

# PRELIMINARY OFFICIAL STATEMENT DATED MARCH 2, 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 DEERFIELD, WISCONSIN (Dane County)

### \$1,185,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

**BID OPENING:** March 9, 2026, 10:00 A.M., C.T.

**CONSIDERATION:** March 9, 2026, 7:00 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$1,185,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Deerfield, Wisconsin (the "Village"), for public purposes, including paying the cost of road projects and the acquisition of a fire truck and public works equipment. 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:** March 26, 2026

**MATURITY:** As follows:

<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>
08/01/2027	\$25,000	08/01/2034	\$55,000	08/01/2041	\$70,000
08/01/2028	45,000	08/01/2035	55,000	08/01/2042	70,000
08/01/2029	45,000	08/01/2036	55,000	08/01/2043	75,000
08/01/2030	45,000	08/01/2037	60,000	08/01/2044	80,000
08/01/2031	50,000	08/01/2038	60,000	08/01/2045	80,000
08/01/2032	50,000	08/01/2039	65,000	<b>02/01/2046</b>	85,000
08/01/2033	50,000	08/01/2040	65,000		

**\*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:** February 1, 2027 and semiannually thereafter.

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

**MINIMUM BID:** \$1,170,187.50.

**MAXIMUM BID:** \$1,303,500.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$23,700 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 . . . . . 2</p> <p style="padding-left: 20px;">RATING . . . . . 2</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 . . . . . 3</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 . . . . . 5</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR . . . . . 5</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 . . . . . 8</p> <p style="padding-left: 20px;">WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES . . . . . 8</p> <p style="padding-left: 20px;">CURRENT PROPERTY VALUATIONS . . . . . 9</p> <p style="padding-left: 20px;">2025 EQUALIZED VALUE BY CLASSIFICATION . . . . . 9</p> <p style="padding-left: 20px;">TREND OF VALUATIONS . . . . . 9</p> <p style="padding-left: 20px;">LARGER TAXPAYERS . . . . . 10</p> <p>DEBT . . . . . 10</p> <p style="padding-left: 20px;">DIRECT DEBT . . . . . 10</p> <p style="padding-left: 20px;">DEBT PAYMENT HISTORY . . . . . 11</p> <p style="padding-left: 20px;">FUTURE FINANCING . . . . . 11</p> <p style="padding-left: 20px;">DEBT LIMIT . . . . . 11</p> <p style="padding-left: 20px;">SCHEDULE OF GENERAL OBLIGATION DEBT . . . . . 12</p> <p style="padding-left: 20px;">SCHEDULE OF SEWER &amp; WATER 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 . . . . . 18</p> <p style="padding-left: 20px;">VILLAGE GOVERNMENT . . . . . 18</p> <p style="padding-left: 20px;">EMPLOYEES; PENSION . . . . . 19</p> <p style="padding-left: 20px;">OTHER POST EMPLOYMENT BENEFITS . . . . . 20</p> <p style="padding-left: 20px;">LITIGATION . . . . . 20</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 . . . . . 22</p> <p style="padding-left: 20px;">SUMMARY GENERAL FUND INFORMATION . . . . . 23</p> <p style="padding-left: 20px;">GENERAL FUND BUDGET SUMMARY . . . . . 24</p> <p>GENERAL INFORMATION . . . . . 25</p> <p style="padding-left: 20px;">LOCATION . . . . . 25</p> <p style="padding-left: 20px;">LARGER EMPLOYERS . . . . . 25</p> <p style="padding-left: 20px;">BUILDING PERMITS . . . . . 26</p> <p style="padding-left: 20px;">U.S. CENSUS DATA . . . . . 27</p> <p style="padding-left: 20px;">EMPLOYMENT/UNEMPLOYMENT DATA . . . . . 27</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>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**VILLAGE OF DEERFIELD  
VILLAGE BOARD**

		<u>Term Expires</u>
Kerri Hewitt	Village President	April 2027
Tracy Curtis	Village Trustee	April 2026
Tessa Dunnington	Village Trustee	April 2027
Chris Frutiger	Village Trustee	April 2026
Jacqueline Kaul	Village Trustee	April 2026
Scott Tebon	Village Trustee	April 2027
Gary Wiczorek	Village Trustee	April 2027

**ADMINISTRATION**

Richard Downey, Village Administrator/Treasurer  
Brandon Gingher, Village Clerk

**PROFESSIONAL SERVICES**

Boardman & Clark 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 Deerfield, Wisconsin (the "Village") and the issuance of its \$1,185,000\* 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 March 9, 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](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE NOTES

### GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of March 26, 2026. The Notes will mature on August 1 in the years 2027-2045 and February 1, 2046 and amounts set forth on the cover of this Official Statement. Interest will be payable on February 1 and August 1 of each year, commencing February 1, 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 August 1, 2035 shall be subject to optional redemption prior to maturity on August 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 road projects and the acquisition of a fire truck and public works equipment.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$1,185,000	
Estimated Interest Earnings	<u>8,395</u>	
<b>Total Sources</b>		<b>\$1,193,395</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$14,813	
Costs of Issuance	55,150	
Deposit to Project Construction Fund	1,119,316	
Rounding	<u>4,116</u>	
<b>Total Uses</b>		<b>\$1,193,395</b>

\*Preliminary, subject to change.

**SECURITY**

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrevocable 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 Bauman Associates, LTD, Eau Claire, 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	\$393,367,600
2025 Equalized Value Reduced by Tax Increment Valuation	\$336,381,500
2025 Assessed Value	\$390,303,900

## 2025 EQUALIZED VALUE BY CLASSIFICATION

	<b>2025 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$330,392,500	83.991%
Commercial	45,300,300	11.516%
Manufacturing	16,738,500	4.255%
Agricultural	145,500	0.037%
Undeveloped	253,400	0.064%
Ag Forest	400,000	0.102%
Forest	32,000	0.008%
Other	105,400	0.027%
Total	<u>\$393,367,600</u>	<u>100.000%</u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>1</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2021	\$247,836,500	\$271,604,400	8.70%
2022	251,864,900	300,008,900	10.46%
2023	254,921,800	345,307,100	15.10%
2024	257,059,200	364,343,000	5.51%
2025	390,303,900	393,367,600	7.97%

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

---

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

**LARGER TAXPAYERS**

<b>Taxpayer</b>	<b>Type of Business/Property</b>	<b>2025 Equalized Value<sup>1</sup></b>	<b>Percent of Village's Total Equalized Value</b>
BCP Properties LLC	Apartments	\$6,919,903	1.76%
3 LP Deerfield WB LLC	Real Estate	6,717,296	1.71%
Carl Ruedebusch LLC	Commercial Construction	4,732,499	1.20%
Autumn Wood Apartments LLC	Apartments	4,695,166	1.19%
Realty Income Properties 18 LLC	MPI Auto Parts Manufacturing	4,489,028	1.14%
Premier Realty LLC	Residential Homes	3,373,884	0.86%
Individual	Residential Home	2,260,052	0.57%
Greka Holdings LLC	Commercial trucking/repair	2,240,680	0.57%
Individual	Residential Home	2,139,679	0.54%
Back Holdings LLC	Fireproofing/Spray Foam Insulation	<u>1,380,409</u>	<u>0.35%</u>
Total		\$38,948,596	9.90%
Village's Total 2025 Equalized Value <sup>2</sup>		\$393,367,600	

**Source:** The Village.

**DEBT**

**DIRECT DEBT<sup>3</sup>**

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

Total General Obligation Debt (includes the Notes)\* \$4,561,984

**Revenue Debt (see schedules following)**

Total revenue debt secured by sewer and water revenues \$124,762

\*Preliminary, subject to change.

---

<sup>1</sup> Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the Village.

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

<sup>3</sup> Outstanding debt is as of the dated date of the Notes.

## DEBT PAYMENT HISTORY

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

## FUTURE FINANCING

The Village plans to issue sewer system and water system revenue bonds through a clean water fund loan in the approximate amount of \$7.5 million in mid-2026. 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	\$393,367,600
Multiply by 5%	0.05
Statutory Debt Limit	<u>\$19,668,380</u>
Less: General Obligation Debt*	<u>(4,561,984)</u>
Unused Debt Limit*	<u><u>\$15,106,396</u></u>

\*Preliminary, subject to change.

Village of Deerfield, Wisconsin  
Schedule of Bonded Indebtedness  
General Obligation Debt Secured by Taxes  
(As of 03/26/2026)

	Corporate Purpose Bonds Series 2016A		Promissory Notes Series 2018A		Promissory Note		Promissory Note		Corporate Purpose Bonds Series 2023A	
Dated	05/26/2016		05/30/2018		06/28/2021		06/12/2023		10/18/2023	
Amount	\$1,495,000		\$685,000		\$185,295		\$32,000 <sup>(1)</sup>		\$2,640,000	
Maturity	08/01 Final Maturity 02/01		08/01		08/15		08/15		06/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	160,000	4,878	85,000	2,581	103,146	2,757	2,792	1,493	0	125,000
2027	155,000	6,555	90,000	2,655			2,946	1,339	100,000	122,500
2028	150,000	1,650					3,105	1,180	150,000	116,250
2029							3,279	1,006	160,000	108,500
2030							3,459	826	160,000	100,500
2031							3,649	636	165,000	92,375
2032							3,849	436	165,000	84,125
2033							4,062	223	165,000	75,875
2034									160,000	67,750
2035									160,000	59,750
2036									160,000	51,750
2037									160,000	43,750
2038									160,000	35,750
2039									160,000	27,750
2040									165,000	19,625
2041									165,000	11,375
2042									145,000	3,625
2043										
2044										
2045										
2046										
	465,000	13,083	175,000	5,236	103,146	2,757	27,141	7,140	2,500,000	1,146,250

<sup>1)</sup> This note provides that upon the occurrence of any one or more of the following events of default: (a) the Village fails to pay any amount when due under the note or under any other instrument evidencing indebtedness of the Village to the lender; (b) any representation or warranty made under the note or information provided by the Village to the lender in connection with the note is or was false or fraudulent in any material respect; (c) a material adverse change occurs in the Village's financial condition; (d) the Village fails to timely observe or perform any of the covenants or duties in the note; or (e) an event of default occurs under any agreement securing the note, then, at the lender's option, and upon written or verbal notice to the Village, the total unpaid balance shall become immediately due and payable.

--Continued on next page

Village of Deerfield, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 03/26/2026)

Dated	Promissory Note		Promissory Notes Series 2026A							Calendar Year Ending
	Amount	Maturity	Amount	Maturity	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	
	09/06/2024		03/26/2026							
	\$115,637 <sup>(1)</sup>		\$1,185,000*							
	09/01		08/01							
			Final Maturity 02/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	9,350	5,950	0	0	360,289	142,659	502,947	4,201,696	7.90%	2026
2027	9,872	5,428	25,000	63,417	382,818	201,895	584,712	3,818,878	16.29%	2027
2028	10,409	4,891	45,000	46,235	358,513	170,207	528,720	3,460,365	24.15%	2028
2029	11,002	4,298	45,000	44,728	219,281	158,531	377,813	3,241,083	28.95%	2029
2030	11,616	3,684	45,000	43,220	220,075	148,230	368,305	3,021,008	33.78%	2030
2031	12,264	3,036	50,000	41,713	230,913	137,760	368,673	2,790,095	38.84%	2031
2032	12,941	2,359	50,000	40,013	231,790	126,933	358,723	2,558,305	43.92%	2032
2033	13,669	1,631	50,000	38,313	232,731	116,042	348,773	2,325,574	49.02%	2033
2034	15,574	868	55,000	36,538	230,574	105,156	335,730	2,095,000	54.08%	2034
2035			55,000	34,585	215,000	94,335	309,335	1,880,000	58.79%	2035
2036			55,000	32,523	215,000	84,273	299,273	1,665,000	63.50%	2036
2037			60,000	30,460	220,000	74,210	294,210	1,445,000	68.33%	2037
2038			60,000	28,060	220,000	63,810	283,810	1,225,000	73.15%	2038
2039			65,000	25,660	225,000	53,410	278,410	1,000,000	78.08%	2039
2040			65,000	22,963	230,000	42,588	272,588	770,000	83.12%	2040
2041			70,000	20,265	235,000	31,640	266,640	535,000	88.27%	2041
2042			70,000	17,255	215,000	20,880	235,880	320,000	92.99%	2042
2043			75,000	14,245	75,000	14,245	89,245	245,000	94.63%	2043
2044			80,000	10,945	80,000	10,945	90,945	165,000	96.38%	2044
2045			80,000	7,425	80,000	7,425	87,425	85,000	98.14%	2045
2046			85,000	1,913	85,000	1,913	86,913	0	100.00%	2046
	106,697	32,146	1,185,000	600,472	4,561,984	1,807,084	6,369,068			

\* Preliminary, subject to change.

