364,364	3,566,201
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 1,137,479</b>	<b>\$ 4,983,580</b>	<b>\$ 6,121,059</b>
<b><u>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>			
Capital outlay paid by developers	\$ 934,407	\$ 963,415	\$ 1,897,822

See accompanying notes to basic financial statements.

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

	<b>Custodial Funds</b>
	<b>Tax Collection Fund</b>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 3,002,699
Taxes receivable	5,547,879
<b>TOTAL ASSETS</b>	<b>8,550,578</b>
<b><u>LIABILITIES</u></b>	
Due to other taxing units	8,550,578
<b>TOTAL LIABILITIES</b>	<b>8,550,578</b>
<b>NET POSITION</b>	<b>\$ -</b>

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

	<b>Custodial Funds</b>
	<b>Tax Collection Fund</b>
<b><u>ADDITIONS</u></b>	
Collection of property tax	\$ 8,918,593
<b>TOTAL ADDITIONS</b>	<b>8,918,593</b>
<b><u>DEDUCTIONS</u></b>	
Distributions to other governmental units	8,918,593
<b>TOTAL DEDUCTIONS</b>	<b>8,918,593</b>
<b>NET POSITION, January 1</b>	<b>-</b>
<b>NET POSITION, December 31</b>	<b>\$ -</b>

See accompanying notes to basic financial statements.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023

**Note A - Summary of Significant Accounting Policies**

The basic financial statements of the Village of Jackson (the "Village") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental 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.

**Financial Reporting Entity**

This report includes all of the funds of the Village. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities are, in substance, part of the government's operations and are reported with similar funds of the primary government.

This report does not contain any component units or blended component units.

**Basis of Presentation**

**Government-wide Financial Statements**

The statement of net position and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange revenues. Business-type activities are financed, in whole or in part, by fees charged to external parties for goods and services. Eliminations have been made to avoid double counting of internal activities of the Village.

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Basis of Presentation (continued)**

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses.

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

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

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

**Major Funds**

The Village reports the following major governmental funds:

*General Fund* - The General Fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all financial transactions except those legally and/or administratively required to be accounted for in another fund.

*Debt Service Fund* - This fund accounts for the accumulation of resources for, and the payment of, general long-term obligations principal, interest and related costs (other than debt accounted for in the Proprietary Funds).

*Capital Projects Fund* - This fund accounts for the activities involving borrowing for construction or purchase of capital assets.

*Tax Incremental District No. 4* - This fund accounts for revenues and expenditures associated with the Tax Incremental District No. 4.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Major Funds (continued)**

*Tax Incremental District No. 7* – This fund accounts for revenues and expenditures associated with the Tax Incremental District No. 7.

The Village reports the following major proprietary funds:

*Water Utility Enterprise Fund* – This fund accounts for the activities of operating the water distribution system.

*Sewer Utility Enterprise Fund* – This fund accounts for the activities of operating the sewage treatment plant, sewage pumping stations, and collections systems.

**Non-Major Funds**

The Village reports the following non-major governmental funds:

*Special Revenue Funds* – Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or assigned to expenditures for specific purposes. The Village reports the following non-major special revenue funds:

*Recreation Fund*  
*Hotel/Motel Tax Fund*  
*Park Fund*  
*Special Revenue*

*Capital Projects Funds* – Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures of funds for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village reports the following non-major capital projects fund:

*Tax Incremental District No. 5*  
*Tax Incremental District No. 6*

Additionally, the Village reports the following fund type:

*Fiduciary Funds* – Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Village's custodial fund is used for recording assets collected for other taxing jurisdictions. Since by definition these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not included in the preparation of the government-wide financial statements.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Government-wide Financial Statements

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

Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

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

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

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available, are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources. Amounts received prior to meeting eligibility requirements are recorded as unearned revenue.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources. Delinquent special assessments being held by the county are reported as receivable and deferred inflows of resources.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Fund Financial Statements (continued)

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

The Village reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds allow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from non-operating 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 enterprise funds are charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Estimates**

The preparation of the Village's financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Cash and Investments**

The Village's cash and cash equivalents consist of cash on hand and demand deposits. Cash balances for individual funds are pooled unless maintained in segregated accounts. For purposes of the statement of cash flows for the enterprise funds, cash equivalents are temporary cash investments with a maturity of three months or less at the date of purchase.

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period.



**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Cash and Investments (continued)**

Wisconsin Statute 66.0603 authorizes the Village to invest in the following types of investments:

- Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in Wisconsin.
- Bonds or securities of any county, drainage district, technical college district, Village, City, Town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed by the federal government and its agencies.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

As discussed in Note C, the Village categorizes fair value measurements of its investments based on the hierarchy established by GAAP. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

*Exchange Traded Funds:* Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Village believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Interest income is recorded on the accrual basis. Interest income on comingled investments of the Village's accounting funds is allocated based on average investment balances. Purchases and sales of investments are recorded on a trade-date basis. Realized gains and losses of the Village's assets are reported in the statement of revenues, expenditures and changes in fund balances. Adjustments necessary to record investments at fair value are recorded in the statement of revenues, expenditures and changes in fund balance as interest income.

The Village also has investments in the Local Government Investment Pool ("LGIP"), which is valued at amortized cost and is exempt from fair value disclosure.

The Village has adopted an investment policy which permits all investments allowed under the state statutes as described above.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Receivables**

In the government-wide statements, receivables consist of all revenues earned or to which the Village is otherwise entitled and has not yet received.

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

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. No provision for uncollectible accounts receivable has been made for the proprietary funds because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

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

Details of the Village’s property tax calendar for the 2023 tax levy follows:

Lien and levy dates	December 2023
Real estate collection due dates:	
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property tax due in full	January 31, 2024
Final settlement with county	August 2024
Tax sale of 2023 delinquent real estate taxes	October 2026

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection. Therefore, management has determined that no allowance accounts are considered necessary.

**Inventories**

Inventories of the utility enterprise funds are generally used in the operation and maintenance of the Water Utility. The inventories are valued at cost using the first-in/first-out method (“FIFO”), which approximates market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**Prepaid Expenditures**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid expenditures.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Restricted Assets**

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements or other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Cash and equivalents of the Village's governmental and proprietary funds have been restricted for the following purposes:

	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Total</b>
Impact fees	\$ 133,220	\$ 33,709	\$ 166,929
South interceptor connection fees	-	20,759	20,759
Unspent debt proceeds	256,006	-	256,006
2023A Bond reserves	-	487,285	487,285
Equipment replacement fund	-	1,302,803	1,302,803
Connection fees	-	1,721,645	1,721,645
<b>Total Restricted Assets</b>	<b>\$ 389,226</b>	<b>\$ 3,566,201</b>	<b>\$ 3,955,427</b>

**Capital Assets**

*Government-wide Statements*

Capital assets, which include property, plant and equipment and intangible assets, are reported in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial cost of more than \$5,000 for general capital assets and infrastructure assets, with an estimated useful life in excess of two years. All capital assets are valued at historical cost or estimated historical costs if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of maintenance and repairs that do not add to the value of the asset or extend the asset life are not capitalized. No interest was capitalized during the current period.

Prior to January 2004, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB Statement No. 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged but not required. The Village has not retroactively reported infrastructure acquired by its governmental fund types prior to implementation of GASB Statement No. 34.

Additions to, and replacements of, capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed funds proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Capital Assets (continued)**

*Government-wide Statements (continued)*

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

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

<b><u>Assets</u></b>	<b><u>Years</u></b>
Buildings	20 - 50
Land improvements	20 - 50
Equipment	5 - 25
Infrastructure	40

*Fund Financial Statements*

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

The Village reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**Compensated Absences**

Employees earn vacation time and compensatory time off in varying amounts in accordance with Village policy. All full-time employees are eligible for paid vacation annually on the anniversary of their date of hire. Payments for vacation will be made at rates in effect when the benefits are used. At December 31, 2023, the total vacation and compensatory benefits accrued were \$382,083 for the governmental activities and \$101,167 for the business-type activities.

Full-time employees may accumulate unused sick leave up to a maximum of 960 hours. Upon retirement from Village employment, in accordance with any provisions of the Wisconsin State Retirement Fund, fifty (50) percent of the value of the accrued sick leave hours, to a maximum of 480 hours based on the last hourly base rate, shall be placed into an account to be used by the retiree or their spouse for medical insurance premiums.

