

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 7, 2026

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

Non-Rated

VILLAGE OF MAZOMANIE, WISCONSIN (Dane County)

\$2,840,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

BID OPENING: April 14, 2026, 09:30 A.M., C.T.

CONSIDERATION: April 14, 2026, 5:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,840,000* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Mazomanie, Wisconsin (the "Village"), for public purposes, including paying the cost of Crescent Street improvement projects and the acquisition of a fire truck and refunding certain general obligations of the Village. 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: April 30, 2026

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$200,000	2033	\$160,000	2039	\$180,000
2028	260,000	2034	160,000	2040	185,000
2029	160,000	2035	160,000	2041	190,000
2030	155,000	2036	160,000	2042	195,000
2031	165,000	2037	170,000		
2032	165,000	2038	175,000		

***MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: March 1, 2027 and semiannually thereafter.

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

MINIMUM BID: \$2,804,500.

MAXIMUM BID: \$3,124,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$56,800 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL AND

DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

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

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

TABLE OF CONTENTS

<p>INTRODUCTORY STATEMENT 1</p> <p>THE NOTES 1</p> <p style="padding-left: 20px;">GENERAL 1</p> <p style="padding-left: 20px;">OPTIONAL REDEMPTION 1</p> <p style="padding-left: 20px;">AUTHORITY; PURPOSE 2</p> <p style="padding-left: 20px;">ESTIMATED SOURCES AND USES 2</p> <p style="padding-left: 20px;">SECURITY 3</p> <p style="padding-left: 20px;">RATING 3</p> <p style="padding-left: 20px;">CONTINUING DISCLOSURE 3</p> <p style="padding-left: 20px;">LEGAL MATTERS 3</p> <p style="padding-left: 20px;">TAX EXEMPTION 4</p> <p style="padding-left: 20px;">ORIGINAL ISSUE DISCOUNT 4</p> <p style="padding-left: 20px;">BOND PREMIUM 5</p> <p style="padding-left: 20px;">QUALIFIED TAX-EXEMPT OBLIGATIONS 6</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR 6</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR AFFILIATED COMPANIES 6</p> <p style="padding-left: 20px;">INDEPENDENT AUDITORS 6</p> <p style="padding-left: 20px;">RISK FACTORS 6</p> <p>VALUATIONS 9</p> <p style="padding-left: 20px;">WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES 9</p> <p style="padding-left: 20px;">CURRENT PROPERTY VALUATIONS 10</p> <p style="padding-left: 20px;">2025 EQUALIZED VALUE BY CLASSIFICATION 10</p> <p style="padding-left: 20px;">TREND OF VALUATIONS 10</p> <p style="padding-left: 20px;">LARGER TAXPAYERS 11</p> <p>DEBT 11</p> <p style="padding-left: 20px;">DIRECT DEBT 11</p> <p style="padding-left: 20px;">DEBT PAYMENT HISTORY 12</p> <p style="padding-left: 20px;">FUTURE FINANCING 12</p> <p style="padding-left: 20px;">DEBT LIMIT 12</p> <p style="padding-left: 20px;">SCHEDULE OF GENERAL OBLIGATION DEBT 13</p> <p style="padding-left: 20px;">SCHEDULE OF WATERWORKS AND ELECTRIC SYSTEM REVENUE DEBT 14</p> <p style="padding-left: 20px;">OVERLAPPING DEBT 15</p> <p style="padding-left: 20px;">DEBT RATIOS 15</p>	<p>TAX LEVIES AND COLLECTIONS 16</p> <p style="padding-left: 20px;">TAX LEVIES AND COLLECTIONS 16</p> <p style="padding-left: 20px;">PROPERTY TAX RATES 17</p> <p style="padding-left: 20px;">LEVY LIMITS 17</p> <p style="padding-left: 20px;">REVENUE FROM THE STATE 18</p> <p>THE ISSUER 19</p> <p style="padding-left: 20px;">VILLAGE GOVERNMENT 19</p> <p style="padding-left: 20px;">EMPLOYEES; PENSIONS 19</p> <p style="padding-left: 20px;">OTHER POST EMPLOYMENT BENEFITS 21</p> <p style="padding-left: 20px;">LITIGATION 21</p> <p style="padding-left: 20px;">MUNICIPAL BANKRUPTCY 21</p> <p style="padding-left: 20px;">FUNDS ON HAND 22</p> <p style="padding-left: 20px;">ENTERPRISE FUNDS 23</p> <p style="padding-left: 20px;">SUMMARY GENERAL FUND INFORMATION 24</p> <p style="padding-left: 20px;">GENERAL FUND BUDGET SUMMARY 25</p> <p>GENERAL INFORMATION 26</p> <p style="padding-left: 20px;">LOCATION 26</p> <p style="padding-left: 20px;">LARGER EMPLOYERS 26</p> <p style="padding-left: 20px;">BUILDING PERMITS 27</p> <p style="padding-left: 20px;">U.S. CENSUS DATA 28</p> <p style="padding-left: 20px;">EMPLOYMENT/UNEMPLOYMENT DATA 28</p> <p>FINANCIAL STATEMENTS A-1</p> <p>FORM OF LEGAL OPINION B-1</p> <p>BOOK-ENTRY-ONLY SYSTEM C-1</p> <p>FORM OF CONTINUING DISCLOSURE CERTIFICATE D-1</p> <p>NOTICE OF SALE E-1</p> <p>BID FORM</p>
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**VILLAGE OF MAZOMANIE
VILLAGE BOARD**

		<u>Term Expires</u>
Natalie Beil	Village President	April 2027
Dawn Forseth	Trustee & President Pro Tem	April 2027
Justin Martinez	Trustee	April 2027
Jim Marx	Trustee	April 2026*
Karen Peterson Lienau	Trustee	April 2027
Ray Schlamp	Trustee	April 2026
Rob Westlund	Trustee	April 2026*

*Seeking re-election at the April 7, 2026 election

ADMINISTRATION

Curt Erickson, Village Administrator
Angie Volkman, Village Clerk/Treasurer
Tara Roessler, Deputy Clerk/Treasurer

PROFESSIONAL SERVICES

William Cole, Axley Brynelson LLP, Village Attorney, Madison, Wisconsin
Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin
Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Minneapolis, Minnesota)

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Mazomanie, Wisconsin (the "Village") and the issuance of its \$2,840,000* General Obligation Promissory Notes, Series 2026A (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 14, 2026.

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 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 April 30, 2026. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2027, 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, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after March 1, 2035 shall be subject to optional redemption prior to maturity on March 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 Crescent Street improvement projects and the acquisition of a fire truck (collectively, the “Project”) and refunding the Village’s Promissory Note, dated May 29, 2024 (the “2024 Note”), as follows:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturity Being Refunded	Interest Rate	Principal to be Refunded
2024 Note	5/29/2024	5/1/2026	Par	2026	5.79%	<u>\$350,000</u>
Total 2024 Note Being Refunded						<u><u>\$350,000</u></u>

A portion of the proceeds of the Notes will be used to pay the 2024 Note described above.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	\$2,840,000	
Estimated Interest Earnings	<u>17,922</u>	
Total Sources		\$2,857,922
Uses		
Estimated Underwriter's Discount	\$35,500	
Costs of Issuance	62,850	
Deposit to Project Construction Fund	2,389,665	
Deposit to Escrow Fund	368,970	
Rounding Amount	<u>937</u>	
Total Uses		\$2,857,922

*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

None of the outstanding indebtedness of the Village is currently rated, and the Village has not requested a rating on the Notes. A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the Village.

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, 2024 have been audited by Johnson Block & Company, Inc., Mineral Point, 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 are 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.

Interest Rates: In the future, interest rates for this type of obligation may rise generally, possibly 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

2025 Equalized Value	\$286,419,700
2025 Equalized Value Reduced by Tax Increment Valuation	\$248,730,300
2025 Assessed Value	\$227,811,300

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value¹	Percent of Total Equalized Value
Residential	\$199,317,300	69.589%
Commercial	45,192,500	15.778%
Manufacturing	41,568,200	14.513%
Agricultural	101,800	0.036%
Undeveloped	12,000	0.004%
Ag Forest	5,300	0.002%
Forest	222,600	0.078%
	<hr/>	<hr/>
Total	<u><u>\$286,419,700</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2021	\$168,167,900	\$204,739,900	18.57%
2022	219,709,800 ²	221,754,800	8.31%
2023	222,819,100	239,866,000	8.17%
2024	220,765,200	269,427,000	12.32%
2025	227,811,300	286,419,700	6.31%

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

¹ Includes tax increment valuation.

² Reassessment completed.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value ¹	Percent of Village's Total Equalized Value
Cardinal Solar Technologies Company	Glass Manufacturing	\$18,940,864	6.61%
DET LLC (Plastic Ingenuity)	Custom thermoforming packing	10,671,311	3.73%
Electronic Theater Controls Inc.	Theater Lighting	9,831,708	3.43%
Tea-Land Wisconsin LLC	Distribution	7,456,100	2.60%
Wick Buildings Inc.	Construction	3,016,311	1.05%
JFW Holdings LLC	Pole Building Manufacturer	2,441,237	0.85%
Peoples Community Bank	Bank	1,799,402	0.63%
TKSK Enterprises LLC	Apartments Buildings	1,708,375	0.60%
Mazo Storage LLC	Storage Units	1,213,138	0.42%
Double Time LLC	Real Estate	<u>1,080,496</u>	<u>0.38%</u>
Total		\$58,158,942	20.31%
Village's Total 2025 Equalized Value ²		\$286,419,700	

Source: The Village.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)* \$5,279,712

Revenue Debt (see schedules following)

Total revenue debt secured by water and electric revenues \$4,510,000

*Preliminary, subject to change.

¹ Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the Village.

² Includes tax increment valuation.

³ Outstanding debt is as of the dated date of the Notes and excludes the obligations to be refunded.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The Village anticipates issuing sewer system debt to fund wastewater facility improvements in spring 2027 through the State of Wisconsin Clean Water Fund loan program. While the overall project, which is to be completed in phases, is expected to be approximately \$12.5 million, the Village shares costs for the project with two other municipalities and, therefore, the exact timing and amount of any such borrowing have yet to be determined. Aside from 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	\$286,419,700
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$14,320,985
Less: General Obligation Debt*	<u>(5,279,712)</u>
Unused Debt Limit*	<u><u>\$9,041,273</u></u>

*Preliminary, subject to change.

Village of Mazomanie, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 04/30/2026)

Dated Amount	Corporate Purpose Bonds Series 2018A		Promissory Note		Water System Promissory Notes (SDWFL) Series 2024		Promissory Notes Series 2026A							
	05/30/2018	\$4,035,000	09/07/2021	\$180,000	05/22/2024	\$502,912	04/30/2026	\$2,840,000*						
Maturity	05/01		09/07		05/01		03/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	135,000	60,748	17,798	2,218	20,839	10,126	0	0	173,636	73,092	246,728	5,106,076	3.29%	2026
2027	145,000	56,755	18,150	1,866	21,286	9,675	200,000	127,732	384,435	196,028	580,463	4,721,640	10.57%	2027
2028	150,000	52,403	18,504	1,512	21,742	9,213	260,000	87,755	450,246	150,882	601,129	4,271,394	19.10%	2028
2029	155,000	47,750	18,874	1,142	22,209	8,742	160,000	81,390	356,083	139,023	495,106	3,915,311	25.84%	2029
2030	165,000	42,666	19,247	769	22,685	8,260	155,000	76,665	361,932	128,360	490,292	3,553,379	32.70%	2030
2031	165,000	37,180	19,628	388	23,172	7,768	165,000	71,824	372,799	117,160	489,960	3,180,579	39.76%	2031
2032	170,000	31,400			23,669	7,266	165,000	66,750	358,669	105,416	464,085	2,821,911	46.55%	2032
2033	180,000	25,185			24,176	6,753	160,000	61,633	364,176	93,570	457,747	2,457,735	53.45%	2033
2034	150,000	19,170			24,695	6,229	160,000	56,473	334,695	81,871	416,566	2,123,040	59.79%	2034
2035	160,000	13,395			25,225	5,693	160,000	51,193	345,225	70,281	415,505	1,777,815	66.33%	2035
2036	170,000	7,123			25,766	5,147	160,000	45,753	355,766	58,022	413,787	1,422,050	73.07%	2036
2037	100,000	1,925			26,318	4,588	170,000	39,933	296,318	46,445	342,764	1,125,731	78.68%	2037
2038					26,883	4,017	175,000	33,591	201,883	37,609	239,491	923,848	82.50%	2038
2039					27,459	3,435	180,000	26,845	207,459	30,280	237,739	716,389	86.43%	2039
2040					28,048	2,839	185,000	19,680	213,048	22,519	235,568	503,341	90.47%	2040
2041					28,650	2,231	190,000	12,085	218,650	14,316	232,966	284,691	94.61%	2041
2042					29,265	1,610	195,000	4,095	224,265	5,705	229,970	60,426	98.86%	2042
2043					29,892	976			29,892	976	30,868	30,534	99.42%	2043
2044					30,534	327			30,534	327	30,861	0	100.00%	2044
	1,845,000	395,699	112,201	7,895	482,511	104,896	2,840,000	863,395	5,279,712	1,371,884	6,651,596			

* Preliminary, subject to change.