<sup>1)</sup> This note provides that upon the occurrence of any one or more of the following events of default: (a) the Village fails to pay any amount when due under the note or under any other instrument evidencing indebtedness of the Village to the lender; (b) any representation or warranty made under the note or information provided by the Village to the lender in connection with the note is or was false or fraudulent in any material respect; (c) a material adverse change occurs in the Village's financial condition; (d) the Village fails to timely observe or perform any of the covenants or duties in the note; (e) an event of default occurs under any agreement securing the note; or (f) the lender deems itself insecure, then the unpaid balance shall, at the option of the lender, without notice, mature and become immediately payable.

Village of Deerfield, Wisconsin  
 Schedule of Bonded Indebtedness  
 Revenue Debt Secured by Sewer and Water Revenues  
 (As of 03/26/2026)

Sewer System and Water System  
 Revenue Bonds (CWFL)  
 Series 2010

Dated Amount	01/13/2010 \$489,962							
Maturity	05/01							
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	29,970	2,929	29,970	2,929	32,899	94,793	24.02%	2026
2027	30,769	2,119	30,769	2,119	32,888	64,023	48.68%	2027
2028	31,590	1,287	31,590	1,287	32,877	32,433	74.00%	2028
2029	32,433	433	32,433	433	32,866	0	100.00%	2029
	124,762	6,767	124,762	6,767	131,529			

**OVERLAPPING DEBT<sup>1</sup>**

<b>Taxing District</b>	<b>2025 Equalized Value<sup>2</sup></b>	<b>% In Village</b>	<b>Total G.O. Debt<sup>3</sup></b>	<b>Village's Proportionate Share</b>
Dane County	\$117,343,578,900	0.3352%	\$835,750,000	\$2,801,434
Deerfield School District	803,593,289	48.9511%	41,725,000	20,424,846
Madison Area Technical College District	159,919,721,111	0.2460%	168,740,000	<u>415,100</u>
Village's Share of Total Overlapping Debt				<u><u>\$23,641,381</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$393,367,600</b>	<b>Debt/ Per Capita 2,693<sup>4</sup></b>
Total General Obligation Debt*	\$4,561,984	1.16%	\$1,694.02
Village's Share of Total Overlapping Debt	<u>23,641,381</u>	<u>6.01%</u>	<u>8,778.83</u>
Total*	\$28,203,365	7.17%	\$10,472.84

\*Preliminary, subject to change.

---

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

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

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

<sup>4</sup> 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	\$1,248,997	100%	\$5.14
2022/23	1,249,881	100%	4.71
2023/24	1,306,776	100%	4.38
2024/25	1,267,652	100%	4.08
2025/26	1,497,626	In Process of Collection	4.45

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:

<b>Year Levied/ Year Collected</b>	<b>Schools<sup>1</sup></b>	<b>County</b>	<b>Local</b>	<b>Total</b>
2021/22	\$11.16	\$2.89	\$5.14	\$19.19
2022/23	10.01	2.72	4.71	17.44
2023/24	9.99	2.76	4.38	17.13
2024/25	9.38	2.60	4.08	16.06
2025/26	11.23	2.92	4.45	18.60

**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%.

---

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

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

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 \$255,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$249,000 received in 2024. The Village is expected to receive approximately \$264,000 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 1891 and is governed by a Village President and six other Village Board members. The Village President votes on all matters. All Trustees are elected to two-year terms. The appointed Village Administrator/Treasurer and Village Clerk are responsible for administrative details and financial records.

## **EMPLOYEES; PENSION**

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

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 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 \$35,521, \$36,923 and \$41,664, 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 \$43,524 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 0.00292741% 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 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

## **Recognized and Certified Bargaining Units**

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

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.<sup>1</sup>

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

There are currently no bargaining units in the Village.

## **OTHER POST EMPLOYMENT BENEFITS**

The Village does not provide any other post employment benefits.

## **LITIGATION**

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

---

<sup>1</sup> On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

## **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 February 5, 2026)

<b>Fund</b>	<b>Total Cash and Investments</b>
General Checking	80,664
Money Market	3,581,942
Bus. Saving Acct	1,413
LGIP	<u>2,817,005</u>
 Total Funds on Hand	 <u><u>\$6,481,024</u></u>

**ENTERPRISE FUNDS**

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

	<b>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$616,715	\$639,403	\$623,714
Less: Operating Expenses	<u>(437,646)</u>	<u>(450,058)</u>	<u>(560,311)</u>
Operating Income	\$179,069	\$189,345	\$63,403
Plus: Depreciation	171,853	172,346	185,808
Interest Income	<u>28,508</u>	<u>109,467</u>	<u>78,995</u>
Revenues Available for Debt Service	<u><u>\$379,430</u></u>	<u><u>\$471,158</u></u>	<u><u>\$328,206</u></u>
 <b>Sewer</b>			
Total Operating Revenues	\$780,702	\$817,086	\$827,335
Less: Operating Expenses	<u>(652,765)</u>	<u>(568,852)</u>	<u>(747,050)</u>
Operating Income	\$127,937	\$248,234	\$80,285
Plus: Depreciation	256,545	257,347	258,355
Interest Income	<u>31,627</u>	<u>128,652</u>	<u>98,313</u>
Revenues Available for Debt Service	<u><u>\$416,109</u></u>	<u><u>\$634,233</u></u>	<u><u>\$436,953</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.

<b>FISCAL YEAR ENDING DECEMBER 31</b>					
<b>COMBINED STATEMENT</b>	<b>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Audited</b>	<b>2025 Projected</b>
<b>Revenues</b>					
Taxes and special assessments	\$764,217	\$774,046	\$768,357	\$789,844	\$888,770
Intergovernmental	308,357	333,836	325,348	393,759	410,894
Licenses and permits	51,713	45,230	102,795	138,994	87,865
Fines, forfeitures and penalties	5,420	7,123	6,470	5,079	0
Public charges for services	168,189	157,314	154,946	157,655	169,189
Investment income	1,363	7,500	54,709	169,399	190,015
Miscellaneous	34,036	45,813	57,840	69,867	10,499
<b>Total Revenues</b>	<u>\$1,333,295</u>	<u>\$1,370,862</u>	<u>\$1,470,465</u>	<u>\$1,724,597</u>	<u>\$1,757,232</u>
<b>Expenditures</b>					
Current:					
General government	\$209,696	\$259,943	\$304,551	\$377,080	\$353,392
Public safety	702,401	758,772	576,447	723,052	634,807
Public works	474,438	472,190	466,728	522,636	540,513
Culture, recreation and education	80,603	88,548	79,787	90,684	0
Conservation and development	15,519	17,410	13,755	21,959	0
Capital outlay	69,276	79,934	220,987	191,343	0
Debt service:					
Interest and fiscal charges	0	0	0	1,000	0
<b>Total Expenditures</b>	<u>\$1,551,933</u>	<u>\$1,676,797</u>	<u>\$1,662,255</u>	<u>\$1,927,754</u>	<u>\$1,528,712</u>
<b>Excess of revenues over (under) expenditures</b>	(\$218,638)	(\$305,935)	(\$191,790)	(\$203,157)	\$228,520
<b>Other Financing Sources (Uses)</b>					
Proceeds of long-term debt	\$0	\$0	32,000	\$115,637	
Transfers in	122,959	125,864	165,935	70,356	
Transfers (out)	(10,858)	0	0	0	
<b>Total Other Financing Sources (Uses)</b>	<u>112,101</u>	<u>125,864</u>	<u>197,935</u>	<u>185,993</u>	
<b>Net changes in Fund Balances</b>	(\$106,537)	(\$180,071) <sup>1</sup>	\$6,145	(\$17,164)	
General Fund Balance January 1	<u>\$558,275</u>	<u>\$451,738</u>	<u>\$271,667</u>	<u>\$277,812</u>	
General Fund Balance December 31 <sup>2</sup>	\$451,738	\$271,667	\$277,812	\$260,648	
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$0	\$0	\$0	\$3,787	
Assigned	301,350	271,667	30,659	26,223	
Unassigned	150,388	0	247,153	230,638	
<b>Total</b>	<u>\$451,738</u>	<u>\$271,667</u>	<u>\$277,812</u>	<u>\$260,648</u>	

<sup>1</sup> A portion of the decrease in fund balance in 2022 includes approximately \$131,000 of expenditures that were paid in 2022, which were reimbursed to the Village in 2023, and an additional approximately \$39,000 for a first quarter 2023 expense that was actually paid in 2022, as well as some additional minor increases in expenses.

<sup>2</sup> The Village Board adopted a Fund Balance Policy in 2015 that states that the unassigned fund balance shall be maintained as of December 31 of each year equal to a minimum of 35% of the ensuing year's budgeted general fund expenditures. The Village has historically not met this policy and currently does not expect that its fund balance will meet such targets at the end of 2025 or 2026. The Village Board is expected to revisit the policy in the future to make sure that it is compatible with the Village's goals and to consider taking steps to address the composition and level of fund balance going forward, as necessary.

## GENERAL FUND BUDGET SUMMARY

**FISCAL YEAR ENDING DECEMBER 31**

---

### COMBINED STATEMENT

	<b>2026 Adopted Budget<sup>1</sup></b>
Revenues	
Taxes and special assessments	\$898,926
Intergovernmental	413,780
Licenses and permits	89,545
Fines, forfeitures and penalties	0
Public charges for services	178,732
Interest	127,879
Miscellaneous	7,470
<b>Total Revenues</b>	<b>\$1,716,332</b>
Expenditures	
Current:	
General government	\$379,919
Public safety	756,167
Public works	580,246
Culture, recreation and education	0
Conservation and development	0
Capital outlay	0
Debt service	
Principal	0
Interest and fiscal charges	0
<b>Total Expenditures</b>	<b>\$1,716,332</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$0</b>

<sup>1</sup> The 2026 budget was adopted on November 24, 2025, and the figures include amendments to date.

# GENERAL INFORMATION

## LOCATION

The Village, with a 2020 U.S. Census population of 2,507 and a current preliminary estimated population of 2,693 comprises an area of 1.7 square miles and is located approximately 15 miles east of the City of Madison.

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

Larger employers in the Village include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
MPI/Wisconsin Fineblanking & Machining	Manufacturing	300
Wisconsin Built, Inc.	Commercial	170
BCP Transportation	Logistics and warehouse	123
Deerfield Community School District	Elementary and secondary education	120
ZOLL Medical Corp.	Manufacturing	109
Tom Gullickson Inc. Trucking	Food grade transportation	40
Central Ceiling Systems Inc.	Specialty contractor	39 <sup>2</sup>
Bank of Deerfield	Banking	33
Deer-Grove EMS	Emergency medical service	20
International Machinery Xchange	Food product machinery manufacturers	12

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

---

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

<sup>2</sup> They have 50-80 employees with 10 on-site in the Deerfield office and warehouse and the rest union carpenters spread out to job sites.