All full-time represented employees may accumulate unused sick leave up to a maximum of 1,020 hours. Upon death or retirement, 100% of accumulated sick leave credits converted to its monetary value at the employee's last rate of pay will be held by the Village and utilized for the sole purpose of paying health insurance premiums for themselves and/or their dependents.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Compensated Absences (continued)**

Nonexempt employees shall be allowed to utilize accrued compensatory time off, subject to approval of their immediate supervisor. The choice of compensatory time credit or pay must be made by the employee when the overtime is worked, with the exception of December during which month all overtime worked shall be paid as overtime. Compensatory time off will be allowed to accumulate until the employee has accrued forty (40) hours in a regenerated account. Accumulated compensatory time off must be used in the calendar year in which it is earned. In the event there are extenuating medical or operational reasons an employee cannot utilize all accrued compensatory time in the same calendar year, the employee's supervisor may grant a one-time allowance for remaining compensatory time to be paid on the last pay period in December of the current calendar year. Exempt employees are not eligible for compensatory time off.

All vested 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 only if they have matured, for example, as a result of employee resignations and retirements.

**Deferred Outflows / Inflows of Resources**

In accordance with GASB, the statement of financial position will sometimes report separate sections for deferred outflows and inflows of resources.

The separate financial statement element, deferred outflows of resources, represents a decrease in net position or fund balance that applies to future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports deferred outflows of resources related to pensions and OPEB.

The separate financial statement element, deferred inflows of resources, represents an increase in net position or fund balance that applies to a future period(s) and thus, will not be recognized as an inflow of resources (revenue) until then. The Village reports deferred inflows of resources related to property taxes, pensions, and OPEB.

**Pensions**

The fiduciary net position of the Wisconsin Retirement System ("WRS") has been determined using the flow of economic resources measurement focus and the 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.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Other Post-Employment Benefits (OPEB)**

The fiduciary net position of the Local Retiree Life Insurance Fund ("LRLIF") has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the following:

- Net OPEB Liability
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits, and
- OPEB Expense (Revenue)

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

**Long-term Obligations**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, developer agreements, unamortized premium on debt, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt and premiums on issuance are reported as other financing sources. Payments of principle and interest, losses on debt refunding, as well as costs of issuance are reported as expenditures in the period in which they occur.

For the government-wide statements, bond premiums are deferred and amortized over the life of the issue using the straight-line method. Gains or losses on refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. Unamortized premiums are shown as a liability on the statement of net position. The balance at year-end for gains/losses, is shown as a deferred outflows or resources or deferred inflow of resources on the statement of net position. The accounting for proprietary fund obligations is the same in the fund financial statements as it is in the government-wide financial statements.

**Claims and Judgements**

When applicable, claims and judgments are recorded as liabilities if all of the conditions of GASB pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note A - Summary of Significant Accounting Policies (continued)**

**Net Position and Fund Balances**

Government-wide Financial Statements

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

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

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

*Unrestricted Net Position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Governmental Fund Financial Statements

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

The Village's fund balance classification policies and procedures are as follows:

*Non-spendable Fund Balance* - includes amounts that cannot be spent because they are not in a spendable form and cannot be converted to cash or because they are legally or contractually required to remain intact.

*Restricted Fund Balance* - includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

*Committed Fund Balance* - includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Village Board, the Village's highest level of decision-making authority. This formal action is a Village Board resolution.

*Assigned Fund Balance* - includes amounts that are constrained by the Village's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Village Administrator.

*Unassigned Fund Balance* - is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports an unassigned fund balance amount.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

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

Governmental Fund Financial Statements (continued)

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the Village's general policy to use restricted resources first.

When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the Village's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

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

It is the goal of the Village to achieve and maintain an unassigned fund balance in the general fund at fiscal year-end equal to a minimum of 35% and a maximum of 75% of the ensuing year's total budgeted general fund expenditures.

**Utility User Rates**

Water Utility user rates currently in place were approved by the Village Board effective October 1, 2023. Sewer Utility rates currently in place were approved by the Village Board effective October 1, 2023.

**Note B - Stewardship, Compliance, and Accountability**

**DNR Replacement Fund**

The Wisconsin Department of Natural Resources required the creation of an equipment replacement fund as a condition of receiving a grant for the sewer utility. The equipment replacement fund has been established and the balance at December 31, 2023 was \$1,302,803.

**Deficit Fund Balance**

At December 31, 2023 the following funds had a deficit fund balance:

<u>Fund</u>	<u>Amount</u>
TID #4	\$ 438,332
TID #7	589,476



**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note C - Cash and Investments**

The Village's cash and investments at December 31, 2023 consisted of the following:

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
<b>Custodial Risk:</b>			
Petty cash	\$ 150	\$ -	\$ 150
Demand deposits	5,851,404	-	5,851,404
Money market	8,076,731	-	8,076,731
Local government investment pool	-	3,474,011	3,474,011
<b>Custodial and Interest Rate Risk:</b>			
Fixed income - Government securities	-	2,575,868	2,575,868
<b>Custodial, Interest Rate and Credit Risk:</b>			
Mutual funds - Government obligations	-	51,000	51,000
<b>Total cash and investments</b>	<u>\$ 13,928,285</u>	<u>\$ 6,100,879</u>	<u>\$ 20,029,164</u>

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

**Per Statement of Net Position**

Cash and investments	\$ 13,071,038
Restricted cash and investments	3,955,427

**Per State of Fiduciary Net Position**

Cash and investments	<u>3,002,699</u>
<b>Total cash and investments</b>	<u>\$ 20,029,164</u>

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

The LGIP does not have a credit quality rating and is also not subject to credit risk disclosures because investments are not issued in securities form. It is part of the State Investment Fund ("SIF") and is managed by the State of Wisconsin Investment Board. The LGIP is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually and carries investments at amortized cost for purposes of calculating income to participants. At December 31, 2023, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount reported in these statements.

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

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note C - Cash and Investments (continued)**

The Village has investments through Ehlers Investment Partners, LLC and Pershing Advisor Solutions consisting of money market accounts, fixed income securities and mutual funds. Ehlers is the joint marketing name of the following affiliated businesses (collectively, the "Affiliates"): Ehlers & Associates, Inc. ("EA"), a municipal advisor registered with the Municipal Securities Rulemaking Board ("MSRB") and the Securities and Exchange Commission ("SEC"); Ehlers Investment Parts, LLC ("EIP"), an SEC registered investment advisor; and Bond Trust Services Corporation ("BTS"), holder of a limited banking charter issued by the State of Minnesota. Funds may be withdrawn from bank deposit accounts and money market accounts upon order.

Ehlers Investment Partners, LLC is covered by the Securities Investor Protection Corporation ("SIPC") which provides protection including loss of cash and securities held by a customer at a financially-troubled SIPC-member brokerage firm. The limit of SIPC protection is \$500,000, which includes a \$250,000 limit for cash.

The Village has adopted an investment policy which permits all investments allowed under the state statutes.

**Custodial Risk**

Custodial risk is the risk that, in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village's carrying value for cash and investments was \$20,029,164 at December 31, 2023, and the bank's carrying value was \$20,140,034, of which \$1,550,000 was fully insured, \$13,100,282 was collateralized by pledges, and \$5,489,752 was uninsured and uncollateralized.

The Village has policies to minimize custodial risk, which is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to it, by:

- Maintaining a list of financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services.
- All financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

**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 market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Village's investment policy limits the maturity of any security in accordance with state statutes and structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note C - Cash and Investments (continued)**

Interest Rate Risk (continued)

Information regarding the exposure of the Village's investments to this risk using the segmented time distribution model is as follows:

<b><u>Type of Investment</u></b>	<b><u>Fair Value</u></b>	<b><u>Investment Maturities in Years</u></b>	
		<b><u>Less than 1 Year</u></b>	<b><u>1-5 Years</u></b>
<b>Pershing-Ehlers Investments</b>			
US Government bonds/securities	\$ 2,575,868	\$ 2,575,868	\$ -
Mutual Funds/Government obligations	51,000	51,000	-
	<u>\$ 2,626,868</u>	<u>\$ 2,626,868</u>	<u>\$ -</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government Securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

The Village has policies to minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in the policy resolution.
- The Village Board shall by resolution each year approve the public depositories within the Village that are deemed appropriate for use under the state and federal law.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- Maintain balances with its banking financial institutions that do not exceed the combined amount FDIC insurance and State Deposit Guarantee Fund insurance, along with the amount of collateralized deposits per an agreement with its primary banking institution. However, deposits may temporarily exceed the insured and collateralized amounts during periods when property taxes are collected.