Village of Mazomanie, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Waterworks and Electric System Revenues
(As of 04/30/2026)

	Waterworks and Electric System Revenue Bonds Series 2016A		Waterworks and Electric System Revenue Bonds Series 2018B		Waterworks and Electric System Revenue Bonds Series 2024B							
Dated Amount	12/15/2016 \$2,605,000		05/30/2018 \$1,460,000		11/13/2024 \$2,740,000							
Maturity	08/01		08/01		08/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	245,000	13,784	100,000	14,540	70,000	56,385	415,000	84,709	499,709	4,095,000	9.20%	2026
2027	245,000	21,198	100,000	26,080	80,000	109,270	425,000	156,548	581,548	3,670,000	18.63%	2027
2028	240,000	14,460	100,000	23,080	95,000	105,270	435,000	142,810	577,810	3,235,000	28.27%	2028
2029	250,000	7,500	100,000	19,830	95,000	102,183	445,000	129,513	574,513	2,790,000	38.14%	2029
2030			110,000	16,580	200,000	99,095	310,000	115,675	425,675	2,480,000	45.01%	2030
2031			110,000	12,730	200,000	89,095	310,000	101,825	411,825	2,170,000	51.88%	2031
2032			120,000	8,880	200,000	79,095	320,000	87,975	407,975	1,850,000	58.98%	2032
2033			120,000	4,440	200,000	69,095	320,000	73,535	393,535	1,530,000	66.08%	2033
2034					205,000	61,795	205,000	61,795	266,795	1,325,000	70.62%	2034
2035					200,000	54,313	200,000	54,313	254,313	1,125,000	75.06%	2035
2036					200,000	46,313	200,000	46,313	246,313	925,000	79.49%	2036
2037					200,000	38,313	200,000	38,313	238,313	725,000	83.92%	2037
2038					200,000	30,313	200,000	30,313	230,313	525,000	88.36%	2038
2039					195,000	22,313	195,000	22,313	217,313	330,000	92.68%	2039
2040					165,000	14,025	165,000	14,025	179,025	165,000	96.34%	2040
2041					165,000	7,013	165,000	7,013	172,013	0	100.00%	2041
	980,000	56,941	860,000	126,160	2,670,000	983,883	4,510,000	1,166,984	5,676,984			

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Dane County	\$117,343,578,900	0.2441%	\$832,310,000	\$2,031,669
Wisconsin Heights School District	1,339,868,438	21.3767%	18,260,000	3,903,385
Madison Area Technical College District	159,919,721,111	0.1791%	168,740,000	<u>302,213</u>
Village's Share of Total Overlapping Debt				<u><u>\$6,237,267</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$286,419,700	Debt/ Per Capita 1,827⁴
Total General Obligation Debt*	\$5,279,712	1.84%	\$2,889.83
Village's Share of Total Overlapping Debt	<u>6,237,267</u>	<u>2.18%</u>	<u>3,413.94</u>
Total*	\$11,516,979	4.02%	\$6,303.77

*Preliminary, subject to change.

¹ 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.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

⁴ Estimated 2025 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
2021/22	\$1,162,045	100%	\$6.46
2022/23	1,184,119	100%	6.00
2023/24	1,227,088	100%	5.76
2024/25	1,260,504	100%	5.24
2025/26	1,368,401	In Process of Collection	5.50

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 was repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax was 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:

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$12.31	\$2.89	\$6.46	\$21.66
2022/23	11.48	2.72	6.00	20.20
2023/24	10.87	2.76	5.76	19.39
2024/25	10.07	2.60	5.24	17.91
2025/26	9.98	2.50	5.50	17.98

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%.

¹ 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.

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. 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.

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 2025, the Village received approximately \$198,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$194,000 received in 2024. The Village is expected to receive approximately \$193,000 in shared revenue under Chapter 79, Wis. Stats. in 2026. 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 1885 and is governed by a Village President and six other Village Board members. The President is a voting member. All Trustees are elected to staggered two-year terms. The appointed Village Administrator and Village Clerk/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of eight full-time and five 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, 2022, the fiscal year ended December 31, 2023 and the fiscal year ended December 31, 2024 ("Fiscal Year 2024"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$28,413, \$30,640 and \$33,298, 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, 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. As of December 31, 2024, the total pension liability of the WRS was calculated as \$136.18 billion and the fiduciary net position of the WRS was calculated as \$134.54 billion, resulting in a net pension liability of \$1.64 billion. Accordingly, the Village will continue to report a liability for its proportionate share of the net pension liability in its audited financial statements for the year ended December 31, 2025.

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 2024, the Village reported a liability of \$36,096 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2023 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 0.00242782% of the aggregate WRS net pension liability as of December 31, 2023.

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 7 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.¹

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.

There are currently no collective bargaining units representing employees of the Village.

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 2024, the Village's portion of contributions to the LRLIF totaled \$339. For Fiscal Year 2024, the Village reported a liability of \$69,520 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2023 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.0151110% of the aggregate LRLIF net OPEB liability as of December 31, 2023.

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 8 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

¹ 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.

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 March 30, 2026)

Fund	Total Cash and Investments
General Fund Checking & Petty Cash	\$72,043
Electric Utility Checking & Petty Cash	725,188
Water Utility Checking	227,250
Municipal Court Account	18,820
Sewer Utility Checking	272,743
CDBG	125,783
Public Benefit Fees (Assistance)	2,594
Public Benefit Fees (Conservation)	32,714
TIF #4 Cash-TEA Grant Proceeds	51,175
TIF Funds Checking	42,029
Westland Promenade Checking	5,337
PARC Grant	8,268
Stormwater Utility Checking	19,225
Electric Utility Bond Reserve Checking	1,553,534
Bond Proceeds GO	2,811
Water Bond Reserve Fund	96,317
State Investment Pool	91,393
High Interest Yield Account	<u>3,751,676</u>
Total Funds on Hand	<u><u>\$7,098,900</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:

	2023 Audited	2024 Audited	2025 Unaudited
Water			
Total Operating Revenues	\$423,639	\$461,561	\$625,833
Less: Operating Expenses	(298,743)	(322,916)	(333,386)
Operating Income	\$124,896	\$138,645	\$292,447
Plus: Depreciation	108,685	113,171	123,000
Interest Income	17,602	27,869	21,000
Revenues Available for Debt Service	<u><u>\$251,183</u></u>	<u><u>\$279,685</u></u>	<u><u>\$436,447</u></u>
Sewer			
Total Operating Revenues	\$743,900	\$747,776	\$1,104,213
Less: Operating Expenses	(361,951)	(533,542)	(812,320)
Operating Income	\$381,949	\$214,234	\$291,893
Plus: Depreciation	47,048	47,048	0
Interest Income	46,514	63,083	19,170
Revenues Available for Debt Service	<u><u>\$475,511</u></u>	<u><u>\$324,365</u></u>	<u><u>\$311,063</u></u>
Electric			
Total Operating Revenues	\$6,903,859	\$6,352,972	\$6,624,240
Less: Operating Expenses	(6,363,381)	(6,202,672)	(6,214,846)
Operating Income	\$540,478	\$150,300	\$409,394
Plus: Depreciation	394,234	401,403	401,384
Interest Income	56,128	75,770	55,000
Revenues Available for Debt Service	<u><u>\$990,840</u></u>	<u><u>\$627,473</u></u>	<u><u>\$865,778</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 2024 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31			
	2022 Audited	2023 Audited	2024 Audited	2025 Unaudited
Revenues				
Taxes	\$981,248	\$1,002,196	\$1,043,097	\$1,061,518
Licenses and permits	\$70,186	\$56,306	\$67,865	\$61,986
Intergovernmental	836,261	957,550	861,057	601,366
Public charges for services	219,656	217,293	246,053	243,149
Fines and forfeits	11,711	18,691	14,529	11,725
Interest	19,585	52,182	55,225	44,412
Miscellaneous	81,859	166,487	356,066	130,686
Total Revenues	<u>\$2,220,506</u>	<u>\$2,470,705</u>	<u>\$2,643,892</u>	<u>\$2,154,842</u>
Expenditures				
Current:				
General government	\$386,873	\$409,896	\$386,284	\$497,599
Public safety	581,930	651,055	650,542	615,182
Public works	319,393	346,994	394,103	372,050
Health and human services	7,311	2,763	7,004	31,392
Leisure activities	396,649	354,747	394,054	473,496
Economic development	0	13,820	0	60
Capital outlay	579,080	1,102,014	1,098,120	405,958
Debt service:				
Interest and fiscal charges	0	0	9,329	21,833
Total Expenditures	<u>\$2,271,236</u>	<u>\$2,881,289</u>	<u>\$2,939,436</u>	<u>\$2,417,570</u>
Excess of revenues over (under) expenditures	(\$50,730)	(\$410,584)	(\$295,544)	(\$262,728)
Other Financing Sources (Uses)				
Debt proceeds	\$0	\$262,284	\$234,681	\$99,461
Transfers in	221,316	209,795	196,943	186,787
Transfers (out)	(1,432)	(11,094)	(10,742)	0
Total Other Financing Sources (Uses)	<u>219,884</u>	<u>460,985</u>	<u>420,882</u>	<u>286,248</u>
Net changes in Fund Balances	\$169,154	\$50,401	\$125,338	\$23,520
General Fund Balance January 1	<u>\$625,884</u>	<u>\$795,038</u>	<u>\$845,439</u>	<u>\$970,777</u>
General Fund Balance December 31	\$795,038	\$845,439	\$970,777	\$994,297
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	\$38,856	\$36,919	\$50,851	\$9,314
Unassigned	756,182	808,520	919,926	984,983
Total	<u>\$795,038</u>	<u>\$845,439</u>	<u>\$970,777</u>	<u>\$994,297</u>

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget¹
Revenues	
Taxes	\$1,790,158
Licenses and permits	68,950
Intergovernmental	354,849
Public charges for services	286,183
Fine and forfeits	10,100
Interest	
Miscellaneous	140,212
Total Revenues	<u>\$2,650,452</u>
Expenditures	
Current:	
General government	\$484,289
Public safety	665,650
Public works	408,737
Health and human services	
Leisure activities	449,532
Economic development	
Capital outlay	78,480
Debt service:	515,764
Principal	
Interest and fiscal charges	
Total Expenditures	<u>\$2,602,452</u>
Excess of revenues over (under) expenditures	\$48,000
Other Financing Sources (Uses)	
Debt proceeds	
Transfers in	0
Transfers (out)	0
Total Other Financing Sources (Uses)	<u>0</u>
Net changes in Fund Balances	\$48,000

¹ The 2026 budget was adopted on November 18, 2025.

GENERAL INFORMATION

LOCATION

The Village, with a 2020 U.S. Census population of 1,768 and a current estimated population of 1,827 comprises an area of 1,153 acres and is located approximately 20 miles northwest of the City of Madison, Wisconsin on State Highway 78, just north of U.S. Highway 14.

LARGER EMPLOYERS¹

Larger employers in the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Plastic Ingenuity Inc.	Thermoformed plastic packaging	280
Electronic Theater Control	Manufacturer of theater lights	210
Roundy's	Grocer - distribution center	200
Wick Buildings	Building contractors	137
Wisconsin Heights School District	Elementary and secondary education	130
Cardinal Glass Industries	Glass coating and tinting materials	78
District 1 EMS	Ambulance service	58
Old Feed Mill	Restaurants	30
Peoples Community Bank	Bank	15
The Village	Municipal Government and services	13

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

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

BUILDING PERMITS¹

	2022	2023	2024	2025	2026
<u>New Single Family Homes</u>					
No. of building permits	8	4	3	9	1
Valuation	\$1,125,000	\$798,600	\$1,200,000	\$4,200,000	\$325,000
 <u>New Commercial/Industrial</u>					
No. of building permits	1	7	1	0	0
Valuation	\$1,200,000	\$9,720,000	\$12,300,000	\$0	\$0
 <u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	52	53	42	57	4
Valuation	\$2,704,500	\$10,687,807	\$15,996,782	\$9,969,700	\$789,450

Source: The Village.

¹ As of January 31, 2026.