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

	2022	2023	2024	2025	2026
<u>New Single Family Homes</u>					
No. of building permits	8	5	7	12	3
Valuation	\$2,709,725	\$2,000,473	\$3,352,503	\$4,767,615	\$896,676
<u>New Multiple Family Buildings</u>					
No. of building permits	1	1	0	0	0
Valuation	\$1,500,000	\$1,500,000	\$0	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	5	1	1	1	0
Valuation	\$1,750,001	\$648,985	\$6,000,000	\$290,000	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	109	89	122	124	10
Valuation	\$8,715,012	\$4,149,458	\$18,571,766	\$8,868,618	\$987,494

**Source:** The Village.

---

<sup>1</sup> As of February 10, 2026.

## U.S. CENSUS DATA

### Population Trend: The Village

2010 U.S. Census Population	2,319
2020 U.S. Census Population	2,507
Percent of Change 2010 - 2020	8.11%
2025 Estimated Population	2,693

### Income and Age Statistics

	<b>The Village</b>	<b>Dane County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2024 per capita income	\$41,361	\$53,181	\$43,373	\$44,673
2024 median household income	\$91,029	\$89,975	\$77,485	\$80,734
2024 median family income	\$92,120	\$124,904	\$100,141	\$99,999
2024 median gross rent	\$1,156	\$1,398	\$1,087	\$1,413
2024 median value owner occupied	\$315,900	\$394,800	\$266,500	\$332,700
2024 median age	33.6 yrs.	35.7 yrs.	40.2 yrs.	38.9 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
Village % of 2024 per capita income	95.36%	92.59%
Village % of 2024 median family income	91.99%	92.12%

### Housing Statistics

	<b><u>The Village</u></b>		
	<b>2020</b>	<b>2024</b>	<b>Percent of Change</b>
All Housing Units	998	1,010	1.20%

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

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

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

<sup>1</sup> Preliminary.

**FINANCIAL STATEMENTS**

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

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

# Village of Deerfield

---

Financial Statements

Year ended December 31, 2024

**VILLAGE OF DEERFIELD**  
**December 31, 2024**  
**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditors' Report	1 - 3
 Basic Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Balance Sheet – Governmental Funds	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position – Proprietary Funds	10
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	11
Statement of Cash Flows – Proprietary Funds	12 - 13
Statement of Fiduciary Net Position	14
Statement of Changes in Fiduciary Net Position	15
Notes to Financial Statements	16 - 51
 Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	52
Notes to Budgetary Comparison Schedule	53
Schedules of Village’s Proportionate Share of Net Pension Liability (Asset) and Village’s Contributions	54
Notes to the Schedules of Village’s Proportionate Share of Net Pension Liability (Asset) and Village’s Contributions	55 – 57
 Supplementary Information:	
Balance Sheet – Nonmajor Governmental Funds	58 - 59
Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	60 - 61

## **Independent Auditors' Report**

To the Village Board of Trustees  
Village of Deerfield  
Deerfield, Wisconsin

### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 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. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our 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 management's discussion and analysis, budgetary comparison information, and schedules of proportionate share of net pension liability (asset) and contributions be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information (as shown in the table of contents) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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 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 a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements shown in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

CERTIFIED PUBLIC ACCOUNTANTS

Eau Claire, Wisconsin  
June 09, 2025

**VILLAGE OF DEERFIELD  
BASIC FINANCIAL STATEMENTS  
December 31, 2024**

**VILLAGE OF DEERFIELD**  
**STATEMENT OF NET POSITION**  
**December 31, 2024**

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,931,600	\$ 5,390,226	\$ 7,321,826
Receivables (net):			
Taxes	2,177,354	-	2,177,354
Accounts	25,889	132,666	158,555
Lease receivable	21,576	-	21,576
Due from other governments	57,742	-	57,742
Other	-	159,615	159,615
Internal balances	(171,796)	171,796	-
Inventories	-	13,835	13,835
Prepays	3,787	-	3,787
Restricted assets:			
Restricted cash and investments	18,312	996,040	1,014,352
Land held for resale	18,093	-	18,093
Capital assets, net	8,879,633	7,622,954	16,502,587
Total assets	12,962,190	14,487,132	27,449,322
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	\$ 292,107	\$ 96,452	\$ 388,559
Loss on refunding	40,379	-	40,379
Total deferred outflows of resources	332,486	96,452	428,938
<b>LIABILITIES</b>			
Accounts payable	\$ 180,462	\$ 59,535	\$ 239,997
Accrued liabilities	41,193	11,433	52,626
Deposits	94,548	-	94,548
Accrued interest	56,128	-	56,128
Liabilities payable from restricted assets:			
Current portion of revenue bonds	-	29,191	29,191
Noncurrent liabilities:			
Net pension liability	32,720	10,804	43,524
Due within one year	581,402	45,155	626,557
Due in more than one year	3,667,595	263,087	3,930,682
Total liabilities	4,654,048	419,205	5,073,253
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned tax revenues	\$ 2,164,253	\$ -	\$ 2,164,253
Leases	20,948	-	20,948
Pension related items	174,951	57,767	232,718
Total deferred inflows of resources	2,360,152	57,767	2,417,919
<b>NET POSITION</b>			
Net investment in capital assets	4,740,036	7,315,198	12,055,234
Restricted	602,647	966,849	1,569,496
Unrestricted	937,793	5,824,565	6,762,358
Total net position	\$ 6,280,476	\$ 14,106,612	\$ 20,387,088

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF ACTIVITIES**  
**For Year Ended December 31, 2024**

<u>Functions/Programs</u>	Program revenues				Net (expenses) revenues and changes in net position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Government Activities	Business-type Activities	Total
<b>Primary government</b>							
Governmental activities:							
General government	\$ 461,662	\$ 206,575	\$ 275,642	\$ -	\$ 20,555	\$ -	\$ 20,555
Public safety	742,874	4,074	13,072	-	(725,728)	-	(725,728)
Public works	584,779	157,255	119,098	-	(308,426)	-	(308,426)
Culture, recreation and education	416,964	4,910	81,987	-	(330,067)	-	(330,067)
Conservation and development	85,268	-	-	-	(85,268)	-	(85,268)
Interest on long-term liabilities	241,286	-	-	-	(241,286)	-	(241,286)
Total governmental activities	2,532,833	372,814	489,799	-	(1,670,220)	-	(1,670,220)
Business-type activities:							
Water Utility	568,541	623,714	-	-	-	55,173	55,173
Sewer Utility	749,055	827,335	-	11,440	-	89,720	89,720
Total business-type activities	1,317,596	1,451,049	-	11,440	-	144,893	144,893
Total primary government	\$ 3,850,429	\$ 1,823,863	\$ 489,799	\$ 11,440	(1,670,220)	144,893	(1,525,327)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					789,743	-	789,743
Property taxes, levied for debt service					315,716	-	315,716
Property taxes, levied for tax incremental financing districts					798,415	-	798,415
Property taxes, levied for the library					173,000	-	173,000
Other taxes					33,307	-	33,307
Investment income					246,517	177,308	423,825
Miscellaneous					43,200	8,751	51,951
Special item - loss on sale of capital assets					(21,647)	-	(21,647)
Transfers					51,532	(51,532)	-
Total general revenues, special items, and transfers					2,429,783	134,527	2,564,310
Change in net position					759,563	279,420	1,038,983
Net position - Beginning of year					5,500,001	13,850,096	19,350,097
Restatement for correction of error					20,912	(22,904)	(1,992)
Net position - End of year					\$ 6,280,476	\$ 14,106,612	\$ 20,387,088

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD  
BALANCE SHEET -  
GOVERNMENTAL FUNDS  
December 31, 2024**

	Major Fund - General Fund	Debt Service Fund	TIF No. 3	General Capital Projects Funds	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 363,009	\$ 35,701	\$ 505,508	\$ 112,763	\$ 914,619	\$ 1,931,600
Receivables (net)						
Taxes	818,863	288,890	792,382	-	277,219	2,177,354
Accounts	20,416	-	-	-	5,473	25,889
Due from other governments	57,742	-	-	-	-	57,742
Due from other funds	79,141	-	-	-	-	79,141
Lease receivable	21,576	-	-	-	-	21,576
Land held for resale	-	-	-	18,093	-	18,093
Prepaid expenditures	3,787	-	-	-	-	3,787
Restricted cash and investments	-	-	-	-	18,312	18,312
	\$ 1,364,534	\$ 324,591	\$ 1,297,890	\$ 130,856	\$ 1,215,623	\$ 4,333,494
<b>Total assets</b>	<b>\$ 1,364,534</b>	<b>\$ 324,591</b>	<b>\$ 1,297,890</b>	<b>\$ 130,856</b>	<b>\$ 1,215,623</b>	<b>\$ 4,333,494</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 127,630	\$ -	\$ -	\$ 11,000	\$ 41,832	\$ 180,462
Accrued liabilities	32,581	-	-	-	8,612	41,193
Deposits	79,527	-	15,021	-	-	94,548
Due to other funds	37,438	-	-	39,057	-	76,495
Advance from other funds	-	-	174,442	-	-	174,442
Total liabilities	277,176	-	189,463	50,057	50,444	567,140
Deferred inflows of resources:						
Unearned revenues - taxes	805,762	288,890	792,382	-	277,219	2,164,253
Unearned revenues - leases	20,948	-	-	-	-	20,948
Total deferred inflows of resources	826,710	288,890	792,382	-	277,219	2,185,201
Fund balances (Deficit):						
Nonspendable	3,787	-	-	-	527,649	531,436
Restricted	-	35,701	316,045	-	286,602	638,348
Committed	-	-	-	-	87,266	87,266
Assigned	26,223	-	-	-	-	26,223
Unassigned	230,638	-	-	80,799	(13,557)	297,880
Total fund balance	260,648	35,701	316,045	80,799	887,960	1,581,153
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,364,534</b>	<b>\$ 324,591</b>	<b>\$ 1,297,890</b>	<b>\$ 130,856</b>	<b>\$ 1,215,623</b>	<b>\$ 4,333,494</b>

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2024**

Total fund balances - Governmental funds \$ 1,581,153

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

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

Capital assets	\$	12,387,866	
Accumulated depreciation		<u>(3,508,233)</u>	8,879,633

The net pension asset (liability) does not relate to current financial resources and is not reported in the governmental funds (32,720)

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 292,107

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (174,951)

Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term are reported in the statement of net position.