The Village's deposits were exposed to custodial credit risk as follows:

<b><u>Type of Investment</u></b>	<b><u>Amount</u></b>	<b><u>Rating as of 12/31/2023</u></b>
<b>Pershing-Ehlers Investments</b>		
Mutual Funds - Government obligations	<u>\$ 51,000</u>	AAAm

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note C - Cash and Investments (continued)**

Fair Value Measurements of Investments

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 assets and is described as follows:

- Level 1            Unadjusted quoted prices in active markets for identical assets or liabilities that a government can access at the measurement date.
- Level 2            Significant inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3            Significant unobservable inputs for an asset or liability.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Exempt from Disclosure</b>	<b>Total</b>
LGIP	-	-	-	3,474,011	3,474,011
Mutual funds-Government obligations	51,000	-	-	-	51,000
US government bonds/securities	2,575,868	-	-	-	2,575,868
	<b>\$ 2,626,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,474,011</b>	<b>\$ 6,100,879</b>

**Note D - Receivables**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not available and cannot be used to liquidate liabilities of the current period. Special assessments are not available and cannot be used to liquidate liabilities in the current period. Governmental funds also report deferred inflows of resources in connection with resources that have been received, but not yet earned.

A provision for uncollectable accounts has been provided for rescue squad receivables as the Village has determined that some accounts will not be collected. The receivable and allowance at year end for these rescue squad services were \$353,445 and (\$294,097), respectively.

A provision for uncollectable accounts has not been provided in the customer accounts receivable of the Water and Sewer utilities as the Village has the statutory authority to collect all delinquent utility bills from the property tax roll.

At the end of the current fiscal year, the various components of deferred revenue and deferred inflows of resources reported in the governmental funds were as follows:

<b>Description</b>	<b>Unearned</b>
Property taxes	\$ 6,983,961
Special assessments	430,915
<b>Total Deferred / Unearned Revenue for Governmental Funds</b>	<b>\$ 7,414,876</b>

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note E - Capital Assets**

Governmental Activities

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

<b>Governmental Activities:</b>	<b>Balance 1/1/2023</b>	<b>Additions</b>	<b>Transfers</b>	<b>PPA</b>	<b>Disposals</b>	<b>Balance 12/31/2023</b>
<b>Capital assets not being depreciated:</b>						
Land	\$ 2,087,681	\$ -	\$ -	\$ -	\$ -	\$ 2,087,681
Construction in process	24,897	3,017,897	(24,897)	-	-	3,017,897
<b>Total capital assets not being depreciated</b>	<u>2,112,578</u>	<u>3,017,897</u>	<u>(24,897)</u>	<u>-</u>	<u>-</u>	<u>5,105,578</u>
<b>Capital assets being depreciated:</b>						
Buildings and improvements	18,195,782	9,608	-	-	5,000	18,200,390
Land improvements and structures	-	-	-	-	-	-
Machinery and Equipment	6,305,445	510,592	-	35,085	890,709	5,960,413
Capital leases	-	164,363	24,897	-	-	189,260
Infrastructure	20,416,908	4,581,542	-	12,739,205	-	37,737,655
<b>Total capital assets being depreciated:</b>	<u>44,918,135</u>	<u>5,266,105</u>	<u>24,897</u>	<u>12,774,290</u>	<u>895,709</u>	<u>62,087,718</u>
Less: accumulated depreciation	11,373,000	1,763,151	-	645,229	795,228	12,986,152
Less: accumulated amortization on leases	-	39,838	-	-	-	39,838
<b>Total accumulated</b>	<u>11,373,000</u>	<u>1,802,989</u>	<u>-</u>	<u>645,229</u>	<u>795,228</u>	<u>13,025,990</u>
<b>Net capital assets being depreciated:</b>	<u>33,545,135</u>	<u>\$ 3,463,116</u>	<u>\$ -</u>	<u>\$ 12,129,061</u>	<u>\$ 100,481</u>	<u>49,061,728</u>
<b>Net governmental activities capital assets</b>	<u>\$ 35,657,713</u>					<u>\$ 54,167,306</u>

Depreciation expense was charged to governmental activities of the Village as follows:

General government	\$ 113,110
Public safety	83,132
Public works (includes depreciation of infrastructure)	625,487
Culture and recreation	981,260
<b>Total governmental activities depreciation expense</b>	<u>\$ 1,802,989</u>

A prior period adjustment was made to add capital assets which were acquired through annexation agreements and developer contributions of infrastructure. Depreciation was calculated on these assets and included in the prior period adjustment. See Note J for additional information.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note E - Capital Assets (continued)**

Business-type Activities

Capital asset activity in the business type activities for the year ended December 31, 2023 was as follows:

	<u>Balance 1/1/2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/2023</u>
<b>Water Utility</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 352,219	\$ -	\$ -	\$ 352,219
Construction in process	-	1,695,633	-	1,695,633
<b>Total capital assets not being depreciated</b>	<u>352,219</u>	<u>1,695,633</u>	<u>-</u>	<u>2,047,852</u>
<b>Capital assets being depreciated:</b>				
Infrastructure	24,043,479	1,158,883	(57,295)	25,145,067
<b>Less: accumulated depreciation</b>	<u>(7,577,590)</u>	<u>(542,213)</u>	<u>57,295</u>	<u>(8,062,508)</u>
<b>Net capital assets being depreciated</b>	<u>16,465,889</u>	<u>\$ 616,670</u>	<u>\$ -</u>	<u>17,082,559</u>
<b>Net water utility capital assets</b>	<u>\$ 16,818,109</u>			<u>\$ 19,130,412</u>
	<u>Balance 1/1/2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/2023</u>
<b>Sewer Utility</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 32,500	\$ -	\$ -	\$ 32,500
Construction in process	-	4,018,857	-	4,018,857
<b>Total capital assets not being depreciated</b>	<u>32,500</u>	<u>4,018,857</u>	<u>-</u>	<u>4,051,357</u>
<b>Capital assets being depreciated:</b>				
Infrastructure	32,360,568	1,602,782	(341,926)	33,621,424
<b>Less: accumulated depreciation</b>	<u>(20,481,804)</u>	<u>(863,039)</u>	<u>341,926</u>	<u>(21,002,917)</u>
<b>Net capital assets being depreciated</b>	<u>11,878,764.48</u>	<u>\$ 739,743</u>	<u>\$ -</u>	<u>12,618,507</u>
<b>Net sewer utility capital assets</b>	<u>\$ 11,911,264</u>			<u>\$ 16,669,864</u>

Depreciation expense was charged to business-type activities of the Village as follows:

Water Utility	\$ 542,213
Sewer Utility	863,039
<b>Total business-type activities depreciation expense</b>	<u>\$ 1,405,252</u>

Depreciation expense may differ from business-type activity accumulated depreciation additions due to joint metering costs, salvage and costs associated with disposal of assets.

**Note F - Inter-fund Receivables, Payables and Transfers**

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds". Long-term interfund loans (non-current portion) are reported as "advances from and to other funds". Interfund receivables and payables between funds within governmental activities are eliminated on the statement of net position.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note F - Inter-fund Receivables, Payables and Transfers (continued)**

Advances from and to other funds consist of the following at December 31, 2023:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General capital projects	TID No. 4	\$ 1,165,886
General fund	TID No. 7	491,429
		<u>\$ 1,657,315</u>

Advances will be repaid with future tax increment, future borrowings and fund transfers.

Due to and from other funds consist of the following at December 31, 2023:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
None in cy		\$ -

Interfund transfers consist of the following at December 31, 2023:

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>
TID #7	Debt Service	\$ 118,989
Fire and EMS	Debt Service	71,454
General Fund	Fire and EMS	513,572
		<u>\$ 704,015</u>

**Note G - Long-term Obligations**

General Obligation Debt

General obligation notes and bonds payable are backed by the full faith and credit of the Village. Governmental funds general obligation debt will be retired by future property tax levies and tax increments accumulated in the Debt Service Fund. Business-type activities general obligation debt will be retired by revenues from user fees or, if the revenues are not sufficient to cover debt, by future tax levies.

Water and Sewer Revenue Bonds

During the year ended December 31, 2023, the Village issued \$5,250,000 in water and sewer revenue bonds. Proceeds from the bonds provided financing for capital projects within the water and sewer utilities. These bonds carry interest rates ranging from 4.00% to 5.00% and mature on May 1, 2043. There were no principal and interest payments due on these bonds during 2023. Business-type activities revenue bonds are payable solely from revenues derived from the operation of the water and sewer utilities of the Village.

By Board resolution, the utilities have pledged future water and sewer revenues to repay revenue bonds. The Village covenants to maintain the utility systems in reasonably good condition and operate the utility system and to establish, charge and collect such lawfully established rates and charges for the services provided by the utility system so that net revenues will be at least 1.25 times the amount of principal and interest coming due on all outstanding bonds payable from the net revenues of the utility system each year. The Village has met this requirement.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note G - Long-term Obligations (continued)**

Water and Sewer Revenue Bonds (continued)

A reserve requirement was established equal to the least of (a) 10% of the stated principal amount of the bonds; (b) the maximum annual debt service on the bonds in a bonds year; and (c) 125% of average annual debt service on the bonds in a bond year; provided, however, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the outstanding bonds in any bond year. The Village has met this requirement.