U.S. CENSUS DATA

Population Trend: The Village

2010 U.S. Census Population	1,652
2020 U.S. Census Population	1,768
Percent of Change 2010 - 2020	7.02%
2025 Estimated Population	1,827

Income and Age Statistics

	The Village	Dane County	State of Wisconsin	United States
2024 per capita income	\$39,669	\$53,181	\$43,373	\$44,673
2024 median household income	\$86,023	\$89,975	\$77,485	\$80,734
2024 median family income	\$101,736	\$124,904	\$100,141	\$99,999
2024 median gross rent	\$992	\$1,398	\$1,087	\$1,413
2024 median value owner occupied units	\$289,400	\$394,800	\$266,500	\$332,700
2024 median age	40.6 yrs.	35.7 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
Village % of 2024 per capita income	91.46%	88.80%
Village % of 2024 median family income	101.59%	101.74%

Housing Statistics

	<u>The Village</u>		
	2020	2024	Percent of Change
All Housing Units	760	761	0.13%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2024 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.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Dane County	Dane County	Dane County	State of Wisconsin
2021	317,158	2.9%		3.8%
2022	322,520	2.1%		2.8%
2023	331,623	2.2%		2.8%
2024	336,139 ¹	2.3% ¹		3.0%
2025, December ¹	332,263	2.4%		3.0%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

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

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



JOHNSON BLOCK

CPAs



VILLAGE OF MAZOMANIE, WISCONSIN
FINANCIAL STATEMENTS
Including Independent Auditor's Report
As of and for the year ended December 31, 2024

Johnson Block & Company, Inc.
Certified Public Accountants
2500 Business Park Road
Mineral Point, Wisconsin 53565
Phone: (608) 987-2206

VILLAGE OF MAZOMANIE, WISCONSIN
DECEMBER 31, 2024
TABLE OF CONTENTS

Independent Auditor’s Report 1

Basic Financial Statements

Government-Wide Financial Statements

Exhibit A-1 Statement of Net Position 4
Exhibit A-2 Statement of Activities..... 6

Fund Financial Statements

Exhibit A-3 Balance Sheet – Governmental Funds..... 7
Exhibit A-4 Reconciliation of the Governmental Funds Balance Sheet with the
Statement of Net Position 8
Exhibit A-5 Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds..... 9
Exhibit A-6 Reconciliation of Statement of Revenues, Expenditures, and Changes
in Fund Balance of Governmental Funds to the Statement of Activities..... 10
Exhibit A-7 Statement of Net Position – Proprietary Funds..... 11
Exhibit A-8 Statement of Revenues, Expenses, and Changes in Fund Net Position –
Proprietary Funds..... 13
Exhibit A-9 Statement of Cash Flows – Proprietary Funds..... 14
Exhibit A-10 Statement of Fiduciary Net Position..... 16
Exhibit A-11 Statement of Changes in Fiduciary Net Position 17

Notes to the Basic Financial Statements..... 18

Required Supplementary Information

Exhibit B-1 Budgetary Comparison Schedule for the General Fund 61
Exhibit B-2 Wisconsin Retirement System Schedules 62
Exhibit B-3 Local Retiree Life Insurance Fund Schedules..... 63

Notes to the Required Supplementary Information 64

Supplementary Information

Exhibit C-1 Combining Balance Sheet – Nonmajor Governmental Funds..... 68
Exhibit C-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds 69



INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Mazomanie
Mazomanie, Wisconsin

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mazomanie, Wisconsin ("Village"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the Wisconsin Retirement System schedules, and the Local Retiree Life Insurance Fund Schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



Required Supplementary Information (Continued)

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 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 of the Village's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Village's 2023 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated September 4, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
June 19, 2025

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Village of Mazomanie
Statement of Net Position
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	Governmental Business-Type		Totals	
	Activities	Activities	2024	2023
ASSETS				
<u>Current assets</u>				
Cash and investments	\$ 3,139,404	\$ 5,778,974	\$ 8,918,378	\$ 5,815,871
Cash and investments-restricted		924,064	924,064	810,461
Receivables:				
Taxes receivable	1,178,623		1,178,623	1,193,159
Customers	18,299	574,575	592,874	625,462
Lease receivable	22,648		22,648	21,878
Due from other governments	442,750		442,750	473
Other	6,334		6,334	15,188
Prepaid items	48,953		48,953	35,772
Materials and supplies		9,159	9,159	9,623
Internal balances	519,346	(519,346)		
	<hr/>			
Total current assets	5,376,357	6,767,426	12,143,783	8,527,887
	<hr/>			
<u>Noncurrent assets</u>				
Capital assets:				
Property, plant and equipment	11,460,365	16,629,975	28,090,340	26,219,314
Less: accumulated provision for depreciation	(5,897,464)	(9,106,411)	(15,003,875)	(14,016,440)
Total capital assets	5,562,901	7,523,564	13,086,465	12,202,874
Notes receivable	101,009		101,009	86,869
Lease receivable	70,140		70,140	92,788
Investment in Vanguard Commission		262,737	262,737	262,737
	<hr/>			
Total noncurrent assets	5,734,050	7,786,301	13,520,351	12,645,268
	<hr/>			
Total assets	11,110,407	14,553,727	25,664,134	21,173,155
	<hr/>			
DEFERRED OUTFLOWS OF RESOURCES				
Pension outflows	206,259	114,517	320,776	486,504
OPEB outflows	8,926	20,053	28,979	30,486
Unamortized major repairs		20,266	20,266	30,400
Deferred amount on refunding		61,653	61,653	84,828
	<hr/>			
Total deferred outflows of resources	215,185	216,489	431,674	632,218
	<hr/>			
Total assets and deferred outflows of resources	\$ 11,325,592	\$ 14,770,216	\$ 26,095,808	\$ 21,805,373
	<hr/>			

Exhibit A-1 (Continued)
Village of Mazomanie
Statement of Net Position
December 31, 2024

(With Summarized Financial Information as of December 31, 2023)

	Governmental Business-Type		Totals	
	Activities	Activities	2024	2023
LIABILITIES				
<u>Current liabilities</u>				
<u>(Payable from current assets)</u>				
Accounts payable	\$ 35,627	\$ 702,966	\$ 738,593	\$ 630,961
Unearned revenue	25,886		25,886	9,305
Public benefits payable		32,738	32,738	33,678
Due to other governments		8,005	8,005	7,718
Accrued interest	24,881	1,983	26,864	14,897
Customer deposits		26,691	26,691	25,398
Current portion of long-term debt:				
General obligation debt	372,359	79,787	452,146	355,888
Compensated absences	21,250	17,815	39,065	11,886
	<u>480,003</u>	<u>869,985</u>	<u>1,349,988</u>	<u>1,089,731</u>
<u>Current liabilities</u>				
<u>(Payable from restricted assets)</u>				
Accrued interest		46,049	46,049	30,553
Current portion of long-term debt:				
Mortgage revenue bonds		405,000	405,000	335,000
		<u>451,049</u>	<u>451,049</u>	<u>365,553</u>
<u>Long-term liabilities</u>				
Mortgage revenue bonds		4,915,000	4,915,000	2,510,000
General obligation debt	2,826,768	562,298	3,389,066	3,007,361
Developer payable	1,385,869		1,385,869	1,385,869
Compensated absences	37,596	32,631	70,227	73,789
Net pension liability	23,209	12,887	36,096	130,510
Net OPEB liability	21,412	48,108	69,520	57,048
Less: current portion	(393,609)	(502,602)	(896,211)	(702,774)
	<u>3,901,245</u>	<u>5,068,322</u>	<u>8,969,567</u>	<u>6,461,803</u>
Total long-term liabilities				
	<u>4,381,248</u>	<u>6,389,356</u>	<u>10,770,604</u>	<u>7,917,087</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	1,780,378		1,780,378	1,759,858
Leases	90,890		90,890	114,246
Pension inflows	124,232	68,974	193,206	273,380
OPEB inflows	12,431	27,930	40,361	47,766
	<u>2,007,931</u>	<u>96,904</u>	<u>2,104,835</u>	<u>2,195,250</u>
NET POSITION				
Net investment in capital assets	3,131,133	4,798,288	7,929,421	7,380,341
Restricted for:				
Community development block grant	221,874		221,874	216,471
Library expendable trust	682,231		682,231	623,043
Special redemption		242,891	242,891	173,305
Other	59,850		59,850	59,320
Equipment replacement		208,943	208,943	200,348
Debt service reserve		426,181	426,181	406,255
Unrestricted	841,325	2,607,653	3,448,978	2,633,953
	<u>4,936,413</u>	<u>8,283,956</u>	<u>13,220,369</u>	<u>11,693,036</u>
Total net position				
	<u>4,936,413</u>	<u>8,283,956</u>	<u>13,220,369</u>	<u>11,693,036</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 11,325,592</u>	<u>\$ 14,770,216</u>	<u>\$ 26,095,808</u>	<u>\$ 21,805,373</u>

Exhibit A-2
Village of Mazomanie
Statement of Activities
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Capital		Governmental Activities	Business Type Activities	Totals
			Operating Grants and Contributions	Grants and Contributions			
Primary Government:							
Governmental activities:							
General government	\$ 420,407	\$ 167,915	\$	\$	\$ (252,492)	\$	\$ (310,558)
Public safety	732,400	14,062	111,672		(606,666)		(665,894)
Public works	539,779	49,492	100,270	370,033	(19,984)		212,516
Health and human services	21,916	1,920			(19,996)		(16,108)
Sanitation	133,141	123,201	5,155		(4,785)		(5,422)
Leisure activities	586,055	69,746		325,574	(190,735)		(307,561)
Economic development	9,875		72,082		62,207		30,163
Interest and fiscal charges	98,625				(98,625)		(86,773)
Total governmental activities	2,542,198	426,336	289,179	695,607	(1,131,076)		(1,149,637)
Business-type activities:							
Water utility	374,505	461,561			87,056		97,821
Sewer utility	533,542	747,776			214,234		381,949
Electric utility	6,328,437	6,352,972	5,168		29,703		462,862
Total business-type activities	7,236,484	7,562,309	5,168		330,993		942,632
Total primary government	\$ 9,778,682	\$ 7,988,645	\$ 289,179	\$ 700,775	(1,131,076)		(800,083)
General Revenues:							
Property taxes							
General purposes					1,038,036		997,580
Debt service					189,052		186,539
Tax increments					518,951		496,102
Other taxes					11,880		11,301
Federal and State aid not restricted for specific purposes					205,258		147,399
Interest and investment earnings					180,344		291,708
Gain (loss) on sale of fixed assets					(16,240)		20,000
Miscellaneous					33,413		40,926
Transfers					186,787		
Total general revenues and transfers					2,347,481		2,191,555
Changes in net position					1,216,405		1,984,550
Net position - beginning of year					3,720,008		9,708,486
Net position - end of year					\$ 4,936,413		\$ 11,693,036

The notes to the basic financial statements are an integral part of this statement.

Exhibit A-3
Village of Mazomanie
Balance Sheet
Governmental Funds
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	General	TIF #4	Other Governmental Funds	Totals	
				2024	2023
ASSETS					
Cash and investments	\$ 585,816	\$ 1,617,476	\$ 936,112	\$ 3,139,404	\$ 3,232,525
Receivables:					
Taxes	702,588	318,824	157,211	1,178,623	1,193,159
Customers	12,919		5,380	18,299	16,384
Lease receivable	92,788			92,788	114,666
Due from other governments	442,750			442,750	473
Other	6,334			6,334	15,188
Prepaid items	48,953			48,953	35,772
Long-term receivables:					
Notes			101,009	101,009	86,869
Advances due from other funds		42,004	22,647	64,651	62,115
Due from other funds	596,086			596,086	422,164
Total assets	\$ 2,488,234	\$ 1,978,304	\$ 1,222,359	\$ 5,688,897	\$ 5,179,315
LIABILITIES					
Accounts payable	\$ 35,627	\$	\$	\$ 35,627	\$ 39,420
Due to other funds	57,329		19,412	76,741	108,705
Advance due to other funds	64,651			64,651	62,115
Unearned revenue	25,886			25,886	9,305
Developer payable		1,385,869		1,385,869	1,385,869
Total liabilities	183,493	1,385,869	19,412	1,588,774	1,605,414
DEFERRED INFLOWS OF RESOURCES					
Leases	90,890			90,890	114,246
Deferred revenue	1,243,074	485,098	340,001	2,068,173	2,043,670
Total Deferred Inflows of Resources	1,333,964	485,098	340,001	2,159,063	2,157,916
FUND BALANCES					
Nonspendable	50,851			50,851	36,919
Restricted		107,337	862,946	970,283	811,965
Unassigned	919,926			919,926	567,101
Total fund balances	970,777	107,337	862,946	1,941,060	1,415,985
Total liabilities, deferred inflows of resources and fund balances	\$ 2,488,234	\$ 1,978,304	\$ 1,222,359	\$ 5,688,897	\$ 5,179,315

Exhibit A-4
Village of Mazomanie
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	2024	2023
Total fund balances - governmental funds:	\$ 1,941,060	\$ 1,415,985
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental funds are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:		
Governmental capital assets	11,460,365	10,442,990
Governmental accumulated depreciation	(5,897,464)	(5,439,543)
	5,562,901	5,003,447
Pension and OPEB deferred outflows and inflows of resources are actuarially determined by the plans. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.		
Deferred outflows of resources	215,185	331,978
Deferred inflows of resources	(136,663)	(198,464)
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Long-term notes and loans	101,009	86,869
Subsequent year tax equivalent from utility	186,787	196,943
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:		
Bonds and notes payable	(2,826,768)	(2,947,975)
Accrued interest on general obligation debt	(24,881)	(14,897)
Compensated absences	(37,596)	(45,813)
Net pension liability	(23,209)	(85,875)
OPEB liability	(21,412)	(22,190)
Net position of governmental activities:	\$ 4,936,413	\$ 3,720,008

Exhibit A-5
Village of Mazomanie
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	General	TIF #4	Other Governmental Funds	Totals	
				2024	2023
REVENUES					
Taxes	\$ 1,043,097	\$ 500,795	\$ 214,027	\$ 1,757,919	\$ 1,691,523
Licenses and permits	67,865			67,865	56,306
Intergovernmental	861,057	2,692	973	864,722	961,216
Public charges for services	246,053		49,493	295,546	264,851
Fines and forfeits	14,529		47,177	61,706	73,737
Interest	55,225	54,166	26,623	136,014	112,301
Miscellaneous	356,066		48,218	404,284	233,067
Total revenues	2,643,892	557,653	386,511	3,588,056	3,393,001
EXPENDITURES					
Current:					
General government	386,284		35,845	422,129	453,244
Public safety	650,542			650,542	651,055
Public works	394,103		41,674	435,777	384,396
Health and human services	7,004		12,662	19,666	16,827
Leisure activities	394,054		7,670	401,724	366,862
Economic development		6,097	16,020	22,117	19,100
Capital outlay	1,098,120			1,098,120	1,102,014
Debt service:					
Principal retirement		195,000	160,888	355,888	349,935
Interest and fiscal charges	9,329	7,800	71,513	88,642	88,490
Total expenditures	2,939,436	208,897	346,272	3,494,605	3,431,923
Excess (deficiency) of revenues over expenditures	(295,544)	348,756	40,239	93,451	(38,922)
OTHER FINANCING SOURCES (USES)					
Debt proceeds	234,681			234,681	262,284
Transfers in	196,943		10,742	207,685	220,889
Transfers out	(10,742)			(10,742)	(11,094)
Total other financing sources (uses)	420,882		10,742	431,624	472,079
Net change in fund balances	125,338	348,756	50,981	525,075	433,157
Fund balances - beginning of year	845,439	(241,419)	811,965	1,415,985	982,828
Fund balances - end of year	\$ 970,777	\$ 107,337	\$ 862,946	\$ 1,941,060	\$ 1,415,985