Bonds/notes payable	\$	(4,179,976)	
Deferred charge on refunding		40,379	
Vested compensated benefits		(69,021)	
Accrued interest payable		<u>(56,128)</u>	<u>(4,264,746)</u>

Net position of governmental activities \$ 6,280,476

**VILLAGE OF DEERFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**For Year Ended December 31, 2024**

	Major Fund - General Fund	Debt Service Fund	TIF No. 3	General Capital Projects Funds	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 789,844	\$ 315,716	\$ 729,194	\$ -	\$ 246,427	\$ 2,081,181
Special assessments	-	-	-	-	29,000	29,000
Intergovernmental	393,759	-	5,819	-	87,721	487,299
Licenses and permits	138,994	-	-	-	31,247	170,241
Fines, forfeitures and penalties	5,079	-	-	-	496	5,575
Public charges for services	157,655	-	-	-	3,200	160,855
Investment earnings	169,399	-	474	41,143	35,496	246,512
Miscellaneous	69,867	-	-	-	11,981	81,848
Total revenues	<u>1,724,597</u>	<u>315,716</u>	<u>735,487</u>	<u>41,143</u>	<u>445,568</u>	<u>3,262,511</u>
<b>EXPENDITURES</b>						
Current:						
General government	377,080	-	-	-	5,607	382,687
Public safety	723,052	-	-	-	-	723,052
Public works	522,636	-	2,534	-	-	525,170
Culture, recreation and education	90,684	-	-	-	260,126	350,810
Conservation and development	21,959	-	3,600	-	66,060	91,619
Capital outlay	191,343	-	-	55,279	-	246,622
Debt service:						
Principal	-	579,425	-	-	-	579,425
Interest and other charges	1,000	194,001	-	-	-	195,001
Total expenditures	<u>1,927,754</u>	<u>773,426</u>	<u>6,134</u>	<u>55,279</u>	<u>331,793</u>	<u>3,094,386</u>
Excess (deficiency) of revenues over (under) expenditures	(203,157)	(457,710)	729,353	(14,136)	113,775	168,125
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds of long-term debt	115,637	-	-	-	-	115,637
Transfers in	70,356	444,497	-	-	-	514,853
Transfers out	-	-	(439,348)	-	(23,973)	(463,321)
Total other financing sources (uses)	<u>185,993</u>	<u>444,497</u>	<u>(439,348)</u>	<u>-</u>	<u>(23,973)</u>	<u>167,169</u>
Net change in fund balances	(17,164)	(13,213)	290,005	(14,136)	89,802	335,294
Fund balances - Beginning of year	<u>277,812</u>	<u>48,914</u>	<u>26,040</u>	<u>94,935</u>	<u>798,158</u>	<u>1,245,859</u>
Fund balances - End of year	<u>\$ 260,648</u>	<u>\$ 35,701</u>	<u>\$ 316,045</u>	<u>\$ 80,799</u>	<u>\$ 887,960</u>	<u>\$ 1,581,153</u>

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For Year Ended December 31, 2024**

Net change in fund balances—Total governmental funds \$ 335,294

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay/expenditures reported in governmental fund statements	\$ 252,973	
The net book value of assets sold or disposed is not reported in the governmental fund statements	(21,647)	
Depreciation expense reported in the statement of activities	<u>(270,597)</u>	(39,271)

Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Long-term debt proceeds received provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position by the amount of the bonds issued.

Loan proceeds issued	\$ (115,637)	
Principal repayments on long-term debt	<u>579,425</u>	463,788

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest	\$ (36,190)	
Change in accrued vested compensated absences	34,546	
Amortization of deferred loss on refunding	(10,095)	
Change in GASB 68 net pension asset/(liability) and related deferred inflows/outflows	<u>11,491</u>	<u>(248)</u>

Change in net position of governmental activities \$ 759,563

**VILLAGE OF DEERFIELD**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2024**

	Business-Type Activities - Enterprise funds		
	Water Utility	Sewer Utility	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current assets:			
Cash and cash equivalents	\$ 2,707,345	\$ 2,682,881	\$ 5,390,226
Receivables, net:			
Customer accounts	55,225	77,441	132,666
Due from other funds	52,205	24,290	76,495
Inventories	13,835	-	13,835
Total current assets	<u>2,828,610</u>	<u>2,784,612</u>	<u>5,613,222</u>
Noncurrent assets:			
Restricted assets:			
Replacement account	-	750,000	750,000
Redemption account	32,174	213,866	246,040
Capital assets:			
Property and equipment	6,517,484	9,600,890	16,118,374
Less - Accumulated depreciation	(3,365,642)	(5,129,778)	(8,495,420)
Other assets:			
Sta-Rite annuity receivable	159,615	-	159,615
Advances to other funds	174,442	-	174,442
Total noncurrent assets	<u>3,518,073</u>	<u>5,434,978</u>	<u>8,953,051</u>
Deferred outflows of resources:			
Pension related items	46,951	49,501	96,452
Total assets and deferred outflows of resources	<u>\$ 6,393,634</u>	<u>\$ 8,269,091</u>	<u>\$ 14,662,725</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
Current liabilities:			
Accounts payable	\$ 26,872	\$ 32,663	\$ 59,535
Due to other funds	79,141	-	79,141
Accrued interest	1,606	409	2,015
Accrued payroll	5,125	4,293	9,418
General obligation bonds and notes payable	28,544	12,000	40,544
Liabilities payable from restricted assets:			
Revenue bonds payable	29,191	-	29,191
Total current liabilities	<u>170,479</u>	<u>49,365</u>	<u>219,844</u>
Noncurrent liabilities:			
Net pension liability	5,259	5,545	10,804
Long-term debt:			
General obligation debt	62,440	26,250	88,690
Revenue bonds	124,762	-	124,762
Compensated absences	28,200	26,046	54,246
Total noncurrent liabilities	<u>220,661</u>	<u>57,841</u>	<u>278,502</u>
Deferred inflows of resources:			
Pension related items	28,120	29,647	57,767
Net position:			
Net investment in capital assets	2,906,905	4,408,293	7,315,198
Restricted	2,983	963,866	966,849
Unrestricted	3,064,486	2,760,079	5,824,565
Total net position	<u>5,974,374</u>	<u>8,132,238</u>	<u>14,106,612</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 6,393,634</u>	<u>\$ 8,269,091</u>	<u>\$ 14,662,725</u>

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For Year Ended December 31, 2024**

	Enterprise funds		
	Water Utility	Sewer Utility	Total
<b>OPERATING REVENUES</b>			
Public charges for services	\$ 605,765	\$ 821,366	\$ 1,427,131
Other	17,949	5,969	23,918
Total operating revenues	<u>623,714</u>	<u>827,335</u>	<u>1,451,049</u>
<b>OPERATING EXPENSES</b>			
Operation and maintenance	374,503	488,695	863,198
Depreciation	185,808	258,355	444,163
Total operating expenses	<u>560,311</u>	<u>747,050</u>	<u>1,307,361</u>
Operating income	63,403	80,285	143,688
<b>NONOPERATING REVENUES (EXPENSE)</b>			
Investment income	78,995	98,313	177,308
Miscellaneous	8,751	-	8,751
Interest expense	(8,230)	(2,005)	(10,235)
Total nonoperating revenues (expenses)	<u>79,516</u>	<u>96,308</u>	<u>175,824</u>
Income before contributions and transfers	142,919	176,593	319,512
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Contributions in aid of construction	-	11,440	11,440
Transfers in	-	-	-
Transfers out	-	(1,406)	(1,406)
Transfers out, tax equivalent	(50,126)	-	(50,126)
Total contributions and transfers	<u>(50,126)</u>	<u>10,034</u>	<u>(40,092)</u>
Change in net position	92,793	186,627	279,420
Net position - Beginning of year	5,904,485	7,945,611	13,850,096
Restatement for correction of error	(22,904)	-	(22,904)
Net position - End of year	<u>\$ 5,974,374</u>	<u>\$ 8,132,238</u>	<u>\$ 14,106,612</u>

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For Year Ended December 31, 2024**

	Enterprise funds		
	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 631,966	\$ 827,983	\$ 1,459,949
Cash payments to suppliers for goods and services	(140,199)	(313,047)	(453,246)
Cash payments to employees for services	(199,990)	(128,139)	(328,129)
Net cash provided by operating activities	291,777	386,797	678,574
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment received on Sta-Rite annuity	125,000	-	125,000
Investment income	78,995	98,313	177,308
Net cash provided by investing activities	203,995	98,313	302,308
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES</b>			
Paid to municipality for tax equivalent	(50,126)	-	(50,126)
Transfers to other funds	-	(1,406)	(1,406)
Advance from/payments to other funds	5,085	(16,225)	(11,140)
Net cash used in noncapital financing activities	(45,041)	(17,631)	(62,672)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital contributions received	-	11,440	11,440
Debt retired	(40,689)	(15,500)	(56,189)
Interest paid	(8,151)	(2,067)	(10,218)
Refund on prior construction of utility plant	61,187	-	61,187
Acquisition and construction of utility plant	(288,984)	(24,569)	(313,553)
Net cash used in capital and related financing activities	(276,637)	(30,696)	(307,333)
Net change in cash and cash equivalents	174,094	436,783	610,877
Cash and cash equivalents - beginning	2,565,425	3,209,964	5,775,389
Cash and cash equivalents - end	\$ 2,739,519	\$ 3,646,747	\$ 6,386,266

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**For Year Ended December 31, 2024**

	Enterprise funds		
	<u>Water Utilities</u>	<u>Sewer Utility</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income	\$ 63,403	\$ 80,285	\$ 143,688
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	176,742	267,421	444,163
Depreciation charged to other funds	9,066	(9,066)	-
Changes in assets and liabilities:			
Customer accounts receivables, net	8,252	648	8,900
Inventory	3,076	-	3,076
Accounts payable	25,441	22,666	48,107
Pension related deferrals and assets	(2,389)	2,376	(13)
Accrued vacation and sick leave	8,186	22,467	30,653
Net cash provided by (used in) operating activities	\$ 291,777	\$ 386,797	\$ 678,574
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO PROPRIETARY FUNDS STATEMENT OF NET POSITION TOTALS</b>			
Cash and cash equivalents	\$ 2,707,345	\$ 2,682,881	\$ 5,390,226
Restricted cash and cash equivalents			
Redemption account	32,174	213,866	246,040
Replacement account	-	750,000	750,000
Total cash and cash equivalents	\$ 2,739,519	\$ 3,646,747	\$ 6,386,266

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**December 31, 2024**

		<u>Custodial Fund</u>
		<u>Tax</u>
		<u>Collection</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$	2,232,724
Taxes receivable		<u>1,485,220</u>
Total assets	\$	<u><u>3,717,944</u></u>
<b>LIABILITIES</b>		
Due to other governments	\$	<u><u>3,717,944</u></u>
<b>NET POSITION</b>		
Total net position	\$	<u><u>-</u></u>

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For Year Ended December 31, 2024**

	Custodial Fund
	Tax
	Collection
<b>ADDITIONS</b>	
Property taxes collected from other governments	\$ 2,755,161
Total additions	2,755,161
<b>DEDUCTIONS</b>	
Property taxes disbursed to other governments	2,755,161
Total deductions	2,755,161
Change in net position	-
Net position - Beginning of year	-
Net position - End of year	\$ -

See accompanying notes to financial statements

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Village of Deerfield ("Village") conform to accounting principles generally accepted in the United States of America applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Reporting Entity**

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The Village has not identified any organizations that meet this criteria.

**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 certain legally separate component units 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.

**Fund Financial Statements**

Financial statements of the Village 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 balance, revenues and expenditures/expenses.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

The Village reports the following major governmental funds:

**General Fund**

General Fund accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

**Debt Service Fund**

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TIF or enterprise debt.

**Capital Projects Funds**

General Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Tax Incremental District (TID) No. 3 Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

**VILLAGE OF DEERFIELD  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2024**

**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Enterprise Funds**

The Village reports the following major enterprise funds:

Water Utility accounts for operations of the water system.

Sewer Utility accounts for operations of the sewersystem.

The Village reports the following nonmajor governmental funds:

**Special Revenue Funds**

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Economic Development	Parkland Dedication
Cable Commission	Library
Business Improvement Development	EMS/Fire Impact
ARPA	

**Capital Projects Funds**

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

2012 Borrowing	TIF No. 4
2013 Borrowing	TIF No. 5
	TIF No. 6
	TIF No. 7

**Permanent Fund**

Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Community Development

In addition, the Village reports the following fund type:

**Custodial Fund**

Custodial Fund is used to account for and report assets controlled by the Village and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Government-Wide Financial Statements**

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. 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 and sewer and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences 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. 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 unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

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 unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

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.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1           SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary and Fiduciary Funds**

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 utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**All Financial Statements**

The preparation of financial statements in conformity with 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.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity**

**Deposits and Investments**

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)**

**Deposits and Investments (continued)**

g. Repurchase agreements with public depositories, with certain conditions.

The Village has adopted an investment policy. That policy follows the state statute for allowable investments.