Developer Agreement Obligations

The Village has entered into various agreements with developers. The Village is obligated to pay various amounts to developers if certain conditions of the developer agreements are fulfilled that contribute to economic development or otherwise benefit the Village or the citizens of the Village. As of December 31, 2023, the Village was obligated under two agreements for a total of \$2,113,293. These amounts will be paid out over various time periods. A portion of the annual tax increments levied for TID #5 and TID #6 are being used to fund these payments.

Developer Deposits

The Village has received deposits from three developers for infrastructure advancement in new housing developments. As of December 31, 2023, the Village held deposits totaling \$1,316,436 for the Morning Meadows Phase 3 project, the Maple Fields Phase 1 project, and the Next Generation Housing fund. These amounts will be repaid over various time periods as work on the projects progresses.

Compensated Absences

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



**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note G - Long-term Obligations (continued)**

Outstanding debt and other long-term obligations were comprised of the following at December 31, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities</u></b>					
<b>General obligation debt:</b>					
General obligation notes	\$ 2,948,292	\$ -	\$ 368,824	\$ 2,579,468	\$ 395,734
General obligation bonds	16,372,000	1,465,000	960,000	16,877,000	921,000
<b>Direct borrowings</b>					
State trust fund loans	511,823	-	107,392	404,431	110,579
<b>Capital leases</b>	-	164,363	19,623	144,740	27,794
<b>Total general obligation debt</b>	<u>19,832,115</u>	<u>1,629,363</u>	<u>1,455,839</u>	<u>20,005,639</u>	<u>1,455,107</u>
<b>Other liabilities:</b>					
Developer agreements	\$ 1,695,370	\$ 1,917,924	\$ 1,500,001	\$ 2,113,293	\$ 594,342
Premium on debt issuance	743,517	-	44,410	699,107	44,411
Compensated absences	376,772	5,311	-	382,083	-
<b>Total other liabilities</b>	<u>2,815,659</u>	<u>1,923,235</u>	<u>1,544,411</u>	<u>3,194,483</u>	<u>638,753</u>
<b>term obligations</b>	<u>\$ 22,647,774</u>	<u>\$ 3,552,598</u>	<u>\$ 3,000,250</u>	<u>\$ 23,200,122</u>	<u>\$ 2,093,860</u>
<b><u>Business-type Activities</u></b>					
<b>Other liabilities:</b>					
Water and sewer revenue bonds	\$ -	\$ 5,250,000	\$ -	\$ 5,250,000	\$ 270,000
Premium on revenue bond issuance	-	240,624	12,032	228,592	12,032
Compensated absences	105,663	-	4,496	101,167	-
<b>Total business-type activities:</b>	<u>\$ 105,663</u>	<u>\$ 5,490,624</u>	<u>\$ 16,528</u>	<u>\$ 5,579,759</u>	<u>\$ 282,032</u>
<b>Total Long-Term Obligations</b>	<u>\$ 22,753,437</u>	<u>\$ 9,043,222</u>	<u>\$ 3,016,778</u>	<u>\$ 28,779,881</u>	<u>\$ 2,375,892</u>

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note G - Long-term Obligations (continued)**

General obligation debt for governmental activities of the Village currently outstanding is as follows:

<b>Governmental Activities</b>	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Principal</b>	<b>Balance 12/31/2023</b>
G.O. Promissory Note	4/10/2018	5/1/2028	3.25%	600,000	324,468
G.O. Taxable Promissory Note	6/27/2019	6/1/2028	2.65% - 3.00%	1,020,000	820,000
G.O. Promissory Note	12/30/2019	6/1/2029	1.35% - 2.00%	2,005,000	1,435,000
G.O. Refunding Bond	12/9/2014	6/1/2028	0.40% - 3.55%	3,025,000	1,047,000
G.O. Community Dev Bond	6/27/2019	6/1/2039	3.00%	1,235,000	1,215,000
G.O. Bond	12/30/2019	6/1/2039	2.00% - 3.00%	6,350,000	5,825,000
State Trust Fund Loan	3/21/2017	3/15/2027	3.00%	550,000	239,554
State Trust Fund Loan	11/28/2016	3/15/2026	3.00%	450,000	164,877
G.O. Bond	2/25/2021	6/1/2030	1.00% - 3.00%	8,030,000	7,325,000
G.O. Bond	2/1/2023	6/1/2039	4.20%-5.00%	1,465,000	1,465,000
<b>Total general obligation debt - governmental activities</b>					<b>\$ 19,860,899</b>

General obligation debt for business-type activities of the Village currently outstanding is as follows:

<b>Business Activities</b>	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Principal</b>	<b>Balance 12/31/2023</b>
Water and sewer revenue bond	7/6/2023	5/1/2043	4.00%-5.00%	5,250,000	5,250,000
<b>Total general obligation debt - business activities</b>					<b>\$ 5,250,000</b>

The annual debt service requirements to maturity for general obligation long-term debt for governmental activities as of December 31, 2023, are as follows:

<b>Year Ending</b>	<b>Governmental Activities</b>							
	<b>G.O. Notes</b>		<b>G.O. Bonds</b>		<b>STF Loans</b>		<b>Totals</b>	
<b>December 31,</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>
2024	\$ 395,733	\$ 56,082	\$ 921,000	\$ 410,045	\$ 110,579	\$ 12,166	\$ 1,427,312	\$ 478,293
2025	427,764	46,623	917,000	382,073	113,930	8,816	1,458,694	437,512
2026	454,832	36,205	939,000	353,467	117,348	5,398	1,511,180	395,070
2027	496,968	25,003	961,000	323,868	62,574	1,877	1,520,542	350,748
2028	529,171	12,956	984,000	293,291	-	-	1,513,171	306,247
2029-2033	275,000	2,750	5,080,000	1,070,297	-	-	5,355,000	1,073,047
2034-2038	-	-	5,495,000	492,407	-	-	5,495,000	492,407
2039-2043	-	-	1,580,000	23,933	-	-	1,580,000	23,933
	<b>\$ 2,579,468</b>	<b>\$ 179,619</b>	<b>\$ 16,877,000</b>	<b>\$ 3,349,381</b>	<b>\$ 404,431</b>	<b>\$ 28,257</b>	<b>\$ 19,860,899</b>	<b>\$ 3,557,257</b>

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note G - Long-term Obligations (continued)**

Year Ending December 31,	Business-type Activities			
	Revenue Bonds		Totals	
	Principal	Interest	Principal	Interest
2024	\$ 270,000	\$ 301,868	\$ 270,000	\$ 301,868
2025	270,000	213,650	270,000	213,650
2026	270,000	200,150	270,000	200,150
2027	270,000	186,650	270,000	186,650
2028	270,000	173,150	270,000	173,150
2029-2033	1,300,000	670,800	1,300,000	670,800
2034-2038	1,300,000	390,000	1,300,000	390,000
2039-2043	1,300,000	130,000	1,300,000	130,000
	<u>\$ 5,250,000</u>	<u>\$ 2,266,268</u>	<u>\$ 5,250,000</u>	<u>\$ 2,266,268</u>

Leases

The Village entered into several lease agreement for police vehicles during the year ended December 31, 2023. Future minimum required payments under these contracts are as follows:

<u>Years Ending December 31,</u>	<u>Minimum Payment</u>
2024	\$ 27,794
2025	27,794
2026	24,057
2027	9,278
	<u>\$ 88,923</u>

Leased vehicles are expected to have a residual value at the end of the lease period.

Debt premiums are deferred and amortized using the straight-line method over the life of the debt issuance in the government-wide statements. The unamortized debt premiums are reported in the liability section.

Activity for the year ended December 31, 2023 is summarized as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>Beginning</b>	<b>Additions</b>	<b>Amortization</b>	<b>Ending</b>
Governmental activities	<u>\$ 743,518</u>	<u>\$ -</u>	<u>\$ (44,411)</u>	<u>\$ 699,107</u>
	<b>Balance</b>			<b>Balance</b>
	<b>Beginning</b>	<b>Additions</b>	<b>Amortization</b>	<b>Ending</b>
Business Activities	<u>\$ -</u>	<u>\$ 240,624</u>	<u>\$ (12,032)</u>	<u>\$ 228,592</u>

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note G - Long-term Obligations (continued)**

Margin of Indebtedness

The Wisconsin Statutes restrict the Village's general obligation debt to 5% of the equalized value of all property in the Village. This amount is compared below with the outstanding debt on December 31, 2023:

Equalized Value - 2023	\$ 1,182,093,600
Debt limit (5% of \$1,182,093,600)	59,104,680
Deduct general obligation debt	<u>(19,860,899)</u>
Margin of indebtedness	<u><u>\$ 39,243,781</u></u>

Other Debt Information

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

Subsequent Debt Issuances

Subsequent to year-end, the Village issued \$5,695,000 in General Obligation Promissory Notes, Series 2024A for the purpose of funding a remodeling project for the Village Community Center. Interest on these bonds varies between 4.00% and 5.00%. Final payment will be June 1, 2044.