Exhibit A-6
Village of Mazomanie
Reconciliation of Statement of Revenues, Expenditures, and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
Net change in fund balances - total governmental funds	\$ 525,075	\$ 433,157
Amounts reported for governmental activities in the statement of activities are different because:		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.		
Capital outlay reported in governmental fund statements	1,064,428	1,057,047
Depreciation expenses reported in the statement of activities	<u>(488,733)</u>	<u>(448,675)</u>
Amount by which capital outlays are greater (less) than depreciation in the current period.	575,695	608,372
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, and disposals) is to increase/decrease net position:	(16,241)	
Compensated absences and the OPEB liability are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year.		
Change in OPEB liability and related deferred outflows and inflows of resources	3,995	14,071
Change in compensated absences	8,217	6,584
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities		
The amount of long-term debt principal payments in the current year is:	355,888	349,935
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds but does not affect the statement of activities	(234,681)	(262,284)
Additional economic development loans are reflected as expenditures in governmental funds, but are reported as additions to loans receivable in the statement of net position and does not affect the statement of activities.	14,140	
In governmental funds, the current year utility tax equivalent is deferred and recognized as revenue in the subsequent year. In the statement of activities, this amount is recognized as a transfer in the year accrued.		
Prior year utility tax equivalent recognized as revenue in current year in the governmental funds	(196,943)	(209,795)
Current year utility tax equivalent recognized as a transfer in for the statement of activities	<u>186,787</u>	<u>196,943</u>
	(10,156)	(12,852)
In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.		
The amount of interest paid during the current period	88,641	88,490
The amount of interest accrued during the current period	<u>(98,625)</u>	<u>(86,773)</u>
Interest paid is greater (less) than interest expensed by	(9,984)	1,717
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan.		
Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.		
Difference between the required contributions into the defined benefit pension plan the actuarially determined change in net pension liability between years, with adjustments.	4,457	(20,083)
Change in net position - governmental activities	<u>\$ 1,216,405</u>	<u>\$ 1,118,617</u>

Exhibit A-7
Village of Mazomanie
Statement of Net Position
Proprietary Funds
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	Water Utility	Sewer Utility	Electric Utility	Totals	
				2024	2023
ASSETS					
<u>Current assets</u>					
Cash and investments	\$ 835,966	\$ 1,719,908	\$ 3,223,100	\$ 5,778,974	\$ 2,583,346
Restricted cash:					
Bond depreciation	75,570		133,373	208,943	200,348
Bond reserve	75,964		396,266	472,230	436,808
Special redemption	48,578		194,313	242,891	173,305
Receivables:					
Customers	23,240	66,490	484,845	574,575	609,078
Due from other funds	13,149		57,329	70,478	103,234
Materials and supplies	8,985	174		9,159	9,623
Total current assets	1,081,452	1,786,572	4,489,226	7,357,250	4,115,742
<u>Noncurrent assets</u>					
Capital assets:					
Property and equipment	5,946,054	2,139,741	8,544,180	16,629,975	15,776,324
Less: accumulated depreciation	(1,869,503)	(855,912)	(6,380,996)	(9,106,411)	(8,576,897)
Net book value of capital assets	4,076,551	1,283,829	2,163,184	7,523,564	7,199,427
Investment in Vanguard Commission			262,737	262,737	262,737
Total noncurrent assets	4,076,551	1,283,829	2,425,921	7,786,301	7,462,164
Total assets	5,158,003	3,070,401	6,915,147	15,143,551	11,577,906
DEFERRED OUTFLOWS OF RESOURCES					
Pension outflows	50,362	35,606	28,549	114,517	166,384
OPEB outflows	5,468	7,120	7,465	20,053	18,628
Unamortized major repairs	20,266			20,266	30,400
Deferred amount on refunding	4,857		56,796	61,653	84,828
Total deferred outflows of resources	80,953	42,726	92,810	216,489	300,240
Total assets and deferred outflows of resources	\$ 5,238,956	\$ 3,113,127	\$ 7,007,957	\$ 15,360,040	\$ 11,878,146

Exhibit A-7 (Continued)
Village of Mazomanie
Statement of Net Position
Proprietary Funds
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	Water Utility	Sewer Utility	Electric Utility	Totals	
				2024	2023
LIABILITIES					
<u>Current liabilities</u>					
<u>(Payable from current assets)</u>					
Accounts payable	\$	\$ 34,908	\$ 668,058	\$ 702,966	\$ 591,541
Due to other funds	138,199	25,736	425,889	589,824	416,693
Due to other governments		3,750	4,255	8,005	7,718
Public benefits payable			32,738	32,738	33,678
Accrued interest	1,983			1,983	
Customer deposits			26,691	26,691	25,398
Current portion of long-term debt:					
General obligation bonds and notes	79,787			79,787	
Compensated absences	8,538	8,538	739	17,815	
Total current liabilities (Payable from current assets)	228,507	72,932	1,158,370	1,459,809	1,075,028
<u>Current liabilities</u>					
<u>(Payable from restricted assets)</u>					
Mortgage revenue bonds	89,600		315,400	405,000	335,000
Accrued interest	11,669		34,380	46,049	30,553
Total current liabilities (Payable from restricted assets)	101,269		349,780	451,049	365,553
<u>Long-term liabilities</u>					
Mortgage revenue bonds	1,073,000		3,842,000	4,915,000	2,510,000
General obligation notes	562,298			562,298	59,386
Net pension liability	5,667	4,007	3,213	12,887	44,635
Compensated absences	15,636	15,636	1,359	32,631	27,976
Net OPEB liability	13,118	17,082	17,908	48,108	34,858
Less: current portion	(177,925)	(8,538)	(316,139)	(502,602)	(335,000)
Total long-term liabilities	1,491,794	28,187	3,548,341	5,068,322	2,341,855
Total liabilities	1,821,570	101,119	5,056,491	6,979,180	3,782,436
DEFERRED INFLOWS OF RESOURCES					
Pension inflows	30,333	21,446	17,195	68,974	93,496
OPEB inflows	7,616	9,917	10,397	27,930	29,186
Total deferred inflows of resources	37,949	31,363	27,592	96,904	122,682
NET POSITION					
Net investment in capital assets	2,934,744	1,283,829	579,715	4,798,288	4,714,869
Restricted:					
Equipment replacement	75,570		133,373	208,943	200,348
Debt service reserve	64,295		361,886	426,181	406,255
Special redemption	48,578		194,313	242,891	173,305
Unrestricted	256,250	1,696,816	654,587	2,607,653	2,478,251
Total net position	3,379,437	2,980,645	1,923,874	8,283,956	7,973,028
Total liabilities, deferred inflows of resources, and net position	\$ 5,238,956	\$ 3,113,127	\$ 7,007,957	\$ 15,360,040	\$ 11,878,146

Exhibit A-8
Village of Mazomanie
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	Water Utility	Sewer Utility	Electric Utility	Totals	
				2024	2023
OPERATING REVENUES					
Sales of water	\$ 455,360	\$	\$	\$ 455,360	\$ 415,832
Sales of electricity			6,340,459	6,340,459	6,894,612
Measured sewer service		745,769		745,769	741,651
Penalties	802	2,007	4,353	7,162	9,364
Other	5,399		8,160	13,559	9,939
Total operating revenues	461,561	747,776	6,352,972	7,562,309	8,071,398
OPERATING EXPENSES					
Operation and maintenance	205,612	482,179	5,788,140	6,475,931	6,456,824
Depreciation	113,171	47,048	401,403	561,622	549,967
Taxes	4,133	4,315	13,129	21,577	17,284
Total operating expenses	322,916	533,542	6,202,672	7,059,130	7,024,075
Operating income	138,645	214,234	150,300	503,179	1,047,323
NONOPERATING REVENUES (EXPENSES)					
Amortization of refunding expense	(1,826)		(21,350)	(23,176)	(26,290)
Interest income	27,869	63,083	75,770	166,722	120,244
Interest expense and fiscal charges	(49,763)		(104,415)	(154,178)	(79,347)
Total nonoperating revenues (expenses)	(23,720)	63,083	(49,995)	(10,632)	14,607
Income before contributions and transfers	114,925	277,317	100,305	492,547	1,061,930
Capital contributions			5,168	5,168	946
Transfer of tax equivalent	(75,090)		(111,697)	(186,787)	(196,943)
Change in net position	39,835	277,317	(6,224)	310,928	865,933
Net position - beginning of year	3,339,602	2,703,328	1,930,098	7,973,028	7,107,095
Net position - end of year	\$ 3,379,437	\$ 2,980,645	\$ 1,923,874	\$ 8,283,956	\$ 7,973,028

Exhibit A-9
Village of Mazomanie
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	Water Utility	Sewer Utility	Electric Utility	Totals	
				2024	2023
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES					
Received from customers	\$ 462,334	\$ 750,444	\$ 6,384,034	\$ 7,596,812	\$ 8,144,256
Payments to employees	(76,184)	(54,027)	(134,709)	(264,920)	(228,971)
Payments for employee benefits	(45,879)	(48,646)	(19,860)	(114,385)	(83,528)
Payments made by (for) other funds	131,821	(5,628)	79,694	205,887	(54,694)
Payments to suppliers	(69,233)	(371,669)	(5,537,994)	(5,978,896)	(6,089,513)
Net Cash Flows From (Used By) Operating Activities	402,859	270,474	771,165	1,444,498	1,687,550
CASH FLOWS FROM (USED BY) NONCAPITAL FINANCING ACTIVITIES					
Paid to municipality for tax equivalent	(75,090)		(111,697)	(186,787)	(196,943)
Net Cash Flows (Used by) Noncapital Financing Activities	(75,090)		(111,697)	(186,787)	(196,943)
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments for capital acquisitions	(513,553)		(378,030)	(891,583)	(262,398)
Receipt of contributed capital			5,168	5,168	946
Payments of interest and fiscal charges	(45,618)		(91,081)	(136,699)	(82,516)
Proceeds from long-term debt	927,912		2,315,000	3,242,912	
Debt retired	(69,600)		(265,400)	(335,000)	(335,000)
Net Cash Flows (Used by) Capital and Related Financing Activities	299,141		1,585,657	1,884,798	(678,968)
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES					
Receipts of interest	27,869	63,083	75,770	166,722	120,244
Net Cash Flows From (Used By) Investing Activities	27,869	63,083	75,770	166,722	120,244
Net change in Cash and Cash Equivalents	654,779	333,557	2,320,895	3,309,231	931,883
Cash and Cash Equivalents - Beginning of Year	381,299	1,386,351	1,626,157	3,393,807	2,461,924
Cash and Cash Equivalents - End of Year	\$ 1,036,078	\$ 1,719,908	\$ 3,947,052	\$ 6,703,038	\$ 3,393,807
Reconciliation of Cash and Cash Equivalents to Statement of Net Position					
Cash and investments	\$ 835,966	\$ 1,719,908	\$ 3,223,100	\$ 5,778,974	\$ 2,583,346
Bond depreciation	75,570		133,373	208,943	200,348
Special redemption	48,578		194,313	242,891	173,305
Bond reserve	75,964		396,266	472,230	436,808
Cash and Cash Equivalents	\$ 1,036,078	\$ 1,719,908	\$ 3,947,052	\$ 6,703,038	\$ 3,393,807

Exhibit A-9 (Continued)
Village of Mazomanie
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	Water Utility	Sewer Utility	Electric Utility	Totals	
				2024	2023
Reconciliation of operating income to net cash provided by operating activities:					
Operating Income	\$ 138,645	\$ 214,234	\$ 150,300	\$ 503,179	\$ 1,047,323
Net Cash Provided by Operating Activities:					
Depreciation Expense	119,014	47,048	401,384	567,446	555,518
Pension expense	(1,970)	(1,562)	(871)	(4,403)	14,721
OPEB expense	1,690	3,625	5,254	10,569	21,029
Changes in assets and liabilities:					
Customer accounts receivable	773	2,668	31,062	34,503	72,858
Other accounts receivable					
Due to/from other funds	131,821	(5,628)	79,694	205,887	(54,694)
Materials and supplies	376	88		464	(132)
Unamortized well repairs	10,133			10,133	10,134
Accounts payable		7,624	103,801	111,425	12,256
Due to other governments			287	287	(16,966)
Customer deposits			1,293	1,293	25,398
Public benefits			(940)	(940)	(5,340)
Compensated absences	2,377	2,377	(99)	4,655	5,445
Net Cash Provided by Operating Activities	\$ 402,859	\$ 270,474	\$ 771,165	\$ 1,444,498	\$ 1,687,550

Exhibit A-10
Village of Mazomanie
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024
(With Summarized Financial Information as of December 31, 2023)

	Custodial Fund	Totals	
	Tax Collection Fund	2024	2023
ASSETS			
Cash and investments	\$ 1,043,754	\$ 1,043,754	\$ 952,606
Taxes receivable	2,001,361	2,001,361	1,950,519
Total assets	\$ 3,045,115	\$ 3,045,115	\$ 2,903,125
LIABILITIES			
Due to other governments	\$ 3,045,115	\$ 3,045,115	\$ 2,903,125
NET POSITION			
Restricted			
Total liabilities and net position	\$ 3,045,115	\$ 3,045,115	\$ 2,903,125