No policy exists for the following risks:

Credit risk

Custodial credit risk

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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. 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. 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 as reported in these statements.

See Note 3 for further information.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 governments on the accompanying statement of fiduciary net position.

Property tax calendar - 2024 tax roll:

Lein date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	July 31, 2025
Tax sale - 2023 delinquent real estate taxes	October 2027

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 water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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 governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

**Inventories**

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expense when used.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**Capital Assets**

**Government-Wide Statements**

Capital assets, which include property, plant and equipment, are reported in the government- wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$2,500 general capital assets and \$2,500 for infrastructure assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

- Land improvements	20 years
- Buildings	25 - 60 years
- Equipment	5 - 40 years
- Library collection	10 years
- Vehicles	6 - 25 years
- Infrastructure	50 - 80 years
- Water system	4 - 77 years
- Sewer system	7 - 100 years

**Fund Financial Statements**

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

**Other Assets**

Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition and site improvements. The property is land held for resale which is recorded at lower of cost or market value.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Outflows of Resources**

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

**Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. 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, and are payable with expendable 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. The Village adopted GASB Statement No. 101, Compensated Absences in 2024. This implementation resulted in no material changes to prior or existing reporting or disclosures of these amounts.

**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.

**Leases**

The Village follows GASB Statement No. 87, *Leases*. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information on the Village's leases, refer to the Note 3 below.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Inflows of Resources**

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

**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 (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on 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 positions that do not meet the definitions 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 DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Statements**

Governmental fund balances are displayed as follows:

- a) **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b) **Restricted** - Consists of fund balances with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c) **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d) **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Board may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e) **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 those purposes.

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

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Village has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 35 percent of subsequent years general fund expenditures. As of December 31, 2024, the Village's unassigned general fund balance as a percentage of the 2024 budgeted expenditures equals 15.6%. The Village is not in compliance with this policy.

See Note 3 for further information.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Pension**

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

**SBITAs**

The Village implemented GASB No. 96 *Subscription Based IT Arrangements (SBITAs)* as of January 1, 2023. This statement requires recognition of certain cloud-based right-to-use (RTU) software implementation and subscription assets and associated lessee liabilities based upon the payment provisions of an applicable contract. It establishes a single model for IT subscription accounting based upon the foundational principle that software subscriptions are financings of the right to use an underlying asset. SBITAs where the maximum possible lease term is one year or less continue to be reported as operating subscriptions. Perpetual software licenses and SBITAs that transfer ownership and contain no cancellation provisions are reported as debt by the lessee and sale of an asset by the lessor. The Village currently reports no SBITAs.

**Basis for Existing Rates**

**Water Utility**

Current water rates were placed into effect on December 15, 2022, as approved by Wisconsin Public Service Commission.

**Sewer Utility**

Sewer rates are approved by the board on an annual basis. Current rates became effective January 1, 2015.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 2            STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

A budget has been adopted for the general, cable commission, library, debt service, water, sewer and TID numbers 3, 5, 6 and 7 funds. A budget has not been formally adopted for the remaining funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

**Excess Expenditures and Other Financing Uses Over Budget**

<u>General fund:</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Expenditures Over Budget</u>
Budgeted level:			
Public Safety	\$ 701,737	\$ 723,052	\$ 21,315
Culture, recreation, and education	67,574	90,684	23,110
Interest and other charges	-	1,000	1,000
Capital outlay	-	191,343	191,343

Outside of the general fund, the Village controls expenditures at the fund level. Some individual funds experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report.

**Deficit Balances**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end.

As of December 31, 2024, the following individual funds held a deficit balance:

<u>Other Funds</u>	<u>Amount</u>	<u>Reason</u>
TIF No. 4	\$ 142	Excess of expenditures over revenues
TIF No. 5	3,583	Excess of expenditures over revenues
TIF No. 6	9,832	Excess of expenditures over revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter throughout September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

**Limitations on the Village's Tax Levy**

Wisconsin law limits the Village's future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3      DETAILED NOTES ON ALL FUNDS**

**Deposits and Investments**

The Village's deposits and investments at year-end were comprised of the following:

	<u>Carrying</u> <u>Value</u>	<u>Statement</u> <u>Balances</u>	<u>Associated Risks</u>
Deposits	\$ 8,311,167	\$ 8,311,045	Custodial credit
LGIP	2,257,087	2,257,087	Credit
Petty cash	648	-	N/A
Total deposits and investments	<u>\$ 10,568,902</u>	<u>\$ 10,568,132</u>	

**Reconciliation to financial statements**

Per statement of net position:

Unrestricted cash and investments	\$ 7,321,826
Restricted cash and cash equivalents	1,014,352
Custodial Fund	<u>2,232,724</u>
Total deposits and investments	<u>\$ 10,568,902</u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and non-interest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

**Custodial Credit Risk Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

As of December 31, 2024, \$3,833,787 of the Village's total deposits were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ <u>3,833,787</u>
--------------------------------	---------------------

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Village had investments in the external Wisconsin Local Government Investment Pool which is not rated.

See Note 1 for further information on deposit and investment policies.

All of the receivables on the balance sheet are expected to be collected within one year.

**Receivables**

Governmental funds report *unavailable* or *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable	Total
Property taxes and assessments receivable for subsequent year	\$ 2,164,253	\$ 13,101	\$ 2,177,354
Total unearned/unavailable revenue for governmental funds	\$ 2,164,253	13,101	2,177,354
Unearned revenue included in deferred inflows	\$ 2,164,253	-	2,164,253
Total unearned revenue for governmental funds	\$ 2,164,253	-	2,164,253

**Restricted Assets**

The following represent the balances of the restricted assets:

	Restricted Assets
Redemption	\$ 246,040
Replacement	750,000
Impact fees	18,312
Total	\$ 1,014,352

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Long-Term Debt Accounts**

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

**Equipment Replacement Account**

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

**Impact Fee Account**

The Village has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Capital Assets**

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

	Balance 1/1/2024	Additions	Deletions	Balance 12/31/2024
<b>Governmental activities:</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 816,327	-	-	816,327
Construction in progress	270,139	(77,169)	-	192,970
Total capital assets not being depreciated	<u>1,086,466</u>	<u>(77,169)</u>	<u>-</u>	<u>1,009,297</u>
Capital assets being depreciated:				
Land improvements	288,075	6,351	-	294,426
Building	4,541,162	55,279	(3,325)	4,593,116
Equipment	1,771,105	250,700	(17,600)	2,004,205
Library collection	605,432	-	-	605,432
Infrastructure	3,881,390	-	-	3,881,390
Total capital assets being depreciated	<u>11,087,164</u>	<u>312,330</u>	<u>(20,925)</u>	<u>11,378,569</u>
Total capital assets	<u>12,173,630</u>	<u>235,161</u>	<u>(20,925)</u>	<u>12,387,866</u>
Less - accumulated depreciation for:				
Land improvements	(147,743)	(12,245)	-	(159,988)
Building	(700,368)	(106,979)	1,330	(806,017)
Equipment	(1,140,959)	(76,023)	15,760	(1,201,222)
Library collection	(534,277)	(20,989)	-	(555,266)
Infrastructure	(731,381)	(54,360)	-	(785,741)
Total accumulated depreciation	<u>(3,254,728)</u>	<u>(270,595)</u>	<u>17,090</u>	<u>(3,508,233)</u>
Net capital assets being depreciated	<u>7,832,436</u>	<u>41,735</u>	<u>(3,835)</u>	<u>7,870,336</u>
Governmental activities capital assets - Net	<u>\$ 8,918,902</u>	<u>(35,434)</u>	<u>(3,835)</u>	<u>8,879,633</u>

Depreciation expense was charged to functions as follows:

General government	\$ 89,560
Public safety	61,424
Public works	19,822
Culture, recreation and education	<u>99,789</u>
Total depreciation expense - Governmental activities	<u>\$ 270,595</u>

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Capital Assets (Continued)**

	Balance 1/1/2024	Additions/ Reclassifications	Deletions	Balance 12/31/2024
<b>Water</b>				
Capital assets not being depreciated:				
Land	\$ 43,970	-	-	43,970
CWIP	74,036	(74,036)	-	-
Total capital assets not being depreciated	<u>118,006</u>	<u>(74,036)</u>	<u>-</u>	<u>43,970</u>
Capital assets being depreciated:				
Source of supply	388,354	-	-	388,354
Pumping	923,290	-	-	923,290
Water treatment	36,299	-	-	36,299
Transmission & distribution	4,371,000	61,064	(9,627)	4,422,437
General	462,364	240,770	-	703,134
Total capital assets being depreciated	<u>6,181,307</u>	<u>301,834</u>	<u>(9,627)</u>	<u>6,473,514</u>
Total capital assets	<u>6,299,313</u>	<u>227,798</u>	<u>(9,627)</u>	<u>6,517,484</u>
Less - Accumulated depreciation for:				
Water plant	(3,180,395)	(194,874)	9,627	(3,365,642)
Total accumulated depreciation	<u>(3,180,395)</u>	<u>(194,874)</u>	<u>9,627</u>	<u>(3,365,642)</u>
Net capital assets being depreciated	<u>3,000,912</u>	<u>106,960</u>	<u>-</u>	<u>3,107,872</u>
Capital assets - Net	<u>\$ 3,118,918</u>	<u>32,924</u>	<u>-</u>	<u>3,151,842</u>
	Balance 01/01/2023	Additions/ Reclassifications	Deletions	Balance 12/31/2024
<b>Sewer</b>				
Capital assets not being depreciated:				
Land	\$ 21,672	-	-	21,672
Total capital assets not being depreciated	<u>21,672</u>	<u>-</u>	<u>-</u>	<u>21,672</u>
Capital assets being depreciated:				
Collection system	2,999,880	-	-	2,999,880
Collection system pumping	123,827	-	-	123,827
Treatment and disposal	5,713,833	-	-	5,713,833
General	717,108	24,570	-	741,678
Total capital assets being depreciated	<u>9,554,648</u>	<u>24,570</u>	<u>-</u>	<u>9,579,218</u>
Total capital assets	<u>9,576,320</u>	<u>24,570</u>	<u>-</u>	<u>9,600,890</u>
Less - Accumulated depreciation for:				
Sewer plant	(4,880,489)	(249,289)	-	(5,129,778)
Total accumulated depreciation	<u>(4,880,489)</u>	<u>(249,289)</u>	<u>-</u>	<u>(5,129,778)</u>
Net capital assets being depreciated	<u>4,674,159</u>	<u>(224,719)</u>	<u>-</u>	<u>4,449,440</u>
Capital assets - Net	<u>\$ 4,695,831</u>	<u>(224,719)</u>	<u>-</u>	<u>4,471,112</u>

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Capital Assets (Continued)**

Depreciation expense was charged to functions as follows:

Water utility	\$	185,808
Sewer utility		258,355
Total business-type activities depreciation expense	\$	444,163

Depreciation expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations and costs associated with the disposal of assets.

**Interfund Receivables/Payables, Advances and Transfers**

**Interfund Receivables/Payables**

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General fund	Water utility	\$ 79,141
Water utility	General fund	13,148
Water utility	Capital projects	39,057
Sewer utility	General fund	24,290
	Total, fund financial statements	155,636
	Less government-wide eliminations	(158,282)
	Add interfund advances	174,442
	Total internal balances, government-wide statement of net position	\$ 171,796
Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	\$ (79,141)
Business-type activities	Governmental activities	250,937
	Total government-wide financial statements	\$ 171,796

All amounts are due within one year.

The principal purpose of these interfund is to fund ongoing cash flow needs. All remaining balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Advances**

The general fund is advancing funds to TIF No. 3. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedule has been established. The water utility is charging the TIF .09 percent interest on the advance annually.