Subsequent to year-end, the Village issued \$5,709,010 in Water and Sewer System Revenue Bonds, Series 2024 for the purpose of providing for the payment of the cost of constructing improvements to the Sewer System of the Municipality. Interest on these bonds is 2.31%. Final payment will be May 1, 2044.

**Note H - Lease Income**

The Village has entered into various lease agreements with telecommunications companies, wherein the Village has agreed to allow the use of Village property for the purpose of telecommunications relays. Payments received on these leases totaled \$63,030 for the year ended December 31, 2023. Future minimum lease payments receivable in conjunction with these leases are as follows:

<b>Year</b>	<b>Amount</b>
2024	\$ 63,030
2025	63,030
2026	65,958
2027	65,958
2028	65,958
2029-2033	336,234
2034-2038	218,006
2039-2041	<u>116,935</u>
<b>Expected future lease receipts</b>	<b><u><u>\$ 995,109</u></u></b>

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note I - Net Position and Fund Balances**

**Governmental Activities**

Governmental net position at December 31, 2023 consists of the following:

**Net investment in capital assets:**

Land	\$ 2,087,681	
Construction in process	3,017,897	
Other capital assets, net of accumulated depreciation	48,912,306	
Leased asset, net of accumulated amortization	149,422	
Less: Related long-term debt	(20,005,639)	
Less: Premium on issuance	(699,107)	
Plus: Unspent proceeds on long-term debt	256,006	
		\$ 33,718,566

**Restricted for:**

Debt service	367,328	
Police K-9 program	46,543	
TID #5	13,267	
TID #6	317,035	
WRS Pension	686,558	
		1,430,731
<b>Unrestricted</b>		3,408,227

**Total Governmental Activities Net Position** \$ 38,557,524

**Business-type Activities**

**Net investment in capital assets:**

Land	\$ 384,719	
Construction in process	5,714,490	
Capital assets, net of accumulated depreciation	29,701,067	
Less: Related long-term debt	(5,250,000)	
Less: Unamortized premium on debt	(228,592)	
		\$ 30,321,684

**Restricted for:**

Capital projects	1,824,685	
2023 Bond reserve	487,285	
Equipment replacement	1,254,231	
WRS pension	114,630	
		3,680,831
<b>Unrestricted</b>		2,763,313

**Total Business-type Activities Net Position** \$ 36,765,828

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note I - Net Position and Fund Balances (continued)**

Governmental Fund Financial Statements

**Nonspendable:**

Prepaid expenditures	\$ 89,489	
Advances	<u>1,657,315</u>	\$ 1,746,804

**Restricted:**

Debt service fund	367,328	
Police K-9 program	46,543	
Tid #5	13,267	
TID #6	<u>317,035</u>	744,173

**Assigned:**

Fire/EMS fund	776,531	
Recreation fund	97,093	
Hotel/Motel tax fund	107,719	
Park fund	<u>174,364</u>	1,155,707

**Unassigned:**

		<u>3,091,989</u>
<b>Total governmental funds - Fund balance</b>		<u><u>\$ 6,738,673</u></u>

**Note J - Restatement of Net Position**

A prior period adjustment was made to the government-wide statement of net position to move prior years' infrastructure gained through annexation and developer contributions, along with related depreciation expense, to the Village. Additional machinery noted through a review of the capital asset schedule was added, along with accumulated depreciation. The net effect of these changes in net position are as follows:

**Government-wide Statement of Net Position**

	<u>Net position</u>
Net position as of December 31, 2022	\$ 20,859,838
Adjustment due to correction of an error	<u>12,129,060</u>
Net position as of December 31, 2022, as restated	<u><u>\$ 32,988,898</u></u>

**Note K - WRS Pension Plan**

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note K - WRS Pension Plan (continued)**

***Plan Description (continued)***

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

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

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

***Benefits provided.*** Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note I - WRS Pension Plan (continued)**

***Post-Retirement Adjustments (continued)***

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2013	(9.6)%	9%
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13
2022	7.4	15

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

During the reporting period, the WRS recognized \$275,167 in contributions from the employer.

Contribution rates as of December 31, 2023 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%	13.22%
Protective without Social Security	6.80%	18.12%

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

At December 31, 2023, the Village reported a liability of \$1,204,227 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 liability 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 0.02273110%, which was an increase of 0.00097562% from its proportion measured as of December 31, 2021.



**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note K - WRS Pension Plan (continued)**

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

For the year ended December 31, 2023, the Village recognized pension expense (revenue) of \$553,747.

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

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 1,917,958	\$ 2,519,768
Net differences between projected and actual earnings on pension plan investments	2,045,703	-
Changes in assumptions	236,800	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,584	24,891
Employer contributions subsequent to the measurement date	<u>330,987</u>	<u>-</u>
	<b><u>\$ 4,538,032</u></b>	<b><u>\$ 2,544,659</u></b>

The amount of \$330,987 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b><u>Year Ended December 31,</u></b>	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
2023	\$ 2,327,651	\$ 2,261,120
2024	2,039,808	1,697,060
2025	1,638,012	1,288,035
2026	1,281,375	378,245

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note K - WRS Pension Plan (continued)**

**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	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-term Expected Rate of Return:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. 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.

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note K - WRS Pension Plan (continued)**

**Long-term Expected Return on Plan Assets (continued).** The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**Asset Allocation Targets and Expected Returns<sup>1</sup>**  
**As of December 31, 2022**

<u>Core Fund Asset Class</u>	<u>Asset Allocation</u> %	<u>Long-Term</u> <u>Expected Nominal</u> <u>Rate of Return %</u>	<u>Long-Term</u> <u>Expected Real</u> <u>Rate of Return %<sup>2</sup></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	<u>15</u>	9.6	6.9
Total Core Fund <sup>3</sup>	<u>115</u> %	7.4 %	4.8 %
<u>Variable Fund Asset Class</u>			
U.S. Equities	70 %	7.2 %	4.6 %
International Equities	<u>30</u>	8.1	5.5
Total Variable Fund	<u>100</u> %	7.7 %	5.1 %

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

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

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

**Single Discount rate.** A single discount rate of 6.80% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 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 6.80% 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.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note K - WRS Pension Plan (continued)**

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

	<b>1% Decrease to Discount Rate (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase to Discount Rate (7.80%)</b>
Village's proportionate share of the net pension liability (asset)	\$ 3,996,787	\$ 1,204,226	\$ (716,816)

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

**Payables to the Pension Plan.** The Village reported a payable of \$46,324 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2023.

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”)**

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

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

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

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

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

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”) - (continued)**

Contribution rates as of December 31, 2023 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2022 are as listed below:

<b>Life Insurance Employee Contribution Rates* For the year ended December 31, 2022</b>		
<b>Attained Age</b>	<b>Basic</b>	<b>Supplemental</b>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$977 in contributions from the employer.

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

At December 31, 2023, the Village reported a liability of \$185,558 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 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 OPEB liability was based on the Village’s share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31 2022, the Village’s proportion was 0.04870500%, which was an increase of 0.004039% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized OPEB expense of \$17,976.

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2023  
(CONTINUED)

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”) - (continued)**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 18,161
Net differences between projected and actual earnings on OPEB plan investments	3,482	-
Changes in assumptions	66,667	109,529
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,047	30,168
Employer contributions subsequent to measurement date	<u>1,093</u>	<u>-</u>
	<u>\$ 97,289</u>	<u>\$ 157,858</u>

The amount of \$1,093 reported as deferred outflows related to OPEB resulting from the Village’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023.

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

<b><u>Year Ended December 31,</u></b>	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
2023	\$ 27,634	\$ 31,919
2024	26,173	31,730
2025	23,662	27,114
2026	12,686	25,742
2027	3,529	24,595
2028	2,513	16,758

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”) - (continued)**

**Actuarial assumptions.** The total OPEB liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 – December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	3.72%
Long-term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total OPEB Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

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

**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”) - (continued)**

***Long-term expected Return on Plan Assets (continued).***

**Local OPEB Life Insurance**  
**Asset Allocation Targets and Expected Returns**  
**As of December 31, 2022**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Intermediate Credit Bonds	Bloomberg US Interm Credit	50%	2.45%
US Mortgages	Bloomberg US MBS	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding the expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

**Single Discount rate.** A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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



**VILLAGE OF JACKSON**  
**NOTES TO FINANCIAL STATEMENTS**  
 DECEMBER 31, 2023  
 (CONTINUED)

**Note L - Other Post-Employment Benefits – Local Retiree Life Insurance Fund (“LRLIF”) - (continued)**

***Sensitivity of the Village’s proportionate share of the net OPEB liability to changes in the discount rate.*** The following presents the Village’s proportionate share of the net OPEB liability calculated using the discount rate of 3.76 percent, as well as what the Village’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76 percent) or 1-percentage-point higher (4.76 percent) than the current rate:

	<b>1% Decrease to Discount Rate (2.76%)</b>	<b>Current Discount Rate (3.76%)</b>	<b>1% Increase to Discount Rate (4.76%)</b>
Village's proportionate share of the OPEB liability	\$ 252,988	\$ 185,558	\$ 133,880

**Note M – Joint Agreements**

The Village of Jackson, Town of Jackson, and the Town of Polk have a joint agreement for Fire and EMS services. These activities are accounted for in the Fire and EMS Special Revenue Fund. The cost of this fund is shared by the municipalities based on proportionate share of equalized values and other factors. The cost of operations to the Village for the year ended December 31, 2023 was \$442,118.