Exhibit A-11
Village of Mazomanie
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2024
(With Summarized Financial Information for the Year Ended December 31, 2023)

	Custodial Fund	Totals	
	Tax Collection Fund	2024	2023
ADDITIONS			
Property tax collections for other governments	\$ 2,994,273	\$ 2,994,273	\$ 2,646,770
DEDUCTIONS			
Property tax collections paid or owed to other governments	2,994,273	2,994,273	2,646,770
Net increase (decrease) in fiduciary			
Net position - beginning of year			
Net position - end of year	\$	\$	\$

NOTES TO THE BASIC FINANCIAL STATEMENTS

Village of Mazomanie, Wisconsin
Index to the Notes to the Basic Financial Statements
December 31, 2024

Note 1.	<u>Summary of Significant Accounting Policies</u>	18
	A. Reporting Entity	18
	B. Government-Wide and Fund Financial Statements	18 – 20
	C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	21 – 22
	D. Cash and Investments	22
	E. Receivables	23
	F. Inventories and Prepaid Items	24
	G. Restricted Assets	24
	H. Capital Assets	24 – 25
	I. Unearned Revenue	25
	J. Compensated Absences	25
	K. Long-Term Obligations	26
	L. Claims and Judgments	26
	M. Equity Classifications	26 – 27
	N. Transfers	27
	O. Community Development Block Grant Loans	27
	P. Risk Management	28
	Q. Related Party Transactions	28
	R. Income Tax	28
	S. Encumbrances	28
	T. Summarized Comparative Information	28
	U. Pensions	28 – 29
	V. Other Postemployment Benefits	29
	W. Deferred Outflows and Inflows of Resources	29
	X. Developer Payable	29
	Y. Change in Accounting Principles	30
Note 2.	<u>Explanation of Certain Differences Between Governmental Fund Statements and Government-Wide Statements</u>	30
Note 3.	<u>Cash and Investments</u>	31 – 35
Note 4.	<u>Capital Assets</u>	36 – 38
Note 5.	<u>Long-Term Obligations</u>	38 – 42
Note 6.	<u>Leases</u>	42
Note 7.	<u>Wisconsin Retirement System</u>	43 – 48
Note 8.	<u>Other Postemployment Benefits – Multiple-Employer Life Insurance Plan</u>	48 – 53
Note 9.	<u>Interfund Accounts</u>	53 – 54
Note 10.	<u>Long-Term Advances</u>	54
Note 11.	<u>Tax Incremental Districts</u>	54 – 55
Note 12.	<u>Joint Ventures</u>	55 – 56
Note 13.	<u>Termination Benefits</u>	57
Note 14.	<u>Notes Receivable</u>	57
Note 15.	<u>Deferred Inflows of Resources</u>	57
Note 16.	<u>Net Position / Fund Balances</u>	58 – 59
Note 17.	<u>Restricted Assets</u>	59
Note 18.	<u>Restricted Net Position – Proprietary Funds</u>	59
Note 19.	<u>Tax Levy Limit</u>	60
Note 20.	<u>Concentration of Risk</u>	60
Note 21.	<u>Effect of New Accounting Standards on Current Period Financial Statements</u>	60
Note 22.	<u>Commitments/Subsequent Events</u>	60

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Mazomanie, Wisconsin 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:

A. Reporting Entity

This report includes all of the funds of the Village of Mazomanie, Wisconsin. The reporting entity for the Village consists of the (a) 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. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. 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.

These financial statements present all the fund types of the Village, the primary government. No component units have been identified that should be included in the financial statements.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from a legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (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, net position/fund equity, revenues, and expenditure expenses.

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.

Funds are organized in 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 and 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.

Major Governmental Funds:

The Village reports the following major governmental funds:

General – Accounts for the Village’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

TIF No. 4 – Accounts for the activity of tax incremental financing district No. 4.

Major Enterprise Funds:

The Village reports the following major enterprise funds:

- Electric Utility – Accounts for operation of the electric system.
- Water Utility – Accounts for operation of the water system.
- Sewer Utility – Accounts for operation of the sewer system.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Nonmajor Governmental Funds:

The Village reports the following nonmajor governmental funds:

Library Trust Fund

Debt Service Fund – Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Special Revenue Funds – Accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Cemetery Fund
- Stormwater Fund
- Community and Economic Development Block Grant
- Municipal Court

TIF No. 5 Fund – Accounts for the activity of tax incremental financing district No. 5.

In addition, the Village reports the following fund types:

Fiduciary Funds (Not included in Government-Wide Statements)

Fiduciary funds consist of pension (and other employee benefit) trust funds, private purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government controls the asset that finance the activity, b) Assets are not generated from the government’s own-source revenues or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a qualifying trust or the government does not have administrative involvement and the assets are not generated from the government’s delivery of goods or services to the beneficiaries, or the assets are for the benefit of entities that are not part of the government’s reporting entity.

The Village reports the following fiduciary fund:

Custodial Fund – used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village accounts for tax collections payable to overlying jurisdictions in the Tax Collection Fund.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. 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 interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's water, sewer, and electric 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.

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

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, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows 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 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. Resources (typically cash) received before all eligibility requirements have been met are reported as assets and offset by unearned revenue (a liability) unless only a time requirement has not been met. In that case, deferred inflows of resources are reported rather than a liability.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

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.

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 of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a 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 deferred inflows of resources are removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

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

Revenues and expenditures arising from non-exchange transactions, such as property and sales taxes, fines, and grants are recorded according to governmental standards.

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

D. Cash and Investments

Cash and investments are combined on the balance sheet. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments with an original maturity of three months or less (including restricted assets) are considered to be cash equivalents.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units in the accompanying agency fund balance sheet.

Property tax calendar - 2024 tax roll:

Lien date and levy date	November 30, 2024
Tax bills mailed	December 15, 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	July 31, 2025

Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the Village and the utilities because they have the right by law to place delinquent bills on the tax roll.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position, any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

In the governmental fund financial statements, advances to other funds are offset equally by nonspendable fund balance which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Lease Receivable

The Village's lease receivables are measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Leases – in the governmental funds, when the year-end receivable balance exceeds the deferred inflows of resources, the difference is presented as nonspendable fund balance.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories and Prepaid Items

Inventories of governmental fund types consist of expendable supplies held for consumption. Such items, which are not material, are considered expenditures when purchased and, accordingly, are not reflected on the Balance Sheet – Governmental Funds.

Inventories of proprietary fund types are valued at cost using the first-in, first-out method and are charged as expenses or are capitalized when used.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Restricted Assets

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

H. Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general fixed assets, \$20,000 for infrastructure and an estimated useful life in excess of two years. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated fixed assets are reported at acquisition value.

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. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

	<u>Years</u>
Buildings and Improvements	20-40
Machinery and Equipment	2-15
Utility System	10-100
Land Improvements	10-20
Vehicles	2-10
Infrastructure	20-50

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

Fund Financial Statements

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

I. Unearned Revenue

The Village reports unearned revenue on its governmental funds balance sheet. Unearned revenue arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Village has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

J. Compensated Absences

Sick leave accumulated prior to January 1, 2013 is cumulative. Upon retirement, the value of sick leave is used to pay health insurance premiums for the individual. Village employees are granted vacation in varying amounts based on length of service.

Full-time employees hired after January 1, 2013 earn sick leave at a rate of 10 days per calendar year accumulated up to 120 days. Accumulated but unused sick leave will not be included in termination pay.

Vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements for the portion more likely than not to be used by employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024 are determined on the basis of current salary rates and include salary related payments.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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, and accrued compensated absences.

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

L. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board 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.

M. Equity Classifications

Government-Wide Statements

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Equity Classifications (Continued)

Fund Statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable – includes amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.
- Committed – includes amounts constrained to specific purposes by the Village Board, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Village Board takes the same highest level action to remove or change the constraint.
- Assigned – includes amounts a government intends to use for a specific purpose; intent can be expressed by the Village Board or by an official or body to which the Village Board delegates the authority. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed may be assigned. Assignments may take place after the end of the reporting period.
- Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for other purposes.

The Village Board may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of a majority of the Board. Commitments of fund balance, once made, can be modified only by majority vote of the Board.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the Village to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Village that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

Village policy is to maintain an unassigned general fund balance of 25-35% of general fund expenditures.

N. Transfers

Transfers include the payment in lieu of taxes from the water and electric utilities to the general fund.

O. Community Development Block Grant Loans

Long-term loans under the Community Development Block Grant (CDBG) programs are shown as loans receivable and deferred inflows of resources in the governmental funds.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Risk Management

The Village is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Q. Related Party Transactions

The water and electric utilities are charged for tax equivalents due the municipality. Payments in lieu of taxes are treated as revenues in the general fund. The general fund pays a fire protection charge to the water utility. In addition, the electric, water and sewage utilities provide basic services to departments in the general fund. Charges for fire protection and basic services are recorded as expenditures in the general fund.

R. Income Tax

Municipal utilities are exempt from income taxes and, therefore, no income tax liability is recorded by the Village of Mazomanie, Electric, Water, and Sewer Utilities.

S. Encumbrances

Encumbrances outstanding represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders at year-end are fulfilled. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not represent liabilities or expenditures. Encumbrances accounting applies only to governmental fund types. The Village does not use encumbrance accounting.

T. Summarized Comparative Information

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

U. Pensions

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

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

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Pensions (Continued)

Information about the fiduciary net position of the WRS and additions to/deduction from the 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.

V. Other Postemployment Benefits

OPEB Group Life Insurance Plan

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 (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs, 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.

W. Deferred Outflows and Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The deferred outflows of resources were derived from the WRS pension system, OPEB plan, unamortized major repairs, and deferred amounts on debt refundings.

The statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The deferred inflows of resources are related to the WRS pension system, OPEB plan, and other amounts described in Note 15.

The net position of the Village is significantly impacted by the combined effect of deferred outflows and inflows of resources from the pension and OPEB plans.

X. Developer Payable

The developer payable of \$1,385,869 consists of costs paid by a developer on behalf of the Village. Costs paid were for infrastructure, street contributions, substation contributions, and stormwater management. The total of these costs will be repaid to the developer if tax increments are sufficient to pay costs.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Y. Change in Accounting Principles

Effective January 1, 2024, the Village adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Village did not have any accounting changes or error corrections requiring disclosure in the financial statements.

Effective January 1, 2024, the Village adopted Statement No. 101, *Compensated Absences*. GASB 101 was issued to provide guidance on the accounting and financial reporting for compensated absences. The Village's calculation of the compensated absences liability did not change significantly as a result of implementing this standard.

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS
AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and government-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 3

CASH AND INVESTMENTS

At December 31, 2024, cash and investments included the following:

Petty cash	\$	150
Deposits with financial institutions		10,263,886
Wisconsin Local Government Investment Pool		2,831
South Central Library Pooled Investment		619,329
Total cash and investments	\$	<u>10,886,196</u>

Cash and investments as of December 31, 2024 are classified in the accompanying financial statements as follows:

Exhibit A-1:		
Cash and investments	\$	8,918,378
Cash and investments - restricted		924,064
Exhibit A-10:		
Cash and investments		<u>1,043,754</u>
Total Cash and Investments	\$	<u>10,886,196</u>

Investments Authorized by Wisconsin State Statutes

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

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state.
- Bonds or securities issued or guaranteed by the federal government.
- 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.
- Bonds issued by a local exposition district.
- Bonds issued by a local professional baseball park district.
- Bonds issued by the University of Wisconsin Hospital and Clinics Authority.
- Bonds issued by a local football stadium district.
- Bonds issued by a local arts district.
- Bonds issued by the Wisconsin Aerospace Authority.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Fund Held by South Central Library System Foundation

A fund was established with the South Central Library System Foundation (SCLS) to support the library. The activity in this library fund during the year is summarized as follows:

Balance at January 1, 2024	\$ 562,884
Additions/contributions to fund	1,242
Investment gains, net of fees	<u>55,203</u>
Balance at December 31, 2024	<u><u>\$ 619,329</u></u>

The fund at the SCLS has been valued, as a practical expedient, at the fair value of the library's share of the SCLS's investment pool as of the measurement date. The SCLS's investments are composed of marketable equity funds, bond funds, equity securities, debt securities, and money market funds. The long-term asset allocation is 40% fixed income and 60% equities, with an acceptable range of +/- 10% based on market analysis.

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.

Village policy limits investments to securities maturing no more than three years from the date of purchase. Reserved funds may be invested in securities exceeding three years if maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds, but not to exceed seven years.

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

<u>Investment Type</u>	<u>Amount</u>	<u>Remaining Maturity</u> 12 Months or Less
Local Governmental Investment Pool	\$ 2,831	\$ 2,831
South Central Library Fund	<u>619,329</u>	<u>619,329</u>
Totals	<u><u>\$ 622,160</u></u>	<u><u>\$ 622,160</u></u>

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village has no investment policy that would further limit its investment choices. At December 31, 2024, the Village's Investment in the Wisconsin Local Government Investment Pool and the South Central Library Pool were not rated.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Village would not be able to recover the value of its investment of collateral securities that are in possession of another party.

Village policy is to require financial institutions to secure deposits and investments in excess of \$250,000 by pledging as collateral, U.S. Treasury bills, notes, bonds, U.S. Government Agencies or State of Wisconsin general obligation bonds or a bank deposit guaranty bond.

Federal Deposit Insurance Corporation (FDIC) Insurance

The FDIC insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the event of the failure of an insured bank.

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. 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 be significant to individual organizations.