The water utility is also advancing funds to the debt service fund, general capital projects and TIF No. 6. The amounts advanced are determined by the deficiency of revenues of expenditures and other financing sources. No repayment schedules have been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Water utility	TIF No. 3	\$ (174,442)	174,442
	Total	\$ (174,442)	

**Transfers**

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General fund	ARPA	\$ 18,824	To cover capital outlay expenditures
Debt service fund	TIF No. 3	439,348	Annual principal and interest payments on outstanding debt
Debt service fund	TIF No. 5	554	Annual principal and interest payments on outstanding debt
Debt service fund	EMS/Fire Impact	4,595	Impact Fee
General fund	Water Utility	50,126	Tax equivalent
General fund	Sewer Utility	1,406	Tax equivalent
Total transfers in, fund financial statements		514,853	
Less:			
Governmental funds elimination		(463,321)	
Total transfers, government-wide statement of activities		\$ 51,532	

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) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Long-Term Obligation**

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

	<u>Balance</u> <u>1/1/2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2024</u>	<u>Amounts Due</u> <u>Within One Year</u>
<b><u>Governmental activities:</u></b>					
Bonds and notes payable:					
General obligation debt	\$ 3,708,010	-	(337,244)	3,370,766	319,456
General obligation notes from direct borrowings and direct placements	869,584	115,637	(242,181)	743,040	258,182
(Discouts) Premiums	66,170	-		66,170	-
Total bonds and notes payable	<u>4,643,764</u>	<u>115,637</u>	<u>(579,425)</u>	<u>4,179,976</u>	<u>577,638</u>
Other liabilities:					
Vested compensated absences	103,567	-	(34,546)	69,021	3,764
Total long-term liabilities	<u>\$ 4,747,331</u>	<u>115,637</u>	<u>(613,971)</u>	<u>4,248,997</u>	<u>581,402</u>
	<u>Balance</u> <u>1/1/2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2024</u>	<u>Amounts Due</u> <u>Within One Year</u>
<b><u>Business-type activities:</u></b>					
Bonds and notes payable:					
General obligation bonds	\$ 156,990	-	(27,756)	129,234	40,544
Revenue bonds from direct borrowings and direct placements	182,386	-	(28,433)	153,953	29,191
Total bonds and notes payable	<u>\$ 339,376</u>	<u>-</u>	<u>(56,189)</u>	<u>283,187</u>	<u>69,735</u>
Other liabilities:					
Vested compensated absences	27,342	26,904		54,246	4,611
Total long-term liabilities	<u>\$ 366,718</u>	<u>26,904</u>	<u>(56,189)</u>	<u>337,433</u>	<u>74,346</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5 percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2024 was \$18,217,150. Total general obligation debt outstanding at year-end was \$4,243,040.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

All general obligation debt payable is backed by the full faith and credit of the Village. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. 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.

**Governmental Activities**

Type	Date of Issue	Final Maturity	Interest Rates (%)	Original Indebtedness	Balance Outstanding 12/31/2024
2015A G.O. Promissory Notes	12/3/2015	8/1/2025	0.70 - 2.40	\$ 1,090,000	\$ 50,000
2016A G.O. Corporate Purpose Bonds	5/26/2016	2/1/2028	1.0 - 2.20	1,495,000	630,000
2018A G.O. Promissory Notes	5/30/2018	8/1/2027	2.25 - 2.95	355,000	125,766
2023A G.O. Corporate Purpose Bonds	10/18/2023	6/1/2042	5%	2,640,000	2,565,000
2020 State Trust Fund Loan - direct placement	6/19/2020	3/15/2026	2.75	1,400,000	488,756
2021 G.O. Promissory Notes - direct placement	6/28/2021	8/15/2026	2.75	185,295	108,859
2023 G.O. Promissory Note - direct placement	6/12/2023	8/15/2033	5.50	32,000	29,788
2024 G.O. Promissory Note - direct placement	9/6/2024	9/1/2034	5.50	115,637	115,637
Total governmental activities, general obligation debt					<u>\$ 4,113,806</u>

**Business-Type Activities**

Type	Date of Issue	Final Maturity	Interest Rates (%)	Original Indebtedness	Balance Outstanding 12/31/2024
2018A G.O. Promissory Notes	5/30/2018	8/1/2027	2.25 - 2.95	\$ 330,000	\$ 129,234
Total business-type activities, general obligation debt					<u>\$ 129,234</u>

Debt service requirements to maturity are as follows:

Years	Governmental activities General Obligation Debt		Business-type activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2025	\$ 577,638	167,929	40,544	3,731
2026	565,084	154,313	43,078	2,616
2027	312,206	137,131	45,612	1,345
2028	313,514	123,971	-	-
2029	174,281	113,804	-	-
2030-2034	896,083	434,324	-	-
2035-2039	800,000	218,750	-	-
2040-2044	475,000	34,625	-	-
Totals	<u>\$ 4,113,806</u>	<u>1,384,847</u>	<u>129,234</u>	<u>7,692</u>

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Business-Type Activities (Continued)**

Years	Governmental Activities Bonds and Promissory Notes from Direct Borrowings and Direct Placements	
	Principal	Interest
2025	\$ 258,182	23,748
2026	363,162	17,012
2027	12,818	6,767
2028	13,514	6,071
2029	14,281	5,304
2030-2034	81,083	13,699
Totals	\$ 743,040	72,601

**Revenue Debt**

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and sewer utilities.

The water utility has pledged future customer revenues, net of specified operating expenses, to repay revenue bonds issued in 2010. Proceeds from the bonds provided financing for the water plant. The bonds are payable solely from water utility revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require 8.00 percent of net revenues.

	Date of Issue	Final Maturity	Interest Rates (%)	Original Indebtedness	Balance Outstanding 12/31/2024
Water Utility					
Revenue bonds	1/10/2010	5/1/2029	2.67%	\$ 489,962	\$ 153,953
					Total business-type activities, revenue debt \$ 153,953

Debt service requirements to maturity are as follows:

Years	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	Principal	Interest
2025	\$ 29,191	3,718
2026	29,970	2,929
2027	30,769	2,119
2028	31,590	1,287
2029	32,433	433
2030-2034	-	-
Totals	\$ 153,953	10,486

**VILLAGE OF DEERFIELD  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Lessor, Operating Leases**

On 01/01/2022, Village of Deerfield, Wisconsin implemented GASB 87 for a 25 year lease as Lessor for the use of Land - Cell Tower originally entered into on 4/1/2006. The lease will reach maturity on 3/31/2026 with an effective interest rate of 1.99%. An initial lease receivable was recorded in the amount of \$71,222. As of 12/31/2024, the value of the lease receivable is \$21,576. The lessee is required to make monthly payments of \$1,457. The leased asset is land, which is not subject to depreciation. The value of the deferred inflow of resources as of 12/31/2022 was \$37,706, and the Village recognized lease revenue of \$16,758 during the fiscal year.

Leases receivable and Deferred inflow of resources related to leases as of December 31, 2024 is as follows:

<b>GOVERNMENTAL ACTIVITIES:</b>	<u>Balance as of January 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of December 31, 2024</u>
<u>Lease Receivable</u>				
Cell Tower Lease	\$ 38,452	\$ -	\$ 16,876	\$ 21,576

<b>GOVERNMENTAL ACTIVITIES:</b>	<u>Balance as of January 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of December 31, 2022</u>
<u>Deferred Inflow of Resources</u>				
Cell Tower Lease	\$ 37,706	\$ -	\$ 16,758	\$ 20,948

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

**Net Position/Fund Balances**

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

***Governmental Activities:***

Net investment in capital assets:

Land	\$ 816,327
Construction in progress	192,970
Other capital assets, net of accumulated depreciation	7,870,336
Less - long-term debt outstanding	(4,179,976)
Add - loss on refunding	<u>40,379</u>
Total net invested in capital assets	4,740,036

Restricted

Economic development	119,851
Business improvement district	22,397
Parkland dedication	18,312
Community development	44,836
Library	62,019
Capital projects	<u>335,232</u>
Total restricted	602,647

Unrestricted

	<u>937,793</u>
Total governmental activities net position	<u><u>\$ 6,280,476</u></u>

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**Governmental Funds**

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

	General Fund	Debt Service	TIF No. 3	General Capital Projects	Nonmajor Funds	Total
<b>Nonspendable:</b>						
Community development	\$ 3,787	\$ -	\$ -	\$ -	\$ 527,649	\$ 531,436
	<u>3,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>527,649</u>	<u>531,436</u>
<b>Restricted for:</b>						
Economic development	-	-	-	-	119,851	119,851
Business improvement district	-	-	-	-	22,397	22,397
Parkland dedication	-	-	-	-	18,312	18,312
Library	-	-	-	-	62,019	62,019
Capital projects	-	-	316,045	-	19,187	335,232
Community Development	-	-	-	-	44,836	44,836
Debt service	-	35,701	-	-	-	35,701
ARPA	-	-	-	-	-	-
Total restricted fund balances	<u>-</u>	<u>35,701</u>	<u>316,045</u>	<u>-</u>	<u>286,602</u>	<u>638,348</u>
<b>Committed to:</b>						
Cable commission	-	-	-	-	87,266	87,266
Total governmental fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,266</u>	<u>87,266</u>
<b>Assigned to:</b>						
Unspent portion of terminated TID #2 increment for future projects	26,223	-	-	-	-	26,223
Total assigned fund balances	<u>26,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,223</u>
<b>Unassigned (Deficit):</b>	<u>230,638</u>	<u>-</u>	<u>-</u>	<u>80,799</u>	<u>(13,557)</u>	<u>297,880</u>
Total governmental fund balances	<u>\$ 260,648</u>	<u>\$ 35,701</u>	<u>\$ 316,045</u>	<u>\$ 80,799</u>	<u>\$ 887,960</u>	<u>\$ 1,581,153</u>

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 3     DETAILED NOTES ON ALL FUNDS (Continued)**

Net investment in capital assets:	
Other capital assets, net of accumulated depreciation	\$ 7,622,954
Less - Capital related accounts payable	(24,569)
Less - Long-term debt outstanding	(283,187)
Total net investment in capital assets	7,315,198
Restricted	
Equipment replacement	750,000
Redemption account	216,849
Total restricted	966,849
Unrestricted	
Total business-type activities net position	\$ 14,106,612

**Note 4     DEFINED BENEFIT PENSION**

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

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

**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.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4     DEFINED BENEFIT PENSION (Continued)**

**Benefits Provided**

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

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

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

**Post-Retirement Adjustments**

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

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4     DEFINED BENEFIT PENSION (Continued)**

**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 \$41,644 in contributions from the employer.

Contribution rates as of December 31, 2023 are:

	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives, and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

**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 \$43,524 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 0.00292741%, which was a decrease of 0.00008049% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense (benefit) of \$30,205.

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

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4    DEFINED BENEFIT PENSION (Continued)**

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
<b>Cost-Sharing Multiple-Employer Pension Plan:</b>		
Differences between expected and actual experience	\$ 175,492	\$ 232,440
Changes in assumptions	18,971	-
Net differences between projected and actual earnings on pension plan investments	151,677	-
Changes in proportionate and difference between employer contributions and proportionate share of contributions	755	278
Employer contributions subsequent to the measurement date	41,664	-
Total - costing-sharing multiple-employer pension plan	\$ 388,559	\$ 232,718

\$41,664 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, 2024.

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

Measurement Year Ended December 31:	Deferred Outflow of Resources	Deferred Inflow of Resources
2025	\$ 139,424	\$ 102,601
2026	113,554	81,302
2027	90,389	34,169
2028	3,528	14,646
Thereafter	-	-
Total	\$ 346,895	\$ 232,718

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4     DEFINED BENEFIT PENSION (Continued)**

**Actuarial Assumptions**

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

Actuarial Valuation Date:	December 31, 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:	
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.