**Note N - Litigation and Contingencies**

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted 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 result of operations.

**Note O - Subsequent Events**

Management has evaluated the need for disclosure or recording of transactions resulting from subsequent events through (July 11, 2024) the date the financial statements were available to be issued.

- Subsequent to year-end, the Village issued new debt. See Note G for additional information.

**Note P - Effect of New Accounting Standards on Financial Statements**

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

- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF JACKSON**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND REVENUES**  
YEAR ENDED DECEMBER 31, 2023

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b><u>TAXES</u></b>				
General property taxes	\$ 3,493,652	\$ 3,493,652	\$ 3,493,652	\$ -
Ag use-value penalties	-	-	15,379	15,379
Mobile home parking fees	95,000	95,000	85,105	(9,895)
Taxes from Utilities	260,000	260,000	216,937	(43,063)
Interest on personal property taxes	250	250	414	164
<b>TOTAL TAXES</b>	<b>3,848,902</b>	<b>3,848,902</b>	<b>3,811,487</b>	<b>(37,415)</b>
<b><u>INTERGOVERNMENTAL</u></b>				
Shared taxes from state	330,665	330,665	317,242	(13,423)
State personal property aid	19,975	19,975	19,976	1
State video service aid	19,431	19,431	19,431	-
Exempt computer aid	20,689	20,689	20,689	-
Recycling grants	10,500	10,500	10,569	69
Police - State/Federal aids	4,500	4,500	25,830	21,330
State Aid - in lieu of taxes	500	500	473	(27)
State transportation aid	317,955	317,955	317,996	41
<b>TOTAL INTERGOVERNMENTAL</b>	<b>724,215</b>	<b>724,215</b>	<b>732,206</b>	<b>7,991</b>
<b><u>LICENSES AND PERMITS</u></b>				
Liquor license	3,740	3,740	3,850	110
Hotel/Motel license	300	300	300	-
Operators license	4,000	4,000	3,379	(621)
Cigarette license	300	300	350	50
Video franchise fees	80,000	79,880	75,535	(4,345)
Dog license	5,000	5,000	8,604	3,604
Cat license	500	500	811	311
Other licenses	1,250	1,250	5,025	3,775
Building permits	160,000	160,000	290,791	130,791
Planning/Zoning application fees	3,500	3,500	5,155	1,655
WI permit seals	1,500	1,500	2,205	705
Address/Fire #	1,750	1,750	3,490	1,740
Erosion control permits	5,000	5,000	8,894	3,894
Publication fees	170	170	171	1
<b>TOTAL LICENSES AND PERMITS</b>	<b>267,010</b>	<b>266,890</b>	<b>408,560</b>	<b>141,670</b>

See accompanying notes to required supplementary information.

**VILLAGE OF JACKSON**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND REVENUES**  
YEAR ENDED DECEMBER 31, 2023

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b><u>FINES AND FORFEITURES</u></b>				
Police - Court penalties	52,000	52,000	36,787	(15,213)
Police - Parking fines	4,500	4,500	3,211	(1,289)
<b>TOTAL FINES AND FORFEITURES</b>	<b>\$ 56,500</b>	<b>\$ 56,500</b>	<b>\$ 39,998</b>	<b>\$ (16,502)</b>
<b><u>CHARGES FOR SERVICES</u></b>				
Police - Accident reports	\$ 500	\$ 500	\$ 385	\$ (115)
Police - OWI test/fingerprinting	2,500	2,500	1,847	(653)
Conceal carry class	-	-	2,420	2,420
Police guns/equipment	-	-	360	360
Police restitution	-	-	575	575
Police - DVD's	-	-	60	60
Police - Warrant fees	500	500	35	(465)
Clerks fees	9,000	9,000	10,126	1,126
Public works revenue	100	100	4,931	4,831
Parks trees/shrubs	-	-	600	600
Recycling revenue	-	-	42	42
Street opening permits	1,000	1,000	12,225	11,225
NSF charges	40	40	160	120
Aurora Healthcare payment	31,000	31,000	32,017	1,017
<b>TOTAL CHARGES FOR SERVICES</b>	<b>44,640</b>	<b>44,640</b>	<b>65,783</b>	<b>21,143</b>
<b><u>MISCELLANEOUS AND INTEREST</u></b>				
Interest on temporary investments	6,000	6,000	204,935	198,935
Insurance dividends	9,406	9,406	39,836	30,430
Verizon lease	29,285	29,285	29,285	0
US Cellular lease	30,745	30,745	33,745	3,000
Police - Donations	-	-	103,862	103,862
Miscellaneous general revenue	-	-	4,186	4,186
<b>TOTAL MISCELLANEOUS AND INTEREST</b>	<b>75,436</b>	<b>75,436</b>	<b>415,849</b>	<b>340,413</b>
<b>TOTAL REVENUES</b>	<b>\$ 5,016,703</b>	<b>\$ 5,016,583</b>	<b>\$ 5,473,883</b>	<b>\$ 457,300</b>

See accompanying notes to required supplementary information.

**VILLAGE OF JACKSON**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND EXPENDITURES**  
YEAR ENDED DECEMBER 31, 2023

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b><u>GENERAL GOVERNMENT</u></b>				
Village board	\$ 32,162	\$ 32,162	\$ 31,451	\$ 711
Appointed committee wages	1,884	1,884	4,160	(2,276)
Village attorney	62,000	61,880	31,616	30,264
Administrative wages	410,436	410,436	437,164	(26,728)
Administration	51,550	51,550	55,726	(4,176)
Elections	5,000	5,000	7,573	(2,573)
Admin - audit and accounting	30,000	30,000	39,135	(9,135)
Assessments	40,000	40,000	43,445	(3,445)
Insurance	50,000	50,000	58,320	(8,320)
Utilities	31,600	31,600	18,928	12,672
Supplies	1,500	1,500	14,065	(12,565)
Computer and internet	21,000	21,000	19,995	1,005
Repairs and maintenance	7,300	7,300	3,863	3,437
Signs	1,500	1,500	1,537	(37)
Licenses and fees	2,400	2,400	2,468	(68)
Property tax chargebacks	-	-	1,165	1,165
<b>TOTAL GENERAL GOVERNMENT</b>	<b>748,332</b>	<b>748,212</b>	<b>770,611</b>	<b>(20,069)</b>
<b><u>PUBLIC SAFETY</u></b>				
Police department	2,111,855	2,111,855	2,203,931	(92,076)
Emergency government	5,209	5,209	3,604	1,605
Building inspector	182,242	182,242	142,799	39,443
<b>TOTAL PUBLIC SAFETY</b>	<b>2,299,306</b>	<b>2,299,306</b>	<b>2,350,334</b>	<b>(51,028)</b>
<b><u>PUBLIC WORKS</u></b>				
Engineering	33,351	33,351	36,021	(2,670)
Streets	672,460	672,460	570,469	101,991
Storm sewers	3,000	3,000	3,154	(154)
Trash	324,511	324,511	285,187	39,324
Recycling	189,861	189,861	188,637	1,224
<b>TOTAL PUBLIC WORKS</b>	<b>\$ 1,223,183</b>	<b>\$ 1,223,183</b>	<b>\$ 1,083,468</b>	<b>\$ 139,715</b>
<b><u>CULTURE AND RECREATION</u></b>				
Parks	\$ 202,811	\$ 202,811	\$ 202,525	\$ 286

See accompanying notes to required supplementary information.