As of December 31, 2024, \$250,000 of the Village's deposits with financial institutions were insured by the FDIC. \$9,995,592 of the Village's deposits exceeded FDIC thresholds. Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year significantly exceeding uninsured amounts at the balance sheet date. \$1,000,000 of the uninsured amount would be insured by the State Guarantee Fund, provided funds are available at the time of any potential loss. As of December 31, 2024, \$8,544,072 of the Villages uninsured deposits were insured by securities pledged collateral by a bank.

Wisconsin Local Government Investment Pool

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board (SWIB). The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the Village.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment guidelines.

Investment allocation in the local government investment pool as of December 31, 2024, was: 97% in U.S. Government Securities and 3% in commercial paper, CDs and time deposits. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The Village places no limit on the amount the Village may invest in any one issuer.

Fair Value Measurement

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurements date.

The Village uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the Village’s assumptions about a hypothetical marketplace because observable market inputs are not available as of the reporting date.

The Village uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the Village measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

	Assets at Fair Value			
	Fair Value	Level 1	Level 2	Level 3
South Central Library System Foundation	\$ 619,329			\$ 619,329

The South Central Library System Foundation investment is not actively traded and significant other observable inputs are not available. Thus, the fair value of the investment is measured at the proportional share of the underlying assets as reported to the Village from South Central Library System Foundation (Level 3 inputs). The estimated value does not necessarily represent the amounts that may be ultimately realized.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 4

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Construction work in progress	\$ 6,538	\$ 14,236	\$ (6,538)	\$ 14,236
Capital assets being depreciated:				
Buildings	1,291,069	123,325		1,414,394
Land improvements	3,247,258	487,958	(6,830)	3,728,386
Machinery and equipment	843,720	106,652	(40,223)	910,149
Infrastructure	3,755,868	338,795		4,094,663
Vehicles	1,298,537			1,298,537
Total other capital assets at historical costs	10,436,452	1,056,730	(47,053)	11,446,129
Less Accumulated Depreciation for:				
Buildings	(922,194)	(28,975)		(951,169)
Land improvements	(830,041)	(162,472)	6,830	(985,683)
Machinery and equipment	(551,641)	(56,110)	23,982	(583,769)
Infrastructure	(2,375,204)	(190,777)		(2,565,981)
Vehicles	(760,463)	(50,399)		(810,862)
Total Accumulated Depreciation	(5,439,543)	(488,733)	30,812	(5,897,464)
Net Capital Assets Being Depreciated	4,996,909	567,997	(16,241)	5,548,665
Total Net Capital Assets	\$ 5,003,447	\$ 582,233	\$ (22,779)	\$ 5,562,901

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	\$ 11,368
Public Safety	47,262
Public Works, which includes the depreciation of infrastructure	234,399
Health and Human Services	2,251
Leisure Activities	193,453
Total Governmental Activities Depreciation Expense	\$ 488,733

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 4

CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Business-Type Activities:</u>				
Capital assets not being depreciated:				
Land and land rights	\$ 25,979	\$	\$	\$ 25,979
Construction work in process	163,017	179,668		342,685
Total capital assets not being depreciated	188,996	179,668		368,664
Capital assets being depreciated:				
Water:				
Wells	53,407			53,407
Other Power Production Equipment	87,705			87,705
Distribution, reservoirs and standpipes	529,209			529,209
Mains	3,134,459	354,708	(9,700)	3,479,467
Services	630,772	92,060	(1,800)	721,032
Meters	208,253	8,769	(360)	216,662
Hydrants	390,522	43,644	(2,000)	432,166
Buildings and attached fixtures	103,716			103,716
Machinery and equipment	290,626	14,372	(9,482)	295,516
Sewer:				
Buildings and attached fixtures	57,845			57,845
Machinery and equipment	37,692			37,692
Mains and services	2,043,002			2,043,002
Electric:				
Buildings and attached fixtures	176,971			176,971
Distribution plant	7,760,414	198,362	(14,590)	7,944,186
Other general plant	82,735			82,735
Total	15,587,328	711,915	(37,932)	16,261,311
Less: Accumulated depreciation for:				
Water	(1,773,831)	(119,014)	23,342	(1,869,503)
Sewer	(808,864)	(47,048)		(855,912)
Electric	(5,994,202)	(401,384)	14,590	(6,380,996)
Total Accumulated Depreciation	(8,576,897)	(567,446)	37,932	(9,106,411)
Net Capital Assets Being Depreciated	7,010,431	144,469		7,154,900
Total Net Capital Assets	\$ 7,199,427	\$ 324,137	\$	\$ 7,523,564

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 4

CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions as follows:

Business-Type Activities:

Water	\$ 119,014
Sewer	47,048
Electric	401,384
Total Depreciation Expense	567,446
Less: Water Depreciation Expense Allocated to Sewer	(5,824)
Total Depreciation Expense per Exhibit A-8	\$ 561,622

NOTE 5

LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due within One Year
<u>Governmental Activities</u>					
General obligation debt-nondirect	\$2,510,000	\$	\$ (325,000)	\$2,185,000	\$ 340,000
Direct borrowings and direct placements:					
General obligation notes	175,691		(30,888)	144,803	32,359
Lines of credit	262,284	234,681		496,965	
Other Liabilities:					
Compensated absences	45,813		(8,217)	37,596	21,250
Total Governmental Activities					
Long-Term Liabilities	\$2,993,788	\$ 234,681	\$ (364,105)	\$2,864,364	\$ 393,609
<u>Business-Type Activities</u>					
Revenue bonds - nondirect	\$2,510,000	\$2,740,000	\$ (335,000)	\$4,915,000	\$ 405,000
Direct borrowings and and direct placements:					
General obligation	59,386	502,912		562,298	79,787
Other Liabilities:					
Compensated absences	27,976	4,655		32,631	17,815
Total Business-Type Activities					
Long-Term Liabilities	\$2,597,362	\$3,247,567	\$ (335,000)	\$5,509,929	\$ 502,602

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

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Debt

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2024 was \$13,471,350. Total general obligation debt outstanding at year-end was \$3,389,066.

General obligation debt at December 31, 2024 consists of the following:

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/24
Note	2/20/15	2/20/25	2.41%	\$ 126,483	\$ 15,128
Note	9/7/21	9/7/31	1.95%	180,000	129,675
Bonds	5/30/18	5/1/37	2.7-3.85%	4,035,000	2,185,000
Line of credit - Note	4/26/23	4/26/26	4.50%	276,520	276,520
Line of credit - Note	5/29/24	11/30/26	5.79%	220,445	220,445
Total Governmental Activities - General Obligation Debt					\$ 2,826,768

Business-Type Activities	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/24
General Obligation Note	12/11/20	12/11/25	1.30%	\$ 59,386	\$ 59,386
Safe Drinking Water Loan	5/25/24	5/1/44	2.15%	502,912	502,912
Total Business-Type Activities - General Obligation Debt					\$ 562,298

Debt service requirements to maturity are as follows for governmental activities:

Years	Governmental Activities					
	Notes and Bonds - Nondirect			Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 340,000	\$ 67,227	\$ 407,227	\$ 32,359	\$ 2,870	\$ 35,229
2026	135,000	60,748	195,748	17,832	2,184	20,016
2027	145,000	56,755	201,755	18,179	1,837	20,016
2028	150,000	52,403	202,403	18,534	1,482	20,016
2029	155,000	47,750	202,750	18,895	1,121	20,016
2030-2034	830,000	155,601	985,601	39,004	1,129	40,133
2035-2037	430,000	22,443	452,443			
Totals	\$ 2,185,000	\$ 462,927	\$ 2,647,927	\$ 144,803	\$ 10,623	\$ 155,426

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows for business-type activities:

Years	Business-Type Activities		
	Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2025	\$ 79,787	\$ 10,996	\$ 90,783
2026	20,839	10,126	30,965
2027	21,286	9,675	30,961
2028	21,742	9,213	30,955
2029	22,209	8,742	30,951
2030-2034	118,396	36,277	154,673
2035-2039	131,651	22,880	154,531
2040-2044	146,388	7,983	154,371
Totals	\$ 562,298	\$ 115,892	\$ 678,190

Lines of Credit – Notes (governmental activities)

The Village has a line of credit with a bank with an available borrowing limit of \$300,000 with an interest rate of 4.50%. The outstanding balance at December 31, 2024 was \$276,520. This line of credit has a maturity date of April 26, 2026. The Village paid \$9,329 of interest expense for the year ending December 31, 2024.

The Village has a line of credit with a bank with an available borrowing limit of \$350,000 with an interest rate of 5.79%. The outstanding balance at December 31, 2024 was \$220,445. This line of credit has a maturity date of November 30, 2026. The Village did not pay any interest expense for the year ending December 31, 2024.

Revenue Debt

Revenue bonds are payable only from revenues derived from the operation of the utility.

Revenue debt payable at December 31, 2024 consists of the following:

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2024
Revenue Refunding Bonds	12/15/16	8/1/29	2.45-3.00%	\$2,605,000	\$1,225,000
Revenue Bonds	5/30/18	8/1/33	2.80-3.70%	1,460,000	950,000
Revenue Bonds	11/13/24	8/1/41	3.25-5.00%	2,740,000	2,740,000
Total Business-Type Activities Revenue Debt					\$4,915,000

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows:

Years	Business-Type Activities Revenue Debt - nondirect		
	Principal	Interest	Total
2025	\$ 405,000	\$ 148,497	\$ 553,497
2026	415,000	169,418	584,418
2027	425,000	156,548	581,548
2028	435,000	142,810	577,810
2029	445,000	129,513	574,513
2030-2034	1,465,000	440,805	1,905,805
2035-2037	995,000	191,563	1,186,563
2040-2044	330,000	21,038	351,038
Totals	<u>\$ 4,915,000</u>	<u>\$ 1,400,191</u>	<u>\$ 6,315,191</u>

Waterworks and Electric System Mortgage Revenue Bonds

According to the Village of Mazomanie resolutions authorizing waterworks and electric system mortgage revenue bond issues, local officials must comply with certain requirements specified therein.

Income and revenues from the operation of the System shall be set aside into separate and special funds (bank accounts) to be used and applied for the following purposes:

- Amounts sufficient to provide for the reasonable operations of the System and set aside into a "Waterworks System Operating and Maintenance Fund" and an "Electric System Operation and Maintenance Fund."
- Amounts sufficient to pay the principal of and the interest on the 2016, 2018, and 2024 Bonds and to meet the Reserve requirement shall be set aside into a "Joint Waterworks System and Electric System Bond and Interest Special Redemption Fund." The amount deposited each month shall not be less than one-sixth of the interest next coming due, plus one-twelfth of the principal next maturing.
- Amounts sufficient to provide a proper and adequate depreciation account for the System and set aside monthly into a "Waterworks System Depreciation Fund" and an "Electric System Depreciation Fund." Any amounts in each account in excess of \$126,233 (water) and \$142,347 (electric) not required during the current fiscal year in these funds may be transferred.
- An amount shall be set aside in a separate account known as the "Reserve Account" equal to the highest remaining annual debt service requirement on the prior bonds. Should the balance in this account at any time be less than the reserve requirement, the Village will deposit one twelfth of the reserve requirement monthly from the above funds which is in excess of the amounts required for the purpose of such funds until the reserve requirement is again accumulated.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Waterworks and Electric System Mortgage Revenue Bonds (Continued)

Rates and charges for services rendered by the system are required to be such that annual "net earnings" be not less than 125% of the annual debt service on all bonds in any year so that the amount set aside in the bond and interest special redemption fund will be adequate for payment of the bonds and interest thereon as they become payable. This requirement was met for 2024.

There are a number of other limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with these limitations and restrictions.

Other Debt Information

In prior years, the Village defeased certain general obligation notes and bonds. The refunding resulted in a difference between the acquisition price and the net carrying amount of the old debt. The utility portion of this difference is reported in the proprietary fund statements as deferred outflows of resources and is being charged to operations based on the amount of interest costs incurred annually to the total interest costs of the new issue.

NOTE 6

LEASES

Lease Receivable

The Village leases land for use of cell towers and use of a radio pole. In the statement of activities, lease revenue for the year ended December 31, 2024, was as follows:

	Year Ending December 31, 2024
Lease-related revenue	
Lease revenue	
Land	\$ 23,355
Interest revenue	3,111
Total	<u>\$ 26,466</u>

Aggregate cash flows for the revenue generated by the lease receivable and interest at December 31, 2024 are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 22,648	\$ 2,511	\$ 25,159
2026	19,321	1,832	21,153
2027	7,462	1,463	8,925
2028	7,806	1,236	9,042
2029	8,165	998	9,163
2030-2034	15,623	3,196	18,819
2035-2038	11,763	732	12,495
	<u>\$ 92,788</u>	<u>\$ 11,968</u>	<u>\$ 104,756</u>

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

Benefits provided. Employees who retire at or after age 65 (54 for protective 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.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM (CONTINUED)

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and executives and elected officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as 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 \$31,008 in contributions from the employer.

Contribution rates as of December 31, 2024 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the Village reported a liability (asset) of \$36,096 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. 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 (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.00242782%, which was a decrease of 0.00003571% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense of \$24,842.

Pension amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary funds and business-type activities relative to the total contributions made by the Village.