*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 arithmetic real rates of return for each major asset class are summarized in the following table:

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4     DEFINED BENEFIT PENSION (Continued)**

**Actuarial Assumptions (Continued)**

<u>Core Fund Asset Class</u>	Current Asset Allocation	Long-Term	
		Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Public Equity	40.0%	7.3%	4.5%
Public Fixed Income	27.0%	5.8%	3.0%
Inflation Sensitive	19.0%	4.4%	1.7%
Real Estate	8.0%	5.8%	3.0%
Private Equity/Debt	18.0%	9.6%	6.7%
Leverage	<u>-12.0%</u>	3.7%	1.0%
Total Core Fund	<u><u>100.0%</u></u>	7.4%	4.6%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.8%	4.0%
International Equities	<u>30.0%</u>	7.6%	4.8%
Total Variable Fund	<u><u>100.0%</u></u>	7.3%	4.5%

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

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

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 up to 20%.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 4     DEFINED BENEFIT PENSION (Continued)**

**Actuarial Assumptions (Continued)**

*Single Discount Rate.* A single discount rate of 6.8% was used to measure the Total Pension Liability for the prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% 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 AAIndex” 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 City’s proportionate share of the net pension liability (asset) to changes in the discount rate.* The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the City’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 (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
District's proportionate share of the net pension liability (asset)	\$     420,689	\$     43,524	\$    (220,392)

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

**Payables to the pension plan**

As of December 31, 2024 the Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 5 RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

**Note 6 COMMITMENTS AND CONTINGENCIES**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

The Village has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

In 2019, the Village issued a municipal revenue obligation in the amount of \$425,000 less Village costs leaving a commitment of \$415,000. This is payable solely from the tax increments collected from a specific portion of development in TID No. 6. The balance of the commitment outstanding at December 31, 2024 was \$410,867 and there were developer payments of \$4,133 during 2024.

In 2021, the Village entered into a development agreement which provides that upon the developer meeting certain conditions, the developer may request and the Village issued two municipal revenue obligations in the amounts of \$379,894 and \$569,675 for phase one and phase two respectively, which are payable to the developer solely from tax increments collected from a specific portion of the development in TIF No. 7. Payments of tax increment are anticipated to be made through year 2033, subject the performance of TID No. 7 matching expectations. The obligation does not constitute a charge upon any funds of the Village. If future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the Village on the statutory termination date of TID No. 7 plus any requested and permitted extension of TID No. 7. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at December 31, 2024 was \$356,086 and \$553,808 for phase one and phase two respectively. Phases one and two have been completed at the end of 2024, and a second payment for phase one totaling \$18,047 and a first payment for phase two totaling \$15,867 were paid to the developer during 2024.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 7     JOINT VENTURES**

**Deerfield Area Joint Fire Department**

The Village of Deerfield and the Town of Deerfield jointly operate the local fire commission, which is called the Deerfield Area Joint Fire Department (district) and provides fire protection. The communities share in the operation of the district based on the percentage of total equalized value.

The governing body is made up of citizens from each community. Local representatives are appointed by the Village Board. The governing body has authority to adopt its own budget and control the financial affairs of the district. The Village is obligated by the joint venture agreement to remit an amount annually to the district. The Village made a payment to the district of \$109,093 in 2024.

Financial information of the fire commission as of December 31, 2024 is available directly from the fire commission's office.

The Village does not have an equity interest in the fire commission.

**Deer-Grove EMS**

The Village of Deerfield, Village of Cottage Grove and Town of Cottage Grove jointly operate the Deer-Grove EMS which provides emergency medical service.

The governing body is made up of citizens from each community. Local representatives are appointed by the Village board. The governing body has authority to adopt its own budget and control the financial affairs of the district. The Village made a payment of \$168,829 for the 2024 levy.

Financial information of the district as of December 31, 2024, is available directly from the Deer- Grove EMS office.

The Village does not have an equity interest in the EMS.

The transactions of the commission and district are not reflected in these financial statements.

**VILLAGE OF DEERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2024**

**Note 8 STA-RITE SETTLEMENT**

One of the utility's wells tested positive for contaminants. The well was removed from active service in 1993. In November 1998, the municipality and Sta-Rite Industries, Inc. entered into a settlement agreement and release related to the contamination. The agreement calls for, among other things, the following payments from Sta-Rite to the municipality.

<u>Municipality</u>	<u>Interest Adjustment</u>	<u>Payment 11/30</u>
2025	\$ 9,259	\$ -
2026	9,796	-
2027	10,364	-
2028	10,966	200,000
Total	<u>\$ 40,385</u>	<u>\$ 200,000</u>

**Note 9 DONOR-RESTRICTED ENDOWMENTS**

The Community Development fund is a permanent fund. It is used to report resources that are legally restricted to the extent that only earnings and not principal, may be used for purposes that support the Village's programs, that is, for the benefit of the government or its citizenry. Under the terms of the endowment, the Village is authorized, based on a total-return policy, to spend the net appreciated of the endowment. At December 31, 2024 accumulated available net appreciation of \$44,836 is reported as restricted fund balance.

**Note 10 RESTATEMENT FOR CORRECTION OF ERROR**

The beginning fund balances of the Water Utility Fund and General Fund have been restated in the fund financial statements to correct an error related to an overstatement of capital asset meter additions that occurred in 2023. This misstatement resulted in the overstatement of \$22,904 of Water Utility Fund assets.

The beginning balance of the Governmental Activities has been restated in the Statement of Net Position to correct an error related to an understatement of \$20,912 due to two vehicles not being placed in service during 2023. The original cost of the vehicles totaled \$139,367 and have been fully depreciated as of December 31, 2024.

**VILLAGE OF DEERFIELD**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**December 31, 2024**

**VILLAGE OF DEERFIELD**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**For Year Ended December 31, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:				
Taxes	\$ 789,060	\$ 789,060	\$ 789,844	784
Special assessments	1,100	1,100	-	(1,100)
Intergovernmental revenues	392,473	392,473	393,759	1,286
Licenses and permits	68,750	68,750	138,994	70,244
Fines, forfeitures and penalties	5,500	5,500	5,079	(421)
Public charges for services	159,550	159,550	157,655	(1,895)
Investment earnings	51,111	51,111	169,399	118,288
Other	10,700	10,700	69,867	59,167
Total revenues	<u>1,478,244</u>	<u>1,478,244</u>	<u>1,724,597</u>	<u>246,353</u>
Expenditures:				
Current:				
General government	409,345	409,345	377,080	32,265
Public safety	701,737	701,737	723,052	(21,315)
Public works	555,554	555,554	522,636	32,918
Culture, recreation, and education	67,574	67,574	90,684	(23,110)
Conservation and development	33,184	33,184	21,959	11,225
Interest and other charges	-	-	1,000	(1,000)
Capital outlay	-	-	191,343	(191,343)
Total expenditures	<u>1,767,394</u>	<u>1,767,394</u>	<u>1,927,754</u>	<u>(160,360)</u>
Excess of revenues over (under) expenditures	<u>(289,150)</u>	<u>(289,150)</u>	<u>(203,157)</u>	<u>85,993</u>
Other financing sources:				
Proceeds from long-term debt	-	-	115,637	115,637
Transfers in	150,123	150,123	70,356	(79,767)
Net other financing sources	<u>150,123</u>	<u>150,123</u>	<u>185,993</u>	<u>35,870</u>
Change in fund balance	(139,027)	(139,027)	(17,164)	121,863
Fund balance at beginning	<u>277,812</u>	<u>277,812</u>	<u>277,812</u>	<u>-</u>
Fund balance at end	<u>\$ 138,785</u>	<u>\$ 138,785</u>	<u>\$ 260,648</u>	<u>\$ 121,863</u>

See notes to required supplementary information.

**VILLAGE OF DEERFIELD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION- BUDGETARY COMPARISON**  
**SCHEDULE**  
**December 31, 2024**

**Note 1      EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The Village controls expenditures at the department level. Some individual line items experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's preceding schedule of revenues, expenditures and changes in fund balances – budget and actual for the year ended December 31, 2024.

**VILLAGE OF DEERFIELD**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
Year Ended December 31, 2024

**SCHEDULE OF VILLAGE'S PROPORTIONATE SHARE OF NET PENSION  
LIABILITY (ASSET) COST-SHARING MULTIPLE EMPLOYER PENSION PLAN**

Last 10 Fiscal Years

WRS Fiscal <u>year-end</u>	Proportion of the net pension <u>liability (asset)</u>	Proportionate share of the net pension <u>liability (asset)</u>	Covered <u>payroll</u>	Proportionate share of the net pension liability (asset) as a percentage <u>of covered payroll</u>	Plan fiduciary net position as a percentage of the total pension <u>liability (asset)</u>
12/31/2023	0.0029274%	\$ 43,524	\$ 542,984	8.02%	98.85%
12/31/2022	0.0030079%	\$ 159,349	\$ 546,363	29.17%	95.72%
12/31/2021	0.0030346%	(244,594)	516,286	-47.38%	106.02%
12/31/2020	0.0030775%	(192,133)	503,746	-38.14%	105.26%
12/31/2019	0.0030753%	(99,071)	496,431	-19.96%	102.96%
12/31/2018	0.0030537%	108,641	479,673	22.65%	96.45%
12/31/2017	0.3008300%	(89,318)	444,726	-20.08%	102.93%
12/31/2016	0.0030743%	25,340	440,106	5.76%	99.12%
12/31/2015	0.0030938%	50,273	424,309	11.85%	98.20%
12/31/2014	0.3201020%	(78,626)	446,461	-17.61%	102.74%

**SCHEDULE OF VILLAGE'S CONTRIBUTIONS  
COST-SHARING MULTIPLE-EMPLOYER PENSION PLAN**

Last 10 Fiscal Years

Fiscal <u>year-end</u>	Contractually required <u>contributions</u>	Contributions in relation to the contractually required <u>contributions</u>	Contribution deficiency <u>(excess)</u>	Covered <u>payroll</u>	Contributions as a percentage of covered <u>payroll</u>
12/31/2024	\$ 41,664	\$ 41,664	\$ -	\$ 603,829	6.90%
12/31/2023	36,923	36,923	-	542,984	6.80%
12/31/2022	35,521	35,521	-	546,363	6.50%
12/31/2021	34,848	34,848	-	516,286	6.75%
12/31/2020	34,849	34,849	-	503,746	6.92%
12/31/2019	34,003	34,003	-	496,431	6.85%
12/31/2018	32,516	32,516	-	479,673	6.78%
12/31/2017	32,138	32,138	-	444,726	7.23%
12/31/2016	30,241	30,241	-	440,106	6.87%
12/31/2015	29,047	29,047	-	424,309	6.85%

See accompanying notes to the Village's proportionate share of net pension liability (asset) and contribution schedules.

**VILLAGE OF DEERFIELD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – SCHEDULES OF**  
**VILLAGE’S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) AND**  
**CONTRIBUTIONS**  
**December 31, 2024**

**Note 1      DISCLOSURE OF CHANGES OF BENEFIT TERMS AND ASSUMPTIONS**

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

*Changes of assumptions:*

Based on a three-year 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 DEERFIELD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – SCHEDULES OF**  
**VILLAGE’S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) AND**  
**CONTRIBUTIONS**  
**December 31, 2024**

**Note 2      DISCLOSURE OF SIGNIFICANT ASSUMPTIONS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
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 DEERFIELD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – SCHEDULES OF**  
**VILLAGE’S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) AND**  
**CONTRIBUTIONS**  
**December 31, 2024**

**Note 2      DISCLOSURE OF SIGNIFICANT ASSUMPTIONS (Continued)**

	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.