**VILLAGE OF JACKSON**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND EXPENDITURES**  
YEAR ENDED DECEMBER 31, 2023

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b><u>CAPITAL OUTLAY</u></b>				
Parks	30,000	30,000	5,262	24,738
Police	-	-	175,363	(175,363)
Public works - contributed and purchased	-	-	3,997,326	(3,997,326)
<b>TOTAL CAPITAL OUTLAY</b>	<u>30,000</u>	<u>30,000</u>	<u>4,177,951</u>	<u>(4,147,951)</u>
<b>TOTAL EXPENDITURES</b>	<u>4,503,632</u>	<u>4,503,512</u>	<u>8,584,889</u>	<u>(4,079,047)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(513,572)	(513,572)	(513,572)	-
Proceeds on leased vehicles	-	-	164,363	164,363
Developer contributions	-	-	3,963,983	3,963,983
Police - Sale of property	500	500	-	(500)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(513,072)</u>	<u>(513,072)</u>	<u>3,614,774</u>	<u>4,127,846</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1)	(1)	503,768	<u>\$ 8,664,193</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>1,969,744</u>	<u>1,969,744</u>	<u>3,725,084</u>	
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,969,743</u>	<u>\$ 1,969,743</u>	<u>\$ 4,228,852</u>	

See accompanying notes to required supplementary information.

**VILLAGE OF JACKSON**  
DECEMBER 31, 2023

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**Wisconsin Retirement System**  
**Last 10 Fiscal Years\***

<b>WRS Year End</b>	<b>Proportion of the net pension (asset) liability</b>	<b>Proportionate share of the net pension (asset) liability</b>	<b>Covered-employee payroll</b>	<b>Net pension (asset) liability as a percentage of employee payroll</b>	<b>Plan fiduciary net position as a percentage of total pension (asset) liability</b>
2022	0.02273110%	\$ 1,204,226	\$ 2,963,207	40.64%	95.72%
2021	0.02175548%	\$ (1,753,531)	\$ 2,858,709	-61.34%	106.02%
2020	0.02083029%	\$ (1,300,463)	\$ 2,784,138	-46.71%	105.26%
2019	0.01972279%	\$ (635,952)	\$ 2,541,523	-25.02%	102.96%
2018	0.01903829%	\$ 677,322	\$ 2,388,882	28.36%	96.45%
2017	0.01831388%	\$ (543,760)	\$ 2,278,882	-23.86%	102.93%
2016	0.01780272%	\$ 145,947	\$ 2,221,840	6.57%	99.12%
2015	0.01782027%	\$ 289,291	\$ 2,128,161	13.59%	98.20%
2014	0.00178682%	\$ (438,892)	\$ 2,005,966	-21.88%	102.74%

**SCHEDULE OF CONTRIBUTIONS**  
**Wisconsin Retirement System**  
**Last 10 Fiscal Years\***

<b>WRS Year End</b>	<b>Contractually required contributions</b>	<b>Contributions in relation to the contractually required contributions</b>	<b>Contribution deficiency (excess)</b>	<b>Covered employee payroll</b>	<b>Contributions as a percentage of covered-employee payroll</b>
2022	\$ 275,167	\$ 275,167	\$ -	\$ 2,963,207	9.29%
2021	\$ 262,567	\$ 262,567	\$ -	\$ 2,858,709	9.18%
2020	\$ 251,023	\$ 251,023	\$ -	\$ 2,784,138	9.02%
2019	\$ 213,126	\$ 213,126	\$ -	\$ 2,541,523	8.39%
2018	\$ 203,618	\$ 203,618	\$ -	\$ 2,388,882	8.52%
2017	\$ 192,405	\$ 192,405	\$ -	\$ 2,278,882	8.44%
2016	\$ 173,975	\$ 173,975	\$ -	\$ 2,221,840	7.83%
2015	\$ 170,215	\$ 170,215	\$ -	\$ 2,128,161	8.00%
2014	\$ 169,291	\$ 169,291	\$ -	\$ 2,005,966	8.44%

\*The amounts presented for each fiscal year were determined as of the prior calendar year-end.

\*GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented for this schedule.

**VILLAGE OF JACKSON**  
DECEMBER 31, 2023

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)**  
**Local Retiree Life Insurance**  
**Last 10 Fiscal Years\***

<b>LRLIF Year End</b>	<b>Proportion of the net OPEB (asset) liability</b>	<b>Proportionate share of the net OPEB (asset) liability</b>	<b>Covered-employee payroll</b>	<b>Net OPEB (asset) liability as a percentage of employee payroll</b>	<b>Plan fiduciary net position as a percentage of total OPEB (asset) liability</b>
2022	0.04870500%	\$ 185,558	\$ 2,864,000	6.48%	38.81%
2021	0.04466600%	\$ 263,993	\$ 2,727,000	9.68%	29.57%
2020	0.05541700%	\$ 304,834	\$ 2,728,000	11.17%	31.36%
2019	0.05223100%	\$ 222,746	\$ 2,379,000	9.36%	37.58%
2018	0.51101000%	\$ 131,858	\$ 2,305,000	5.72%	48.69%
2017	0.04788100%	\$ 144,054	\$ 2,013,533	7.15%	44.81%

**SCHEDULE OF CONTRIBUTIONS - OPEB**  
**Local Retiree Life Insurance**  
**Last 10 Fiscal Years\***

<b>LRLIF Year End</b>	<b>Contractually required contributions</b>	<b>Contributions in relation to the contractually required contributions</b>	<b>Contribution deficiency (excess)</b>	<b>Covered-employee payroll</b>	<b>Contributions as a percentage of covered-employee payroll</b>
2022	\$ 977	\$ 977	\$ -	\$ 2,864,000	0.05%
2021	\$ 1,105	\$ 1,105	\$ -	\$ 2,727,000	0.04%
2020	\$ 1,105	\$ 1,105	\$ -	\$ 2,728,000	0.04%
2019	\$ 945	\$ 945	\$ -	\$ 2,379,000	0.04%
2018	\$ 1,673	\$ 1,673	\$ -	\$ 4,126,000	0.04%
2017	\$ 1,802	\$ 1,802	\$ -	\$ 3,991,195	0.05%

\*The amounts presented for each fiscal year were determined as of the prior calendar year-end.

\*GASB Pronouncement 75 require the presentation of the last 10 prior fiscal years completed under these pronouncements. The fiscal years completed prior to the enactment of these pronouncements are not required to be presented for this schedule.



**VILLAGE OF JACKSON**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
DECEMBER 31, 2023

**Note 1. Budgetary Information**

The Village creates a budget for the General Fund. The Village reviews and adopts its annual budget by December or earlier of the preceding year. The budgetary information included in the accompanying financial statements is comprised of the originally approved budget plus or minus approved revisions of budgeted revenues and expenditures. These budgets are adopted on a basis consistent with GAAP. Management control of the budgetary process has been established at the departmental level of expenditure. A department can be a fund, cost center, program or other activity for which control of expenditures is considered desirable. Budget appropriations for certain capital projects funds are project oriented, often possessing multi-year lives; consequently, budgeted capital projects expenditures are controlled through fund balances. The budget may be amended for supplemental appropriations periodically during the year. Budget changes require a two-thirds approval by the Village Board. The 2023 general fund budget was amended by the Village Board.

**Note 2. Excess Expenditures over Appropriations**

The Village had the following expenditures in excess of appropriations as presented in the "Budgetary Comparison Schedule – General Fund Expenditures".

	<b>Amount</b>
General government	\$ 20,069
Public Safety	51,028
Capital outlay	4,147,951

The excess expenditures were absorbed by revenues in excess of budget, developer contributions of infrastructure and available fund balances.

**Note 3. OPEB Information**

*Changes of benefit terms.* There were no recent changes in benefit terms.

*Changes of assumptions.* In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**VILLAGE OF JACKSON**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
DECEMBER 31, 2023  
(CONTINUED)

**Note 4. Wisconsin Retirement Systems Pensions**

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

*Changes of assumptions.* Based on a three-year 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 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 updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

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

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering 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.

**VILLAGE OF JACKSON**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
YEAR ENDED DECEMBER 31, 2022  
(CONTINUED)

**Note 4 - Wisconsin Retirement System Pensions - continued**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Valuation Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return	5.4%	5.4%	5.4%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement	7.0%	7.0%	7.0%	7.2%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation	3.0%	3.0%	3.0%	3.2%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post Retirement Benefit Adjustments*:	1.9%	1.9%	1.9%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

**VILLAGE OF JACKSON**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
YEAR ENDED DECEMBER 31, 2022  
(CONTINUED)

**Note 4 - Wisconsin Retirement System Pensions - continued**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Valuation Date:	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post Retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006-2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scaled BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scaled BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scaled BB to all future improvements (margin) in mortality.	Wisconsin Projected Experience Table - 2005 for women of the Wisconsin Projected Experience Table - 2005 for men.