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 145,542	\$ (192,772)
Net differences between projected and actual earnings on pension plan investments	125,792	
Changes in assumptions	15,733	
Changes in proportion and differences between employer contributions and proportionate share of contributions	411	(434)
Employer contributions subsequent to the measurement date	33,298	
Total	\$ 320,776	\$ (193,206)

\$33,298 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2025.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM (CONTINUED)

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

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2025	\$ 19,336
2026	20,332
2027	78,877
2028	(24,273)
Total	<u>\$ 94,272</u>

Actuarial assumptions. The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
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, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM (CONTINUED)

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

Asset Allocation Targets and Expected Returns ¹			
As of December 31, 2023			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 7

WISCONSIN RETIREMENT SYSTEM (CONTINUED)

Single Discount rate. A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (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, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax- exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.8%)
Village's proportionate share of the net pension liability (asset)	\$ 348,894	\$ 36,096	\$ (182,780)

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>.

NOTE 8

OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN

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

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

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

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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.

Contribution rates as of December 31, 2024 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member 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 member contribution rates in effect for the year ended December 31, 2023 are as listed below:

Life Insurance			
Member Contribution Rates*			
For the year ended December 31, 2023			
Attained Age		Basic	Supplemental
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 \$307 in contributions from the employer.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

At December 31, 2024, the LRLIF Employer reported a liability (asset) of \$69,520 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. 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 (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.0151110%, which was an increase of 0.00013700% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized OPEB expense of \$6,947.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the Village.

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (6,152)
Net differences between projected and actual earnings on plan investments	939	
Changes in actuarial assumptions	21,746	(27,375)
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,955	(6,834)
Employer contributions subsequent to the measurement date	339	
Totals	\$ 28,979	\$ (40,361)

\$339 reported as deferred outflows related to OPEB resulting from the Village employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2025.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2025	\$ 441
2026	230
2027	(2,881)
2028	(6,039)
2029	(4,362)
Thereafter	890
Total	<u>\$ (11,721)</u>

Actuarial assumptions. The total OPEB liability in the January 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset):	December 31, 2023
WRS 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*:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

* Based on the Bond Buyer GO 20-Bond Municipal index.

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, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2023			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interm Credit	40%	2.32%
US Mortgages	Bloomberg US MBS	60%	2.52%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

Single Discount rate. A single discount rate of 3.32% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The change in the discount rate was primarily caused by the decrease in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

Sensitivity of the Village’s proportionate share of the net OPEB liability (asset) to changes in the discount rate. The following presents the Village’s proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32 percent, as well as what the Village’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32 percent) or 1-percentage-point higher (4.32 percent) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
Village's proportionate share of the net OPEB liability (asset)	\$ 93,410	\$ 69,520	\$ 51,285

NOTE 9 INTERFUND ACCOUNTS

Interfund receivables and payables were as follows on December 31, 2024:

Receivable Fund	Payable Fund	Amount	Purpose
Governmental Funds:			
General	Sewer	\$ 12,587	Operating costs
General	Water	138,199	Tax equivalent, operating costs
General	Electric	425,889	Tax equivalent, operating costs
General	Stormwater	19,411	Operating costs
	Total	<u>\$ 596,086</u>	
Enterprise Funds:			
Water	Sewer	\$ 13,149	Shared meter and operating costs
Electric	General	57,329	Ball park costs to be reimbursed
	Total	<u>\$ 70,478</u>	

Interfund balances arose from various expense and cashflow reimbursements not repaid by December 31.

For the statement of net position, interfund balances owed within the governmental activities or business-type activities are netted and eliminated.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 9

INTERFUND ACCOUNTS (CONTINUED)

The following is a schedule of interfund transfers:

<u>Fund Transfer To</u>	<u>Fund Transfer From</u>	<u>Amount</u>	<u>Purpose</u>
Governmental Funds:			
General	Water	\$ 80,336	Tax Equivalent
General	Electric	116,607	Tax Equivalent
Cemetery	General	10,742	Operations
	Total	<u>\$ 207,685</u>	
Proprietary Funds:			
General	Water	\$ 75,090	Tax Equivalent
General	Electric	111,697	Tax Equivalent
	Total	<u>\$ 186,787</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move fund balances whose designated purpose has been removed.

NOTE 10

LONG-TERM ADVANCES

Various funds have advanced funds to/from the tax incremental financing districts. No repayment schedule has been established on these advances. As of December 31, 2024, the advance balances were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
TIF #4	General	\$ 42,004
TIF #5	General	22,647
Subtotal - Governmental Funds		<u>\$ 64,651</u>

NOTE 11

TAX INCREMENTAL DISTRICTS

The Village of Mazomanie, Wisconsin's Tax Incremental Financing Districts were created under the provisions of Wisconsin Statute Section 66.46. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the Districts. The tax on the increased value is called a tax increment.

Project costs may be incurred up to five years before the District's mandatory termination date. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or for a maximum of 23 years (TID's created before October 1, 1995) or 20 years (TID's created after September 30, 1995). TID's created after October 1, 2004 will have a maximum life of 27 years for blight elimination districts and 20 years for industrial and mixed-use TID's. An industrial and mixed-use TID has the option to extend the maximum life by 5 years. Project cost uncollected at the dissolution date are absorbed by the municipality.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 11

TAX INCREMENTAL DISTRICTS (CONTINUED)

	Creation Date	Last Date to Incur Project Costs	Final Dissolution Date
District #4 (mixed use)	9/27/05	9/27/20	1/14/26
District #5 (blighted area)	9/27/05	9/27/27	9/27/32

Following is the cumulative status of TIF Districts 4 and 5 as of December 31, 2024:

	TIF#4	TIF#5
Revenues		
Tax Increments	\$ 4,583,293	\$ 444,785
Payment in Lieu of Taxes		32,786
Intergovernmental	526,253	118,230
Interest	92,524	
Sale of Land	57,452	
Developer Guarantee	602,170	
Total Revenues	5,861,692	595,801
Expenditures		
Administrative	157,902	34,584
Capital Outlay	4,857,677	682,008
Interest and Fiscal Charges	933,776	56,562
Total Expenditures	5,949,355	773,154
Amount to be		
Recovered Through Increments	\$ 87,663	\$ 177,353
Cash		
Net Advances Due (from) to Other Funds	\$ (1,451,202)	\$ (22,647)
Notes Payable	195,000	200,000
Developer Payable	1,385,869	
Amount to be Recovered Through Future Increments	\$ 87,663	\$ 177,353

NOTE 12

JOINT VENTURES

A) Ambulance

The Village of Mazomanie is a member of a local ambulance district. The municipalities forming the district share in the operation of the district based on the ratio of equalized values. The governing body is made up of representatives from each municipality and has authority to adopt its own budget and control the financial affairs of the district. Transactions of the district are not reflected in these financial statements. The Village's contribution to the joint venture for 2024 was \$67,630, which included grant funding that passed through the Village. Summary financial information of the ambulance district as of December 31, 2024, was not available.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 12

JOINT VENTURES (CONTINUED)

B) Dane-Iowa Wastewater Commission

In accordance with Wis. Statute 66.30, the Villages of Mazomanie, Black Earth and Arena entered into an agreement to create the Dane-Iowa Wastewater Commission. The purpose of the Commission is to construct and operate a regional sewage treatment and disposal facility. Upon completion of the facility, the Villages discontinued their treatment and disposal facilities and retained their respective collection systems. The facility was financed partially with Clean Water Fund Revenue Bonds issued by each of the Villages. These revenue bonds were paid in full in 2019.

The Commission consists of seven voting members consisting of the presidents of the three villages and one additional member appointed by the president of each village and approved by each village board. One additional member is selected by the majority vote of these six members and must be a resident of one of the municipalities.

At any time after twenty years from the date upon which all contracting municipalities close on the Clean Water Fund Revenue Bonds, and after payment in full of all obligations of the Commission used to finance the planning, construction, replacement maintenance, operation or extension of the system, any contracting municipality may, upon not less than three years' notice to the commission and the other contracting municipalities, withdraw from this agreement.

The commission established user charges and bills the member municipalities, the Village of Cross Plains and the Wisconsin Heights School District. The Village expensed \$279,705 of costs in 2024.

The commission operates on a fiscal year from July 1 to June 30. Audited financial statements for the year ended June 30, 2024, are available at the commission office. The financial transactions of the commission are not included in the Village's audit.

C) Joint Electric Commission

The Village of Black Earth and the Village of Mazomanie entered into an agreement to create the Vanguard Electric Commission. The agreement was approved in December 2000. The agreement outlines the provisions for the creation of a joint commission for the purposes of providing services to each Village electric utility. The agreement specifies procedures for allocating costs between each Village. The Commission consists of seven (7) members including three from each municipality and an at-large citizen.

The Villages of Black Earth and Mazomanie were granted approval by the Public Service Commission for the Vanguard commission to be an affiliated interest of each municipal utility. Mazomanie Electric Utility contributed \$262,737 in operating cash, vehicles and inventory to the commission. This contribution is accounted for as an investment in Vanguard.

The Village was billed \$702,957 for costs incurred by Vanguard Electric Commission during 2024. \$423,475 of this amount was capitalized by the Electric Utility. \$279,482 of these costs are reflected as operating expenses of the Electric Utility.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 13

TERMINATION BENEFITS

The municipality provides post-employment health insurance benefits for eligible employees. Employees may convert sick leave accumulated prior to January 1, 2013 to pay for health care premiums. The cost of those premiums is recognized as an expenditure as the premiums are paid in the governmental funds. Funding for these costs are provided out of the current operating budget of the funds. An estimated liability is recorded for these benefits in the proprietary funds and future payments reduce the liability. At December 31, 2024, there were three individuals eligible to receive these benefits. There were payments of \$8,217 for the year ended December 31, 2024. The amount accrued for future retiree premiums is \$62,091 and has been included in the compensated absences liability on the government-wide statement of net position.

NOTE 14

NOTES RECEIVABLE

Long-term notes receivable recorded in the Community and Economic Development Block Grants fund at December 31, 2024, consist of loans made to individuals to rehabilitate homes. These notes are secured by real estate mortgages. Repayments are deposited into a revolving loan fund from which additional loans will be made to fund activities qualifying under the Village's housing procedures manual. These notes represent revenue that is not available for current expenditures and are, therefore, recorded as deferred inflows of resources.

NOTE 15

DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes receivable for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer inflow recognition in connection with resources that have been received, but not yet earned. At December 31, 2024 the various components of deferred inflows of resources were as follows:

Property tax receivable	\$ 1,780,377
2024 tax equivalent	186,787
Economic development loans receivable	101,009
Leases receivable	90,890
Total Deferred Inflows of Resources	<u>\$ 2,159,063</u>

The Economic Development Loans receivable of \$101,009 represents various loans to homeowners and businesses that were originally financed from economic development grants received by the Village from the State of Wisconsin. Repayment of principal and interest on the loans is recorded as revenue in the community and economic development block grant special revenue fund and is used to finance additional loans.

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 16

NET POSITION/FUND BALANCES

GOVERNMENTAL ACTIVITIES

Governmental activities net position reported on the government wide statement of net position at December 31, 2024 includes the following:

Net investment in capital assets	
Capital assets, net of accumulated depreciation	\$ 5,562,901
Less: related long-term debt outstanding	<u>(2,431,768)</u>
Total net investment in capital assets	<u>3,131,133</u>
Restricted for:	
Economic Development	221,874
Library Trust	682,231
Stormwater	919
Municipal court	36,284
TIF Districts	<u>129,984</u>
Total restricted	<u>1,071,292</u>
Unrestricted (deficit)	<u>733,988</u>
Total governmental activities net position	<u><u>\$ 4,936,413</u></u>

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2024, includes the following:

Nonspendable:	
General Fund:	
Prepaid items	\$ 48,953
Leases	<u>1,898</u>
Total nonspendable	<u><u>\$ 50,851</u></u>
Restricted for:	
Library expendable trust	\$ 682,231
Community development block grant program	120,865
Stormwater	919
Municipal court	36,284
TIF #4	107,337
TIF #5	<u>129,984</u>
Total restricted	<u><u>\$ 1,077,620</u></u>

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 16

NET POSITION/FUND BALANCES (CONTINUED)

The following calculation supports the utility net position invested in capital assets, net of related debt:

Plant in service	\$ 16,629,975
Accumulated depreciation	<u>(9,106,411)</u>
Subtotal	7,523,564
Less: Capital related debt	(5,477,298)
Add: unspent bond proceeds	2,690,369
Add: Deferred amount on refunding	<u>61,653</u>
Total net investment in capital assets	<u><u>\$ 4,798,288</u></u>

NOTE 17

RESTRICTED ASSETS

Certain proceeds of the utility's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The following revenue bond accounts are reported as restricted assets:

Redemption -	Used to segregate resources accumulated for debt service payments over the next twelve months.
Reserve -	Used to report resources set aside to make up potential future deficiencies in the redemption account.
Depreciation -	Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

NOTE 18

RESTRICTED NET POSITION-PROPRIETARY FUNDS

The following calculation supports the amount of net position:

Restricted assets:	
Depreciation fund	\$ 208,943
Reserve fund	472,230
Special redemption	<u>242,891</u>
Total restricted assets	924,064
Accrued interest payable from restricted assets	<u>(46,049)</u>
Total restricted net position	<u><u>\$ 878,015</u></u>

Village of Mazomanie, Wisconsin
Notes to the Basic Financial Statements
December 31, 2024

NOTE 19

TAX LEVY LIMIT

Wisconsin Act 32 imposes a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. Under 2011 Wisconsin Act 32, in 2011 and all future years, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from the net new construction or zero percent. All of the exceptions and modifications to levy limits that existed under previous law continue to apply.

In addition, as part of Wisconsin's Act 20 (2013), legislation was passed that further limits future tax levies. If the Village adopts a new fee or a fee increase for covered services (which were partly or wholly funded by property tax levy), the Village must reduce its levy limit in the current year by the amount of the new fee or fee increase, less any previous reductions. Covered services include garbage collection, snow plowing, and street sweeping.