\*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 DEERFIELD  
SUPPLEMENTARY INFORMATION  
December 31, 2024**

**VILLAGE OF DEERFIELD  
BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
December 31, 2024**

	Special Revenue Funds						
	Economic Development Fund	Cable Commission Fund	Business Improvement District Fund	Parkland Dedication Fund	Library Fund	EMS/Fire Impact Funds	ARPA Fund
<b>ASSETS</b>							
Cash and investments	\$ 119,851	\$ 84,891	\$ 22,397	\$ -	\$ 71,318	\$ -	\$ -
Receivables (net):							
Taxes	-	-	29,000	-	173,000	-	-
Accounts	-	5,473	-	-	-	-	-
Restricted cash investments	-	-	-	18,312	-	-	-
Total assets	<u>119,851</u>	<u>90,364</u>	<u>51,397</u>	<u>18,312</u>	<u>244,318</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>							
Liabilities:							
Accounts payable	-	-	-	-	3,785	-	-
Accrued liabilities	-	3,098	-	-	5,514	-	-
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>3,098</u>	<u>-</u>	<u>-</u>	<u>9,299</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Unearned revenues	<u>-</u>	<u>-</u>	<u>29,000</u>	<u>-</u>	<u>173,000</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted for:							
Nonspendable	-	-	-	-	-	-	-
Restricted	119,851	-	22,397	18,312	62,019	-	-
Committed	-	87,266	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>119,851</u>	<u>87,266</u>	<u>22,397</u>	<u>18,312</u>	<u>62,019</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 119,851</u>	<u>\$ 90,364</u>	<u>\$ 51,397</u>	<u>\$ 18,312</u>	<u>\$ 244,318</u>	<u>\$ -</u>	<u>\$ -</u>

**VILLAGE OF DEERFIELD  
BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (Continued)  
December 31, 2024**

	Capital Projects Funds						Permanent Fund	Total Nonmajor Funds
	2012 Borrowing Fund	2013 Borrowing Fund	TIF No. 4	TIF No. 5	TIF No. 6	TIF No. 7	Community Development	
<b>ASSETS</b>								
Cash and investments	\$ 3,685	\$ 10,030	\$ (142)	\$ (3,583)	\$ (5,699)	\$ 39,386	\$ 572,485	\$ 914,619
Receivables (net):								
Taxes	-	-	-	6,997	19,622	48,600	-	277,219
Accounts	-	-	-	-	-	-	-	5,473
Restricted cash investments	-	-	-	-	-	-	-	18,312
<b>Total assets</b>	<u>3,685</u>	<u>10,030</u>	<u>(142)</u>	<u>3,414</u>	<u>13,923</u>	<u>87,986</u>	<u>572,485</u>	<u>1,215,623</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>								
Liabilities:								
Accounts payable	-	-	-	-	4,133	33,914	-	41,832
Accrued liabilities	-	-	-	-	-	-	-	8,612
Unearned revenues	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,133</u>	<u>33,914</u>	<u>-</u>	<u>50,444</u>
Deferred inflows of resources								
Unearned revenues	-	-	-	6,997	19,622	48,600	-	277,219
Fund balances (deficits):								
Restricted for:								
Nonspendable	-	-	-	-	-	-	527,649	527,649
Restricted	3,685	10,030	-	-	-	5,472	44,836	286,602
Committed	-	-	-	-	-	-	-	87,266
Unassigned	-	-	(142)	(3,583)	(9,832)	-	-	(13,557)
<b>Total fund balances</b>	<u>3,685</u>	<u>10,030</u>	<u>(142)</u>	<u>(3,583)</u>	<u>(9,832)</u>	<u>5,472</u>	<u>572,485</u>	<u>887,960</u>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<u>\$ 3,685</u>	<u>\$ 10,030</u>	<u>\$ (142)</u>	<u>\$ 3,414</u>	<u>\$ 13,923</u>	<u>\$ 87,986</u>	<u>\$ 572,485</u>	<u>\$ 1,215,623</u>

**VILLAGE OF DEERFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**For Year Ended December 31, 2024**

	Special Revenue Funds						
	Economic Development Fund	Cable Commission Fund	Business Improvement District Fund	Parkland Dedication Fund	Library Fund	EMS/Fire Impact Funds	ARPA Fund
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 4,206	\$ 173,000	\$ -	\$ -
Special assessments	-	-	29,000	-	-	-	-
Intergovernmental	-	5,769	-	-	73,718	-	8,234
Licenses and permits	-	27,173	-	-	-	4,074	-
Fines, forfeitures and penalties	-	-	-	-	496	-	-
Public charges for services	-	3,200	-	-	-	-	-
Investment earnings (loss)	3,437	2,128	382	404	(63)	521	1,989
Miscellaneous revenue	-	2,500	-	-	9,481	-	-
Total revenues	<u>3,437</u>	<u>40,770</u>	<u>29,382</u>	<u>4,610</u>	<u>256,632</u>	<u>4,595</u>	<u>10,223</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	1,200	-	-	-	-
Culture, recreation and education	-	20,222	-	-	239,904	-	-
Conservation and development	-	-	18,723	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>20,222</u>	<u>19,923</u>	<u>-</u>	<u>239,904</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over under expenditures	<u>3,437</u>	<u>20,548</u>	<u>9,459</u>	<u>4,610</u>	<u>16,728</u>	<u>4,595</u>	<u>10,223</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers out	-	-	-	-	-	(4,595)	(18,824)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,595)</u>	<u>(18,824)</u>
Net change in fund balance	3,437	20,548	9,459	4,610	16,728	-	(8,601)
Fund balance - Beginning of year	<u>116,414</u>	<u>66,718</u>	<u>12,938</u>	<u>13,702</u>	<u>45,291</u>	<u>-</u>	<u>8,601</u>
Fund balance - End of year	<u>\$ 119,851</u>	<u>\$ 87,266</u>	<u>\$ 22,397</u>	<u>\$ 18,312</u>	<u>\$ 62,019</u>	<u>\$ -</u>	<u>\$ -</u>

**VILLAGE OF DEERFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**For Year Ended December 31, 2024**

	Capital Projects Funds						Permanent Fund	Total Nonmajor Funds
	2012 Borrowing Fund	2013 Borrowing Fund	TIF No. 4	TIF No. 5	TIF No. 6	TIF No. 7	Community Development	
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ 6,439	\$ 18,057	\$ 44,725	\$ -	\$ 246,427
Special assessments	-	-	-	-	-	-	-	29,000
Intergovernmental	-	-	-	-	-	-	-	87,721
Licenses and permits	-	-	-	-	-	-	-	31,247
Fines, forfeitures and penalties	-	-	-	-	-	-	-	496
Public charges for services	-	-	-	-	-	-	-	3,200
Investment earnings (loss)	-	-	-	-	-	-	26,698	35,496
Miscellaneous revenue	-	-	-	-	-	-	-	11,981
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,439</u>	<u>18,057</u>	<u>44,725</u>	<u>26,698</u>	<u>445,568</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	142	-	4,133	132	-	5,607
Culture, recreation and education	-	-	-	-	-	-	-	260,126
Conservation and development	-	-	-	142	-	33,914	13,281	66,060
Capital Outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>142</u>	<u>142</u>	<u>4,133</u>	<u>34,046</u>	<u>13,281</u>	<u>331,793</u>
Excess (deficiency) of revenues over under expenditures	<u>-</u>	<u>-</u>	<u>(142)</u>	<u>6,297</u>	<u>13,924</u>	<u>10,679</u>	<u>13,417</u>	<u>113,775</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers out	-	-	-	(554)	-	-	-	(23,973)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(554)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,973)</u>
Net change in fund balance	-	-	(142)	5,743	13,924	10,679	13,417	89,802
Fund balance - Beginning of year	<u>3,685</u>	<u>10,030</u>	<u>-</u>	<u>(9,326)</u>	<u>(23,756)</u>	<u>(5,207)</u>	<u>559,068</u>	<u>798,158</u>
Fund balance - End of year	<u>\$ 3,685</u>	<u>\$ 10,030</u>	<u>\$ (142)</u>	<u>\$ (3,583)</u>	<u>\$ (9,832)</u>	<u>\$ 5,472</u>	<u>\$ 572,485</u>	<u>\$ 887,960</u>

**FORM OF LEGAL OPINION**

(See following pages)

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

March 26, 2026

Re: Village of Deerfield, Wisconsin ("Issuer")  
\$1,185,000 General Obligation Promissory Notes, Series 2026A,  
dated March 26, 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 the dates and in the principal amounts as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
08/01/2027	\$25,000	___%
08/01/2028	45,000	___
08/01/2029	45,000	___
08/01/2030	45,000	___
08/01/2031	50,000	___
08/01/2032	50,000	___
08/01/2033	50,000	___
08/01/2034	55,000	___
08/01/2035	55,000	___
08/01/2036	55,000	___
08/01/2037	60,000	___
08/01/2038	60,000	___
08/01/2039	65,000	___
08/01/2040	65,000	___
08/01/2041	70,000	___
08/01/2042	70,000	___
08/01/2043	75,000	___
08/01/2044	80,000	___
08/01/2045	80,000	___
02/01/2046	85,000	___

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

The Notes maturing on August 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on August 1, 2034 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

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

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

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

### BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

(See following pages)

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Deerfield, Dane County, Wisconsin (the "Issuer") in connection with the issuance of \$1,185,000 General Obligation Promissory Notes, Series 2026A, dated March 26, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 9, 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](http://www.emma.msrb.org) in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated March 9, 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 Deerfield, Dane County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Administrator-Treasurer of the Issuer who can be contacted at Village Hall, 23 West Nelson Street, Deerfield, Wisconsin 53531, phone (608) 764-5404, fax (608) 764-5807.

"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 26th day of March, 2026.

---

Kerri Hewitt  
President

(SEAL)

---

Brandon Gingher  
Village Clerk-Deputy Treasurer

**NOTICE OF SALE**

**\$1,185,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A  
VILLAGE OF DEERFIELD, WISCONSIN**

Bids for the purchase of \$1,185,000\* General Obligation Promissory Notes, Series 2026A (the "Notes") of the Village of Deerfield, 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 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on March 9, 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 7:00 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 road projects and the acquisition of a fire truck and public works equipment. 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 March 26, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on August 1 in the years 2027-2045 and February 1, 2046 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$25,000	2034	\$55,000	2041	\$70,000
2028	45,000	2035	55,000	2042	70,000
2029	45,000	2036	55,000	2043	75,000
2030	45,000	2037	60,000	2044	80,000
2031	50,000	2038	60,000	2045	80,000
2032	50,000	2039	65,000	2046	85,000
2033	50,000	2040	65,000		

**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 February 1 and August 1 of each year, commencing February 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 August 1, 2035 shall be subject to optional redemption prior to maturity on August 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 March 26, 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 \$1,170,187.50, nor more than \$1,303,500 plus accrued interest on the principal sum of \$1,185,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com); or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

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

**A good faith deposit ("Deposit") in the amount of \$23,700 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 (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5<sup>th</sup>) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-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 Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Village Board

Brandon Gingher, Village Clerk  
Village of Deerfield, Wisconsin

# BID FORM

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

March 9, 2026

RE: \$1,185,000\* General Obligation Promissory Notes, Series 2026A (the "Notes")  
DATED: March 26, 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 \$1,170,187.50, nor more than \$1,303,500) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows: (Note, maturities are payable on August 1 in the years 2027-2045 and February 1, 2046.)

_____ % due 2027	_____ % due 2034	_____ % due 2041
_____ % due 2028	_____ % due 2035	_____ % due 2042
_____ % due 2029	_____ % due 2036	_____ % due 2043
_____ % due 2030	_____ % due 2037	_____ % due 2044
_____ % due 2031	_____ % due 2038	_____ % due 2045
_____ % due 2032	_____ % due 2039	_____ % due 2046
_____ % due 2033	_____ % due 2040	

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

*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 \$23,700 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 March 26, 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 March 26, 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 Board of the Village of Deerfield, Wisconsin, on March 9, 2026.

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