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

**SUPPLEMENTARY INFORMATION**

**VILLAGE OF JACKSON**  
**COMBINING BALANCE SHEETS**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE**  
DECEMBER 31, 2023

	<u>Special Revenue Funds</u>				<b>Total Nonmajor Funds Special Revenue Funds</b>
	<b>Recreation Fund</b>	<b>Hotel/ Motel Tax Fund</b>	<b>Fire and EMS</b>	<b>Park Fund</b>	
<b><u>ASSETS</u></b>					
Cash and investments	\$ 121,504	\$ 92,847	\$ 773,902	\$ 174,364	\$ 1,162,617
Receivables:					
Accounts (net of allowance for doubtful accounts of \$294,097)	-	15,030	59,348	-	74,378
Prepaid expenses	4,977	-	8,273	-	13,250
<b>TOTAL ASSETS</b>	<u>126,481</u>	<u>107,877</u>	<u>841,523</u>	<u>174,364</u>	<u>1,250,245</u>
<b><u>LIABILITIES</u></b>					
Accounts payable and accrued expenses	11,862	158	7,966	-	19,986
Accrued salaries and fringes	12,549	-	48,753	-	61,302
<b>TOTAL LIABILITIES</b>	<u>24,411</u>	<u>158</u>	<u>56,719</u>	<u>-</u>	<u>81,288</u>
<b><u>FUND BALANCES</u></b>					
Nonspendable	4,977	-	8,273	-	13,250
Assigned	97,093	107,719	776,531	174,364	1,155,707
<b>TOTAL FUND BALANCES</b>	<u>\$ 102,070</u>	<u>\$ 107,719</u>	<u>\$ 784,804</u>	<u>\$ 174,364</u>	<u>\$ 1,168,957</u>

**VILLAGE OF JACKSON**  
**COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE**  
YEAR ENDED DECEMBER 31, 2023

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Funds Special Revenue Funds</b>
	<b>Recreation Fund</b>	<b>Hotel/ Motel Tax Fund</b>	<b>Fire and EMS</b>	<b>Park Fund</b>	
<b>REVENUES</b>					
Taxes	\$ 232,715	\$ 74,499	\$ -	\$ -	\$ 307,214
Intergovernmental	-	-	144,127	-	144,127
Charges for services	369,454	-	366,840	47,600	783,894
Intergovernmental charges for services	-	-	359,308	-	359,308
Interest income	-	-	800	6,213	7,013
Other	-	-	14,102	-	14,102
<b>TOTAL REVENUES</b>	<b>602,169</b>	<b>74,499</b>	<b>885,177</b>	<b>53,813</b>	<b>1,615,658</b>
<b>EXPENDITURES</b>					
Current:					
Public safety	-	-	1,128,600	-	1,128,600
Culture and recreation	587,161	-	-	-	587,161
Conservation and development	-	67,563	-	-	67,563
Capital outlay	-	-	275,119	-	275,119
<b>TOTAL EXPENDITURES</b>	<b>587,161</b>	<b>67,563</b>	<b>1,403,719</b>	<b>-</b>	<b>2,058,443</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>15,008</b>	<b>6,936</b>	<b>(518,542)</b>	<b>53,813</b>	<b>(442,785)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	-	-	442,118	-	442,118
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>442,118</b>	<b>-</b>	<b>442,118</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>15,008</b>	<b>6,936</b>	<b>(76,424)</b>	<b>53,813</b>	<b>(667)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>87,062</b>	<b>100,783</b>	<b>861,228</b>	<b>120,551</b>	<b>1,169,624</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 102,070</b>	<b>\$ 107,719</b>	<b>\$ 784,804</b>	<b>\$ 174,364</b>	<b>\$ 1,168,957</b>

**VILLAGE OF JACKSON**  
**COMBINING BALANCE SHEETS**  
**NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS**  
DECEMBER 31, 2023

	<u>Capital Projects Funds</u>		<b>Total Nonmajor Capital Projects Funds</b>
	<u>TID 5</u>	<u>TID 6</u>	
<b><u>ASSETS</u></b>			
Cash and investments	\$ 44,229	\$ 431,957	\$ 476,186
Receivables:			
Taxes	57,320	215,270	272,590
Special assessments	-	7,171	7,171
<b>TOTAL ASSETS</b>	<u>101,549</u>	<u>654,398</u>	<u>755,947</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Property taxes	88,282	328,758	417,040
Special assessments	-	8,605	8,605
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>88,282</u>	<u>337,363</u>	<u>425,645</u>
<b><u>FUND BALANCES</u></b>			
Restricted	13,267	317,035	330,302
<b>TOTAL FUND BALANCES</b>	<u>\$ 13,267</u>	<u>\$ 317,035</u>	<u>\$ 330,302</u>



**VILLAGE OF JACKSON**  
**COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS**  
YEAR ENDED DECEMBER 31, 2023

	<b>Capital Projects Funds</b>		<b>Total Nonmajor Capital Projects Funds</b>
	<b>TID 5</b>	<b>TID 6</b>	
<b><u>REVENUES</u></b>			
Taxes	\$ 99,322	\$ 203,541	\$ 302,863
Special assessments	-	1,434	1,434
Interest income	-	32,420	32,420
<b>TOTAL REVENUES</b>	<b>99,322</b>	<b>237,395</b>	<b>336,717</b>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	1,788	1,787	3,575
Conservation and development	-	1,406,567	1,406,567
Debt Service:			
Principal	93,434		93,434
Interest and fiscal charges	-	57,542	57,542
<b>TOTAL EXPENDITURES</b>	<b>95,222</b>	<b>1,465,896</b>	<b>1,561,118</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,100</b>	<b>(1,228,501)</b>	<b>(1,224,401)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Proceeds on bonds	-	1,465,000	1,465,000
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,100</b>	<b>236,499</b>	<b>240,599</b>
<b>FUND BALANCES - BEGINNING</b>	<b>9,167</b>	<b>80,536</b>	<b>89,703</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 13,267</b>	<b>\$ 317,035</b>	<b>\$ 330,302</b>

**FORM OF LEGAL OPINION**

(See following pages)

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

May 1, 2025

Re: Village of Jackson, Wisconsin ("Issuer")  
\$3,860,000 General Obligation Promissory Notes, Series 2025A,  
dated May 1, 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 May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$115,000	___%
2028	115,000	___
2029	120,000	___
2030	120,000	___
2031	130,000	___
2032	160,000	___
2033	175,000	___
2034	175,000	___
2035	180,000	___
2036	185,000	___
2037	200,000	___
2038	215,000	___
2039	225,000	___
2040	275,000	___
2041	280,000	___
2042	280,000	___
2043	290,000	___
2044	315,000	___
2045	305,000	___

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

The Notes maturing on May 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on May 1, 2034 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 Jackson, Washington County, Wisconsin (the "Issuer") in connection with the issuance of \$3,860,000 General Obligation Promissory Notes, Series 2025A, dated May 1, 2025 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 8, 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 April 8, 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 Jackson, Washington 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 N168W19851 Main Street, Jackson, Wisconsin 53037, phone (262) 677-9001, fax (262) 677-1710.

"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 1st day of May, 2025.

(SEAL)

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Brian J. Heckendorf  
President

---

Jacqueline Schuh  
Village Clerk

**NOTICE OF SALE**

**\$3,860,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A  
VILLAGE OF JACKSON, WISCONSIN**

Bids for the purchase of \$3,860,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") of the Village of Jackson, 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 April 8, 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 7:30 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 projects included in the Village’s Capital Improvement Plan such as street improvement projects, water and sewer projects, street projects in TID 7 and a dog park development. 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 May 1, 2025, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$115,000	2034	\$175,000	2041	\$280,000
2028	115,000	2035	180,000	2042	280,000
2029	120,000	2036	185,000	2043	290,000
2030	120,000	2037	200,000	2044	315,000
2031	130,000	2038	215,000	2045	305,000
2032	160,000	2039	225,000		
2033	175,000	2040	275,000		

**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 May 1 and November 1 of each year, commencing May 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 May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the 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 May 1, 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 \$3,811,750, nor more than \$4,168,800, plus accrued interest on the principal sum of \$3,860,000 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 \$77,200 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

Jacqueline Schuh, Village Clerk  
Village of Jackson, Wisconsin

# BID FORM

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

April 8, 2025

RE: **\$3,860,000\* General Obligation Promissory Notes, Series 2025A (the "Notes")**  
DATED: **May 1, 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 \$3,811,750, nor more than \$4,168,800) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due 2027	_____ % due 2034	_____ % due 2041
_____ % due 2028	_____ % due 2035	_____ % due 2042
_____ % due 2029	_____ % due 2036	_____ % due 2043
_____ % due 2030	_____ % due 2037	_____ % due 2044
_____ % due 2031	_____ % due 2038	_____ % due 2045
_____ % due 2032	_____ % due 2039	
_____ % due 2033	_____ % due 2040	

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 \$77,200 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 May 1, 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 May 1, 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 Jackson, Wisconsin, on April 8, 2025.

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