NOTE 20

CONCENTRATION OF RISK

Approximately 73% of the Electric Utility operating revenues are provided by two customers.

NOTE 21

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 102, *Certain Risk Disclosures*, effective for periods beginning after June 15, 2024, GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for periods beginning after June 15, 2025, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for periods beginning after June 15, 2025. When these become effective, application of these standards may restate portions of these financial statements.

NOTE 22

COMMITMENTS/SUBSEQUENT EVENTS

Prior to December 31, 2024, the Village board approved to expand the West substation for approximately \$525,000. The project began in 2024. At December 31, 2024, approximately \$100,000 was expended leaving \$425,000 to be spent.

Subsequent to December 31, 2024, the Village board approved the purchase of a backhoe for approximately \$90,000.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit B-1
Required Supplementary Information

Village of Mazomanie
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variances- Positive (Negative)	
	Original	Final		Original to Actual	Final to Actual
REVENUES					
Taxes	\$ 1,042,785	\$ 1,042,785	\$ 1,043,097	\$ 312	\$ 312
Licenses and permits	67,500	67,500	67,865	365	365
Intergovernmental	312,139	782,139	861,057	548,918	78,918
Public charges for services	254,874	254,874	246,053	(8,821)	(8,821)
Fines and forfeits	15,500	15,500	14,529	(971)	(971)
Interest	92,000	92,000	55,225	(36,775)	(36,775)
Miscellaneous	2,900	352,900	356,066	353,166	3,166
Total revenues	<u>1,787,698</u>	<u>2,607,698</u>	<u>2,643,892</u>	<u>856,194</u>	<u>36,194</u>
EXPENDITURES					
General government	435,793	403,793	386,284	49,509	17,509
Public safety	652,987	652,987	650,542	2,445	2,445
Public works	362,812	394,812	394,103	(31,291)	709
Health and human services	20,080	20,080	7,004	13,076	13,076
Leisure activities	408,185	408,185	394,054	14,131	14,131
Capital outlay	97,035	1,147,035	1,098,120	(1,001,085)	48,915
Interest and fiscal charges	13,500	13,500	9,329	4,171	4,171
Total expenditures	<u>1,990,392</u>	<u>3,040,392</u>	<u>2,939,436</u>	<u>(949,044)</u>	<u>100,956</u>
Excess (deficiency) of revenues over over expenditures	<u>(202,694)</u>	<u>(432,694)</u>	<u>(295,544)</u>	<u>(92,850)</u>	<u>137,150</u>
OTHER FINANCING SOURCES (USES)					
Debt proceeds		230,000	234,681	234,681	4,681
Transfers in (out)	202,694	202,694	186,201	(16,493)	(16,493)
Total other financing sources (uses)	<u>202,694</u>	<u>432,694</u>	<u>420,882</u>	<u>218,188</u>	<u>(11,812)</u>
Net change in fund balances			125,338	125,338	125,338
Fund balance - beginning of year	845,439	845,439	845,439		
Fund balance - end of year	<u>\$ 845,439</u>	<u>\$ 845,439</u>	<u>\$ 970,777</u>	<u>\$ 125,338</u>	<u>\$ 125,338</u>

Exhibit B-2
Village of Mazomanie, Wisconsin
Wisconsin Retirement System Schedules
December 31, 2024

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2023	0.00242782%	\$ 36,096	\$ 456,004	7.92%	98.85%
2022	0.00246353%	130,510	437,130	29.86%	95.72%
2021	(0.00248504%)	(200,295)	437,935	(45.74%)	106.02%
2020	(0.00249067%)	(155,496)	407,507	(38.16%)	105.26%
2019	(0.00250666%)	(80,826)	396,025	(20.41%)	102.96%
2018	0.00239482%	85,200	393,950	21.63%	96.45%
2017	(0.00221282%)	(65,701)	368,882	(17.81%)	102.93%
2016	0.00194634%	16,041	306,366	5.24%	99.12%
2015	0.00179248%	29,127	287,224	10.14%	98.20%
2014	(0.00172860%)	(42,447)	238,437	(17.80%)	102.74%

*The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 33,298	\$ (33,298)		\$ 482,576	6.90%
2023	30,640	(30,640)		456,004	6.72%
2022	28,413	(28,413)		437,130	6.50%
2021	29,495	(29,495)		437,935	6.74%
2020	27,508	(27,508)		407,507	6.75%
2019	25,940	(25,940)		396,025	6.55%
2018	26,395	(26,395)		393,950	6.70%
2017	24,781	(24,781)		368,882	6.72%
2016	20,220	(20,220)		306,366	6.60%
2015	19,531	(19,531)		287,224	6.80%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

Exhibit B-3
Village of Mazomanie, Wisconsin
Local Retiree Life Insurance Fund Schedules
December 31, 2024

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2023	0.01511100%	\$ 69,520	\$ 439,000	15.84%	33.90%
2022	0.01497400%	57,048	422,000	13.52%	38.81%
2021	0.01528500%	90,340	408,000	22.14%	29.57%
2020	0.01788900%	98,403	403,000	24.42%	31.36%
2019	0.01544900%	65,785	399,000	16.49%	37.58%
2018	0.01479000%	38,162	382,000	9.99%	48.69%
2017	0.01330100%	40,017	559,345	7.15%	44.81%

*The proportionate share of the net OPEB liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 339	\$ (339)		\$ 448,339	0.08%
2023	275	(275)		439,000	0.06%
2022	300	(300)		422,000	0.07%
2021	312	(312)		408,000	0.08%
2020	331	(331)		403,000	0.08%
2019	279	(279)		399,000	0.07%
2018	284	(284)		382,000	0.07%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

Village of Mazomanie, Wisconsin
Notes to the Required Supplementary Information
December 31, 2024

NOTE 1

BUDGET SCHEDULE

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.C to the financial statements.

The Village budget is adopted in accordance with state law. Budget amounts in the financial statements include appropriations authorized in the original budget resolution and subsequent revisions authorized by the Village board. Such revisions are required by a statutory provision which states that no expenditure can be made from an expired appropriation. The statutes also require publication of these budget revisions. Revisions require a two-thirds vote of the Village Board. Appropriations for the general fund lapse at year end unless specifically carried forward by Board action.

The Village does not utilize encumbrances in its budget process but does take into consideration certain appropriations, which do not lapse on an annual basis.

NOTE 2

EXCESS EXPENDITURES OVER APPROPRIATIONS

No expenditures exceeded budget appropriations in the general fund for the year ended December 31, 2024.

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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

Change of assumptions:

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

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

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

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the 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 Mazomanie, Wisconsin
Notes to the Required Supplementary Information
December 31, 2024

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:					
	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
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%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	7.0%	7.0%	7.0%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	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*:	1.7%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	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.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	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%).
*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.					

Village of Mazomanie, Wisconsin
Notes to the Required Supplementary Information
December 31, 2024

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:					
	2018	2017	2016	2015	2014
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
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 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.
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 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 scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality
<p>*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.</p>					

Village of Mazomanie, Wisconsin
Notes to the Required Supplementary Information
December 31, 2024

NOTE 4

LOCAL RETIREE LIFE INSURANCE SCHEDULES

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets)

Benefit Terms: There were no recent changes in benefit terms.

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 the 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.

SUPPLEMENTARY INFORMATION

Exhibit C-1
Village of Mazomanie
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	TIF #5	Community and Economic Development Block Grants	Debt Service	Stormwater	Municipal Court	Library Trust	Total
ASSETS							
Cash and investments	\$ 11,920	\$ 120,865	\$ 69,861	\$ 14,951	\$ 36,284	\$ 682,231	\$ 936,112
Receivables:							
Taxes	22,856		134,355				157,211
Customer				5,380			5,380
Long-term receivables:							
Notes		101,009					101,009
Advance due from other funds	22,647						22,647
Total assets	\$ 57,423	\$ 221,874	\$ 204,216	\$ 20,331	\$ 36,284	\$ 682,231	\$ 1,222,359
LIABILITIES							
Due to other funds	\$	\$	\$	\$ 19,412	\$	\$	\$ 19,412
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue	34,776	101,009	204,216				340,001
FUND BALANCES							
Restricted	22,647	120,865		919	36,284	682,231	862,946
Total liabilities, deferred inflows of resources and fund balances	\$ 57,423	\$ 221,874	\$ 204,216	\$ 20,331	\$ 36,284	\$ 682,231	\$ 1,222,359

Exhibit C-2
Village of Mazomanie
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	TIF #5	Cemetery	Community and Economic Development Block Grants	Debt Service	Stormwater	Municipal Court	Library Trust	Total
REVENUES								
Taxes	\$ 24,975	\$	\$	\$ 189,052	\$	\$	\$	\$ 214,027
Intergovernmental	973							973
Public charges for services				49,493				49,493
Fines and forfeits						47,177		47,177
Interest income			5,433		630		20,560	26,623
Miscellaneous		1,920					46,298	48,218
Total revenues	25,948	1,920	5,433	189,052	50,123	47,177	66,858	386,511
EXPENDITURES								
Current:								
General government						35,845		35,845
Public works					41,674			41,674
Health and human services		12,662						12,662
Leisure activities							7,670	7,670
Economic development	1,850		14,170					16,020
Debt service:								
Principal retirement	20,000			130,888	10,000			160,888
Interest and fiscal charges	6,599			58,164	6,750			71,513
Total expenditures	28,449	12,662	14,170	189,052	58,424	35,845	7,670	346,272
Excess (deficiency) of revenues over expenditures	(2,501)	(10,742)	(8,737)		(8,301)	11,332	59,188	40,239
OTHER FINANCING SOURCES (USES)								
Transfers in (out)		10,742						10,742
Net change in fund balances	(2,501)		(8,737)		(8,301)	11,332	59,188	50,981
Fund balances - beginning of year	25,148		129,602		9,220	24,952	623,043	811,965
Fund balances - end of year	\$ 22,647	\$	\$ 120,865	\$	\$ 919	\$ 36,284	\$ 682,231	\$ 862,946

FORM OF LEGAL OPINION

(See following pages)

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

April 30, 2026

Re: Village of Mazomanie, Wisconsin ("Issuer")
\$2,840,000 General Obligation Promissory Notes, Series 2026A,
dated April 30, 2026 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$200,000	___%
2028	260,000	___
2029	160,000	___
2030	155,000	___
2031	165,000	___
2032	165,000	___
2033	160,000	___
2034	160,000	___
2035	160,000	___
2036	160,000	___
2037	170,000	___
2038	175,000	___
2039	180,000	___
2040	185,000	___
2041	190,000	___
2042	195,000	___

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2027.

The Notes maturing on March 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 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.
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 Mazomanie, Dane County, Wisconsin (the "Issuer") in connection with the issuance of \$2,840,000 General Obligation Promissory Notes, Series 2026A, dated April 30, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 14, 2026 (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 annually 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). The Issuer is an obligated person with respect to not more than \$10,000,000 in aggregate amount of outstanding municipal securities (including the Securities but excluding obligations exempt from the Rule). 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 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 14, 2026 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 Mazomanie, Dane County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Clerk of the Issuer who can be contacted at 133 Crescent Street, P.O. Box 26, Mazomanie, Wisconsin 53560, phone (608) 795-2100.

"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.

The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2025, 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.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference financial information and operating data that is customarily prepared and publicly available, to wit:

1. Audited Financial Statements; and
2. The Issuer's adopted annual budget.

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 30th day of April, 2026.

(SEAL)

Natalie Beil
President

Angie Volkman
Village Clerk

NOTICE OF SALE

**\$2,840,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A
VILLAGE OF MAZOMANIE, WISCONSIN**

Bids for the purchase of \$2,840,000* General Obligation Promissory Notes, Series 2026A (the "Notes") of the Village of Mazomanie, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the Village, until 09:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 09:30 A.M., Central Time, on April 14, 2026, 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 5:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of Crescent Street improvement projects and the acquisition of a fire truck and refunding certain general obligations of the Village. 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 April 30, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$200,000	2033	\$160,000	2039	\$180,000
2028	260,000	2034	160,000	2040	185,000
2029	160,000	2035	160,000	2041	190,000
2030	155,000	2036	160,000	2042	195,000
2031	165,000	2037	170,000		
2032	165,000	2038	175,000		

ADJUSTMENT OPTION

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2027, 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, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after March 1, 2035 shall be subject to optional redemption prior to maturity on March 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 April 30, 2026, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

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

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

SUBMISSION OF BIDS

Bids must not be for less than \$2,804,500, nor more than \$3,124,000 plus accrued interest on the principal sum of \$2,840,000 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; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 09:30 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$56,800 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 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 (5th) 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 (5th) 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-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 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 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 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Village Board

Angie Volkman, Village Clerk/Treasurer
Village of Mazomanie, Wisconsin

BID FORM

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

April 14, 2026

RE: \$2,840,000* General Obligation Promissory Notes, Series 2026A (the "Notes")
DATED: April 30, 2026

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$2,804,500, nor more than \$3,124,000) 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	2033	_____ % due	2039
_____ % due	2028	_____ % due	2034	_____ % due	2040
_____ % due	2029	_____ % due	2035	_____ % due	2041
_____ % due	2030	_____ % due	2036	_____ % due	2042
_____ % due	2031	_____ % due	2037		
_____ % due	2032	_____ % due	2038		

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.

A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the Village.

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 \$56,800 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 April 30, 2026.

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 April 30, 2026 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Village of Mazomanie, Wisconsin, on April 14, 2026.

By: _____ By: _____

Title: _____ Title: _____